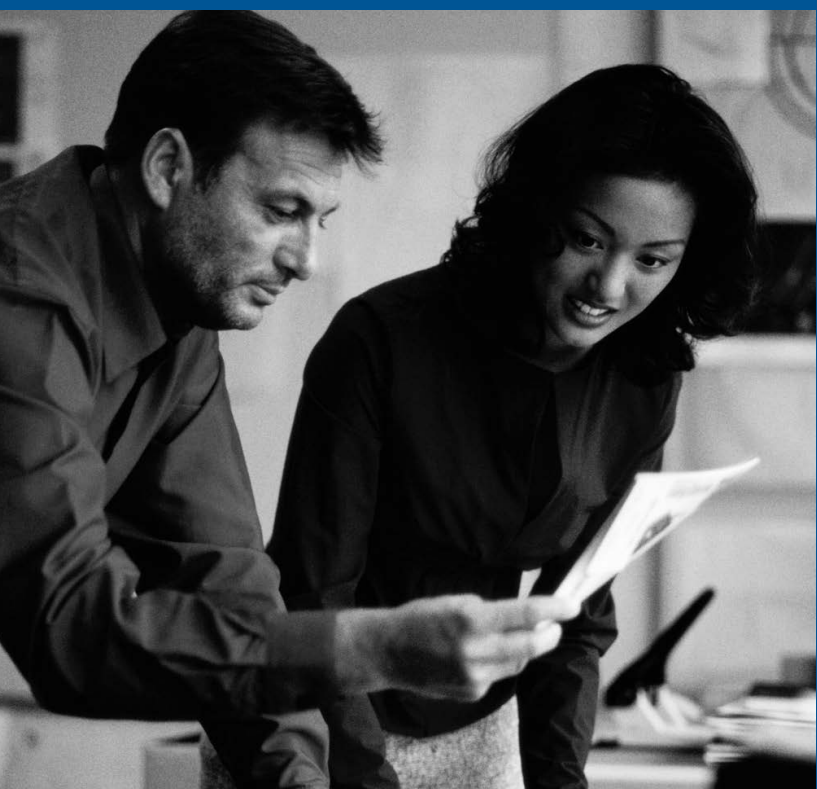


Investment Strength and Flexibility

Principal TrustSM Target Date Funds



A Target Date Investment Option for You and Your Participants

Now more than ever, your employees are searching for efficient ways to invest their hard-earned retirement savings. You can help provide that opportunity with Principal TrustSM Target Date Funds (Target Date Funds), a series of target date collective investment funds developed for qualified plans and maintained under a collective investment trust (CIT).

Lifecycle investment options (including target date funds) are a popular investment choice for plan participants who aren't comfortable or interested in making a lot of investment decisions or tracking numerous investment options.

Principal Trust Company ranks among the largest non-depository trust companies in the nation, with assets under administration in excess of \$130 billion.¹

Through the Target Date Funds, you may receive:

- A lower-cost choice for you and your participants;
- A strategy of investing in more passively-managed investment options;
- A sound, structured investment process driving portfolio construction and ongoing maintenance; and
- An investment option that satisfies the Qualified Default Investment Alternative (QDIA) regulatory requirements.²

See how the Target Date Funds can benefit your retirement program.

WHAT IS A CIT?

- Pooled investment vehicle
- Generally available for qualified and governmental 457(b) plans
- Tax-exempt trust
- May act as a Qualified Default Investment Alternative (QDIA)²

¹ Principal Trust Company, as of 12/31/2015

² The ultimate decision as to whether a Principal Trust Target Date Fund is an appropriate investment option for a plan and whether a Target Date Fund can serve as a QDIA belongs to the appropriate retirement plan fiduciaries.

Understanding the Features of a CIT

A CIT is a pooled-investment vehicle designed for retirement plans and is maintained by a bank or trust company.

Recently, CITs have been gathering momentum in the defined contribution (DC) plan market. Product and technology improvements have equipped CITs with many of the advantages, such as daily valuation and automated trading through the National Securities Clearing Corporation (NSCC), enjoyed by mutual funds.

CITs can provide certain economies. Because they are exempt from registration with the Securities and Exchange Commission (SEC), they are not subject to some of the operational expenses that impact other investment options.

