

Investment Performance Review
Period Ending September 30, 2017

City of Marietta
Supplemental Pension Plan

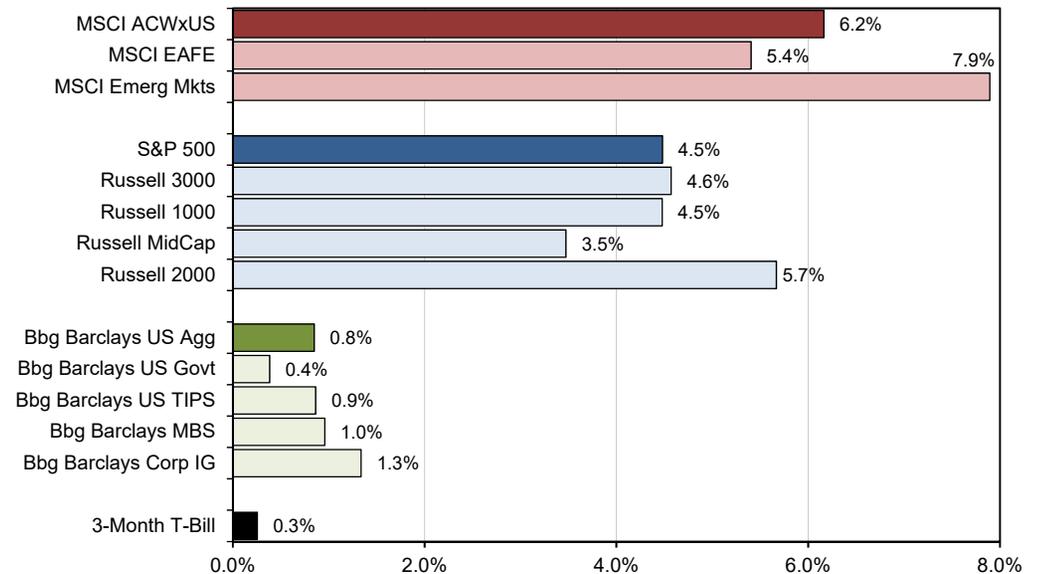


3rd Quarter 2017 Market Environment

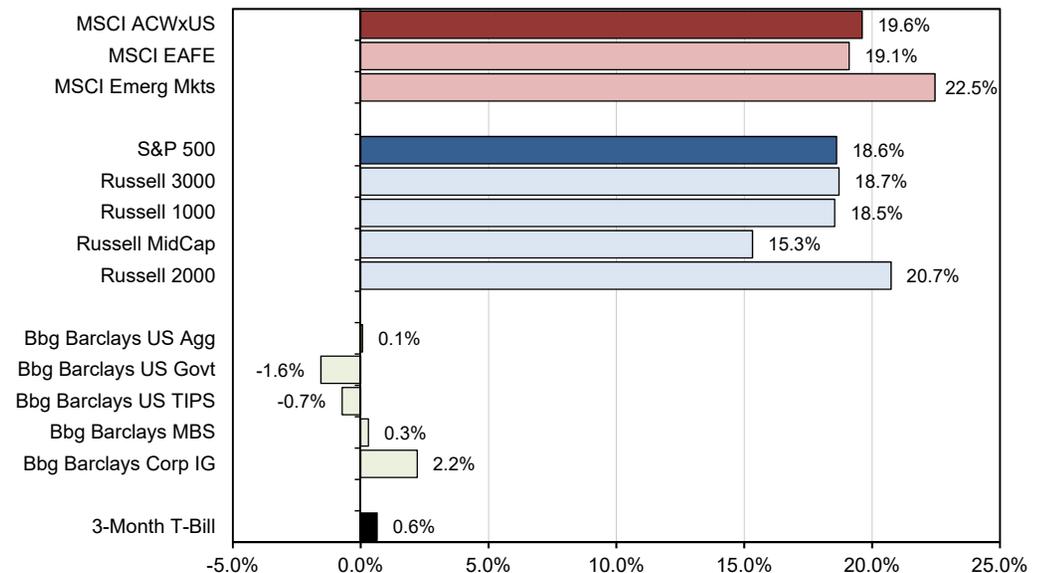


- Returns were positive for major equity and fixed income indices for the 3rd quarter of 2017. Broad domestic and international equity market performance was largely fueled by continued improvement in corporate earnings and macroeconomic data worldwide. Domestic equities trailed international indices during the quarter. While U.S. economic fundamentals and corporate earnings growth were viewed positively, market participants faced headwinds from increasing tension between the U.S. and North Korea, several major weather events and ongoing political concerns surrounding the pace of implementation of Trump administration expansive fiscal policy reforms. Despite these concerns, investor optimism remained high and many major domestic equity indices hit record levels during the quarter. Small cap equities outperformed large cap stocks for the quarter with the Russell 2000 Index returning 5.7% versus a 4.5% return for the S&P 500 Index. Small cap companies have also been the best performers domestically over the last 12 months, returning over 20%. While small cap equities lead the charge, all U.S. core market capitalization indices returned over 15% over the last year.
- International equity market benchmarks continued to outpace U.S. markets through the 3rd quarter of 2017 as both developed and emerging market international equities saw benefits from continued strength in global macroeconomic data, a weakening U.S. Dollar (USD) and ongoing accommodative global central bank policies. The improving economic fundamentals worldwide have led many international central banks to begin telegraphing an eventual reduction in stimulus going forward, with both the European Central Bank and the Bank of England expected to announce plans to reduce stimulus before year end. Emerging markets, which benefitted from a weakening USD and rising commodity prices during the period, continued their trend of outperformance relative to developed markets. The MSCI Emerging Market Index returned 7.9% for the quarter and a solid 22.5% for the 1-year period. While weaker by comparison, the developed market MSCI EAFE Index also posted robust performance, returning 5.4% for the quarter and 19.1% for the year.
- The yield curve continued to flatten through the 3rd quarter of 2017 as interest rates rose slightly from the prior quarter, but with greater magnitude in short-term maturities. The Federal Reserve announced that its plan to systematically shrink the size of its balance sheet would begin in October. Broad fixed income indices posted positive results with the bellwether Bloomberg Barclays U.S. Aggregate Index returning 0.8% for the quarter. Benefitting from tightening credit spreads, corporate credit has been the best performer among the investment grade sectors with the Bloomberg Barclays U.S. Corporate Investment Grade Index returning 1.3% and 2.2% over the quarter and 1-year period respectively.

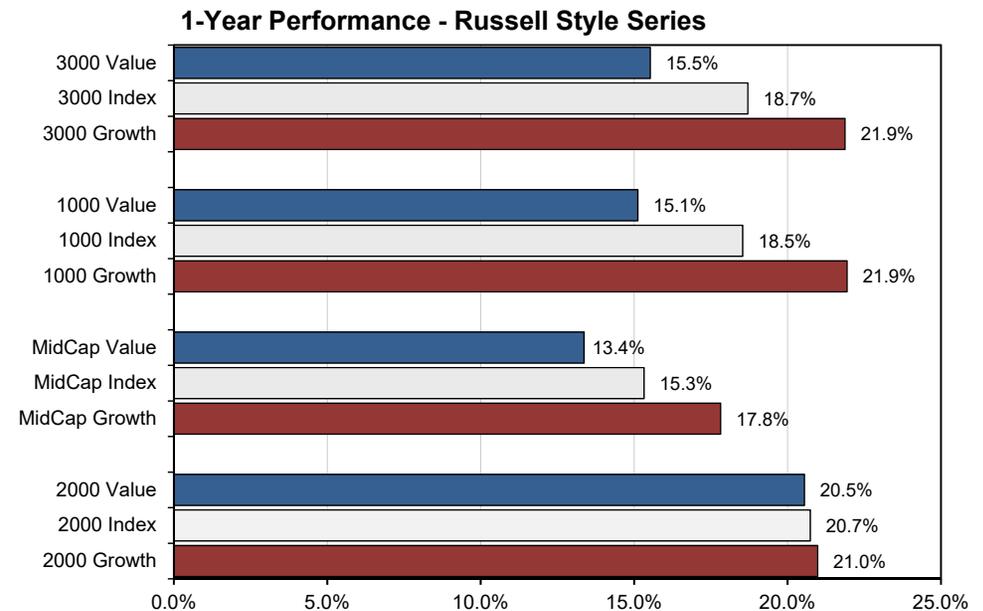
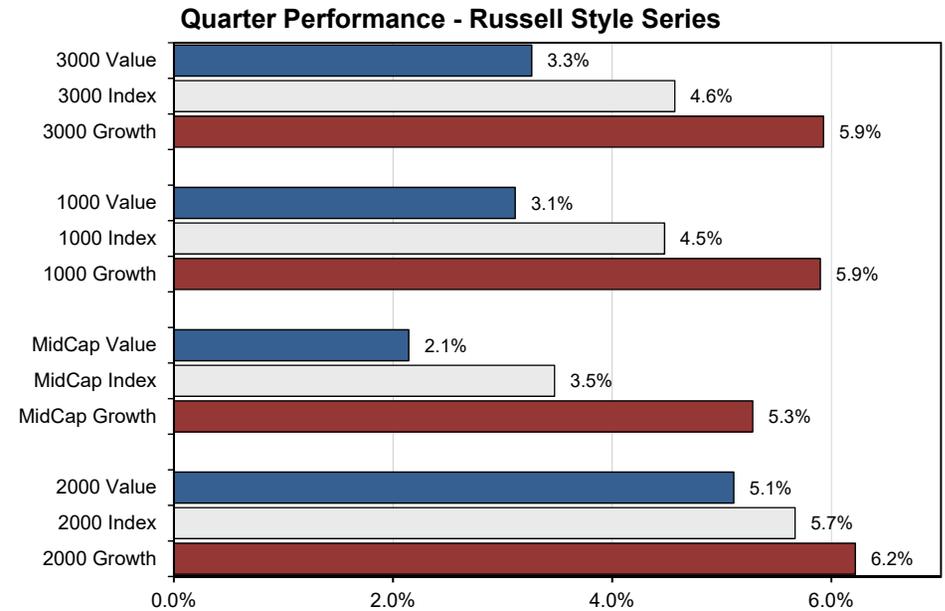
Quarter Performance



1-Year Performance



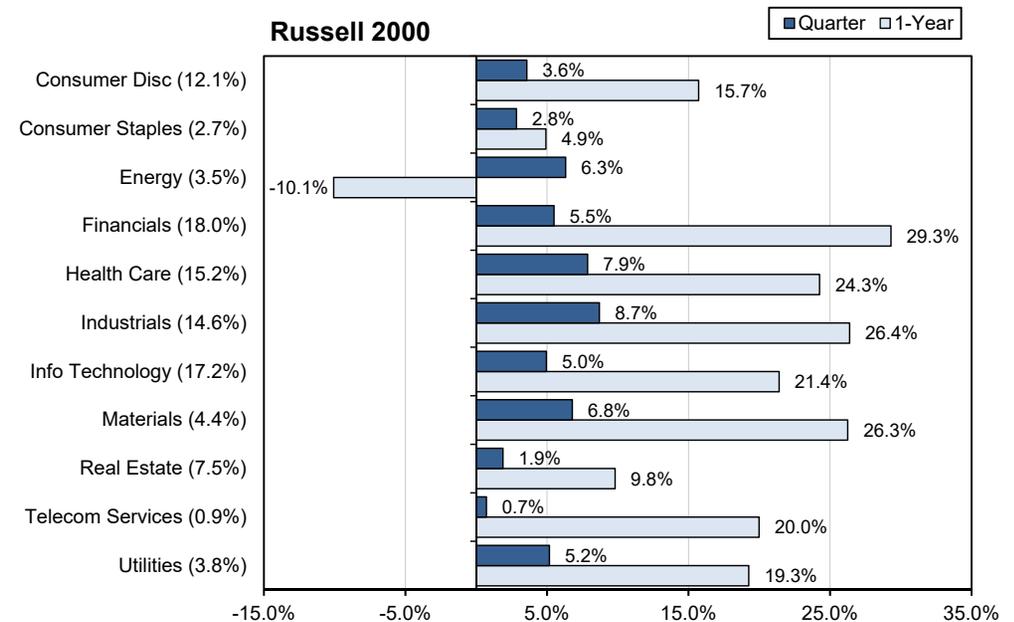
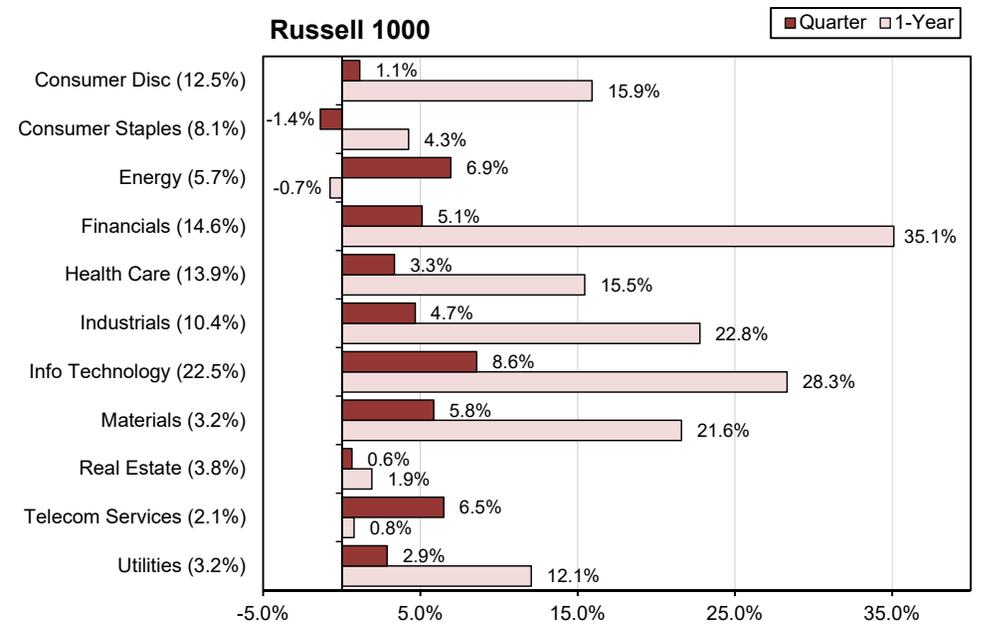
- Despite political gridlock in Washington, increased aggression between the U.S. and North Korea and several major weather events, including three hurricanes that caused catastrophic damage to Texas, Florida and Puerto Rico, domestic equity prices pushed higher during the 3rd quarter. U.S. equity index returns were positive across the style and capitalization spectrum for the 3rd quarter and trailing 1-year period. Encouraging economic data continued to facilitate gains in U.S. equity markets as positive trends in GDP, consumer and business sentiment, corporate earnings and employment continued throughout the period. Over the past twelve months, there has only been one instance of a negative quarterly return being posted by the Russell market cap and style indices, which was a -0.13% return by the Russell 2000 Value Index during 1Q 2017.
- Small cap stocks were the best performing capitalization segment across the spectrum for the 3rd quarter, bucking a year-to-date trend of large cap outperformance. The small cap Russell 2000 Index posted a 5.7% return for the period. While small cap stocks were the best performers, large and mid cap indices also posted solid returns. Interestingly, the returns for the large cap Russell 1000 Index outperformed the Russell MidCap Index, which is somewhat unusual during a period of small cap outperformance. Small cap stocks also outperform larger companies over the 1-year period, with the Russell 2000 returning 20.7% versus a return of 18.5% for the Russell 1000.
- The 3rd quarter built on year-to-date trends as growth style indices outperformed their value counterparts. Growth indices benefitted from significant overweight's to the information technology sector, which was the best performing sector during the 3rd quarter. Growth benchmarks also benefitted from their exposures to more cyclical names within the information technology, health care and industrials sectors. The Russell Midcap Value Index's return of 2.1% was the worst performing style index for the period. Over the 1-year period, growth indices outperform value indices across the market cap spectrum with the Russell 1000 Growth Index returning an impressive 21.9%. However, all market cap and style indices have returns in the double digits with most returning greater than 15% for the year.
- Domestic equity valuations appear stretched relative to historical levels based on Forward Price/Earnings ratios (P/E), with even the most reasonably valued indices trading well above their historical P/E valuations. Index P/E valuations range from 115% to 138% of their respective 15-year P/E averages. The mid cap core and small cap value indices appear the most inexpensive and the small cap growth and small cap core segments look the most overvalued.



- Sector performance within the Russell 1000 Index was largely positive for the 3rd quarter. Six of eleven economic sectors outpaced the Russell 1000 Index return, and ten of eleven sectors posted gains during the period. Technology stocks were the best performers, returning 8.6% for the quarter on the back of another strong earnings season. Energy and materials stocks also performed well relative to other sectors, rising 6.9% and 5.8% respectively, benefitting from increased commodity prices. Brent crude prices rose over 20% through the quarter as U.S. inventories fell faster than expected, there were concerns of potential supply disruptions in U.S. oil refining operations in Texas due to flooding caused by Hurricane Harvey, OPEC remained committed to limiting production overseas and the USD weakened. Industrial metal prices also rose on positive economic news out of China. Other cyclical sectors such as industrials and financials also posted strong results. Telecommunication services returned a notable 6.5% due to strong performance of the sector's largest weighted companies, Verizon and AT&T. Over the trailing 1-year period, financials and technology were the best performing sectors in the Russell 1000, returning 35.1% and 28.3% respectively. Ten of eleven large cap economic sectors posted positive returns for the year with seven posting double digit returns. Energy was the only large cap sector to post a negative return over the last year, returning -0.7%.

- Small cap sector results generally outperformed their large capitalization counterparts for the quarter. Four of eleven economic sectors outpaced the Russell 2000 Index return for the quarter, and all eleven sectors posted positive results for the period. Most of the sector trends observable in large cap index sector performance also impacted small cap sectors. However, small cap telecom services underperformed large cap telecom stocks meaningfully. Over the 1-year period, six of eleven sectors have returns greater than 20% and eight have posted double digit returns. Energy was the only Russell 2000 sector to post a negative return over last year, falling -10.1%.

- Using S&P 500 sector valuations as a proxy for the market, Forward P/E ratios for eight of the GICS sectors were higher than their long-term averages at quarter-end. Using these historical P/E measures, the energy, materials and utilities sectors appear the most extended. In contrast the technology, health care and telecommunications sectors were trading at a discount to their long-term average P/E ratios.



