

# Important notice – retirement plan investment option changes

Are you taking advantage of your organization's retirement plan? It's a great way to help you save for the life you want in retirement. Plus, it offers a wide-range of investment options to choose from. There are some changes to the IRON WORKERS LOCAL NO. 67 DEFINED CONTRIBUTION FUND investment options you should be aware of.

## What this means for you

### Closed investment option(s) — effective 08/01/2022

Inv Manager or Sub-Advisor	Investment options
Nuveen Asset Management	Nuveen Real Estate Securities I Fund

### New investment option(s) — effective 08/01/2022

Inv Manager or Sub-Advisor	Investment options
Cohen & Steers Mutual Funds	Cohen & Steers Institutional Realty Shares

### Complete list of the Plan's available investment options — effective 08/01/2022


Inv Manager or Sub-Advisor	Investment options
Cohen & Steers Mutual Funds	Cohen & Steers Institutional Realty Shares
Dodge & Cox	Dodge & Cox Income X Fund
Morley Capital Management	Principal Stable Value Sel Fund
Multiple Sub-Advisors	Principal LifeTime 2010 Separate Account <sup>A</sup>
Multiple Sub-Advisors	Principal LifeTime 2020 Separate Account <sup>A</sup>
Multiple Sub-Advisors	Principal LifeTime 2030 Separate Account <sup>A</sup>
Multiple Sub-Advisors	Principal LifeTime 2040 Separate Account <sup>A</sup>
Multiple Sub-Advisors	Principal LifeTime 2050 Separate Account <sup>A</sup>
Multiple Sub-Advisors	Principal LifeTime 2060 Separate Account <sup>A</sup>
Multiple Sub-Advisors	Principal LifeTime Strategic Income Sep Acct <sup>A</sup>
Principal Global Investors	Diversified International Separate Account <sup>A</sup>
Principal Global Investors	Government&High Quality Bond Separate Account <sup>A</sup>
Principal Global Investors	LargeCap S&P 500 Index Separate Account <sup>A</sup>
Principal Global Investors	MidCap Separate Account <sup>A</sup>
Principal Global Investors	SmallCap Separate Account <sup>A</sup>

Effective **08/01/2022**, one or more investment options will no longer be available. If you're currently directing contributions to the affected investment option(s), your future contributions and current funds will be directed to the new investment option(s) outlined below unless you elect other available investment options. See the Investment Option Summary for more details on the current and new investment options.

If you're currently contributing to the retirement plan but have not made an investment election, future contributions will be directed to LifeTime Separate Account, unless you make your own investment election.

If the effective date is a closed market date, retirement funds will be redirected on the next open market date.

## How investments will be redirected

Closed investment option		New investment options		
Investment Manager or Sub-Advisor	Existing investment option	Redirected to	Investment Manager or Sub-Advisor	New investment options
Nuveen Asset Management	Nuveen Real Estate Securities I Fund		Cohen & Steers Mutual Funds	Cohen & Steers Institutional Realty Shares <sup>G</sup>

## Expense ratio information

Effective **08/01/2022**, there will be changes to the share class or rate level for some of the Plan's investment options, as shown in the chart below. This will not change your investment elections, but it may impact the number of shares or units and the total investment expense.

**You don't need to take any action at this time.** After the change, future contributions will be invested based on your current direction, unless you make a new election. If you currently have a balance in any of the investment options noted, you'll see a different number of shares, and or units when you view your account on or after the effective date.

Investment Manager or Sub-Advisor	Current total investment expense information				New total investment expense information				
	Investment option name	Total investment expense		Contractual cap/waiver expiration date	Investment option name	Total investment expense			Contractual cap/waiver expiration date
		Gross	Net			Gross	*Gross per	Net	
Dodge & Cox	Dodge & Cox Income I Fund	0.41	0.41	- -	Dodge & Cox Income X Fund	0.36	\$3.60	0.33	- -

\*Gross per \$1,000 invested

Investment expense information displayed is as of 05/31/2022.

## More information

To review or make changes to your investment elections, log in to your account at [principal.com](https://principal.com). Or, give us a call at **800.547.7754** to speak with a retirement specialist.