With today's close scrutiny of retirement plan fees and their impact on return, the CIT has become an attractive option for plan sponsors concerned about managing their fiduciary responsibilities.

Helping Your Participants Take Action

The Target Date Funds may invest in various types of investments including Principal Funds, Inc. institutional class shares, Principal Life Insurance Company Separate Accounts and other collective investment trusts and mutual funds. Each Target Date Fund is managed toward a particular target (retirement) date, or the approximate date the participant or investor starts withdrawing money.

For example, if a participant's retirement is anticipated to take place near 2020, he or she could choose the Principal Trust 2020 Target Date Fund. There's even a Target Date Fund for participants who are approximately 15 years beyond normal retirement age: Principal Trust Income Fund.

A Strong Investment Philosophy

The Target Date Funds embrace a multi-asset class, multi-style and multi-manager approach. They provide broadly diversified, institutional quality investment portfolios with the following characteristics:

- Core and specialty asset classes
- Complementary investment styles
- Multiple underlying investment managers
- A structured investment process

Principal Trust Company is the trustee of the Principal TrustSM Target Date Collective Investment Funds, which offers — and has sole discretion over management of — the Target Date Funds. Principal Management Corporation provides nondiscretionary investment advisory services to Principal Trust Company.

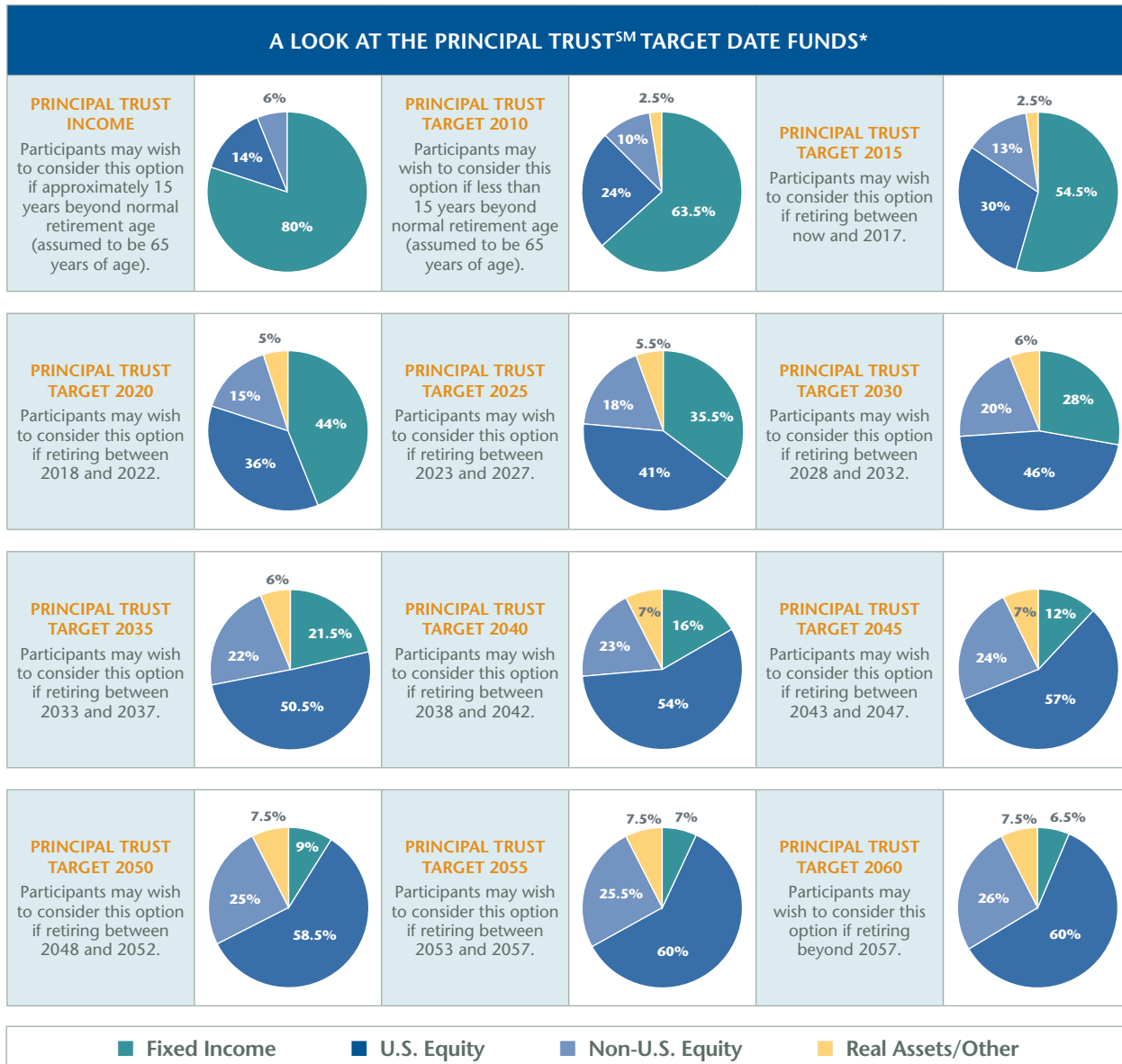
Principal Management Corporation, a member of the Principal Financial Group®, is a leader in the target date portfolio marketplace, with over \$45* billion in target date assets currently under management and more than 1 million participating investors.³