The Market Environment
Top 10 Index Weights & Quarterly Performance for the Russell 1000 & 2000
As of September 30, 2017

| Top 10 Weighted Stocks | | | | |
|--------------------------|--------|--------------|---------------|------------------------|
| Russell 1000 | Weight | 1-Qtr Return | 1-Year Return | Sector |
| Apple Inc | 3.35% | 7.4% | 38.8% | Information Technology |
| Microsoft Corp | 2.33% | 8.6% | 32.4% | Information Technology |
| Facebook Inc A | 1.66% | 13.2% | 33.2% | Information Technology |
| Amazon.com Inc | 1.59% | -0.7% | 14.8% | Consumer Discretionary |
| Berkshire Hathaway Inc B | 1.47% | 8.2% | 26.9% | Financials |
| Johnson & Johnson | 1.46% | -1.1% | 13.0% | Health Care |
| Exxon Mobil Corp | 1.45% | 2.5% | -2.5% | Energy |
| JPMorgan Chase & Co | 1.41% | 5.1% | 46.9% | Financials |
| Alphabet Inc C | 1.21% | 5.5% | 23.4% | Information Technology |
| Alphabet Inc A | 1.21% | 4.7% | 21.1% | Information Technology |

| Top 10 Weighted Stocks | | | | |
|-------------------------------------|--------|--------------|---------------|------------------------|
| Russell 2000 | Weight | 1-Qtr Return | 1-Year Return | Sector |
| Kite Pharma Inc | 0.43% | 73.4% | 221.9% | Health Care |
| bluebird bio Inc | 0.31% | 30.7% | 102.6% | Health Care |
| Exact Sciences Corp | 0.27% | 33.2% | 153.7% | Health Care |
| Knight-Swift Transportation Hldgs A | 0.25% | 12.3% | 45.8% | Industrials |
| MKS Instruments Inc | 0.25% | 40.6% | 91.8% | Information Technology |
| Catalent Inc | 0.24% | 13.7% | 54.5% | Health Care |
| Aspen Technology Inc | 0.23% | 13.7% | 34.2% | Information Technology |
| Starwood Waypoint Homes | 0.23% | 6.7% | 30.2% | Real Estate |
| MGIC Investment Corp | 0.23% | 11.9% | 56.6% | Financials |
| Curtiss-Wright Corp | 0.23% | 13.9% | 15.4% | Industrials |

| Top 10 Performing Stocks (by Quarter) | | | | |
|---------------------------------------|--------|--------------|---------------|------------------------|
| Russell 1000 | Weight | 1-Qtr Return | 1-Year Return | Sector |
| Juno Therapeutics Inc | 0.01% | 50.1% | 49.5% | Health Care |
| NRG Energy Inc | 0.03% | 48.8% | 130.0% | Utilities |
| Alnylam Pharmaceuticals Inc | 0.04% | 47.3% | 73.3% | Health Care |
| Alcoa Corp | 0.04% | 42.8% | N/A | Materials |
| Take-Two Interactive Software Inc | 0.04% | 39.3% | 126.8% | Information Technology |
| Orbital ATK Inc | 0.03% | 35.8% | 77.0% | Industrials |
| International Game Technology PLC | 0.01% | 35.5% | 4.5% | Consumer Discretionary |
| ACADIA Pharmaceuticals Inc | 0.02% | 35.1% | 18.4% | Health Care |
| Spirit AeroSystems Holdings Inc | 0.04% | 34.3% | 75.6% | Industrials |
| Gap Inc | 0.03% | 34.3% | 38.3% | Consumer Discretionary |

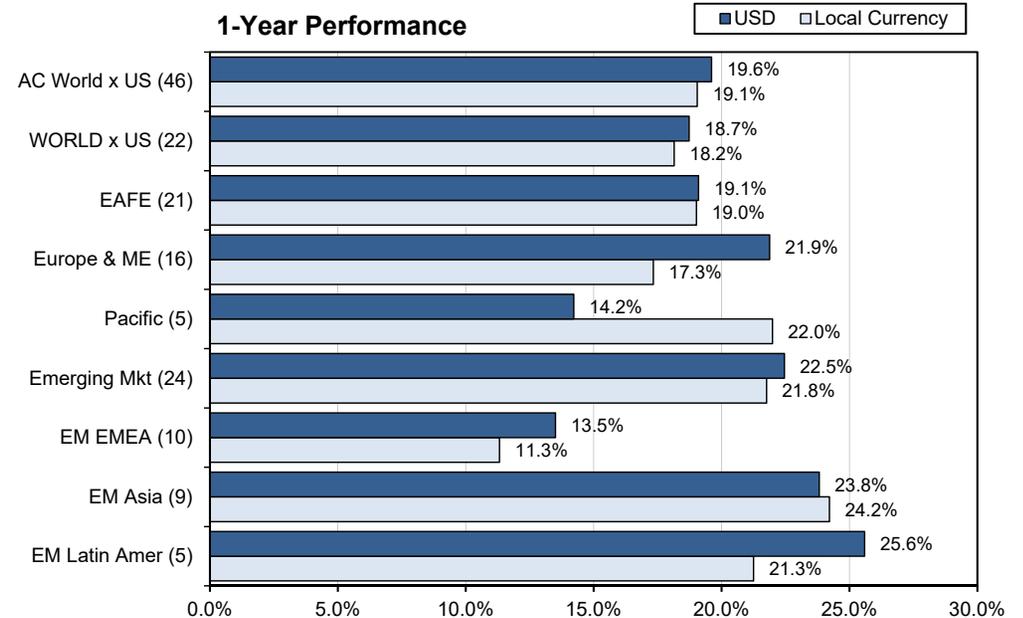
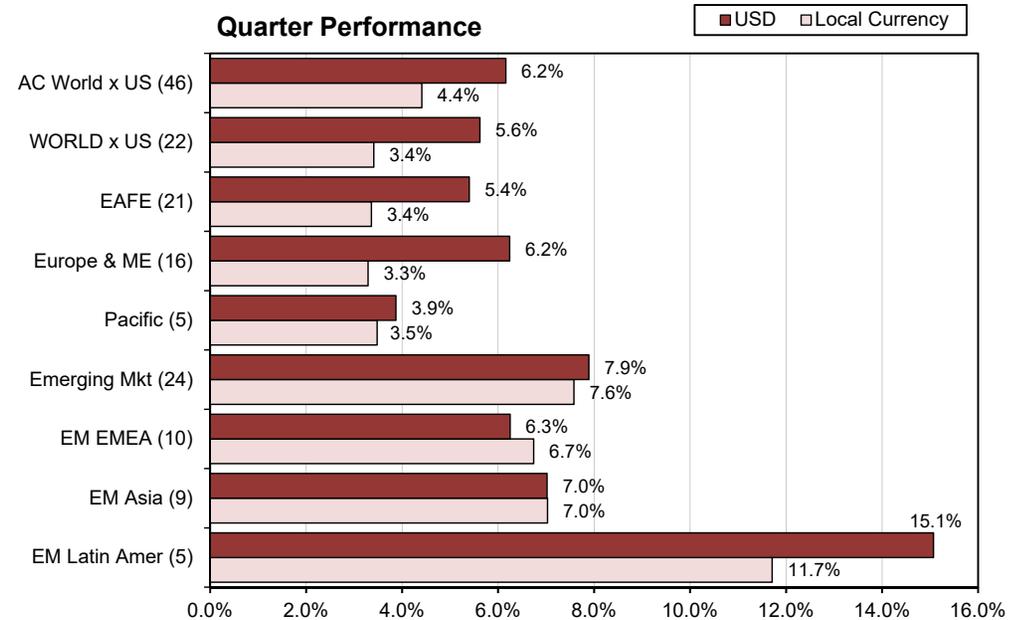
| Top 10 Performing Stocks (by Quarter) | | | | |
|---------------------------------------|--------|--------------|---------------|------------------------|
| Russell 2000 | Weight | 1-Qtr Return | 1-Year Return | Sector |
| Veritone Inc | 0.01% | 288.1% | N/A | Information Technology |
| MyoKardia Inc | 0.04% | 227.1% | 162.2% | Health Care |
| Madriral Pharmaceuticals Inc | 0.01% | 176.6% | 254.7% | Health Care |
| Abeona Therapeutics Inc | 0.02% | 166.4% | 184.2% | Health Care |
| Zogenix Inc | 0.04% | 141.7% | 206.6% | Health Care |
| Voyager Therapeutics Inc | 0.01% | 129.8% | 71.4% | Health Care |
| Dynavax Technologies Corp | 0.06% | 122.8% | 105.0% | Health Care |
| Hertz Global Holdings Inc | 0.06% | 94.4% | -44.3% | Industrials |
| Intrepid Potash Inc | 0.02% | 92.9% | 285.8% | Materials |
| Spectrum Pharmaceuticals Inc | 0.05% | 88.9% | 201.3% | Health Care |

| Bottom 10 Performing Stocks (by Quarter) | | | | |
|--|--------|--------------|---------------|------------------------|
| Russell 1000 | Weight | 1-Qtr Return | 1-Year Return | Sector |
| Intercept Pharmaceuticals Inc | 0.00% | -52.1% | -64.7% | Health Care |
| Uniti Group Inc | 0.01% | -39.3% | -47.9% | Real Estate |
| Tahoe Resources Inc | 0.01% | -38.8% | -58.1% | Materials |
| Spirit Airlines Inc | 0.01% | -35.3% | -21.4% | Industrials |
| Rite Aid Corp | 0.01% | -33.6% | -74.5% | Consumer Staples |
| DexCom Inc | 0.02% | -33.1% | -44.2% | Health Care |
| Dick's Sporting Goods Inc | 0.01% | -31.8% | -51.6% | Consumer Discretionary |
| Mednax Inc | 0.02% | -28.6% | -34.9% | Health Care |
| Envision Healthcare Corp | 0.02% | -28.3% | -33.0% | Health Care |
| Foot Locker Inc | 0.02% | -28.1% | -47.0% | Consumer Discretionary |

| Bottom 10 Performing Stocks (by Quarter) | | | | |
|--|--------|--------------|---------------|------------------------|
| Russell 2000 | Weight | 1-Qtr Return | 1-Year Return | Sector |
| Versartis Inc | 0.00% | -86.0% | -80.0% | Health Care |
| Otonomy Inc | 0.00% | -82.8% | -82.1% | Health Care |
| Genocea Biosciences Inc | 0.00% | -72.0% | -71.5% | Health Care |
| Babcock & Wilcox Enterprises Inc | 0.01% | -71.7% | -79.8% | Industrials |
| Ominto Inc | 0.00% | -70.5% | 38.0% | Information Technology |
| Axovant Sciences Ltd | 0.01% | -70.3% | -50.9% | Health Care |
| RAIT Financial Trust | 0.00% | -64.9% | -75.1% | Real Estate |
| Radisys Corp | 0.00% | -63.6% | -74.4% | Information Technology |
| CPI Card Group Inc | 0.00% | -58.6% | -79.7% | Information Technology |
| Tintrix Inc | 0.00% | -56.8% | N/A | Information Technology |



- International equity returns for the 3rd quarter were largely driven by ongoing improvement in the global economy and continued weakness in the USD. These trends, in tandem with rising commodity prices, helped emerging markets continue their 2017 outperformance relative to developed market equities. While USD strength remains on the high side of its 10-year range, the USD continued its year-to-date decline against most major currencies through the period. This provided additional tailwinds to international index returns denominated in USD. The recent weakness in USD is also visible in the 1-year performance for broad international indices, with most indices showing stronger returns in terms of USD. However, Asian-Pacific markets stand out as an exception.
- Returns for broad developed market international indices were broadly positive for the 3rd quarter in both USD and local currency terms with the MSCI EAFE Index returning 5.4% and 3.4% respectively. Eurozone, U.K. and Japanese markets advanced on the back of positive macroeconomic data and improvement in corporate earnings. As economic data has continued to stabilize, many developed market central banks have started to take a less accommodative stance toward monetary policy and economic stimulus. In Europe, European Central Bank (ECB) President Mario Draghi acknowledged that the ECB has been discussing plans to begin the wind down of their quantitative easing program. Investors are expecting a formal announcement in October. In the U.K., the Bank of England telegraphed that an interest rate hike was likely before the end of the year, and in Canada, the Bank of Canada raised interest rates twice this quarter. Despite increased tensions with North Korea and the early dissolution of the lower house of parliament by Prime Minister Abe leading to snap elections in October, Japanese equities rose over the quarter. Performance for the past year has been strong on an absolute basis with the MSCI EAFE Index returning 19.1% and 19.0% in USD and local currency terms respectively.
- A supportive global economic environment, increasing commodity prices and a weakening USD led to continued growth in emerging market equity prices. The MSCI Emerging Market Index outperformed developed markets during the 3rd quarter, returning 7.9% and 7.6% in USD and local currency terms respectively. Returns in China, Brazil and Russia were particularly strong as China advanced on an improving growth outlook, Brazil on improving political stability and progress on social and economic reform initiatives, and Russia largely on improvement in oil prices. One year returns on the MSCI Emerging Market Index are an impressive 22.5% in USD terms and 21.8% in terms of local currency.



The Market Environment
U.S. Dollar International Index Attribution & Country Detail
As of September 30, 2017

| MSCI - EAFE | Sector Weight | Quarter Return | 1-Year Return |
|----------------------------|---------------|----------------|---------------|
| Consumer Discretionary | 12.2% | 7.4% | 20.3% |
| Consumer Staples | 11.2% | 0.8% | 6.2% |
| Energy | 5.1% | 13.4% | 22.1% |
| Financials | 21.5% | 5.2% | 32.5% |
| Health Care | 10.6% | 0.7% | 7.8% |
| Industrials | 14.4% | 6.3% | 21.8% |
| Information Technology | 6.3% | 8.6% | 28.5% |
| Materials | 7.9% | 11.0% | 27.6% |
| Real Estate | 3.5% | 3.2% | 5.9% |
| Telecommunication Services | 4.1% | 1.7% | 4.4% |
| Utilities | 3.4% | 4.3% | 11.6% |
| Total | 100.0% | 5.4% | 19.1% |

| MSCI - ACWxUS | Sector Weight | Quarter Return | 1-Year Return |
|----------------------------|---------------|----------------|---------------|
| Consumer Discretionary | 11.3% | 7.0% | 19.7% |
| Consumer Staples | 9.6% | 1.1% | 5.7% |
| Energy | 6.6% | 12.7% | 17.5% |
| Financials | 23.3% | 6.1% | 28.8% |
| Health Care | 7.9% | 0.8% | 7.2% |
| Industrials | 11.8% | 5.6% | 20.7% |
| Information Technology | 11.2% | 10.0% | 35.1% |
| Materials | 7.9% | 10.7% | 25.0% |
| Real Estate | 3.2% | 6.1% | 10.3% |
| Telecommunication Services | 4.2% | 2.4% | 5.4% |
| Utilities | 3.1% | 4.6% | 10.5% |
| Total | 100.0% | 6.2% | 19.6% |

| MSCI - Emerging Mkt | Sector Weight | Quarter Return | 1-Year Return |
|----------------------------|---------------|----------------|---------------|
| Consumer Discretionary | 10.3% | 5.0% | 16.3% |
| Consumer Staples | 6.5% | 2.5% | 3.8% |
| Energy | 6.8% | 12.9% | 21.2% |
| Financials | 23.4% | 7.2% | 21.7% |
| Health Care | 2.3% | 3.3% | 2.9% |
| Industrials | 5.4% | 1.7% | 12.6% |
| Information Technology | 27.6% | 11.0% | 40.5% |
| Materials | 7.2% | 10.1% | 28.0% |
| Real Estate | 2.9% | 17.9% | 29.9% |
| Telecommunication Services | 5.1% | 3.3% | 6.3% |
| Utilities | 2.6% | 6.4% | 7.2% |
| Total | 100.0% | 7.9% | 22.5% |

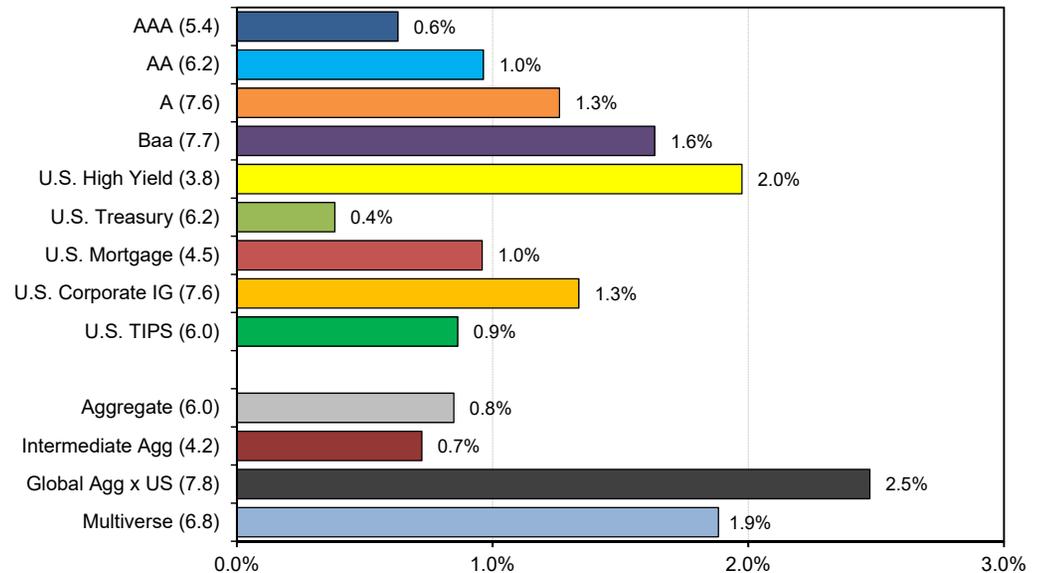
| Country | MSCI-EAFE Weight | MSCI-ACWxUS Weight | Quarter Return | 1-Year Return |
|----------------------------------|------------------|--------------------|----------------|---------------|
| Japan | 23.0% | 15.9% | 4.0% | 14.1% |
| United Kingdom | 17.8% | 12.3% | 5.2% | 14.6% |
| France | 10.8% | 7.5% | 8.4% | 30.6% |
| Germany | 9.8% | 6.8% | 7.7% | 26.1% |
| Switzerland | 8.2% | 5.7% | 2.0% | 15.7% |
| Australia | 6.8% | 4.7% | 3.1% | 13.1% |
| Netherlands | 3.7% | 2.6% | 9.3% | 28.4% |
| Spain | 3.5% | 2.4% | 4.3% | 32.0% |
| Hong Kong | 3.5% | 2.4% | 5.1% | 16.3% |
| Sweden | 2.9% | 2.0% | 5.5% | 24.3% |
| Italy | 2.5% | 1.7% | 13.7% | 45.6% |
| Denmark | 1.9% | 1.3% | 7.7% | 20.3% |
| Singapore | 1.3% | 0.9% | 3.1% | 18.7% |
| Belgium | 1.2% | 0.8% | 9.2% | 6.2% |
| Finland | 1.0% | 0.7% | 3.3% | 20.2% |
| Norway | 0.7% | 0.5% | 19.2% | 28.9% |
| Israel | 0.5% | 0.3% | -12.7% | -13.0% |
| Ireland | 0.5% | 0.3% | 6.1% | 14.4% |
| Austria | 0.3% | 0.2% | 12.7% | 59.3% |
| Portugal | 0.2% | 0.1% | 13.2% | 22.6% |
| New Zealand | 0.2% | 0.1% | -0.1% | -2.0% |
| Total EAFE Countries | 100.0% | 69.2% | 5.4% | 19.1% |
| Canada | | 6.7% | 7.9% | 15.0% |
| Total Developed Countries | | 75.9% | 5.6% | 18.7% |
| China | | 7.1% | 14.7% | 33.0% |
| Korea | | 3.6% | 2.7% | 24.8% |
| Taiwan | | 2.8% | 0.8% | 19.9% |
| India | | 2.0% | 3.0% | 14.2% |
| Brazil | | 1.8% | 23.0% | 29.2% |
| South Africa | | 1.5% | 3.8% | 7.6% |
| Mexico | | 0.8% | 1.5% | 16.2% |
| Russia | | 0.8% | 17.6% | 19.6% |
| Indonesia | | 0.6% | -1.1% | 5.9% |
| Malaysia | | 0.6% | 1.8% | 6.2% |
| Thailand | | 0.5% | 10.5% | 20.7% |
| Poland | | 0.3% | 9.3% | 51.2% |
| Chile | | 0.3% | 16.9% | 35.6% |
| Philippines | | 0.3% | 3.0% | 2.1% |
| Turkey | | 0.3% | 0.3% | 14.5% |
| United Arab Emirates | | 0.2% | 4.1% | 6.4% |
| Qatar | | 0.1% | -6.9% | -14.9% |
| Colombia | | 0.1% | 6.5% | 12.7% |
| Peru | | 0.1% | 14.1% | 32.3% |
| Greece | | 0.1% | -12.2% | 30.9% |
| Hungary | | 0.1% | 9.6% | 42.8% |
| Czech Republic | | 0.0% | 10.0% | 21.5% |
| Egypt | | 0.0% | 2.2% | -17.7% |
| Pakistan | | 0.0% | -16.5% | -7.1% |
| Total Emerging Countries | | 24.1% | 7.9% | 22.5% |
| Total ACWxUS Countries | | 100.0% | 6.2% | 19.6% |