Target date portfolios are managed toward a particular target date, or the approximate date the investor is expected to start withdrawing money from the portfolio. As each target date portfolio approaches its

target date, the investment mix becomes more conservative by increasing exposure to generally more conservative investments and reducing exposure to typically more aggressive investments. Neither the principal nor the underlying assets of target date portfolios are guaranteed at any time, including the target date. Investment risk remains at all times. Asset allocation and diversification do not ensure a profit or protect against a loss. Be sure to see the relevant prospectus or offering document for full discussion of a target date investment option including determination of when the portfolio achieves its most conservative allocation.

## Important information

Carefully consider the Fund's objectives, risks, charges, and expenses. Contact your financial professional or visit [principal.com](http://principal.com) for a prospectus, or summary prospectus if available, containing this and other information. Please read it 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 800.547.7754 or by visiting [principal.com](http://principal.com).

**Investing involves risk, including possible loss of principal.**

For more information on this or other investment options, visit [principal.com](http://principal.com), or call 800.547.7754.

**Asset allocation and diversification do not ensure a profit or protect against a loss.**

Several investment companies have decided to impose redemption fees and/or transfer restrictions on certain plan and/or participant transactions. One or more of the investment options in your employer's retirement plan may be impacted. For more information, visit us at the Principal Retirement Service Center® at [principal.com](http://principal.com).

Separate Accounts are available through a group annuity contract with Principal Life Insurance Company. Insurance products and plan administrative, if applicable, services are provided by Principal Life Insurance Company, a member of the Principal Financial Group, Des Moines, IA 50392. See the fact sheet for the full name of the Separate Account. Certain investment options may not be available in all states or U.S. commonwealths.

As allowed by their prospectuses, several mutual fund companies have decided to impose redemption fees and/or transfer restrictions on certain plan and/or participant transactions. One or more of the investment options in your employer's retirement plan may be impacted. For more information, visit us at The Principal Retirement Service Center® at [principal.com](http://principal.com).

Insurance products and plan administrative services are provided by Principal Life Insurance Company. Principal Funds, Inc. is distributed by Principal Funds Distributor, Inc. Securities are offered through Principal Securities, Inc., 800.547.7754, member SIPC and/or independent broker/dealers. Securities sold by a Principal Securities Registered Representative are offered through Principal Securities. Principal Funds Distributor, Principal Securities and Principal Life are members of the Principal Financial Group®, Des Moines, IA 50392. Certain investment options may not be available in all states or U.S. commonwealths.

<sup>A</sup> Sub-advised Investment Options include Separate Accounts available through a group annuity contract with the Principal Life Insurance Company. Insurance products and plan administrative services, if applicable, are provided by Principal Life Insurance Company a member of the Principal Financial Group, Des Moines, IA 50392. See the fact sheet for the full name of the Separate Account. Certain investment options may not be available in all states or U.S. commonwealths. Principal Life Insurance Company reserves the right to defer payments or transfers from Principal Life Separate Accounts as described in the group annuity contracts providing access to the Separate Accounts or as required by applicable law. Such deferment will be based on factors that may include situations such as: unstable or disorderly financial markets; investment conditions which do not allow for orderly investment transactions; or investment, liquidity, and other risks inherent in real estate (such as those associated with general and local economic conditions). If you elect to allocate funds to a Separate Account, you may not be able to immediately withdraw them.

<sup>B</sup> See Principal Stable Value Fund Participation Agreement for the full name of this investment option.

<sup>G</sup> Mapping Balances and Future Contributions

Fixed-income investment options are subject to interest rate risk, and their value will decline as interest rates rise. Neither the principal of bond investment options nor their yields are guaranteed by the U.S. government.

High-yield investment options are subject to greater credit risk associated with high yield bonds.

Small-cap and mid-cap investment options are subject to more fluctuation in value and may have additional risks than other investment options with stocks of larger, more stable companies.

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 funds with a broader investment strategy due to sector focus. These investment options are not intended to serve as a complete investment program by itself.

Real estate investment options are subject to some risks inherent in real estate and Real Estate Investment Trusts, such as risks associated with general and local economic conditions.

An investment in the Fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. You could lose money by investing in the Fund. Although the Fund seeks to preserve the value of your investment at \$1.00 per share, it

cannot guarantee it will do so. The Fund's sponsor has no legal obligation to provide financial support to the Fund, and you should not expect that the sponsor will provide financial support to the Fund at any time.

Each index-based investment option is invested in the stocks or bonds of the index it tracks. Performance of indexes reflects the unmanaged result for the market segment the selected stocks or bonds represent. There is no assurance an index-based investment option will match the performance of the index tracked.

