

TEN REASONS TO CHOOSE THE PRINCIPAL FINANCIAL GROUP® FOR YOUR EMPLOYER-SPONSORED RETIREMENT PLAN

Our value promise: We work to motivate and inspire positive financial actions that can achieve measurable results toward your retirement plan goals.

1. GLOBAL, DIVERSIFIED FINANCIAL SERVICES



- ▶ Venerable – More than 130 years of experience
- ▶ Fortune 500 company
- ▶ \$591.6 billion in assets under management¹

2. RETIREMENT IS THE HEART OF THE BUSINESS



- ▶ Retirement operations account for more than 96% of assets under management¹
- ▶ Over 5 million plan participants served¹
- ▶ Greater than 70 years of experience in retirement plan services

3. POWERFUL PARTICIPANT EDUCATION



- ▶ **Know Your Score:** Every participant has a Retirement Wellness Score easily viewable and quickly adjustable on the participant website
- ▶ Printed materials and mobile-ready online tools available to help meet participant education needs throughout life stages
- ▶ Periodic online participant e-magazine delivered directly to inboxes
- ▶ Interactive voice response system and access to live world-class telephone support



4. FOCUS ON CLIENT SERVICE



- ▶ A national presence – more than 50 local support offices
- ▶ Over 3,600 employees dedicated to retirement plan services.¹
- ▶ 90% overall satisfaction with client service team.²
- ▶ A written Service Warranty providing you with a level of indemnification, at no additional fee*

5. OUTCOME-BASED RETIREMENT INVESTMENT EXPERTISE

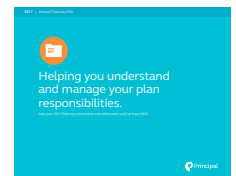


- ▶ Investment options that seek to address three key risks: volatility, inflation and longevity
- ▶ Global investment management means access to institutional-quality* investment options
- ▶ Multi-boutique strategy of investment managers provides an expanded range of investment capabilities and a deeper degree of specialization

6. FIDUCIARY SUPPORT



- ▶ Fiduciary Handbook
- ▶ Annual Fiduciary File
- ▶ Information, tools, services and communication assistance to help make your fiduciary responsibility easier



7. FULL SPECTRUM OF CAPABILITIES



- ▶ Principal Total Retirement SuiteSM offers total retirement solutions with the four main types of employer-sponsored retirement plans
- ▶ Two service options:
 - Full-service bundled
 - Full-service with a third party administrator (TPA)
- ▶ Among the leading service providers in all four plan types³

DEFINED CONTRIBUTION PLANS

DEFINED BENEFIT PLANS

NONQUALIFIED PLANS

EMPLOYEE STOCK OWNERSHIP PLANS

8. INNOVATIVE TECHNOLOGY ON YOUR SIDE



- ▶ Named to InformationWeek magazine's list of Top 500 IT Innovators for 17 consecutive years
- ▶ Award-winning defined contribution plan sponsor and participant website (Dalbar 2nd Quarter 2014 WebMonitor Program)
- ▶ Commitment to ongoing cyber security to protect against threats to data
- ▶ Express ProcessingSM: A proprietary recordkeeping system for retirement plan data keeps internal and external information up-to-date and accurate

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9. ACCESS TO ONLINE DATA MANAGEMENT



- ▶ On principal.com, you can:
 - Easily manage plan and participant data through a convenient and secure interface
 - Conduct plan administrative tasks online
 - Track participants' eligibility and key enrollment dates
 - Review retirement plan reports
 - Integrate with your payroll service provider

10. INVESTMENT FIDUCIARY SUPPORT AND SERVICES



- ▶ We make available a range of investment fiduciary support and services
 - Principal Life provides support to cover the fiduciary concerns regarding Qualified Default Investment Alternatives (QDIA) and prudent monitoring and selection through the due diligence process for Sub-Advised Investment Option managers
 - Principal Life also provides plan sponsors and financial professionals a level of indemnification protection through our due diligence and third party fiduciary services⁵

¹The Principal Financial Group, as of June 30, 2016

²The Principal Financial Group, as of Dec 2016

³Based on number of recordkeeping plans, PLANSPONSOR Recordkeeping Survey, June 2016. Based on total number of NQDC plans, PLANSPONSOR NQDC 2015 Buyer's Guide, July 2015. Based on number of plans, PLANSPONSOR Recordkeeping Survey, June 2016. PLANSPONSOR DB Administration survey, May 2015.

⁴A level of indemnification protection offers protection on Broad Range Requirement under ERISA 404©, Qualified Default Investment Alternative (QDIA) and prudent process for selection and monitoring.

⁵This is for information purposes only and does not affect the terms and provisions defined in any term or provision of the Service Warranty. For comprehensive warranty details on the levels of coverage we offer, see the Service Warranty document.

In general, nonqualified plans are not regulated under ERISA. Different investment products and financing options apply to nonqualified plans. No member company of The Principal® assumes any additional fiduciary responsibility for any nonqualified deferred compensation plan. For purpose of nonqualified plans and plans not subject to ERISA, Principal Life indemnifies the Plan Representative who signs the Service and Expense Agreement. Principal Life is not a fiduciary in the broader context of operating any plan.

*Sub-advisors for The Principal investment options are selected using our proprietary due diligence process that provides a rigorous and disciplined framework for identifying, hiring, and retaining premier investment managers within each asset class and investment style. It is characterized by the comprehensive and continuous review of all investment managers based on our specific investment guidelines.

Sub-Advised Investment Options include Separate Accounts available through a group annuity contract with Principal Life Insurance Company and mutual funds available through Principal Funds, Inc. They may not be available in all states or U.S. commonwealths. Ask your representative for more details.



WE'LL GIVE YOU AN EDGE®

| | |
|--------------------------------------|-------------------|
| Not FDIC/NCUA Insured | No Bank Guarantee |
| Not a Deposit | May Lose Value |
| Not Insured by Any Government Entity | |

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Investors should carefully consider a mutual fund's investment objectives, risks, charges, and expenses prior to investing. A prospectus, or summary prospectus if available, containing this and other information can be obtained by contacting a financial professional, visiting principal.com, or calling 1-800-547-7754. Read the prospectus carefully before investing.

Before directing retirement funds to a separate account, investors should carefully consider the investment objectives, risks, charges and expenses of the separate account as well as their individual risk tolerance, time horizon and goals.

For additional information contact us at 1-800-547-7754 or by visiting principal.com.

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