



# Professional, personalized investment advice

Principal Managed Account Program<sup>SM</sup>



## Give participants the retirement planning and investment advice they seek.

Sixty-one percent of workers that have retirement benefits would like to receive more information and advice from their company on how to reach their retirement goals.<sup>1</sup> To help meet those needs, many organizations like yours have used the **Principal Managed Account Program<sup>SM</sup>**—a personalized, independent investment advisory service.

## How a managed account program helps.

Many retirement plan participants aren't comfortable with the idea of researching, selecting and monitoring investments. **The Principal Managed Account Program (the Program) was created especially for:**

- Participants who lack the time, interest, or confidence to make retirement decisions alone and want the help of a professional
- Those who worry about investment risks, but don't know how to diversify their portfolio to help reduce them

**39%**

of workers are **not saving for retirement.**<sup>2</sup>

**78%**

of workers **lack confidence that they will live comfortably throughout their retirement years.**<sup>2</sup>

**73%**

of workers **expect to work for pay during retirement.**<sup>2</sup>

<sup>1</sup>Transamerica Retirement Survey, 16th annual, May 2015

<sup>2</sup>Employee Benefit Research Institute (EBRI) Confidence Survey, April 2015

## Make life easier

The Program offers a number of advantages for you and your employees:



- ✓ **Convenience**  
Easy to implement
- ✓ **Availability**  
All plan participants are eligible
- ✓ **Flexibility**  
Participants can keep company stock<sup>3</sup>
- ✓ **Results**  
Potential for higher participation and savings rates
- ✓ **Fiduciary support**  
Provides ongoing investment advice<sup>4</sup>



### No cost to you

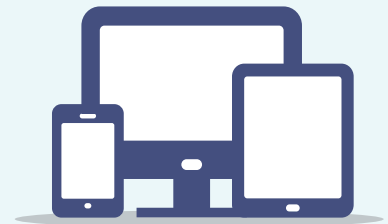
**The Program is available at no additional cost to you!**

Participants who choose to use it pay an asset-based fee for the service on a graded scale.

## Two easy ways to participate

Participants can sign up for the Program through:

- 1 The participant website at [principal.com](https://principal.com)
- 2 Calling a retirement specialist of Principal® at **800.547.7754**



<sup>3</sup>Morningstar Investment Management LLC (Morningstar) will consider the company stock holdings when making investment recommendations on other eligible investment options held within the retirement plan. However, with the Program, Morningstar will not make recommendations regarding buying or selling company stock. Participants also can't direct future contributions to company stock or transfer existing balances into company stock while participants in the Program.

<sup>4</sup>The plan sponsor is still responsible selection and monitoring the plan's investment options.

## Quality investment advice for participants

Principal has teamed with Morningstar—acting through our Registered Investment Adviser, Principal Securities, Inc.—to offer the Program. As part of a robust package of educational and support services, the Program offers plan participants comprehensive services, including:



- Personalized, affordable, professional advice tailored to each person's savings needs, including savings outside the retirement plan. The Program even provides a forecast of the likelihood of achieving retirement income goals and a savings rate recommendation.
- 



- Constructing long-term portfolios that can help meet a full range of individual investment objectives.
- 



- Creating portfolios from the investment options you have chosen for the plan to produce specific investment recommendations to participants.
- 



- Monitoring the managed account portfolios created and making adjustments based on style drift, manager performance and variable asset class performance.
- 



- Adjusting the allocation as the participant gets closer to retirement or as his or her situation changes. Participants also receive annual check-ups and automatic quarterly rebalancing, which takes place on the quarterly anniversaries of the participant's birthday.<sup>5</sup>

<sup>5</sup>All ongoing investment transfers and investment direction changes are automatically implemented for participants enrolled in the Program. Savings rate changes recommended by the Program and accepted by the plan participants will be automatically reported to you through the Principal Message Center<sup>SM</sup> on our website.



The Program combines the expertise of Principal with the experienced, independent investment analytics of Morningstar.<sup>6</sup> Morningstar Investment Management LLC—a registered investment adviser and subsidiary of Morningstar, Inc.—is a leading independent provider of asset allocation, manager selection and portfolio construction services. The company leverages its innovative academic research to create customized investment advisory solutions that help investors meet their goals.

With the Program, you can offer your participants the investment advice they seek. And, you can help them potentially enjoy greater success in saving for retirement. At the same time, the Program can help you manage your fiduciary responsibilities.



To Learn More About the Principal Managed Account Program, contact your financial professional or your local representative of Principal.

<sup>6</sup>Principal Securities selected Morningstar for the purpose of providing advice through the Principal Managed Account Program. This is a choice for which Principal Securities has a fiduciary responsibility under ERISA to the plans that participate in the Program. Any plan choosing to participate in the Program also is making a choice that is a fiduciary responsibility.



Morningstar Investment Management LLC is not an affiliate of any company of Principal Financial Group.

Insurance products and plan administrative services are provided by Principal Life Insurance Company, Des Moines, IA 50392-0002, [principal.com](http://principal.com)

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