Equity investment options involve greater risk, including heightened volatility, than fixed-income investment options. Fixed-income investment options are subject to interest rate risk, and their value will decline as interest rates rise.

**Asset allocation does not guarantee a profit or protect against a loss.** Investing in real estate, small-cap, international, and high-yield investment options involves additional risk. Additionally there is no guarantee an asset allocation investment option will provide adequate income at or through retirement.

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

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# Investment Option Summary

**As of 03/31/2022**

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This document provides important information to help you compare the investment options available to you under the retirement plan.

Investment results shown represent historical performance and do not guarantee future results. Investment returns and principal values fluctuate with changes in interest rates and other market conditions so the value, when redeemed, may be worth more or less than original costs. Current performance may be lower or higher than the performance data shown. For additional information on the investment options, including most recent month-end performance, log in to the Principal Financial Group® website at [principal.com](http://principal.com) or call our automated phone system at 1-800-547-7754.

Additional information available online includes, if applicable, the name of the investment option's issuer; the investment option's objectives or goals; the investment option's principal strategies, including a general description of the types of assets held by the investment option; the portfolio turnover rate; and the investment option's performance data and fee and expense information.

In situations where the net and gross total investment expense figures are different, the mutual fund or the underlying fund in which a Separate Account invests has waived/capped a portion of its management fees through the date displayed in the waiver expiration date or contractual cap expiration date column. Differences may also be shown due to the fund family choosing to pay certain expenses that would normally be payable by the fund. Returns displayed are based on total investment expense net.

Total Investment Expense - Gross is the current maximum expense ratio, as a percentage of assets that can be applied to this investment option. This does not represent the recordkeeping or individual transactional fees that can be deducted from or reduce the earnings for an investment under your account. However, it does include operating expenses, management fees, including 12b-1 fees, and administrative fees.

Total Investment Expense - Net; you will be responsible for this expense and it will be automatically taken prior to calculating performance. Total Investment Expense -Net is the Total Investment Expense - Gross expense ratio less any fee waivers, reimbursements or caps, if applicable. The expenses ratio, as a percentage of net assets, includes operating expenses, management fees, including 12b-1 fees, and administrative fees.

Expense Waiver/Contractual Cap - When gross and net expense ratios differ, the investment adviser may have agreed to waive certain expenses that would normally be payable by the fund or contractually agreed to limit the investment option's expenses.

Fees and expenses are only one of several factors that participants and beneficiaries should consider when making investment decisions. Some or all of the Plan administrative expenses are paid from the total investment expense of one or more of the Plan's investment options. The cumulative effect of fees and expenses can substantially reduce the growth of a participant's or beneficiary's retirement account. Participants and beneficiaries can visit the Employee Benefit Security Administration's website for an example demonstrating the long-term effect of fees and expenses.

For a glossary of terms to assist you in understanding the designated investment options, log in to your account at [principal.com](http://principal.com).

## Asset Class: Fixed Income

This asset class is generally composed of investment options that invest in bonds, or debt of a company or government entity (including U.S. and Non- U.S.). It may also include real estate investment options that directly own property. These investment options typically carry more risk than short-term fixed income investment options (including, for real estate investment options, liquidity risk), but less overall risk than equities. All investment options in this category have the potential to lose value.

Investment Category: **Intermediate Core-Plus Bond**

Inv Manager or Sub-Advisor: **Dodge & Cox**

Investment Option Name	Average Annual Total Return										
	(as of 03/31/2022 quarter end)						(as of 12/31/2021 year end)				
	YTD Ret	1-Year	3-Year	5-Year	10-Year	Since Incept	1-Year	5-Year	10-Year	Since Incept	Incept Date
<b>Dodge &amp; Cox Income I Fund <sup>11</sup></b>	-5.20	-3.64	2.85	3.01	3.21	6.28	-0.91	4.37	4.07	6.50	1/1989
Benchmark: <b>Bloomberg US Universal Index</b>	-6.11	-4.23	1.85	2.31	2.57	-	-1.10	3.84	3.31	-	-

**Description:** The investment seeks a high and stable rate of current income, consistent with long-term preservation of capital. The fund invests in a diversified portfolio of bonds and other debt securities. Under normal circumstances, the fund will invest at least 80% of its total assets in (1) investment-grade debt securities and (2) cash equivalents. "Investment grade" means securities rated Baa3 or higher by Moody's Investors Service, or BBB- or higher by Standard & Poor's Ratings Group or Fitch Ratings, or equivalently rated by any nationally recognized statistical rating organization, or, if unrated, deemed to be of similar quality by Dodge & Cox.