Source: MSCI Global Index Monitor (Returns are Net in USD)

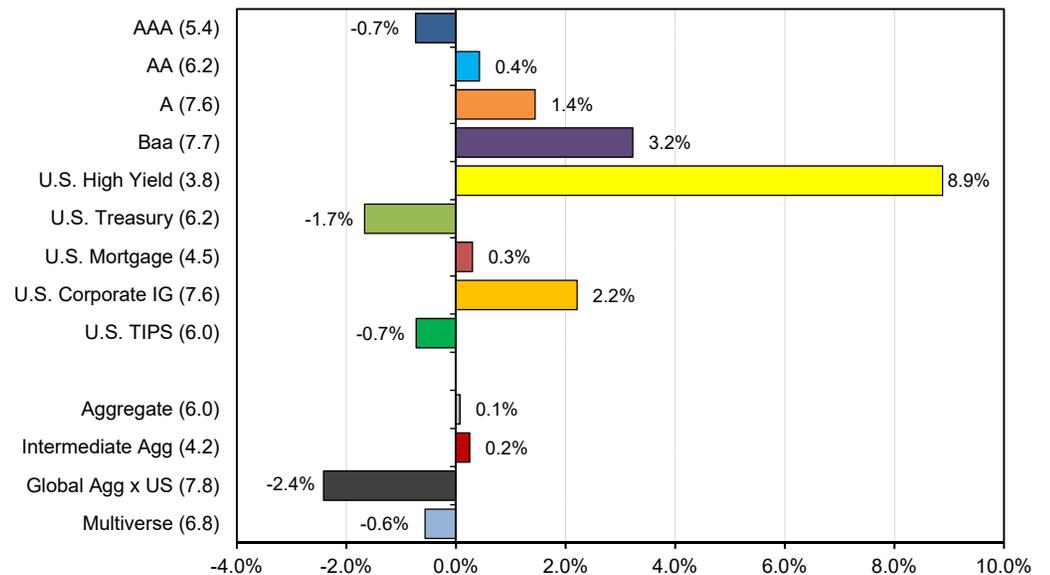


- Broad fixed income benchmarks gained ground during the 3rd quarter. The Bloomberg Barclays U.S. Aggregate Index ended the quarter with a 0.8% gain despite modestly rising interest rates. Interest rates fell during the first half of the quarter when investors looked to safe-haven assets as international relations between the U.S. and North Korea began to deteriorate and extreme weather created anxiety in markets. However, rates reversed course in the beginning of September, ending slightly higher than where they began the period. The Federal Open Market Committee (FOMC) voted not to increase short-term interest rates during the third quarter, but market expectations are for one additional increase prior to year end. While inflation remains subdued, the Fed feels the economy is tracking to be healthy enough to warrant continued tightening. This caused a flattening of the yield curve as short-term market yields rose more aggressively than rates on long-term maturities. The Fed also announced that its plan to gradually reduce its balance sheet by slowing the rate of reinvestment of the Treasury and mortgage backed securities (MBS) it holds on its books as the securities mature would begin in October. The amount reinvested each month will fall systematically, reducing the size of the Fed's balance sheet over time. This can be viewed as further tightening of monetary policy. This put additional upward pressure on interest rates as the quarter came to a close. The Bloomberg Barclays U.S. Aggregate Index stayed slightly positive over the 1-year period returning 0.1%, with the various investment grade sectors posting mixed results.
- Lower quality bonds outperformed higher quality issues for both the quarter and 1-year period as contracting credit spreads from improvements in economic fundamentals acted as a tailwind to these issues. During the 3rd quarter, credit spreads for high yield debt decreased by 17 bps versus only 8 bps for investment grade (IG) corporate issues. BAA issues more than doubled the return of AAA securities for the second straight quarter, returning 1.6% versus a 0.6% return for AAA debt. High yield debt continues to be the largest beneficiary of the strengthening economy, returning 2.0% for the quarter and 8.9% for the 1-year period.
- A review of sector performance shows that IG credit has continued its 2017 trend of outperformance versus Treasuries and MBS securities. As previously mentioned, corporate issues benefited from tightening credit spreads throughout the period. Treasuries were the worst performer due to their higher duration and expectations for additional tightening of monetary policy. MBS also benefitted from some spread compression through the quarter, but enthusiasm for these securities was dimmed by the Fed's planned balance sheet reduction strategy. Treasury securities posted the worst returns for the quarter, appreciating 0.4%. U.S. IG corporate bonds were the best performing IG sector over the 1-year period, returning 2.2%.

Quarter Performance

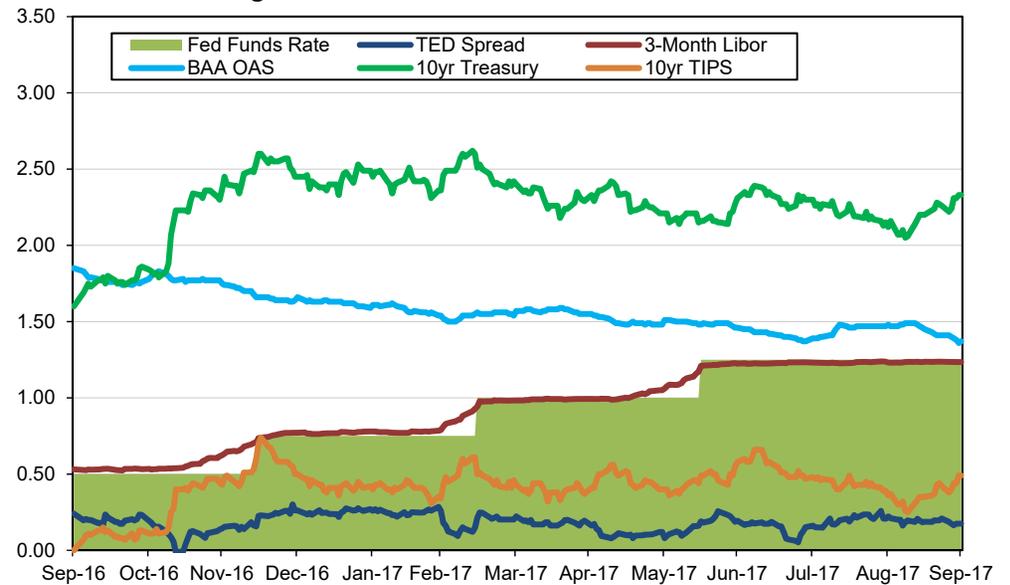


1-Year Performance

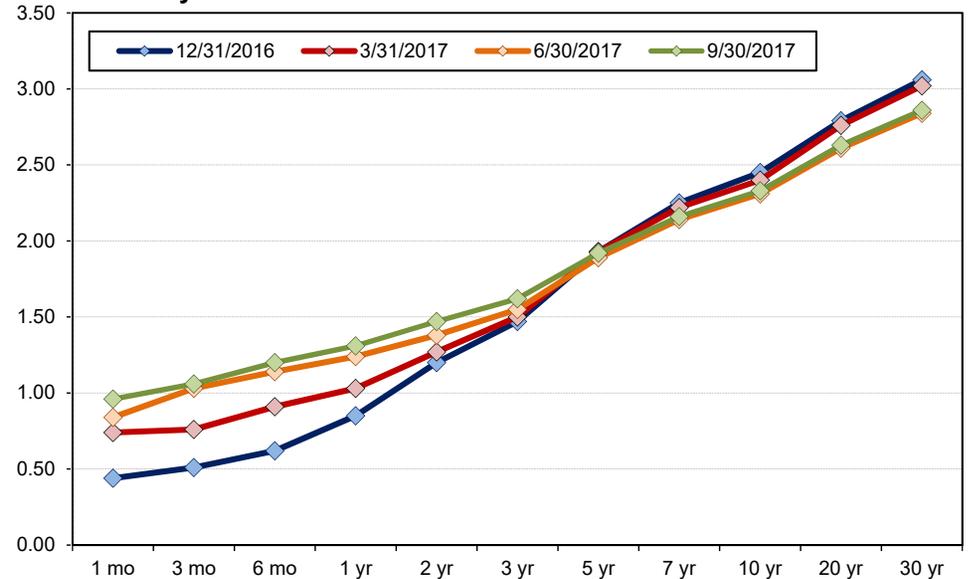


- Global fixed income indices also posted strong results for the quarter. Global benchmarks are impacted by the same local yield and duration factors as domestic benchmarks. While these indices have relatively high durations, the returns of these indices are also significantly influenced by fluctuations in their currency denomination relative to the USD. This currency effect can either be an offsetting benefit to negative yield and duration factors in a rising rate environment as it has been year-to-date, or it can further exacerbate negative performance as it did in 2016. Led by a weakening USD, global bond indices outperformed domestic issues for the for the quarter. However, hawkish comments from several global central banks muted returns during the final month of the period. Global bonds have had a currency effect tailwind so far in 2017, but global bond returns still trail domestic indices over the 1-year period, primarily due to their relative underperformance in the 4th quarter of 2016. The Bloomberg Barclays Aggregate ex U.S. posted a -2.4% return for the period.
- Much of the index performance detailed in the bar graphs on the previous page is visible on a time series basis by reviewing the line graphs to the right. The '1-Year Trailing Market Rates' chart illustrates that the 10-year Treasury yield (green line) rose dramatically in the 4th quarter of 2016, held largely steady during the 1st quarter of 2017 and then gradually fell through most of 2nd quarter before spiking at the end of June. As described on the last page, rates then fell through the first half of quarter before rising to the levels where they began the quarter. The yield on the 10-year Treasury has fallen to 2.33% from 2.45% at the start of the year. The blue line illustrates changes in the BAA OAS (Option Adjusted Spread). This measure quantifies the additional yield premium that investors require to purchase and hold non-Treasury issues. This line illustrates a steady decline in credit spreads throughout 2016 and 2017. This decline is equivalent to an interest rate decrease on corporate bonds, which produces a tailwind for corporate bond index returns. These credit spreads have tightened by about 48 bps over the last 12-months. The green shading at the bottom of the graph illustrates the gradual increase in the Federal Funds Rate due to a less accommodative Fed monetary policy.
- The lower graph provides a snapshot of the U.S. Treasury yield curve at each of the last four calendar quarters. As mentioned, the yield curve continues to flatten as yields on shorter-term maturities have risen, while interest rates on the long end of the curve (5-years and beyond) have generally declined. Interest rate movement during the quarter was relatively muted, especially at the long end of the curve. However, the significant upward shift in short-term interest rates and decline of long-term interest rates since the end of 2016 is clearly visible.

1-Year Trailing Market Rates



Treasury Yield Curve

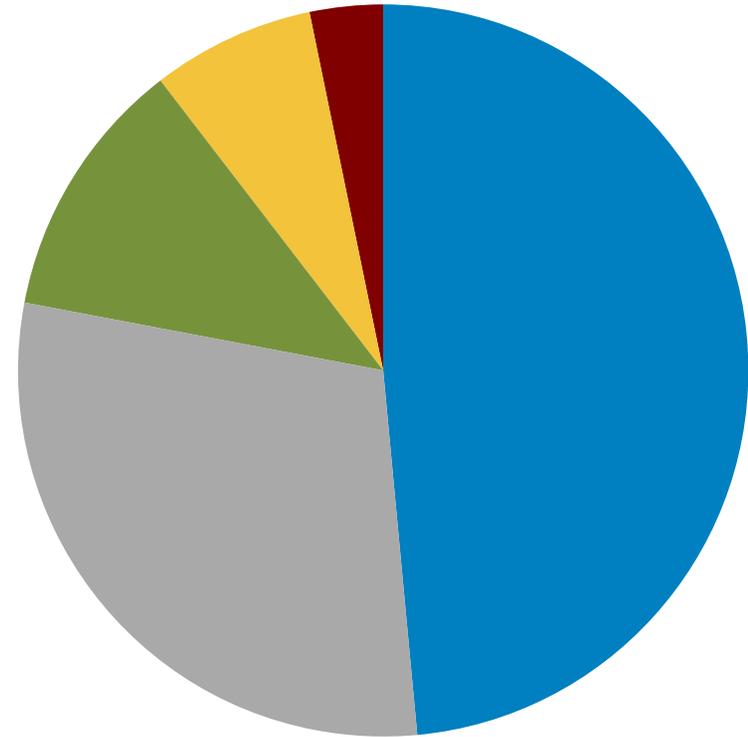
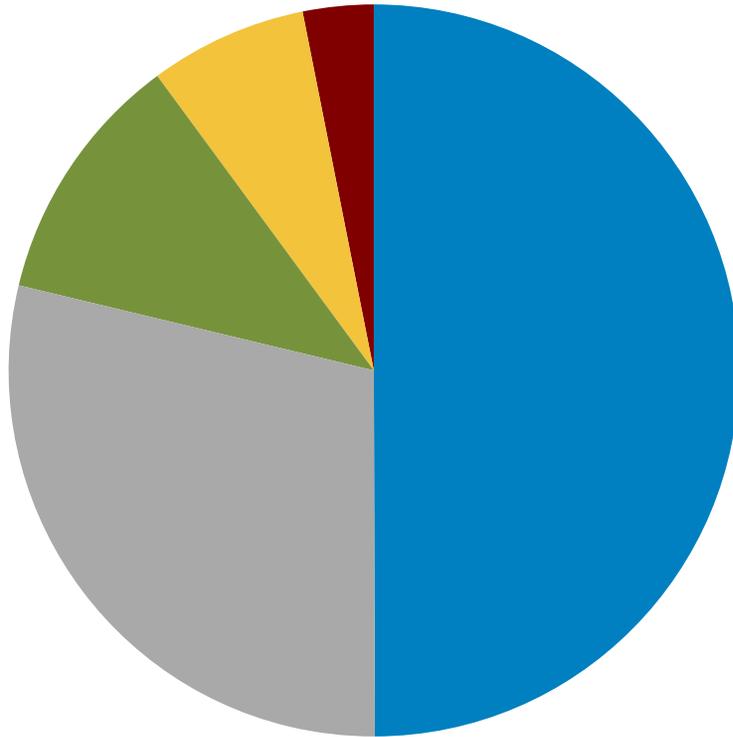


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June 30, 2017 : \$34,722,932

September 30, 2017 : \$35,518,739



| Allocation | | | Allocation | | |
|-------------------------|--------------|------------|-------------------------|--------------|------------|
| | Market Value | Allocation | | Market Value | Allocation |
| Guaranteed Fixed Income | 17,347,992 | 50.0 | Guaranteed Fixed Income | 17,231,897 | 48.5 |
| Domestic Equity | 9,992,897 | 28.8 | Domestic Equity | 10,462,042 | 29.5 |
| Target Date Funds | 3,872,032 | 11.2 | Target Date Funds | 4,115,204 | 11.6 |
| Domestic Fixed Income | 2,421,836 | 7.0 | Domestic Fixed Income | 2,559,080 | 7.2 |
| International Equity | 1,088,175 | 3.1 | International Equity | 1,150,516 | 3.2 |



| Fund | Market Value | Manager Tenure | Ticker | Style Consistency | Net Expense Ratio | Peer Median | 5 & 10 Yr Return > Benchmark | | 5 & 10 Yr Total Return < 50th %-tile | | 5 & 10 Yr Sharpe Ratio < 50th %-tile | | 5 & 10 Yr Alpha (Positive) | | Heightened Scrutiny |
|--|--------------|----------------|--------|---------------------|-------------------|-------------|------------------------------|-----|--------------------------------------|----|--------------------------------------|----|----------------------------|-------|---------------------|
| | | | | | | | Yes | No | 17 | 14 | 8 | 11 | 0.74 | 1.28 | |
| MFS Value R3 | \$1,345,393 | 15.0 | MEIHX | Large Value | 0.86 | 1.04 | Yes | Yes | 17 | 14 | 8 | 11 | 0.74 | 1.28 | No |
| Principal S&P 500 Inst Index | \$846,701 | 5.8 | PLFIX | Large Blend | 0.16 | 1.03 | No | No | 23 | 26 | 14 | 26 | -0.16 | -0.17 | No |
| T. Rowe Price Growth Stock R | \$4,331,071 | 3.0 | RRGSX | Large Growth | 1.17 | 1.08 | Yes | No | 13 | 30 | 27 | 32 | -0.63 | -0.86 | No |
| Wells Fargo Special Mid Cap Value | \$821,544 | 8.0 | WFMDX | Mid Value | 1.12 | 1.12 | Yes | Yes | 3 | 6 | 2 | 2 | 2.19 | 2.01 | No |
| Principal S&P 400 Inst Index | \$400,785 | 5.8 | MPSIX | Mid Blend | 0.19 | 1.21 | No | No | 24 | 9 | 24 | 10 | -0.23 | -0.22 | No |
| JP Morgan Small Cap Value A | \$523,498 | 11.9 | PSOAX | Small Value | 1.25 | 1.25 | No | Yes | 55 | 48 | 58 | 46 | -0.99 | 0.08 | No |
| Principal S&P 600 Index Inst Fund | \$469,085 | 5.8 | PSSIX | Small Blend | 0.20 | 1.25 | No | No | 11 | 10 | 10 | 12 | -0.24 | -0.20 | No |
| ClearBridge Small Cap Growth A | \$1,723,965 | 9.8 | SASMXX | Small Growth | 1.24 | 1.41 | No | No | 60 | 30 | 62 | 27 | -1.13 | 0.5 | No |
| Harbor International Investor | \$1,042,414 | 7.9 | HIINX | Foreign Large Blend | 1.13 | 1.32 | No | Yes | 72 | 46 | 72 | 47 | -1.99 | 0.41 | No |
| Principal Diversified International R5 | \$108,102 | 13.1 | PINPX | Foreign Large Blend | 1.10 | 1.32 | Yes | No | 33 | 56 | 24 | 63 | 2.25 | 0.03 | No |
| Oakmark Equity & Income I | \$1,132,392 | 21.2 | OAKBX | Balanced - Moderate | 0.89 | 1.23 | Yes | Yes | 4 | 3 | 41 | 4 | -1.07 | 0.33 | No |
| Dodge & Cox Income Fund | \$1,426,688 | 28.0 | DODIX | Aggregate Bond | 0.43 | 0.75 | Yes | Yes | 3 | 7 | 3 | 23 | 1.68 | 1.59 | No |

| |
|--|
| Fund meets criteria |
| Fund does not currently meet criteria |
| Fund has not met criteria for more than 4 consecutive qtrs |