*Figure includes assets where Principal Management Corporation provides nondiscretionary investment advisory services to Principal Trust Company for the Principal TrustSM Target Date funds.

³ Principal Management Corporation, as of 12/31/2015.

Principal Trust Target Date Funds

Target Allocations



*As of March 2016. Allocations based on current allocation targets. They will change over time.

For all portfolios the retirement age is assumed to be 65 years of age.

Additional target date funds may be added to the Principal TrustSM Target Date Funds series to accommodate plan participants with later normal retirement dates as they enter the workforce.

Asset allocation/diversification does not guarantee a profit or protect against a loss.

A Structured Investment Process

Principal Trust makes investment decisions with non-discretionary investment advisory services provided by Principal Management Corporation. The investment team utilizes a consistent investment philosophy and a structured, four-step investment process:

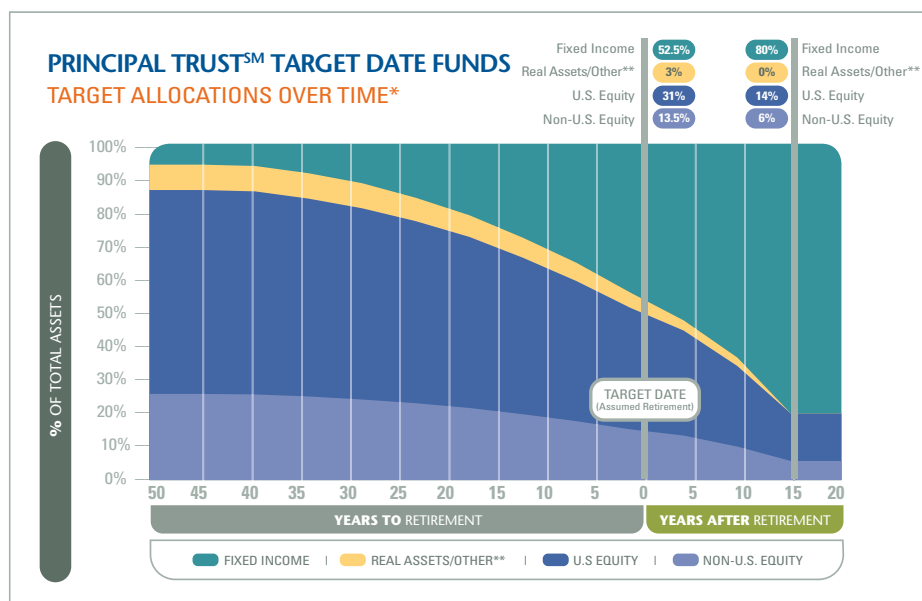
1. Selecting asset classes

Every asset class used in the Target Date Funds must meet certain eligibility requirements and have a clearly defined role in the strategy:

- Capital appreciation potential
- Current income generation
- Capital preservation
- Diversification characteristics
- Risk hedging characteristics

2. Glide path structure

As each Target Date Fund portfolio approaches its target date, the investment mix becomes more conservative by increasing exposure to generally more conservative investment options and reducing exposure to typically more aggressive investment options. The asset allocation for each Target Date Fund is regularly re-adjusted within a time frame that extends 15 years beyond the target date, at which point it reaches its most conservative allocation. The Target Date Funds assume the value of the investor's account will be withdrawn gradually during retirement.