Composition (% of Assets) as of 12/31/2021				Fees & Expenses			# of Transfers Allowed/Time Period				
U.S. Bonds	77.07	Non-U.S. Bonds	14.13	Total Inv Exp Net %	0.42		-				
Cash	6.40	Convertibles	1.80	Contractual Cap Expiration Date	N/A						
Preferred	0.60			Waiver Expiration Date	N/A						
				Total Inv Exp Gross %	0.42						
				Total Inv Exp Gross Per \$1,000 Invested	\$4.20						
				Redemption Fee	-						

Inv Manager or Sub-Advisor: **Dodge & Cox**

Investment Option Name	Average Annual Total Return										
	(as of 03/31/2022 quarter end)						(as of 12/31/2021 year end)				
	YTD Ret	1-Year	3-Year	5-Year	10-Year	Since Incept	1-Year	5-Year	10-Year	Since Incept	Incept Date
<b>Dodge &amp; Cox Income X Fund <sup>10,11</sup></b>	-	-	-	-	-	-	-	-	-	-	5/2022
Benchmark: <b>Bloomberg US Universal Index</b>	-6.11	-4.23	1.85	2.31	2.57	-	-1.10	3.84	3.31	-	-

**Description:** The investment seeks a high and stable rate of current income, consistent with long-term preservation of capital. The fund invests in a diversified portfolio of bonds and other debt securities. Under normal circumstances, the fund will invest at least 80% of its total assets in (1) investment-grade debt securities and (2) cash equivalents. "Investment grade" means securities rated Baa3 or higher by Moody's Investors Service, or BBB- or higher by Standard & Poor's Ratings Group or Fitch Ratings, or equivalently rated by any nationally recognized statistical rating organization, or, if unrated, deemed to be of similar quality by Dodge & Cox.

Composition (% of Assets) as of N/A				Fees & Expenses			# of Transfers Allowed/Time Period				
N/A				Total Inv Exp Net %	0.33		-				
				Contractual Cap Expiration Date	N/A						
				Waiver Expiration Date	N/A						
				Total Inv Exp Gross %	0.36						
				Total Inv Exp Gross Per \$1,000 Invested	\$3.60						
				Redemption Fee	-						

Asset Class: **Small/Mid U.S. Equity**

This asset class is generally composed of investment options that invest in stocks, or shares of ownership in small- to medium-sized U.S. companies. These investment options typically carry more risk than larger U.S. equity investment options but have the potential for higher returns. They may be an appropriate choice for long-term investors who are seeking the potential for growth. All investment options in this category have the potential to lose value.

Investment Category: **Real Estate**Inv Manager or Sub-Advisor: **Cohen & Steers Mutual Funds**

Investment Option Name	Average Annual Total Return											
	(as of 03/31/2022 quarter end)						(as of 12/31/2021 year end)					Incept Date
	YTD Ret	1-Year	3-Year	5-Year	10-Year	Since Incept	1-Year	5-Year	10-Year	Since Incept		
<b>Cohen &amp; Steers Institutional Realty Shares Fund F</b>	-5.95	23.42	14.02	12.02	10.94	12.20	42.47	13.75	12.73	12.66	2/2000	
Benchmark: <b>Standard &amp; Poor's United States REIT Index</b>	-3.99	26.33	10.94	9.54	9.63	-	43.05	10.57	11.21	-	-	

**Description:** The investment seeks total return through investment in real estate securities. The fund invests at least 80%, and normally substantially all, of its total assets in common stocks and other equity securities issued by real estate companies. It may invest up to 20% of its total assets in securities of foreign issuers (including emerging market issuers) which meet the same criteria for investment as domestic companies, including investments in such companies in the form of American Depositary Receipts ("ADRs"), Global Depositary Receipts ("GDRs") and European Depositary Receipts ("EDRs"). The fund is non-diversified.