Universe size and average expense ratio were calculated using investment objective and distinct portfolio screens with an additional index fund screen for appropriate funds



| Fund | Market Value | Manager Tenure | Ticker | Style Consistency | Net Expense Ratio | Peer Median | 5 & 10 Yr Return > Benchmark | | 5 & 10 Yr Total Return < 50th %-tile | | 5 & 10 Yr Sharpe Ratio < 50th %-tile | | 5 & 10 Yr Alpha (Positive) | | Heightened Scrutiny |
|--|--------------|----------------|--------|-----------------------|-------------------|-------------|------------------------------|-----|--------------------------------------|-----|--------------------------------------|-----|----------------------------|---|---------------------|
| | | | | | | | | | | | | | | | |
| Principal LifeTime Strategic Income R5 | \$19,132 | 9.6 | PLSPX | Retirement Income | 0.89 | 0.80 | No | No | 50 | 76 | 31 | 78 | - | - | No |
| Principal LifeTime 2010 R5 | \$6,219 | 9.6 | PTAPX | Target Date 2000-2010 | 0.93 | 0.77 | Yes | No | 53 | 59 | 45 | 61 | - | - | No |
| Principal LifeTime 2015 R5 | \$233,153 | 8.9 | LTPFX | Target Date 2011-2015 | 0.94 | 0.77 | No | N/A | 50 | N/A | 43 | N/A | - | - | No |
| Principal LifeTime 2020 R5 | \$937,500 | 9.6 | PTBPX | Target Date 2016-2020 | 0.97 | 0.87 | No | No | 23 | 41 | 35 | 42 | - | - | No |
| Principal LifeTime 2025 R5 | \$547,485 | 8.9 | LTPDX | Target Date 2021-2025 | 0.98 | 0.84 | No | N/A | 35 | N/A | 44 | N/A | - | - | No |
| Principal LifeTime 2030 R5 | \$766,090 | 9.6 | PTCPX | Target Date 2026-2030 | 0.99 | 0.90 | No | No | 38 | 45 | 33 | 42 | - | - | No |
| Principal LifeTime 2035 R5 | \$474,503 | 8.9 | LTPEX | Target Date 2031-2035 | 0.94 | 0.86 | No | N/A | 46 | N/A | 40 | N/A | - | - | No |
| Principal LifeTime 2040 R5 | \$409,223 | 9.7 | PTDPX | Target Date 2036-2040 | 0.97 | 0.91 | No | No | 44 | 49 | 38 | 47 | - | - | No |
| Principal LifeTime 2045 R5 | \$271,082 | 8.9 | LTRDX | Target Date 2041-2045 | 0.98 | 0.87 | No | N/A | 54 | N/A | 45 | N/A | - | - | No |
| Principal LifeTime 2050 R5 | \$296,094 | 9.6 | PTEFX | Target Date 2046-2050 | 0.99 | 0.91 | No | No | 47 | 54 | 37 | 54 | - | - | No |
| Principal LifeTime 2055 R5 | \$111,349 | 8.9 | LTFPX | Target Date 2051-2055 | 0.99 | 0.87 | No | N/A | 57 | N/A | 54 | N/A | - | - | No |
| Principal LifeTime 2060 R5 | \$43,374 | 3.8 | PLTOX | Target Date 2056-2060 | 1.01 | 0.93 | N/A | N/A | N/A | N/A | N/A | N/A | - | - | No |
| Principal Fixed Income Guaranteed | \$17,231,897 | | N/A | - | - | | | | - | - | - | - | - | - | No |

Fund meets criteria

Fund does not currently meet criteria

Fund has not met criteria for more than 5 consecutive qtrs

Universe size and average expense ratio were calculated using investment objective and distinct portfolio screens with an additional index fund screen for appropriate funds



As of September 30, 2017

| Asset Allocation & Performance | Allocation | | Performance(%) | | | | | | | | | |
|---|-------------------|--------------|----------------|------|-------|------|-------|------|-------|------|-------|------|
| | Market Value \$ | % | QTR | | 1 YR | | 3 YR | | 5 YR | | 10 YR | |
| Total Fund | 35,518,739 | 100.0 | | | | | | | | | | |
| MFS Value R3 Fund (MEIHX) | 1,345,393 | 3.8 | 2.72 | (82) | 16.87 | (51) | 10.17 | (5) | 13.73 | (17) | 6.86 | (14) |
| Russell 1000 Value Index | | | 3.11 | (71) | 15.12 | (75) | 8.53 | (30) | 13.20 | (24) | 5.92 | (39) |
| IM U.S. Large Cap Value Equity (MF) Median | | | 3.72 | | 16.87 | | 7.87 | | 12.36 | | 5.47 | |
| Principal LargeCap S&P 500 Index Instl Fund (PLFIX) | 846,701 | 2.4 | 4.40 | (51) | 18.35 | (48) | 10.63 | (20) | 14.00 | (23) | 7.24 | (26) |
| S&P 500 Index | | | 4.48 | (46) | 18.61 | (43) | 10.81 | (16) | 14.22 | (16) | 7.44 | (20) |
| IM U.S. Large Cap Core Equity (MF) Median | | | 4.40 | | 18.25 | | 9.40 | | 13.11 | | 6.60 | |
| T Rowe Price Growth Stock R Fund (RRGSX) | 4,331,071 | 12.2 | 5.31 | (55) | 25.44 | (6) | 13.33 | (11) | 15.68 | (13) | 8.63 | (30) |
| Russell 1000 Growth Index | | | 5.90 | (35) | 21.94 | (26) | 12.69 | (19) | 15.26 | (21) | 9.08 | (17) |
| IM U.S. Large Cap Growth Equity (MF) Median | | | 5.48 | | 20.04 | | 11.11 | | 13.93 | | 7.92 | |
| Wells Fargo Special Mid Cap Value Admiral (WFMDX) | 821,544 | 2.3 | 2.86 | (52) | 14.50 | (53) | 10.05 | (11) | 15.73 | (3) | 9.01 | (6) |
| Russell Midcap Value Index | | | 2.14 | (66) | 13.37 | (69) | 9.19 | (27) | 14.33 | (17) | 7.85 | (30) |
| IM U.S. Mid Cap Value Equity (MF) Median | | | 2.90 | | 14.79 | | 8.15 | | 13.06 | | 7.11 | |
| Principal MidCap S&P 400 Index Fund (MPSIX) | 400,785 | 1.1 | 3.15 | (68) | 17.16 | (42) | 10.89 | (15) | 14.14 | (24) | 8.74 | (9) |
| S&P MidCap 400 Index | | | 3.22 | (66) | 17.52 | (39) | 11.18 | (13) | 14.43 | (18) | 9.00 | (7) |
| IM U.S. Mid Cap Equity (MF) Median | | | 3.80 | | 16.44 | | 8.77 | | 12.80 | | 6.87 | |
| JP Morgan Small Cap Value A Fund (PSOAX) | 523,498 | 1.5 | 3.86 | (73) | 14.66 | (77) | 10.08 | (49) | 12.29 | (55) | 7.21 | (48) |
| Russell 2000 Value Index | | | 5.11 | (48) | 20.55 | (32) | 12.12 | (19) | 13.27 | (43) | 7.14 | (49) |
| IM U.S. Small Cap Value Equity (MF) Median | | | 4.98 | | 18.61 | | 9.98 | | 12.54 | | 7.08 | |
| Principal SmallCap S&P 600 Index Inst Fund (PSSIX) | 469,085 | 1.3 | 5.86 | (42) | 20.79 | (35) | 13.79 | (14) | 15.31 | (11) | 9.03 | (10) |
| S&P SmallCap 600 | | | 5.96 | (40) | 21.05 | (32) | 14.07 | (12) | 15.60 | (7) | 9.27 | (7) |
| IM U.S. Small Cap Equity (MF) Median | | | 5.50 | | 19.60 | | 10.86 | | 13.14 | | 7.37 | |
| ClearBridge Small Cap Growth A Fund (SASMIX) | 1,723,965 | 4.9 | 5.33 | (61) | 18.87 | (61) | 8.95 | (62) | 12.10 | (60) | 8.28 | (30) |
| Russell 2000 Growth Index | | | 6.22 | (42) | 20.98 | (31) | 12.17 | (40) | 14.28 | (32) | 8.47 | (24) |
| IM U.S. Small Cap Growth Equity (MF) Median | | | 5.61 | | 19.79 | | 11.44 | | 12.49 | | 7.65 | |
| Harbor International Investor Fund (HIINX) | 1,042,414 | 2.9 | 3.51 | (89) | 14.67 | (85) | 3.24 | (80) | 5.97 | (72) | 1.63 | (46) |
| MSCI EAFE (Net) Index | | | 5.40 | (66) | 19.10 | (53) | 5.04 | (56) | 8.38 | (36) | 1.34 | (54) |
| IM International Equity (MF) Median | | | 6.22 | | 19.33 | | 5.37 | | 7.50 | | 1.43 | |
| Principal Diversified International R5 Fund (PINPX) | 108,102 | 0.3 | 7.93 | (27) | 20.12 | (43) | 6.26 | (37) | 8.58 | (33) | 1.25 | (56) |
| MSCI AC World ex USA (Net) | | | 6.16 | (51) | 19.61 | (48) | 4.70 | (62) | 6.97 | (58) | 1.28 | (55) |
| IM International Equity (MF) Median | | | 6.22 | | 19.33 | | 5.37 | | 7.50 | | 1.43 | |

*A rate of interest contractually guaranteed by Principal Life is credited to participant account balances. Currently, this net crediting rate is a 1.50% effective annual rate, until November 30, 2017.



As of September 30, 2017

| | Allocation | | Performance(%) | | | | | | | | | |
|---|-----------------|-----|----------------|------|-------|------|------|------|-------|------|-------|------|
| | Market Value \$ | % | QTR | | 1 YR | | 3 YR | | 5 YR | | 10 YR | |
| Oakmark Equity and Income I Fund (OAKBX) | 1,132,392 | 3.2 | 3.69 | (13) | 15.30 | (5) | 6.45 | (17) | 9.39 | (4) | 6.54 | (3) |
| 60% S&P 500/40% Blmbrg Barclay's Government/Credit | | | 3.01 | (51) | 10.87 | (33) | 7.71 | (2) | 9.36 | (5) | 6.50 | (3) |
| IM Mixed-Asset Target Alloc Moderate (MF) Median | | | 3.01 | | 9.96 | | 5.23 | | 6.94 | | 4.65 | |
| Dodge & Cox Income Fund (DODIX) | 1,426,688 | 4.0 | 1.13 | (8) | 2.57 | (3) | 3.23 | (7) | 3.17 | (3) | 5.10 | (7) |
| Bloomberg Barclays U.S. Aggregate Index | | | 0.85 | (42) | 0.07 | (62) | 2.71 | (30) | 2.06 | (44) | 4.27 | (42) |
| IM U.S. Broad Market Core Fixed Income (MF) Median | | | 0.81 | | 0.47 | | 2.49 | | 1.99 | | 4.17 | |
| Principal LifeTime Strategic Income R5 Fund (PLSPX) | 19,132 | 0.1 | 2.17 | (44) | 5.55 | (63) | 3.61 | (65) | 4.09 | (50) | 3.17 | (76) |
| S&P Target Date Retirement Income Index | | | 2.06 | (58) | 5.37 | (69) | 4.14 | (37) | 4.60 | (31) | 3.89 | (56) |
| IM Mixed-Asset Target Today (MF) Median | | | 2.12 | | 6.04 | | 3.88 | | 4.09 | | 4.07 | |
| Principal LifeTime 2010 R5 Fund (PTAPX) | 6,219 | 0.0 | 2.68 | (18) | 7.79 | (34) | 4.41 | (63) | 5.71 | (50) | 3.49 | (59) |
| S&P Target Date 2010 Index | | | 2.29 | (72) | 6.93 | (76) | 4.80 | (36) | 5.69 | (52) | 4.23 | (31) |
| IM Mixed-Asset Target 2010 (MF) Median | | | 2.45 | | 7.53 | | 4.58 | | 5.71 | | 3.77 | |
| Principal LifeTime 2015 R5 Fund (LTPFX) | 233,153 | 0.7 | 3.17 | (12) | 9.41 | (27) | 4.93 | (56) | 6.54 | (50) | N/A | |
| S&P Target Date 2015 Index | | | 2.55 | (63) | 8.43 | (58) | 5.47 | (32) | 6.73 | (43) | 4.55 | (23) |
| IM Mixed-Asset Target 2015 (MF) Median | | | 2.69 | | 8.56 | | 5.01 | | 6.53 | | 4.05 | |
| Principal LifeTime 2020 R5 Fund (PTBPX) | 937,500 | 2.6 | 3.58 | (5) | 10.80 | (15) | 5.60 | (31) | 7.45 | (23) | 4.06 | (41) |
| S&P Target Date 2020 Index | | | 2.81 | (55) | 9.86 | (36) | 6.05 | (14) | 7.64 | (14) | 4.77 | (14) |
| IM Mixed-Asset Target 2020 (MF) Median | | | 2.90 | | 9.22 | | 5.02 | | 6.19 | | 3.92 | |
| Principal LifeTime 2025 R5 Fund (LTPDX) | 547,485 | 1.5 | 3.88 | (8) | 12.21 | (25) | 6.09 | (40) | 8.10 | (35) | N/A | |
| S&P Target Date 2025 Index | | | 3.22 | (59) | 11.39 | (48) | 6.57 | (19) | 8.42 | (27) | 4.93 | (25) |
| IM Mixed-Asset Target 2025 (MF) Median | | | 3.37 | | 11.24 | | 5.81 | | 7.59 | | 4.48 | |
| Principal LifeTime 2030 R5 Fund (PTCPX) | 766,090 | 2.2 | 4.40 | (7) | 13.71 | (30) | 6.54 | (40) | 8.71 | (38) | 4.36 | (45) |
| S&P Target Date 2030 Index | | | 3.60 | (55) | 12.79 | (54) | 7.07 | (23) | 9.17 | (27) | 5.02 | (19) |
| IM Mixed-Asset Target 2030 (MF) Median | | | 3.70 | | 12.92 | | 6.30 | | 8.34 | | 4.21 | |
| Principal LifeTime 2035 R5 Fund (LTPEX) | 474,503 | 1.3 | 4.67 | (14) | 14.73 | (43) | 6.75 | (57) | 9.18 | (46) | N/A | |
| S&P Target Date 2035 Index | | | 3.97 | (62) | 14.19 | (58) | 7.57 | (30) | 9.82 | (31) | 5.13 | (26) |
| IM Mixed-Asset Target 2035 (MF) Median | | | 4.11 | | 14.46 | | 7.04 | | 9.08 | | 4.75 | |
| Principal LifeTime 2040 R5 Fund (PTDPX) | 409,223 | 1.2 | 4.84 | (15) | 15.53 | (49) | 6.98 | (58) | 9.57 | (44) | 4.48 | (49) |
| S&P Target Date 2040 Index | | | 4.21 | (65) | 15.15 | (62) | 7.90 | (25) | 10.28 | (26) | 5.22 | (23) |
| IM Mixed-Asset Target 2040 (MF) Median | | | 4.33 | | 15.49 | | 7.16 | | 9.45 | | 4.46 | |
| Principal LifeTime 2045 R5 Fund (LTRDX) | 271,082 | 0.8 | 4.99 | (13) | 16.13 | (49) | 7.16 | (69) | 9.87 | (54) | N/A | |
| S&P Target Date 2045 Index | | | 4.35 | (67) | 15.87 | (60) | 8.14 | (26) | 10.63 | (24) | 5.22 | (33) |
| IM Mixed-Asset Target 2045 (MF) Median | | | 4.52 | | 16.11 | | 7.59 | | 9.91 | | 4.92 | |

*A rate of interest contractually guaranteed by Principal Life is credited to participant account balances. Currently, this net crediting rate is a 1.50% effective annual rate, until November 30, 2017.



As of September 30, 2017

| | Allocation | | Performance(%) | | | | | | | | | |
|---|-----------------|------|----------------|------|-------|------|------|------|-------|------|-------|-------|
| | Market Value \$ | % | QTR | | 1 YR | | 3 YR | | 5 YR | | 10 YR | |
| Principal LifeTime 2050 R5 Fund (PTEFX) | 296,094 | 0.8 | 5.12 | (9) | 16.82 | (39) | 7.38 | (59) | 10.15 | (47) | 4.61 | (54) |
| S&P Target Date 2050 Index | | | 4.43 | (61) | 16.53 | (49) | 8.36 | (14) | 10.96 | (12) | 5.33 | (27) |
| IM Mixed-Asset Target 2050 (MF) Median | | | 4.58 | | 16.50 | | 7.57 | | 10.02 | | 4.64 | |
| Principal LifeTime 2055 R5 Fund (LTFPX) | 111,349 | 0.3 | 5.17 | (8) | 17.20 | (36) | 7.50 | (68) | 10.24 | (57) | N/A | |
| S&P Target Date 2055 Index | | | 4.48 | (68) | 16.94 | (45) | 8.47 | (20) | 11.19 | (17) | 5.49 | (100) |
| IM Mixed-Asset Target 2055+ (MF) Median | | | 4.65 | | 16.85 | | 7.85 | | 10.34 | | 6.06 | |
| Principal LifeTime 2060 R5 Fund (PLTOX) | 43,374 | 0.1 | 5.27 | (5) | 17.31 | (31) | 7.48 | (69) | N/A | | N/A | |
| S&P Target Date 2060+ Index | | | 4.51 | (66) | 17.24 | (33) | 8.52 | (18) | 11.22 | (16) | N/A | |
| IM Mixed-Asset Target 2055+ (MF) Median | | | 4.65 | | 16.85 | | 7.85 | | 10.34 | | 6.06 | |
| Principal Fixed Income Guaranteed Option* | 17,231,897 | 48.5 | N/A | | N/A | | N/A | | N/A | | N/A | |
| 90 Day U.S. Treasury Bill | | | 0.27 | | 0.64 | | 0.28 | | 0.20 | | 0.45 | |

*A rate of interest contractually guaranteed by Principal Life is credited to participant account balances. Currently, this net crediting rate is a 1.50% effective annual rate, until November 30, 2017.