For example, assume the participant has elected to direct contributions to the 2030 portfolio and has 15 years until retirement. Today, the asset allocation is approximately 28% Fixed Income, 6% Real Assets/Other, 46% U.S. Equities and 20% Non-U.S. Equities. Over time, the 2030 portfolio will continue to become more conservative and once the target date is reached, the asset mix would shift to 52.5% Fixed Income, 3% Real Assets/Other, 31% U.S. Equities, 13.5% Non-U.S. Equities. Approximately 15 years after the target date, the portfolio would be allocated 80% Fixed Income, 0% Real Assets/Other, 14% U.S. Equities and 6% Non-U.S. Equities.

Neither the principal nor the underlying assets of the Principal Trust Target Date Funds are guaranteed at any time, including the target date. Investment risk remains at all times.

Asset allocation/diversification does not guarantee a profit or protect against a loss.

3. Constructing the portfolios

During this process, the investment team identifies which asset classes are not as likely to outperform their indexes after fees are taken into account; these asset classes are represented through passively-managed investment portfolios. Their goal is to minimize portfolio volatility while maintaining strong returns. The investment team also identifies which asset classes they believe will provide the greatest opportunities to outperform their corresponding indexes through active management.

The Target Date Funds provide a variety of investment styles and complementary approaches.

They utilize a combination of sub-advisors and, as a result, are classified within the industry as “multiple manager” target date funds.

4. Implementing strategic rebalancing

The fourth and final step involves developing ranges for each asset class and strategically rebalancing the

portfolios to the midpoint while maintaining sensitivity to transaction costs and market impact. The primary focus is to control and manage systematic risks, not to forecast short-term market trends.

Principal Life Insurance Company (Principal Life), as an investment manager, is a fiduciary with regard to the selection, monitoring and retention of the portfolio managers for Principal Life Separate Accounts. Principal Life is also a fiduciary with regard to the selection and monitoring of Sub-Advised Funds and the Principal Trust Target Date Collective Investment Funds as appropriate investment options to be offered to retirement plans. ERISA imposes on the plan administrator or other appropriate plan fiduciary ongoing accountability for the selection and monitoring of those to whom specific fiduciary responsibilities have been delegated or on whom the plan administrator is depending for help in meeting its own fiduciary obligations.⁴

MULTIPLE SUB-ADVISORS OF UNDERLYING INVESTMENT OPTIONS



The managers used within Principal Trust Target Date Funds can change at any time.

Fiduciary Support through Offering a QDIA

The Target Date Funds not only might help your participants maximize return for the amount of risk taken, they may also provide fiduciary relief for you.

The Target Date Funds satisfy the QDIA regulatory requirements and are well positioned to serve as a QDIA.⁵

⁴ Principal Life will hold harmless and indemnify the appropriate named fiduciary of the plan from claims by a plan participant sustained through judgment by a court of competent jurisdiction on grounds of negligence on the part of Principal Life in the selection, monitoring and retention of the portfolio managers for Principal Life Separate Accounts, or in the selection and monitoring of the appropriateness of the Sub-Advised Funds, or the Principal Trust Target Date Collective Investment Funds for retirement plans.

⁵ The ultimate decision as to whether a Principal Trust Target Date Fund is an appropriate investment option for a plan and whether a Target Date Fund can serve as a QDIA belongs to the appropriate retirement plan fiduciaries.

Keep Successful Retirement Savings in Your Sight

Adding Principal Trust Target Date Funds to your company's retirement plan today can strengthen your investment lineup and provide your plan participants with a simple, effective way to save for retirement.

In addition, The Principal® offers a wide range of asset allocation choices that are among the most comprehensive in the industry. This breadth of choice can empower you to build an investment program that meets the diverse needs of your retirement plan and participants.