Composition (% of Assets) as of 12/31/2021				Fees & Expenses			# of Transfers Allowed/Time Period				
U.S. Stocks	97.41	Cash	2.04	Total Inv Exp Net %	0.75		2/60 day period				
Other	0.55			Contractual Cap Expiration Date	N/A						
				Waiver Expiration Date	N/A						
				Total Inv Exp Gross %	0.76						
				Total Inv Exp Gross Per \$1,000 Invested	\$7.60						
				Redemption Fee	-						

Inv Manager or Sub-Advisor: **Nuveen Asset Management**

Investment Option Name	Average Annual Total Return											
	(as of 03/31/2022 quarter end)						(as of 12/31/2021 year end)					Incept Date
	YTD Ret	1-Year	3-Year	5-Year	10-Year	Since Incept	1-Year	5-Year	10-Year	Since Incept		
<b>Nuveen Real Estate Securities I Fund <sup>6</sup></b>	-3.83	26.96	11.17	9.74	9.64	11.46	41.32	10.70	11.20	11.73	6/1995	
Benchmark: <b>Standard &amp; Poor's United States REIT Index</b>	-3.99	26.33	10.94	9.54	9.63	-	43.05	10.57	11.21	-	-	

**Description:** The investment seeks to provide above average current income and long-term capital appreciation. The fund normally invests at least 80% of the sum of its net assets and the amount of any borrowings for investment purposes in income-producing common stocks of publicly traded companies engaged in the real estate industry. The advisor expects to emphasize investments in equity REITs, although it may invest in all three kinds of REITs. It may invest up to 15% of its total assets in non-dollar denominated equity securities of non-U.S. issuers. Up to 15% of the fund's total assets may be invested in equity securities of emerging market issuers.

Composition (% of Assets) as of 01/31/2022				Fees & Expenses			# of Transfers Allowed/Time Period				
U.S. Stocks	99.17	Cash	0.69	Total Inv Exp Net %	0.97		-				
Non-U.S. Stocks	0.15			Contractual Cap Expiration Date	N/A						
				Waiver Expiration Date	07/31/2023						
				Total Inv Exp Gross %	1.05						
				Total Inv Exp Gross Per \$1,000 Invested	\$10.50						
				Redemption Fee	-						



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](http://principal.com), or calling 1-800-547-7754. Read the prospectus carefully before investing.

The value of the investment options will fluctuate so that when redeemed, shares or units may be worth more or less than the original cost.

An investment's past performance is not necessarily an indication of how the investment will perform in the future.

Since inception benchmark returns are displayed on the Investment Option Summary for investments that are less than 10 years old. The benchmark reflecting the Since Inception return is the Morningstar Category index. For some Sub-Advised investment options, two benchmarks will be displayed on the Investment Option Summary and the secondary index reflecting the Since Inception Return is the Morningstar Category index.

Investment Options may charge a short-term trading or redemption fee to protect the interests of long-term Contractholders.

Returns shown for periods of less than one year are not annualized. All returns displayed here are after net Total Investment Expense of the investment option.

For a Mutual Fund investment option, Total Investment Expense gross equals the sum of (a) the total fund operating expenses plus (b) if the mutual fund invests in other mutual funds, the weighted-average management fee of those other mutual funds, as listed in the most recent prospectus. The actual Total Investment Expense may change if the mutual fund investment option's allocation of assets to other mutual funds changes.

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Any operating expenses of a mutual fund or underlying mutual fund that are part of net Total Investment Expense are obtained from the mutual fund's most recent prospectus. The operating expenses shown as part of net Total Investment Expense include voluntary expense limits and fee credit.

This report includes investment options that contain information from a variety of sources. Morningstar generally provides holdings information, operations data, and rankings or statistics proprietary to Morningstar. Morningstar is also the source of information on certain mutual funds.

These results are for the investment options available through your Plan Sponsor's retirement plan, and may be different from the results for other retirement plans. Past performance is not a guarantee of future results. Principal values and investment returns will fluctuate so that values upon redemption may be worth more or less than original costs. Total returns illustrated are net of investment expenses and management fees.

Since inception returns are only shown for funds/accounts in existence for less than 10 years.