Asset Allocation & Performance

| | Allocation | | Performance(%) | | | | | |
|---|-------------------|--------------|----------------|-------|-------|-------|-------|-------|
| | Market Value \$ | % | YTD | 2016 | 2015 | 2014 | 2013 | 2012 |
| Total Fund | 35,518,739 | 100.0 | | | | | | |
| MFS Value R3 Fund (MEIHX) | 1,345,393 | 3.8 | 11.95 | 13.85 | -0.79 | 10.29 | 35.51 | 16.13 |
| Russell 1000 Value Index | | | 7.92 | 17.34 | -3.83 | 13.45 | 32.53 | 17.51 |
| IM U.S. Large Cap Value Equity (MF) Median | | | 9.47 | 14.03 | -3.82 | 10.90 | 32.35 | 15.64 |
| Principal LargeCap S&P 500 Index Instl Fund (PLFIX) | 846,701 | 2.4 | 14.09 | 11.76 | 1.22 | 13.50 | 32.06 | 15.73 |
| S&P 500 Index | | | 14.24 | 11.96 | 1.38 | 13.69 | 32.39 | 16.00 |
| IM U.S. Large Cap Equity (MF) Median | | | 14.17 | 9.06 | 0.35 | 10.91 | 32.49 | 15.33 |
| T Rowe Price Growth Stock R Fund (RRGSX) | 4,331,071 | 12.2 | 25.55 | 0.89 | 10.30 | 8.27 | 38.56 | 18.34 |
| Russell 1000 Growth Index | | | 20.72 | 7.08 | 5.67 | 13.05 | 33.48 | 15.26 |
| IM U.S. Large Cap Growth Equity (MF) Median | | | 21.71 | 1.91 | 5.62 | 10.48 | 33.97 | 14.82 |
| Wells Fargo Special Mid Cap Value Admiral (WFMDX) | 821,544 | 2.3 | 6.66 | 21.25 | -2.97 | 11.77 | 38.76 | 18.46 |
| Russell Midcap Value Index | | | 7.43 | 20.00 | -4.78 | 14.75 | 33.46 | 18.51 |
| IM U.S. Mid Cap Value Equity (MF) Median | | | 7.21 | 17.42 | -5.61 | 10.33 | 35.91 | 16.45 |
| Principal MidCap S&P 400 Index Fund (MPSIX) | 400,785 | 1.1 | 9.14 | 20.42 | -2.37 | 9.51 | 33.13 | 17.65 |
| S&P MidCap 400 Index | | | 9.40 | 20.74 | -2.18 | 9.77 | 33.50 | 17.88 |
| IM U.S. Mid Cap Equity (MF) Median | | | 12.40 | 11.67 | -2.56 | 8.15 | 35.15 | 15.26 |
| JP Morgan Small Cap Value A Fund (PSOAX) | 523,498 | 1.5 | 1.16 | 29.86 | -7.79 | 4.00 | 36.16 | 20.18 |
| Russell 2000 Value Index | | | 5.68 | 31.74 | -7.47 | 4.22 | 34.52 | 18.05 |
| IM U.S. Small Cap Value Equity (MF) Median | | | 4.55 | 27.66 | -7.34 | 3.09 | 35.16 | 15.43 |
| Principal SmallCap S&P 600 Index Inst Fund (PSSIX) | 469,085 | 1.3 | 8.76 | 26.18 | -2.22 | 5.52 | 40.90 | 16.10 |
| S&P SmallCap 600 | | | 8.92 | 26.56 | -1.97 | 5.76 | 41.31 | 16.33 |
| IM U.S. Small Cap Equity (MF) Median | | | 8.60 | 21.34 | -4.80 | 3.32 | 37.85 | 14.07 |
| ClearBridge Small Cap Growth A Fund (SASMX) | 1,723,965 | 4.9 | 17.75 | 5.76 | -4.83 | 3.29 | 45.05 | 18.89 |
| Russell 2000 Growth Index | | | 16.81 | 11.32 | -1.38 | 5.60 | 43.30 | 14.59 |
| IM U.S. Small Cap Growth Equity (MF) Median | | | 13.96 | 8.60 | -3.29 | 1.39 | 42.53 | 12.00 |
| Harbor International Investor Fund (HIINX) | 1,042,414 | 2.9 | 19.95 | -0.14 | -4.16 | -7.16 | 16.40 | 20.41 |
| MSCI EAFE (Net) Index | | | 19.96 | 1.00 | -0.81 | -4.90 | 22.78 | 17.32 |
| IM International Equity (MF) Median | | | 23.11 | 1.77 | -2.78 | -4.48 | 17.38 | 18.60 |
| Principal Diversified International R5 Fund (PINPX) | 108,102 | 0.3 | 24.60 | -0.01 | -0.63 | -3.18 | 18.45 | 17.82 |
| MSCI AC World ex USA (Net) | | | 21.13 | 4.50 | -5.66 | -3.87 | 15.29 | 16.83 |
| IM International Equity (MF) Median | | | 23.11 | 1.77 | -2.78 | -4.48 | 17.38 | 18.60 |

*A rate of interest contractually guaranteed by Principal Life is credited to participant account balances. Currently, this net crediting rate is a 1.50% effective annual rate, until November 30, 2017.



Asset Allocation & Performance
Total Fund

As of September 30, 2017

| | Allocation | | Performance(%) | | | | | |
|---|-----------------|-----|----------------|-------|-------|-------|-------|-------|
| | Market Value \$ | % | YTD | 2016 | 2015 | 2014 | 2013 | 2012 |
| Oakmark Equity and Income I Fund (OAKBX) | 1,132,392 | 3.2 | 9.83 | 10.97 | -4.60 | 6.93 | 24.25 | 9.05 |
| 60% S&P 500/40% Blmbrg Barclay's Government/Credit | | | 9.84 | 8.48 | 1.13 | 10.63 | 17.40 | 11.58 |
| IM Mixed-Asset Target Alloc Moderate (MF) Median | | | 9.38 | 6.41 | -1.61 | 4.85 | 14.21 | 11.59 |
| Dodge & Cox Income Fund (DODIX) | 1,426,688 | 4.0 | 3.86 | 5.61 | -0.59 | 5.48 | 0.64 | 7.94 |
| Bloomberg Barclays U.S. Aggregate Index | | | 3.14 | 2.65 | 0.55 | 5.97 | -2.02 | 4.21 |
| IM U.S. Broad Market Core Fixed Income (MF) Median | | | 3.25 | 2.85 | -0.01 | 5.55 | -1.99 | 5.98 |
| Principal LifeTime Strategic Income R5 Fund (PLSPX) | 19,132 | 0.1 | 6.64 | 4.51 | -1.07 | 4.25 | 5.13 | 9.20 |
| S&P Target Date Retirement Income Index | | | 6.17 | 5.01 | -0.18 | 4.86 | 6.28 | 7.51 |
| IM Mixed-Asset Target Today (MF) Median | | | 6.94 | 5.16 | -1.42 | 3.86 | 5.37 | 8.90 |
| Principal LifeTime 2010 R5 Fund (PTAPX) | 6,219 | 0.0 | 8.40 | 5.03 | -1.28 | 4.61 | 10.67 | 11.70 |
| S&P Target Date 2010 Index | | | 7.24 | 5.82 | -0.21 | 5.07 | 9.42 | 8.94 |
| IM Mixed-Asset Target 2010 (MF) Median | | | 7.91 | 5.98 | -1.18 | 4.11 | 8.67 | 9.78 |
| Principal LifeTime 2015 R5 Fund (LTPFX) | 233,153 | 0.7 | 9.81 | 5.34 | -1.46 | 4.78 | 13.17 | 12.83 |
| S&P Target Date 2015 Index | | | 8.30 | 6.56 | -0.16 | 5.49 | 12.16 | 10.32 |
| IM Mixed-Asset Target 2015 (MF) Median | | | 8.66 | 6.37 | -1.30 | 4.47 | 10.42 | 10.81 |
| Principal LifeTime 2020 R5 Fund (PTBPX) | 937,500 | 2.6 | 11.05 | 5.56 | -1.38 | 5.23 | 15.68 | 14.39 |
| S&P Target Date 2020 Index | | | 9.30 | 7.22 | -0.19 | 5.67 | 14.76 | 11.48 |
| IM Mixed-Asset Target 2020 (MF) Median | | | 9.48 | 6.31 | -1.44 | 4.72 | 11.84 | 11.53 |
| Principal LifeTime 2025 R5 Fund (LTPDX) | 547,485 | 1.5 | 12.29 | 5.81 | -1.44 | 5.54 | 17.32 | 14.81 |
| S&P Target Date 2025 Index | | | 10.43 | 7.82 | -0.25 | 5.56 | 17.03 | 12.51 |
| IM Mixed-Asset Target 2025 (MF) Median | | | 11.05 | 6.87 | -1.44 | 5.19 | 15.85 | 13.00 |
| Principal LifeTime 2030 R5 Fund (PTCPX) | 766,090 | 2.2 | 13.59 | 5.52 | -1.21 | 5.66 | 18.99 | 15.28 |
| S&P Target Date 2030 Index | | | 11.46 | 8.35 | -0.30 | 5.64 | 19.14 | 13.43 |
| IM Mixed-Asset Target 2030 (MF) Median | | | 12.43 | 7.31 | -1.61 | 5.18 | 17.87 | 13.71 |
| Principal LifeTime 2035 R5 Fund (LTPEX) | 474,503 | 1.3 | 14.38 | 5.00 | -0.97 | 5.84 | 20.79 | 15.92 |
| S&P Target Date 2035 Index | | | 12.48 | 8.85 | -0.35 | 5.69 | 20.84 | 14.12 |
| IM Mixed-Asset Target 2035 (MF) Median | | | 13.72 | 7.75 | -1.66 | 5.40 | 20.78 | 14.75 |
| Principal LifeTime 2040 R5 Fund (PTDPX) | 409,223 | 1.2 | 14.98 | 5.18 | -1.05 | 5.89 | 21.99 | 16.32 |
| S&P Target Date 2040 Index | | | 13.17 | 9.23 | -0.40 | 5.69 | 22.10 | 14.69 |
| IM Mixed-Asset Target 2040 (MF) Median | | | 14.39 | 7.98 | -1.75 | 5.38 | 21.61 | 14.92 |
| Principal LifeTime 2045 R5 Fund (LTRDX) | 271,082 | 0.8 | 15.45 | 5.24 | -1.01 | 6.01 | 22.74 | 16.73 |
| S&P Target Date 2045 Index | | | 13.65 | 9.54 | -0.46 | 5.67 | 23.14 | 15.15 |
| IM Mixed-Asset Target 2045 (MF) Median | | | 14.99 | 8.18 | -1.76 | 5.55 | 23.07 | 15.47 |

*A rate of interest contractually guaranteed by Principal Life is credited to participant account balances. Currently, this net crediting rate is a 1.50% effective annual rate, until November 30, 2017.



| | Allocation | | Performance(%) | | | | | |
|---|-----------------|------|----------------|------|-------|------|-------|-------|
| | Market Value \$ | % | YTD | 2016 | 2015 | 2014 | 2013 | 2012 |
| Principal LifeTime 2050 R5 Fund (PTEFX) | 296,094 | 0.8 | 15.97 | 5.33 | -1.01 | 6.01 | 23.53 | 17.07 |
| S&P Target Date 2050 Index | | | 14.09 | 9.74 | -0.47 | 5.69 | 24.13 | 15.49 |
| IM Mixed-Asset Target 2050 (MF) Median | | | 15.04 | 8.16 | -1.76 | 5.61 | 23.08 | 15.47 |
| Principal LifeTime 2055 R5 Fund (LTFPX) | 111,349 | 0.3 | 16.27 | 5.39 | -0.92 | 5.97 | 23.61 | 17.10 |
| S&P Target Date 2055 Index | | | 14.33 | 9.94 | -0.54 | 5.64 | 24.96 | 15.81 |
| IM Mixed-Asset Target 2055+ (MF) Median | | | 15.26 | 8.11 | -1.64 | 5.45 | 23.24 | 15.58 |
| Principal LifeTime 2060 R5 Fund (PLTOX) | 43,374 | 0.1 | 16.48 | 5.31 | -1.00 | 5.91 | N/A | N/A |
| S&P Target Date 2055 Index | | | 14.33 | 9.94 | -0.54 | 5.64 | 24.96 | 15.81 |
| IM Mixed-Asset Target 2055+ (MF) Median | | | 15.26 | 8.11 | -1.64 | 5.45 | 23.24 | 15.58 |
| Principal Fixed Income Guaranteed Option* | 17,231,897 | 48.5 | N/A | N/A | N/A | N/A | N/A | N/A |
| 90 Day U.S. Treasury Bill | | | 0.57 | 0.25 | 0.03 | 0.04 | 0.05 | 0.08 |

*A rate of interest contractually guaranteed by Principal Life is credited to participant account balances. Currently, this net crediting rate is a 1.50% effective annual rate, until November 30, 2017.



Fund Information

Fund Name : MFS Series Trust I: MFS Value Fund; Class R3 Shares
 Fund Family : MFS Investment Management
 Ticker : MEIHX
 Inception Date : 04/01/2005
 Fund Assets : \$2,090 Million
 Portfolio Turnover : 12%

Portfolio Assets : \$45,622 Million
 Portfolio Manager : Chitkara/Gorham
 PM Tenure : 2006--2005
 Fund Style : IM U.S. Large Cap Value Equity (MF)
 Style Benchmark : Russell 1000 Value Index

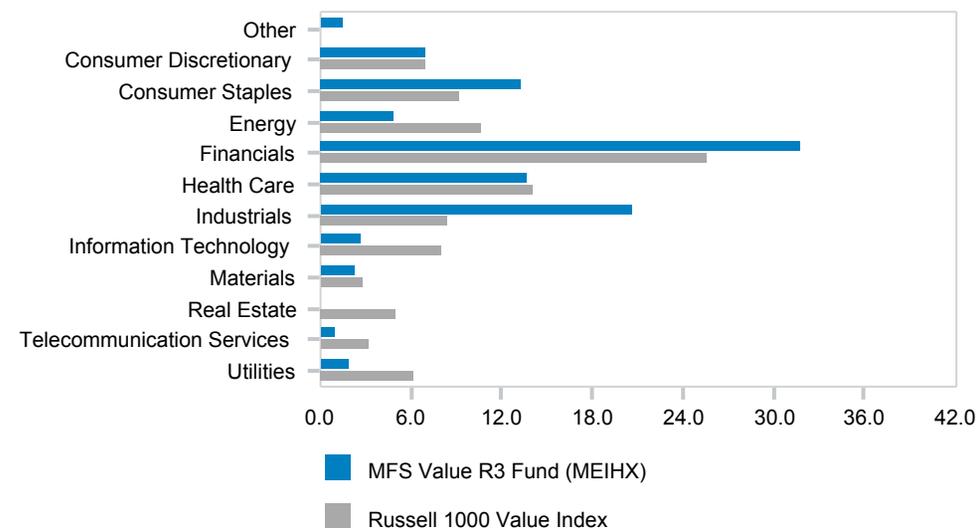
Portfolio Characteristics As of 07/31/2017

| | Portfolio | Benchmark |
|-------------------------|-----------------|---------------|
| Total Securities | 95 | 718 |
| Avg. Market Cap (\$) | 114,894,837,383 | 8,786,142,965 |
| Price/Earnings (P/E) | 23.79 | 18.92 |
| Price/Book (P/B) | 4.54 | 2.14 |
| Dividend Yield | 2.32 | 2.48 |
| Annual EPS | 2.30 | N/A |
| 5 Yr EPS | 7.37 | 5.58 |
| 3 Yr EPS Growth | 3.40 | N/A |
| Beta (5 Years, Monthly) | 0.98 | 1.00 |

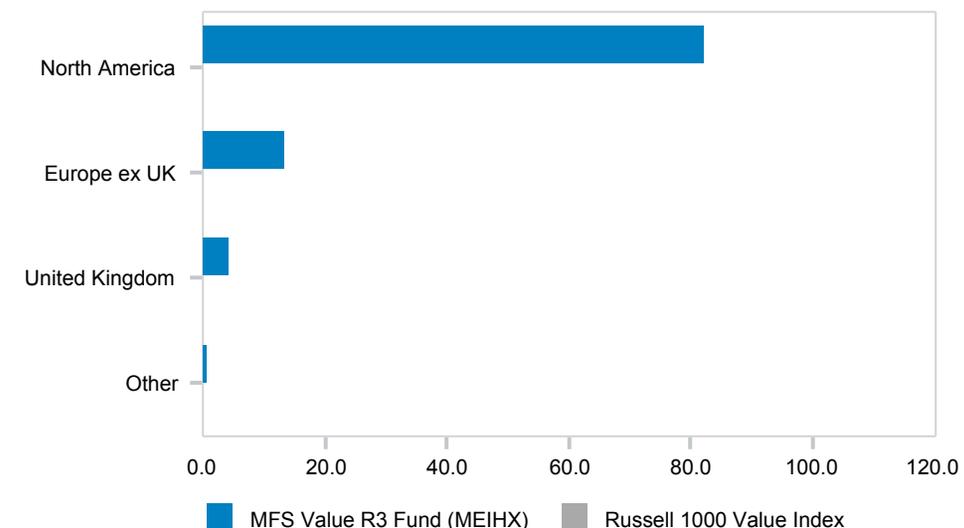
Top Ten Securities As of 07/31/2017

| | |
|---------------------------------|-------|
| JPMorgan Chase & Co ORD | 4.6 % |
| Philip Morris International Inc | 3.6 % |
| Johnson & Johnson ORD | 3.6 % |
| Wells Fargo & Co ORD | 3.2 % |
| Accenture PLC ORD | 2.7 % |
| Medtronic PLC ORD | 2.4 % |
| Goldman Sachs Group Inc ORD | 2.4 % |
| Citigroup Inc ORD | 2.3 % |
| US Bancorp ORD | 2.2 % |
| Pfizer Inc ORD | 2.1 % |

Sector Weights As of 07/31/2017



Region Weights As of 07/31/2017



Statistics provided by Lipper. Most recent available data shown.



Mutual Fund Info from Lipper

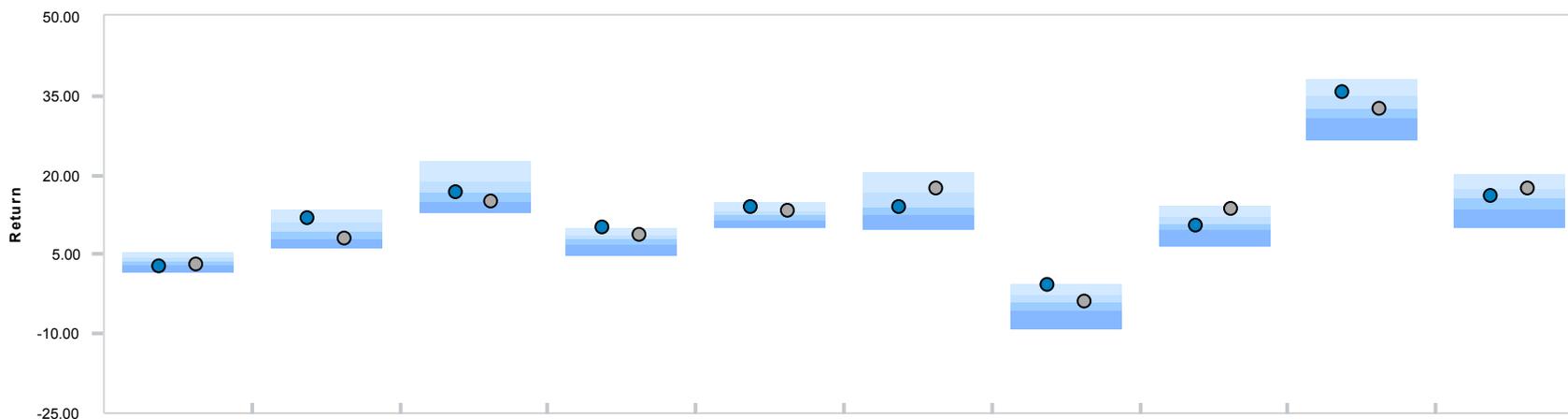
Product Name : MFS Value;R3 (MEIHX)
Fund Family : MFS Investment Management
Ticker : MEIHX
Peer Group : IM U.S. Large Cap Value Equity (MF)
Benchmark : Russell 1000 Value Index
Fund Inception : 04/01/2005
Portfolio Manager : Chitkara/Gorham
Total Assets : \$2,090 Million
Total Assets Date : 09/30/2017
Gross Expense : 0.86%
Net Expense : 0.86%
Turnover : 12%

Summary Description

MFS believes that:

- Quality attributes of companies - such as a strong balance sheet and solid free cash - are underappreciated by the market.
- Investing with a long-term time horizon (typically 3-5 years) provides the opportunity to take advantage of shorter term influences on stock prices.