Contact your representative of The Principal today to find out more about the Principal Trust Target Date Funds or any of our other asset allocation choices.

Delaware Charter Guarantee & Trust Company, conducting business as Principal TrustSM Company ("Principal Trust") is a member of the Principal Financial Group[®]. Principal Trust maintains various Collective Investment Funds, as trustee, under certain plan and declaration of trust documents, which may be amended from time to time ("Trusts"). Principal Trust has discretion over the investment of the Collective Investment Funds. Principal Management Corporation ("PMC"), an affiliate of Principal Trust, provides nondiscretionary advisory services to Principal Trust with respect to the Collective Investment Funds. Principal Trust and PMC are fiduciaries subject to the Employee Retirement Income Security Act of 1974, as amended.

PMC also manages portfolios of Principal Funds, Inc., ("Principal Funds") a series mutual fund, which may be included as underlying investments in the Collective Investment Funds maintained by Principal Trust. PMC receives management fees from Principal Funds. The Collective Investment Funds maintained by Principal Trust may also include group annuity separate accounts ("Separate Accounts") managed by Principal Life Insurance Company ("Principal Life"), an affiliate of Principal Trust. Principal Life receives management fees from the Separate Accounts. PMC, Principal Life, or other affiliates of Principal Trust may provide services with respect to Principal Funds or Separate Accounts and may receive fees for such services.

The Collective Investment Funds offered and maintained by Principal Trust are available only to qualified plans and governmental 457(b) plans. They are not mutual funds and are not registered with the Securities and Exchange Commission, the State of Delaware or any other regulatory body. The Collective Investment Funds are not guaranteed by Principal Trust, PMC, any of their affiliates, the FDIC or any other governmental agency.

The value of the Collective Investment Funds offered by Principal Trust will fluctuate so that when redeemed, shares or units may be worth more or less than the original cost. Past performance is no guarantee of future results.

Participation in Collective Investment Funds offered by Principal Trust is governed by the terms of the applicable Trust and a Participation Agreement, which is signed by the retirement plan's fiduciary at the time the plan invests in the Collective Investment Funds. If the Collective Investment funds invest in Principal Funds, the retirement plan's fiduciary is also provided with a Principal Funds, Inc. Institutional Class Shares Prospectus ("Prospectus") before the plan invests in the Collective Investment Funds. The Trust and Prospectus are available from Principal Trust or Principal

Life by visiting us at principal.com. A copy of the Participation Agreement can be obtained from your plan administrator.

The Trust, Participation Agreement, and the Prospectus contain important information about Trust fees and investment objectives, risks, and expenses of the underlying investments in the Collective Investment Funds managed by Principal Trust and should be read carefully before investing.

The Collective Investment Funds are operated by Principal Trust Company, which has claimed an exclusion from the definition of the term "commodity pool operator" under the Commodity Exchange Act (the "Act") and, therefore, is not subject to registration or regulation as a pool operator under the Act.

Equity investment options involve greater risk, including heightened volatility, than fixed-income investment options.

Fixed-income investment options are subject to interest rate risk; as interest rates rise their value will decline.

Fixed-income and asset allocation investment options that invest in mortgage securities are subject to increased risk due to real estate exposure.

International and global investment options are subject to additional risk due to fluctuating exchange rates, foreign accounting and financial policies, and other economic and political environments.

Specialty investment options may experience greater volatility than investment options with a broader investment strategy due to sector focus. These investment options are not intended to serve as a complete investment program.

The risks associated with derivative investments include that the underlying security, interest rate, market index, or other financial asset will not move in the direction the Investment Adviser and/or Sub-Advisor anticipated, the possibility that there may be no liquid secondary market, the risk that adverse price movements in an instrument can result in a loss substantially greater than a fund's initial investment, the possibility that the counterparty may fail to perform its obligations, and the inability to close out certain hedged positions to avoid adverse tax consequences.

Asset allocation does not guarantee a profit or protect against a loss. Additionally, there is no guarantee asset allocation options will provide adequate income at or through retirement.

Insurance products and plan administrative services are provided by Principal Life Insurance Company a member of the Principal Financial Group[®], (Principal[®]), Des Moines, IA 50392.



WE'LL GIVE YOU AN EDGE[®]