- <sup>1</sup> Small-cap and mid-cap investment options are subject to more fluctuation in value and may have additional risks than other investment options with stocks of larger, more stable companies.
- <sup>2</sup> Each index based investment option is invested in the stocks or bonds of the index it tracks. Performance of indexes reflects the unmanaged results for the market segment the selected stocks or bonds represent. There is no assurance an index based investment option will match the performance of the index tracked.
- <sup>3</sup> This Separate Account invests solely in the least expensive share class of the Principal Funds. All voting rights associated with ownership of shares in the mutual fund are the rights of the Separate Account, not of contract holders investing in the Separate Account. For further information on the underlying mutual fund, see the prospectus of the fund.
- <sup>4</sup> 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.
- <sup>5</sup> Liquid asset investment options are not insured or guaranteed by the Federal Deposit Insurance Corporation (FDIC), or any other government agency. Although the investment option may seek to preserve the value of an investment, it is possible to lose money by investing in the portfolio.
- <sup>6</sup> Real Estate investment options are subject to investment and liquidity risk and other risks inherent in real estate such as those associated with general and local economic conditions. Property values can decline due to environmental and other reasons. In addition, fluctuation in interest rates can negatively impact the performance of real estate investment options.
- <sup>7</sup> S&P 500 is a trademark of S&P Global and is used under license. The product is not sponsored, endorsed, sold or promoted by Standard & Poor's and Standard & Poor's makes no representation regarding the advisability of investing in the product.
- <sup>8</sup> Equity investment options involve greater risk, including heightened volatility, than fixed-income investment options. Fixed-income investment options are subject to interest rate risk, and their value will decline as interest rates rise.
- <sup>9</sup> Asset allocation does not guarantee a profit or protect against a loss. Investing in real estate, small-cap, international, and high-yield investment options involves additional risks.

- <sup>10</sup> Fixed-income investment options are subject to interest rate risk, and their value will decline as interest rates rise. Neither the principal of bond investment options nor their yields are guaranteed by the U.S. government.
- <sup>11</sup> Fixed-income and asset allocation investment options that invest in mortgage securities are subject to increased risk due to real estate exposure.
- <sup>12</sup> This Separate Account invests solely in the least expensive share class of a mutual fund (Fund) from Principal Funds, Inc. Principal Global Investors, LLC invests up to 30% of the Fund's assets in equity securities in an attempt to match the performance of the Fund's benchmark index. The Fund's remaining assets are managed by the sub-advisors.
- <sup>13</sup> Asset allocation and diversification do not ensure a profit or protect against a loss. Additionally there is no guarantee this investment option will provide adequate income at or through retirement.
- <sup>14</sup> The Investment Advisor will display "Multiple Sub-Advisors" for certain target-date, target-risk and specialty investment options where the assets are directed by the Investment Manager to multiple underlying investment options. These underlying investment options may use multiple sub-advisors who are responsible for the day-to-day management responsibilities.
- <sup>15</sup> If you elect to contribute funds into the Principal US Property Separate Account (Separate Account), you may not be able to immediately withdraw them. This Separate Account is unlike most other retirement plan investment options because it invests primarily in owned private equity commercial real estate rather than securities. Unlike public securities sold on an exchange, commercial real estate assets are usually sold in time-consuming, and often complex, transactions. Due to the nature of these transactions, this Separate Account may be subject to market conditions which may delay or prevent a sale. We may implement a pre-existing contractual limitation in the group annuity contract which will allow us to manage this Separate Account and satisfy withdrawal requests proportionately over time and fairly among all those who request a withdrawal.
- <sup>16</sup> The net return experienced may be negative if the costs to maintain and operate the Liquid Assets Separate Account exceed returns. Participants may also see negative returns if plan expenses, if applicable, are netted or deducted from their accounts.
- <sup>17</sup> 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.
- <sup>18</sup> International and global investing involves greater risks such as currency fluctuations, political/social instability and differing accounting standards.
- <sup>19</sup> Investment manager/sub-advisor means either the Investment Advisor or Sub-Advisor to the investment option or the underlying asset(s). Principal Life Insurance Company is the Investment Manager as defined by ERISA, with regard to the assets of the Separate Accounts. Principal Global Investors is a member of the Principal Financial Group.
- <sup>20</sup> Investment manager/sub-advisor means either the Investment Advisor or Sub-Advisor to the investment option or the underlying asset(s).
- <sup>21</sup> Investment manager/sub-advisor means either the Investment Advisor or Sub-Advisor to the investment option or the underlying asset(s). Principal Life Insurance Company is the Investment Manager as defined by ERISA, with regard to the assets of the Separate Accounts. Principal Global Investors is a member of the Principal Financial Group.
- <sup>22</sup> Holdings include an allocation to the Principal Healthcare Innovators Index ETF which is maintained by an affiliate of Principal Life. To eliminate any potential for cost duplication to the separate account, the full expense of the ETF is offset by the sub-advisor.
- <sup>23</sup> The Principal Stable Value Fund (the Fund), is a collective investment trust maintained by Principal Global Investors Trust Company, (the Trust Company). Morley Capital Management (Morley), a specialized investment boutique of Principal Global Investors, LLC (the Adviser), serves as investment manager with respect to the Fund, subject to the Trust Company's supervision and review. The Adviser is an indirect wholly owned subsidiary of Principal Financial Group and is under common control with the Trust Company. The Fund is not a mutual fund and is not registered with the Securities and Exchange Commission, the State of Oregon, or any other regulatory body. Units of the Fund are not deposits or obligations of, guaranteed by, or insured by the Trust Company or any affiliate, and are not insured by the FDIC or any other federal or state government agency. The value of the Fund may fluctuate so that when redeemed, units may be worth more or less than the original cost. The declaration of trust, participation agreement, and disclosure documents contain important information about investment objectives, risks, fees and expenses associated with investment in the Fund and should be read carefully before investing. Direct investment in the Fund is limited to participating trusts (also known as investing plan/trust) that meet certain requirements described in the declaration of trust, that enter into a participation agreement with the Trust Company. The Fund cannot accept investment directly from individuals and is subject to restrictions regarding transfer and withdrawal of assets including potential deferral of withdrawal requests by up to 12 months, as defined in the applicable declaration of trust.
- <sup>24</sup> For the NE Rate level, Principal Life Insurance Company (Principal Life) 1. pays the Sub-Adviser the management fee and compensation for services provided to the separate account, and 2. pays the separate account the expected operating expenses proportionally attributable to the NE Rate level in the maintenance of the Separate Account. Operating expenses may be greater or less than expected in any given period. The NE Rate level is only available to Contract holders who meet certain requirements and select certain additional products and services made available by Principal Life or an affiliate. Ask your Principal representative for additional details.
- <sup>25</sup> Additional target date portfolios may be added to the Principal LifeTime portfolios series to accommodate plan participants with later normal retirement dates as they enter the workforce. Participants may also choose a portfolio with a target date that does not match the intended retirement date. Compare the different portfolios to see how the mix of investments might shift.
- <sup>26</sup> The Principal U.S. Property Separate Account invests primarily in the Principal U.S. Property Portfolio, an operating partnership. All rights associated with the partnership are the rights of the Separate Account, not of contract holders investing in the Separate Account. Generally more than five percent (5%) of the Net Asset Value will be in directly held assets consistent with the investment objective and strategy.
- <sup>27</sup> Selecting a target date fund series is also authorizing any additional vintage which is launched by the investment provider for the series, and included in their associated materials, to be added to the plan after proper notification.