Peer Group Analysis - IM U.S. Large Cap Value Equity (MF)



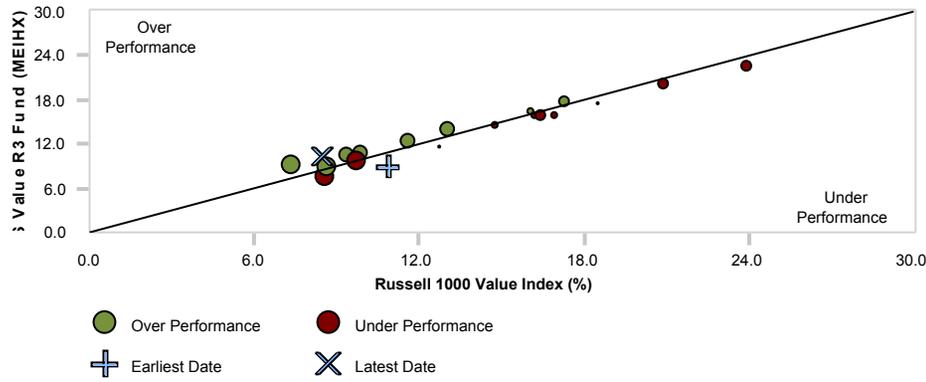
| | QTR | YTD | 1 YR | 3 YR | 5 YR | 2016 | 2015 | 2014 | 2013 | 2012 |
|-----------------------------|-----------|------------|------------|-----------|------------|------------|------------|------------|------------|------------|
| ● MFS Value R3 Fund (MEIHX) | 2.72 (82) | 11.95 (14) | 16.87 (51) | 10.17 (5) | 13.73 (17) | 13.85 (54) | -0.79 (8) | 10.29 (65) | 35.51 (19) | 16.13 (45) |
| ○ Russell 1000 Value Index | 3.11 (71) | 7.92 (77) | 15.12 (75) | 8.53 (30) | 13.20 (24) | 17.34 (22) | -3.83 (51) | 13.45 (8) | 32.53 (48) | 17.51 (26) |
| Median | 3.72 | 9.47 | 16.87 | 7.87 | 12.36 | 14.03 | -3.82 | 10.90 | 32.35 | 15.64 |

Comparative Performance

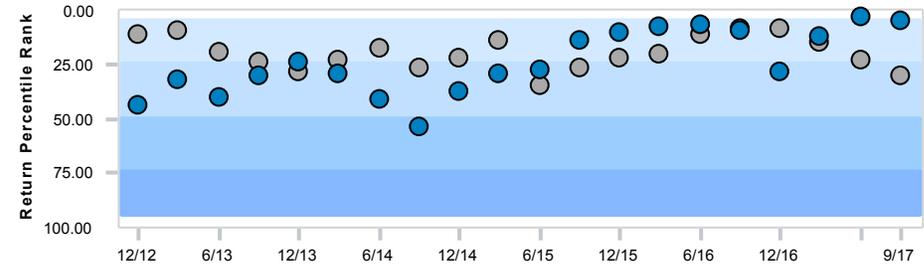
| | 1 Qtr Ending Jun-2017 | 1 Qtr Ending Mar-2017 | 1 Qtr Ending Dec-2016 | 1 Qtr Ending Sep-2016 | 1 Qtr Ending Jun-2016 | 1 Qtr Ending Mar-2016 |
|--|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| MFS Value R3 Fund (MEIHX) | 4.08 (4) | 4.71 (12) | 4.39 (91) | 2.28 (89) | 4.38 (13) | 2.15 (13) |
| Russell 1000 Value Index | 1.34 (74) | 3.27 (68) | 6.68 (59) | 3.48 (63) | 4.58 (9) | 1.64 (18) |
| IM U.S. Large Cap Value Equity (MF) Median | 2.12 | 3.64 | 6.89 | 3.92 | 2.63 | 0.00 |



3 Yr Rolling Under/Over Performance - 5 Years

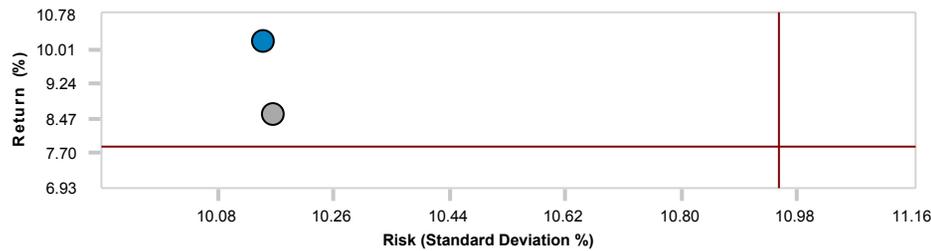


3 Yr Rolling Percentile Ranking - 5 Years



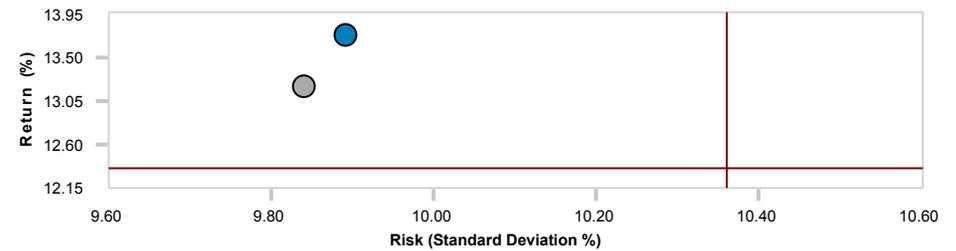
| | Total Period | 5-25 Count | 25-Median Count | Median-75 Count | 75-95 Count |
|-----------------------------|--------------|------------|-----------------|-----------------|-------------|
| ● MFS Value R3 Fund (MEIHX) | 20 | 9 (45%) | 10 (50%) | 1 (5%) | 0 (0%) |
| ● Russell 1000 Value Index | 20 | 15 (75%) | 5 (25%) | 0 (0%) | 0 (0%) |

Peer Group Scattergram - 3 Years



| | Return | Standard Deviation |
|-----------------------------|--------|--------------------|
| ● MFS Value R3 Fund (MEIHX) | 10.17 | 10.15 |
| ● Russell 1000 Value Index | 8.53 | 10.17 |
| — Median | 7.87 | 10.95 |

Peer Group Scattergram - 5 Years



| | Return | Standard Deviation |
|-----------------------------|--------|--------------------|
| ● MFS Value R3 Fund (MEIHX) | 13.73 | 9.89 |
| ● Russell 1000 Value Index | 13.20 | 9.84 |
| — Median | 12.36 | 10.36 |

Historical Statistics - 3 Years

| | Tracking Error | Up Market Capture | Down Market Capture | Alpha | Information Ratio | Sharpe Ratio | Beta | Downside Risk |
|---------------------------|----------------|-------------------|---------------------|-------|-------------------|--------------|------|---------------|
| MFS Value R3 Fund (MEIHX) | 2.24 | 102.34 | 88.32 | 1.75 | 0.67 | 0.98 | 0.97 | 5.64 |
| Russell 1000 Value Index | 0.00 | 100.00 | 100.00 | 0.00 | N/A | 0.83 | 1.00 | 5.85 |

Historical Statistics - 5 Years

| | Tracking Error | Up Market Capture | Down Market Capture | Alpha | Information Ratio | Sharpe Ratio | Beta | Downside Risk |
|---------------------------|----------------|-------------------|---------------------|-------|-------------------|--------------|------|---------------|
| MFS Value R3 Fund (MEIHX) | 2.23 | 99.52 | 92.88 | 0.74 | 0.21 | 1.34 | 0.98 | 5.22 |
| Russell 1000 Value Index | 0.00 | 100.00 | 100.00 | 0.00 | N/A | 1.30 | 1.00 | 5.25 |



Fund Information

Fund Name : Principal Funds, Inc: LargeCap S&P 500 Index Fund; Institutional Class Shares
 Fund Family : Principal Global Investors LLC
 Ticker : PLFIX
 Inception Date : 03/01/2001
 Fund Assets : \$3,500 Million
 Portfolio Turnover : 4%

Portfolio Assets : \$5,420 Million
 Portfolio Manager : Krunchten/Schwarte
 PM Tenure : 2011--2016
 Fund Style : IM S&P 500 Index (MF)
 Style Benchmark : S&P 500 Index

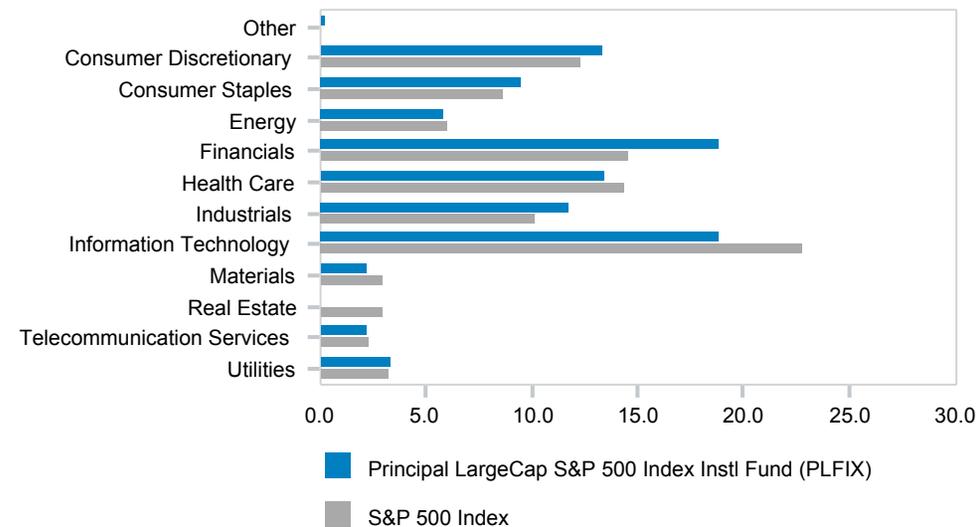
Portfolio Characteristics As of 07/31/2017

| | Portfolio | Benchmark |
|-------------------------|-----------------|----------------|
| Total Securities | 506 | 505 |
| Avg. Market Cap (\$) | 164,330,433,231 | 20,589,948,000 |
| Price/Earnings (P/E) | 27.09 | 21.89 |
| Price/Book (P/B) | 6.03 | 3.31 |
| Dividend Yield | 2.39 | 2.00 |
| Annual EPS | 14.02 | N/A |
| 5 Yr EPS | 11.39 | 10.26 |
| 3 Yr EPS Growth | 12.23 | N/A |
| Beta (5 Years, Monthly) | 1.00 | 1.00 |

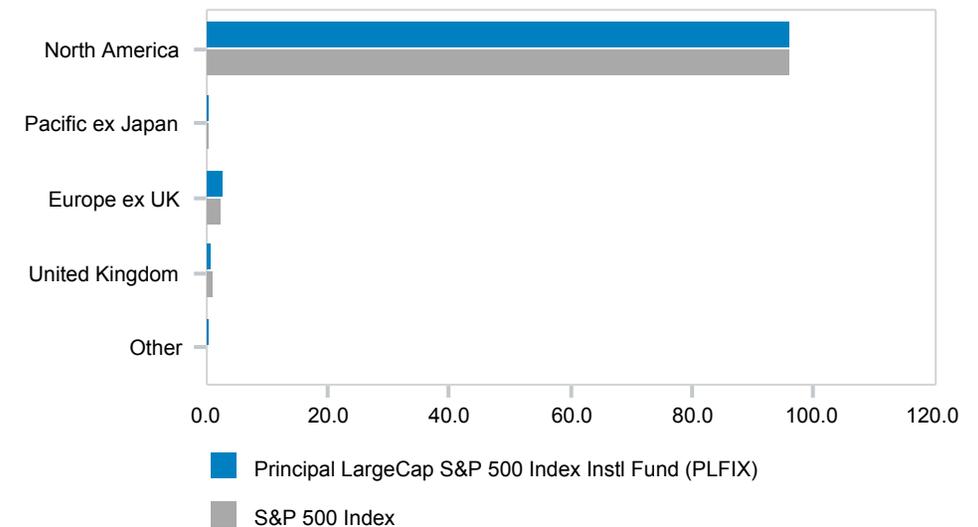
Top Ten Securities As of 07/31/2017

| | |
|----------------------------|-------|
| Apple Inc ORD | 3.6 % |
| Microsoft Corp ORD | 2.6 % |
| Facebook Inc ORD | 1.9 % |
| Amazon.com Inc ORD | 1.8 % |
| Johnson & Johnson ORD | 1.7 % |
| Exxon Mobil Corp ORD | 1.6 % |
| Berkshire Hathaway Inc ORD | 1.6 % |
| JPMorgan Chase & Co ORD | 1.5 % |
| Alphabet Inc ORD 1 | 1.3 % |
| Alphabet Inc ORD 2 | 1.3 % |

Sector Weights As of 07/31/2017



Region Weights As of 07/31/2017



Statistics provided by Lipper. Most recent available data shown.



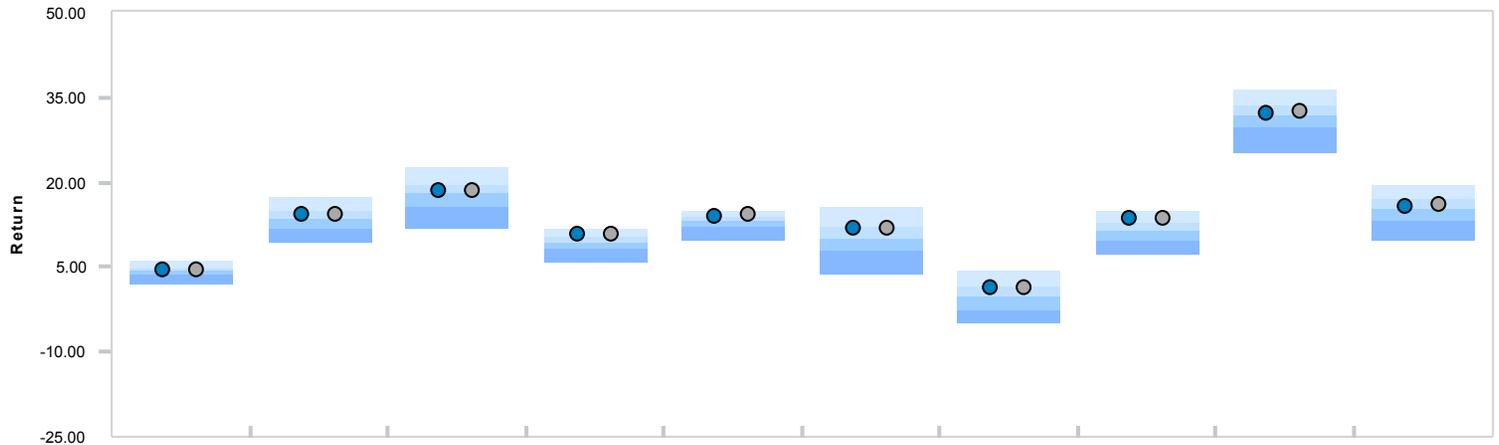
Mutual Fund Info from Lipper

Product Name : Principal:LC S&P500;Inst (PLFIX)
 Fund Family : Principal Global Investors LLC
 Ticker : PLFIX
 Peer Group : IM U.S. Large Cap Core Equity (MF)
 Benchmark : S&P 500 Index
 Fund Inception : 03/01/2001
 Portfolio Manager : Krunchten/Schwarte
 Total Assets : \$3,500 Million
 Total Assets Date : 09/30/2017
 Gross Expense : 0.16%
 Net Expense : 0.16%
 Turnover : 4%

Summary Description

The investment seeks long-term growth of capital. Under normal circumstances, the fund invests at least 80% of its net assets, plus any borrowings for investment purposes, in equity securities of companies that compose the S&P 500 Index at the time of purchase. The index is designed to represent U.S. equities with risk/return characteristics of the large cap universe.