- <sup>28</sup> There is no guarantee that a target date investment will provide adequate income at or through retirement. A target date fund's (TDF) glidepath is typically set to align with a retirement age of 65, which maybe your plan's normal retirement date (NRD). If your plan's NRD/age is different, the plan may default you to a TDF based on the plans NRD/Age. Participants may choose a TDF that does not match the plan's intended retirement date but instead aligns more to their investment risk. Compare the different TDF's to see how the mix of investments shift based on the TDF glide path.
- F Investment option limits transfer activity. Once the number of allowed transfers is met, participants are not allowed to transfer back into an investment option which they have transferred out of until the holding period elapses. All participant investment transfers and non-scheduled rebalancing activity are counted toward the number of transfers allowed. Contributions into the investment option are not impacted. Participants may still transfer out to different investment options or to money market or Guaranteed options.
- Principal Life works with each fund family to implement each funds' policy and establish frequent trading guidelines that best mirror Prospectus language. Mutual Fund Network investment managers have the ability to monitor for excessive trading and may enforce frequent purchase limitations in addition to or in lieu of policy monitored by Principal Life Insurance Company. Please refer to the Prospectus for verification.

#### Benchmark Descriptions

The S&P United States REIT Index measures the performance of investable universe of publicly traded real estate investment trusts domiciled in the United States.

The Bloomberg US Universal Index measures the performance of USD-denominated, taxable bonds that are rated either investment grade or high-yield. It represents the union of the U.S. Aggregate Index, U.S. Corporate High Yield Index, Investment Grade 144A Index, Eurodollar Index, U.S. Emerging Markets Index, and the non-ERISA eligible portion of the CMBS Index.

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