Peer Group Analysis - IM U.S. Large Cap Core Equity (MF)



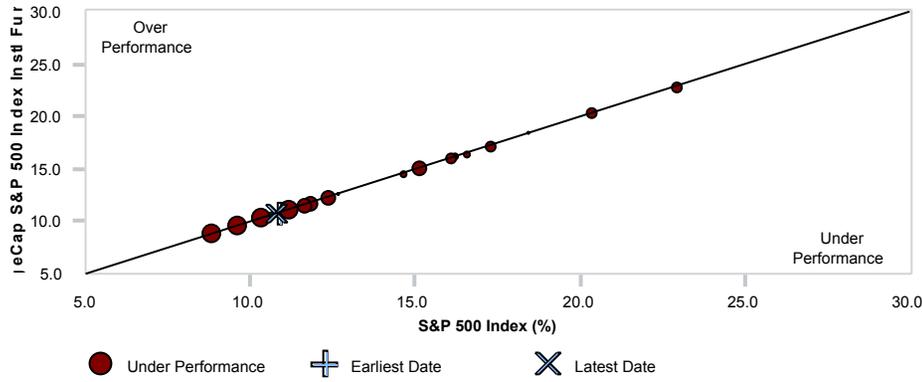
| | QTR | YTD | 1 YR | 3 YR | 5 YR | 2016 | 2015 | 2014 | 2013 | 2012 |
|---|-----------|------------|------------|------------|------------|------------|-----------|------------|------------|------------|
| ● Principal LargeCap S&P 500 Index Instl Fund (PLFIX) | 4.40 (51) | 14.09 (40) | 18.35 (48) | 10.63 (20) | 14.00 (23) | 11.76 (28) | 1.22 (30) | 13.50 (16) | 32.06 (45) | 15.73 (45) |
| ○ S&P 500 Index | 4.48 (46) | 14.24 (37) | 18.61 (43) | 10.81 (16) | 14.22 (16) | 11.96 (26) | 1.38 (28) | 13.69 (15) | 32.39 (39) | 16.00 (40) |
| Median | 4.40 | 13.50 | 18.25 | 9.40 | 13.11 | 10.02 | -0.27 | 11.39 | 31.80 | 15.41 |

Comparative Performance

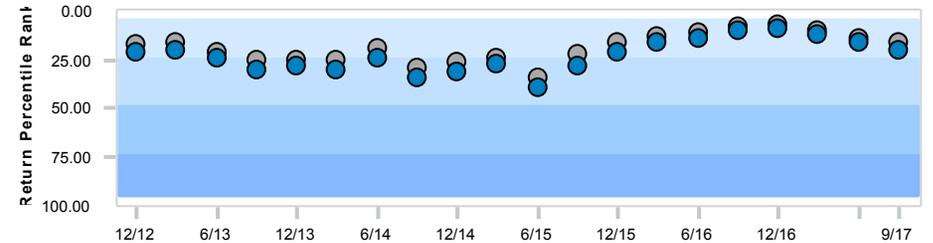
| | 1 Qtr Ending Jun-2017 | 1 Qtr Ending Mar-2017 | 1 Qtr Ending Dec-2016 | 1 Qtr Ending Sep-2016 | 1 Qtr Ending Jun-2016 | 1 Qtr Ending Mar-2016 |
|---|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Principal LargeCap S&P 500 Index Instl Fund (PLFIX) | 3.06 (45) | 6.04 (37) | 3.73 (49) | 3.79 (53) | 2.43 (34) | 1.34 (27) |
| S&P 500 Index | 3.09 (45) | 6.07 (36) | 3.82 (45) | 3.85 (51) | 2.46 (32) | 1.35 (27) |
| IM U.S. Large Cap Core Equity (MF) Median | 2.99 | 5.67 | 3.68 | 3.85 | 1.99 | 0.29 |



3 Yr Rolling Under/Over Performance - 5 Years

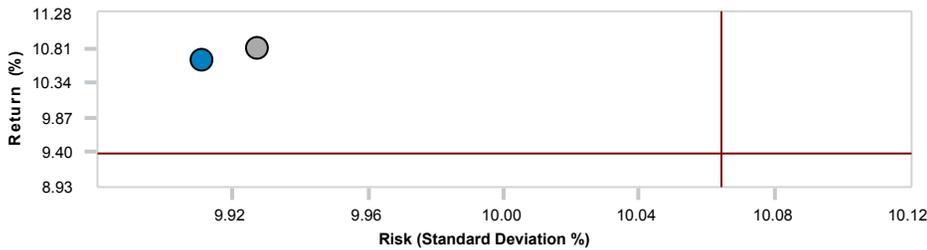


3 Yr Rolling Percentile Ranking - 5 Years



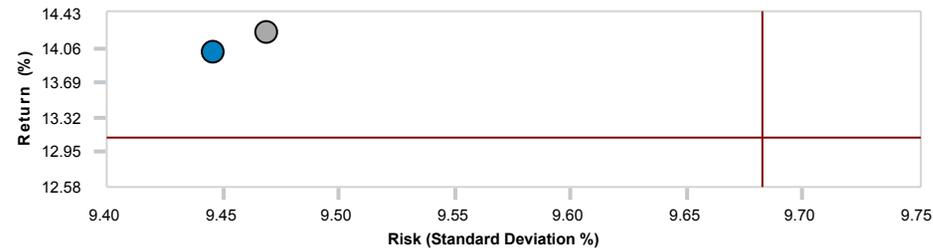
| | Total Period | 5-25 Count | 25-Median Count | Median-75 Count | 75-95 Count |
|---|--------------|------------|-----------------|-----------------|-------------|
| ● Principal LargeCap S&P 500 Index Instl Fund (PLFIX) | 20 | 12 (60%) | 8 (40%) | 0 (0%) | 0 (0%) |
| ● S&P 500 Index | 20 | 17 (85%) | 3 (15%) | 0 (0%) | 0 (0%) |

Peer Group Scattergram - 3 Years



| | Return | Standard Deviation |
|---|--------|--------------------|
| ● Principal LargeCap S&P 500 Index Instl Fund (PLFIX) | 10.63 | 9.91 |
| ● S&P 500 Index | 10.81 | 9.93 |
| — Median | 9.40 | 10.06 |

Peer Group Scattergram - 5 Years



| | Return | Standard Deviation |
|---|--------|--------------------|
| ● Principal LargeCap S&P 500 Index Instl Fund (PLFIX) | 14.00 | 9.45 |
| ● S&P 500 Index | 14.22 | 9.47 |
| — Median | 13.11 | 9.68 |

Historical Statistics - 3 Years

| | Tracking Error | Up Market Capture | Down Market Capture | Alpha | Information Ratio | Sharpe Ratio | Beta | Downside Risk |
|---|----------------|-------------------|---------------------|-------|-------------------|--------------|------|---------------|
| Principal LargeCap S&P 500 Index Instl Fund (PLFIX) | 0.08 | 99.35 | 100.56 | -0.15 | -1.96 | 1.05 | 1.00 | 5.43 |
| S&P 500 Index | 0.00 | 100.00 | 100.00 | 0.00 | N/A | 1.06 | 1.00 | 5.43 |

Historical Statistics - 5 Years

| | Tracking Error | Up Market Capture | Down Market Capture | Alpha | Information Ratio | Sharpe Ratio | Beta | Downside Risk |
|---|----------------|-------------------|---------------------|-------|-------------------|--------------|------|---------------|
| Principal LargeCap S&P 500 Index Instl Fund (PLFIX) | 0.11 | 99.23 | 100.51 | -0.16 | -1.77 | 1.42 | 1.00 | 4.86 |
| S&P 500 Index | 0.00 | 100.00 | 100.00 | 0.00 | N/A | 1.44 | 1.00 | 4.85 |



Fund Information

Fund Name : T Rowe Price Growth Stock Fund, Inc; Class R Shares
 Fund Family : T. Rowe Price Associates Inc
 Ticker : RRGSX
 Inception Date : 09/30/2002
 Fund Assets : \$972 Million
 Portfolio Turnover : 44%

Portfolio Assets : \$50,726 Million
 Portfolio Manager : Joseph B. Fath
 PM Tenure : 2014
 Fund Style : IM U.S. Large Cap Growth Equity (MF)
 Style Benchmark : Russell 1000 Growth Index

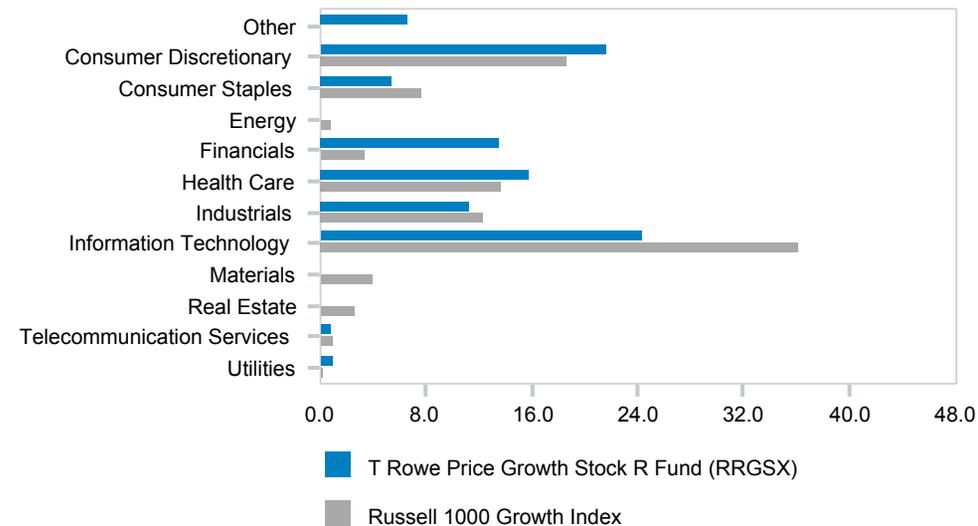
Portfolio Characteristics As of 06/30/2017

| | Portfolio | Benchmark |
|-------------------------|-----------------|----------------|
| Total Securities | 88 | 557 |
| Avg. Market Cap (\$) | 195,336,153,776 | 10,036,782,560 |
| Price/Earnings (P/E) | 35.21 | 25.74 |
| Price/Book (P/B) | 9.05 | 6.31 |
| Dividend Yield | 1.58 | 1.43 |
| Annual EPS | 21.31 | N/A |
| 5 Yr EPS | 16.76 | 13.30 |
| 3 Yr EPS Growth | 24.22 | N/A |
| Beta (5 Years, Monthly) | 1.08 | 1.00 |

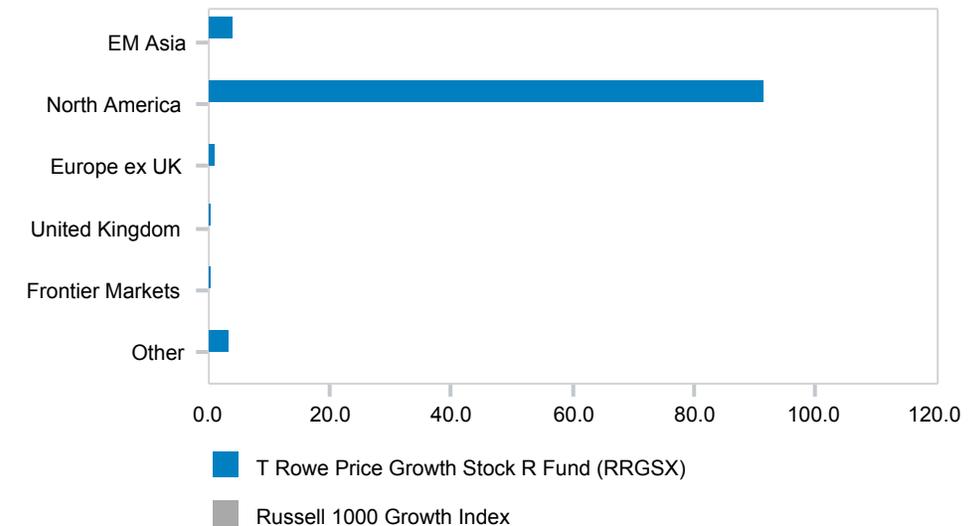
Top Ten Securities As of 06/30/2017

| | |
|------------------------------|-------|
| Amazon.com Inc ORD | 6.0 % |
| Apple Inc ORD | 5.2 % |
| Facebook Inc ORD | 3.6 % |
| Priceline Group Inc ORD | 3.4 % |
| Microsoft Corp ORD | 3.1 % |
| Alphabet Inc ORD 1 | 3.1 % |
| PayPal Holdings Inc ORD | 2.8 % |
| Visa Inc ORD | 2.6 % |
| Alphabet Inc ORD 2 | 2.6 % |
| Alibaba Group Holding Ltd DR | 2.4 % |

Sector Weights As of 06/30/2017



Region Weights As of 06/30/2017



Statistics provided by Lipper. Most recent available data shown.



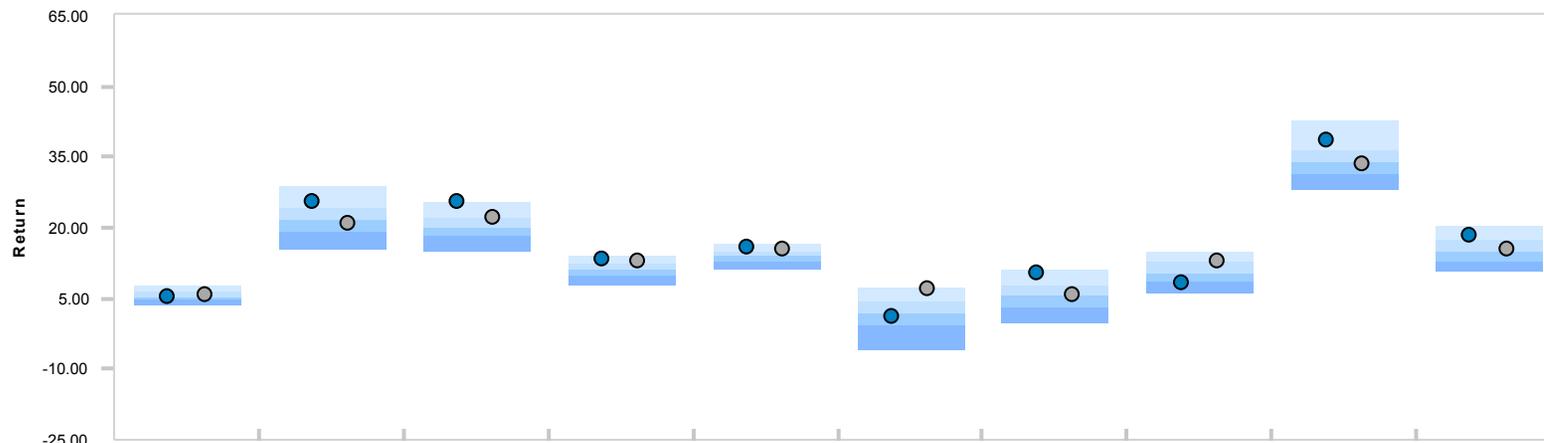
Mutual Fund Info from Lipper

Product Name : T Rowe Price Gro Stk;R (RRGSX)
 Fund Family : T. Rowe Price Associates Inc
 Ticker : RRG SX
 Peer Group : IM U.S. Large Cap Growth Equity (MF)
 Benchmark : Russell 1000 Growth Index
 Fund Inception : 09/30/2002
 Portfolio Manager : Joseph B. Fath
 Total Assets : \$972 Million
 Total Assets Date : 09/30/2017
 Gross Expense : 1.18%
 Net Expense : 1.18%
 Turnover : 44%

Summary Description

Invests in companies having one or more of the following characteristics: superior growth in earnings and cash flow, ability to sustain earnings momentum even during economic slowdowns, occupation of a lucrative niche in the economy and ability to expand even during times of slow economic growth.

Peer Group Analysis - IM U.S. Large Cap Growth Equity (MF)



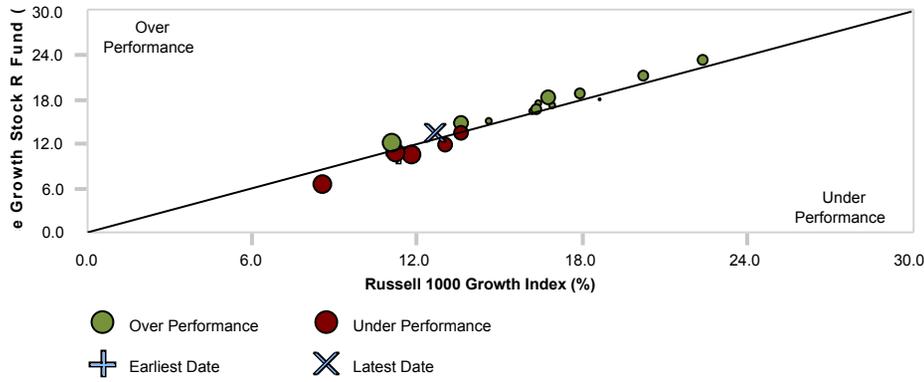
| | QTR | YTD | 1 YR | 3 YR | 5 YR | 2016 | 2015 | 2014 | 2013 | 2012 |
|--|-----------|------------|------------|------------|------------|-----------|------------|------------|------------|------------|
| ● T Rowe Price Growth Stock R Fund (RRGSX) | 5.31 (55) | 25.55 (19) | 25.44 (6) | 13.33 (11) | 15.68 (13) | 0.89 (63) | 10.30 (10) | 8.27 (81) | 38.56 (13) | 18.34 (19) |
| ○ Russell 1000 Growth Index | 5.90 (35) | 20.72 (58) | 21.94 (26) | 12.69 (19) | 15.26 (21) | 7.08 (7) | 5.67 (50) | 13.05 (22) | 33.48 (56) | 15.26 (46) |
| Median | 5.48 | 21.71 | 20.04 | 11.11 | 13.93 | 1.91 | 5.62 | 10.48 | 33.97 | 14.82 |

Comparative Performance

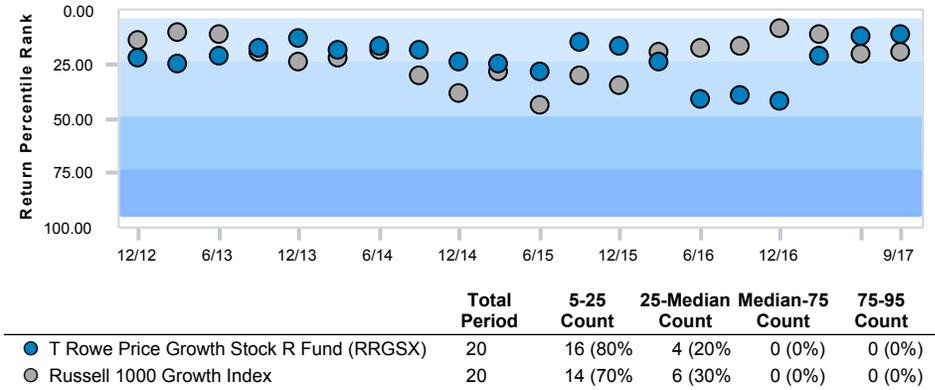
| | 1 Qtr Ending Jun-2017 | 1 Qtr Ending Mar-2017 | 1 Qtr Ending Dec-2016 | 1 Qtr Ending Sep-2016 | 1 Qtr Ending Jun-2016 | 1 Qtr Ending Mar-2016 |
|---|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| T Rowe Price Growth Stock R Fund (RRGSX) | 7.41 (12) | 11.00 (16) | -0.08 (29) | 7.72 (16) | -0.82 (83) | -5.49 (86) |
| Russell 1000 Growth Index | 4.67 (69) | 8.91 (60) | 1.01 (15) | 4.58 (73) | 0.61 (41) | 0.74 (6) |
| IM U.S. Large Cap Growth Equity (MF) Median | 5.35 | 9.42 | -1.25 | 5.84 | 0.28 | -3.02 |



3 Yr Rolling Under/Over Performance - 5 Years



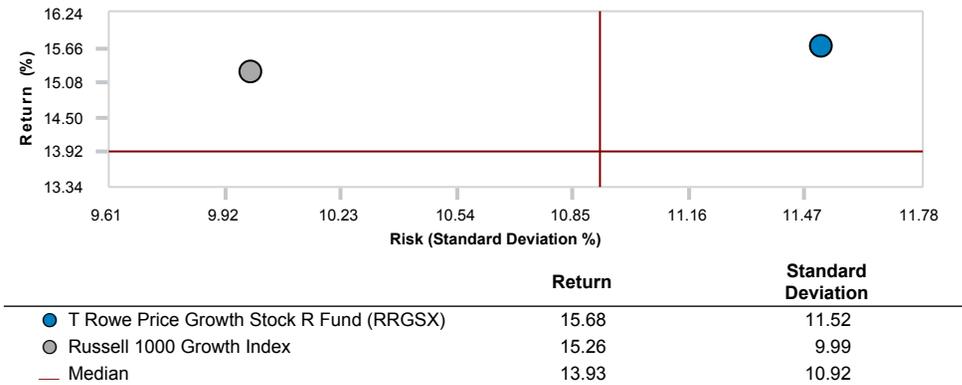
3 Yr Rolling Percentile Ranking - 5 Years



Peer Group Scattergram - 3 Years



Peer Group Scattergram - 5 Years



Historical Statistics - 3 Years

| | Tracking Error | Up Market Capture | Down Market Capture | Alpha | Information Ratio | Sharpe Ratio | Beta | Downside Risk |
|--|----------------|-------------------|---------------------|-------|-------------------|--------------|------|---------------|
| T Rowe Price Growth Stock R Fund (RRGSX) | 4.00 | 106.80 | 108.20 | -0.17 | 0.18 | 1.09 | 1.07 | 6.94 |
| Russell 1000 Growth Index | 0.00 | 100.00 | 100.00 | 0.00 | N/A | 1.17 | 1.00 | 5.51 |

Historical Statistics - 5 Years

| | Tracking Error | Up Market Capture | Down Market Capture | Alpha | Information Ratio | Sharpe Ratio | Beta | Downside Risk |
|--|----------------|-------------------|---------------------|-------|-------------------|--------------|------|---------------|
| T Rowe Price Growth Stock R Fund (RRGSX) | 4.10 | 105.80 | 109.87 | -0.63 | 0.13 | 1.31 | 1.08 | 6.30 |
| Russell 1000 Growth Index | 0.00 | 100.00 | 100.00 | 0.00 | N/A | 1.46 | 1.00 | 4.89 |



Fund Information

| | | | |
|----------------------|---|---------------------|-----------------------------------|
| Fund Name : | Wells Fargo Funds Trust: Wells Fargo Special Mid Cap Value Fund; Administrator Class Shares | Portfolio Assets : | \$8,446 Million |
| Fund Family : | Wells Fargo Funds Management LLC | Portfolio Manager : | Tringas/VanCronkhite |
| Ticker : | WFMDX | PM Tenure : | 2009--2009 |
| Inception Date : | 04/11/2005 | Fund Style : | IM U.S. Mid Cap Value Equity (MF) |
| Fund Assets : | \$1,157 Million | Style Benchmark : | Russell Midcap Value Index |
| Portfolio Turnover : | 30% | | |

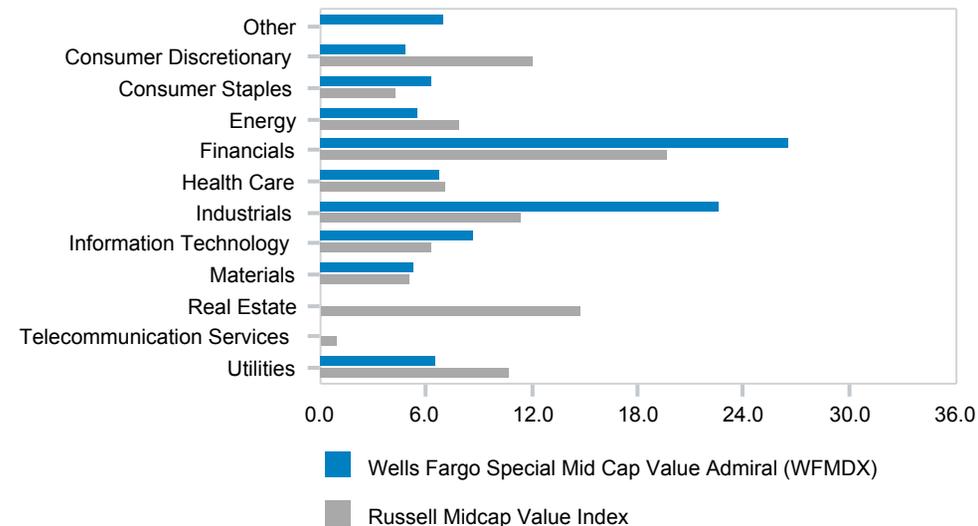
Portfolio Characteristics As of 06/30/2017

| | Portfolio | Benchmark |
|-------------------------|----------------|---------------|
| Total Securities | 64 | 590 |
| Avg. Market Cap (\$) | 14,956,259,077 | 6,998,960,450 |
| Price/Earnings (P/E) | 26.46 | 19.36 |
| Price/Book (P/B) | 3.02 | 2.08 |
| Dividend Yield | 1.88 | 2.19 |
| Annual EPS | -0.93 | N/A |
| 5 Yr EPS | 7.88 | 9.15 |
| 3 Yr EPS Growth | 6.46 | N/A |
| Beta (5 Years, Monthly) | 0.93 | 1.00 |

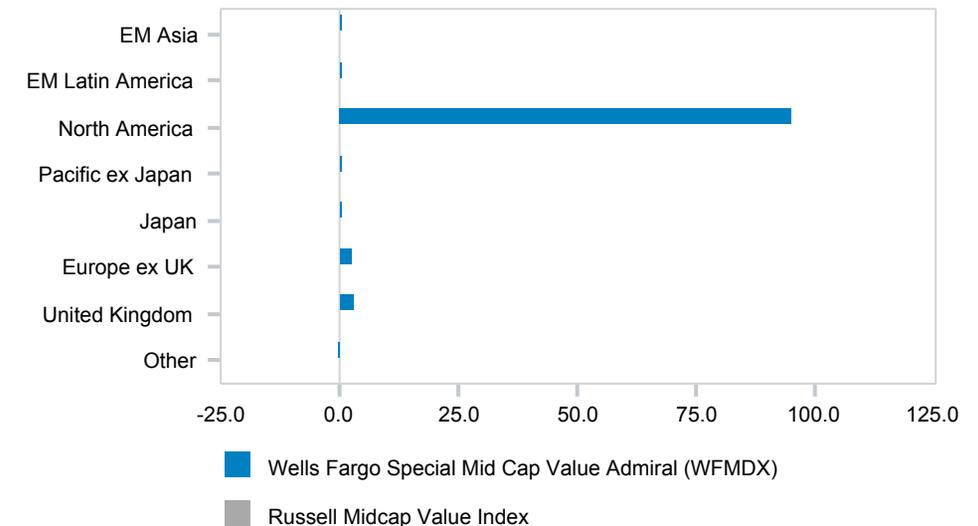
Top Ten Securities As of 06/30/2017

| | |
|--|-------|
| Wells Fargo Govt Money Market Fund;Sel | 7.4 % |
| Fidelity National Information Services | 3.0 % |
| Republic Services Inc ORD | 2.8 % |
| TreeHouse Foods Inc ORD | 2.8 % |
| Kansas City Southern ORD | 2.7 % |
| Molson Coors Brewing Co ORD | 2.5 % |
| Ameren Corp ORD | 2.4 % |
| Allstate Corp ORD | 2.4 % |
| CBRE Group Inc ORD | 2.4 % |
| Packaging Corp of America ORD | 2.1 % |

Sector Weights As of 06/30/2017



Region Weights As of 06/30/2017



Statistics provided by Lipper. Most recent available data shown.



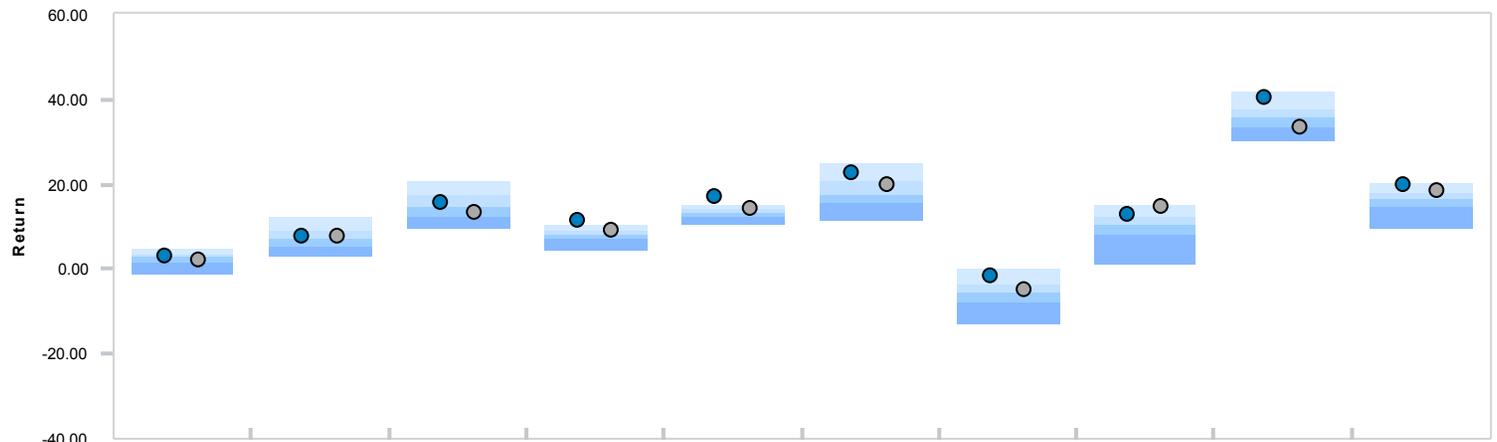
Mutual Fund Info from Lipper

Product Name : WellsFargo:Spec MCV;Adm (WFMDX)
Fund Family : Wells Fargo Funds Management LLC
Ticker : WFMDX
Peer Group : IM U.S. Mid Cap Value Equity (MF)
Benchmark : Russell Midcap Value Index
Fund Inception : 04/11/2005
Portfolio Manager : Tringas/VanCronkhite
Total Assets : \$1,157 Million
Total Assets Date : 09/30/2017
Gross Expense : 1.12%
Net Expense : 1.12%
Turnover : 30%

Summary Description

Normally investing at least 80% of assets in stocks. Investing in either "growth" stocks or "value" stocks or both. Normally investing primarily in common stocks of leveraged companies (companies that issue lower-quality debt and other companies with leveraged capital structures).

Peer Group Analysis - IM U.S. Mid Cap Value Equity (MF)



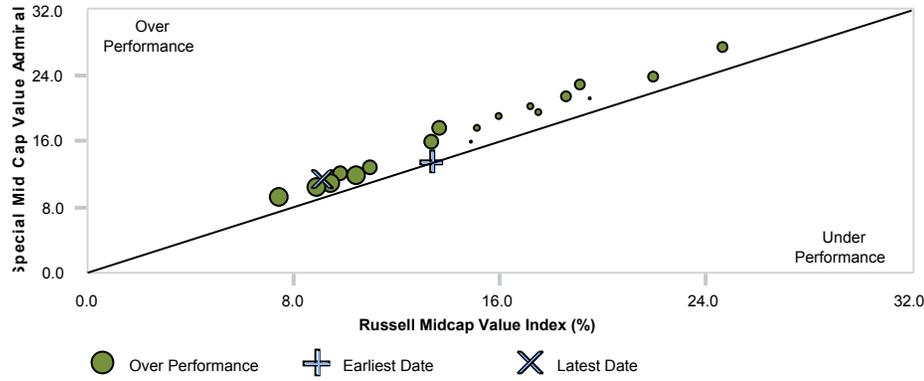
| | QTR | YTD | 1 YR | 3 YR | 5 YR | 2016 | 2015 | 2014 | 2013 | 2012 |
|---|-----------|-----------|------------|-----------|------------|------------|------------|------------|------------|------------|
| ● Wells Fargo Special Mid Cap Value Admiral (WFMDX) | 3.15 (41) | 7.55 (47) | 15.77 (41) | 11.27 (2) | 17.01 (1) | 22.60 (13) | -1.88 (10) | 13.01 (20) | 40.29 (8) | 19.77 (7) |
| ○ Russell Midcap Value Index | 2.14 (66) | 7.43 (48) | 13.37 (69) | 9.19 (27) | 14.33 (17) | 20.00 (34) | -4.78 (47) | 14.75 (9) | 33.46 (74) | 18.51 (20) |
| Median | 2.90 | 7.21 | 14.79 | 8.15 | 13.06 | 17.42 | -5.61 | 10.33 | 35.91 | 16.45 |

Comparative Performance

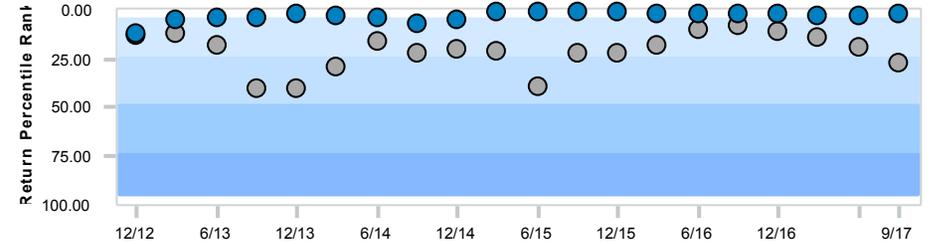
| | 1 Qtr Ending Jun-2017 | 1 Qtr Ending Mar-2017 | 1 Qtr Ending Dec-2016 | 1 Qtr Ending Sep-2016 | 1 Qtr Ending Jun-2016 | 1 Qtr Ending Mar-2016 |
|---|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| Wells Fargo Special Mid Cap Value Admiral (WFMDX) | 1.98 (25) | 2.24 (84) | 7.65 (33) | 4.76 (58) | 4.97 (3) | 3.57 (25) |
| Russell Midcap Value Index | 1.37 (53) | 3.76 (38) | 5.52 (76) | 4.45 (65) | 4.77 (3) | 3.92 (19) |
| IM U.S. Mid Cap Value Equity (MF) Median | 1.39 | 3.43 | 6.47 | 4.99 | 2.06 | 2.16 |



3 Yr Rolling Under/Over Performance - 5 Years

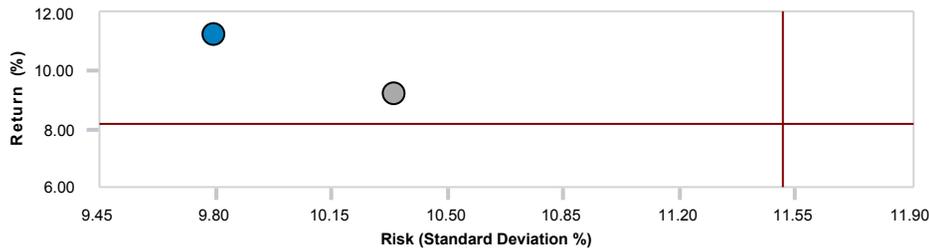


3 Yr Rolling Percentile Ranking - 5 Years



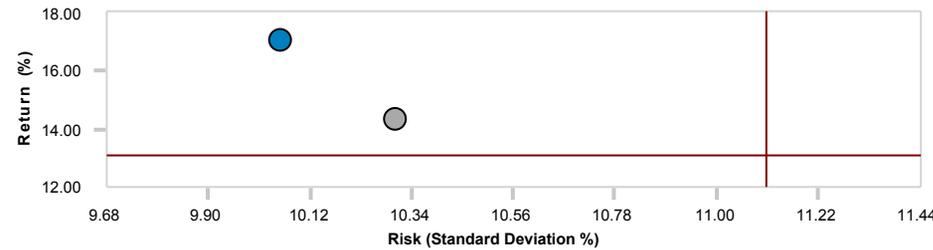
| | Total Period | 5-25 Count | 25-Median Count | Median-75 Count | 75-95 Count |
|---|--------------|------------|-----------------|-----------------|-------------|
| ● Wells Fargo Special Mid Cap Value Admiral (WFMDX) | 20 | 20 (100%) | 0 (0%) | 0 (0%) | 0 (0%) |
| ● Russell Midcap Value Index | 20 | 15 (75%) | 5 (25%) | 0 (0%) | 0 (0%) |

Peer Group Scattergram - 3 Years



| | Return | Standard Deviation |
|---|--------|--------------------|
| ● Wells Fargo Special Mid Cap Value Admiral (WFMDX) | 11.27 | 9.80 |
| ● Russell Midcap Value Index | 9.19 | 10.34 |
| — Median | 8.15 | 11.51 |

Peer Group Scattergram - 5 Years



| | Return | Standard Deviation |
|---|--------|--------------------|
| ● Wells Fargo Special Mid Cap Value Admiral (WFMDX) | 17.01 | 10.06 |
| ● Russell Midcap Value Index | 14.33 | 10.31 |
| — Median | 13.06 | 11.11 |

Historical Statistics - 3 Years

| | Tracking Error | Up Market Capture | Down Market Capture | Alpha | Information Ratio | Sharpe Ratio | Beta | Downside Risk |
|---|----------------|-------------------|---------------------|-------|-------------------|--------------|------|---------------|
| Wells Fargo Special Mid Cap Value Admiral (WFMDX) | 3.13 | 98.73 | 77.36 | 2.80 | 0.59 | 1.12 | 0.90 | 5.22 |
| Russell Midcap Value Index | 0.00 | 100.00 | 100.00 | 0.00 | N/A | 0.88 | 1.00 | 5.59 |

Historical Statistics - 5 Years

| | Tracking Error | Up Market Capture | Down Market Capture | Alpha | Information Ratio | Sharpe Ratio | Beta | Downside Risk |
|---|----------------|-------------------|---------------------|-------|-------------------|--------------|------|---------------|
| Wells Fargo Special Mid Cap Value Admiral (WFMDX) | 3.08 | 105.01 | 85.13 | 3.33 | 0.75 | 1.60 | 0.93 | 4.98 |
| Russell Midcap Value Index | 0.00 | 100.00 | 100.00 | 0.00 | N/A | 1.34 | 1.00 | 5.16 |



Fund Information

Fund Name : Principal Funds, Inc: MidCap S&P 400 Index Fund; Institutional Class Shares
 Fund Family : Principal Global Investors LLC
 Ticker : MPSIX
 Inception Date : 03/01/2001
 Fund Assets : \$501 Million
 Portfolio Turnover : 18%

Portfolio Assets : \$1,431 Million
 Portfolio Manager : Kruchten/Schwarte
 PM Tenure : 2011--2016
 Fund Style : IM U.S. SMID Cap Core Equity (MF)
 Style Benchmark : S&P MidCap 400 Index

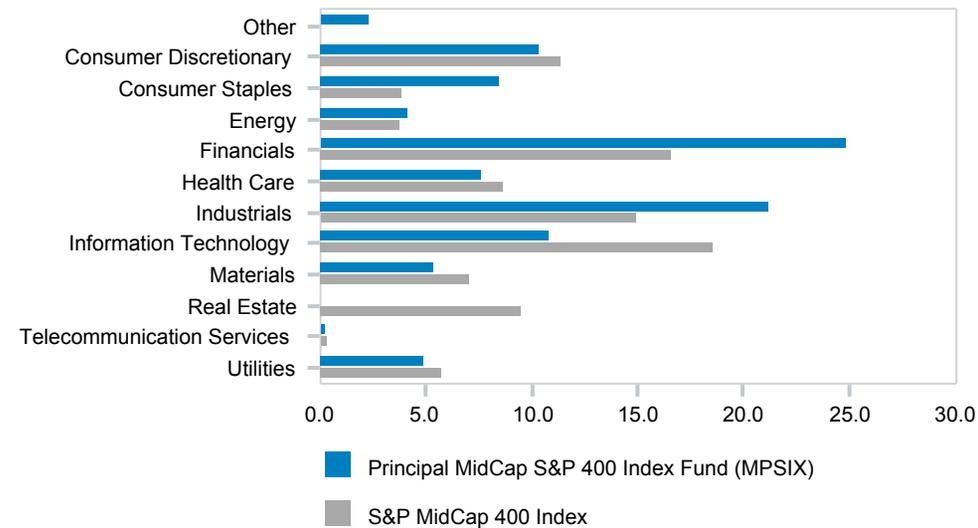
Portfolio Characteristics As of 07/31/2017

| | Portfolio | Benchmark |
|-------------------------|---------------|---------------|
| Total Securities | 402 | 400 |
| Avg. Market Cap (\$) | 5,295,746,116 | 3,874,022,550 |
| Price/Earnings (P/E) | 29.23 | 22.38 |
| Price/Book (P/B) | 4.52 | 2.59 |
| Dividend Yield | 2.18 | 1.54 |
| Annual EPS | 16.49 | N/A |
| 5 Yr EPS | 10.46 | 10.13 |
| 3 Yr EPS Growth | 9.00 | N/A |
| Beta (5 Years, Monthly) | 1.00 | 1.00 |

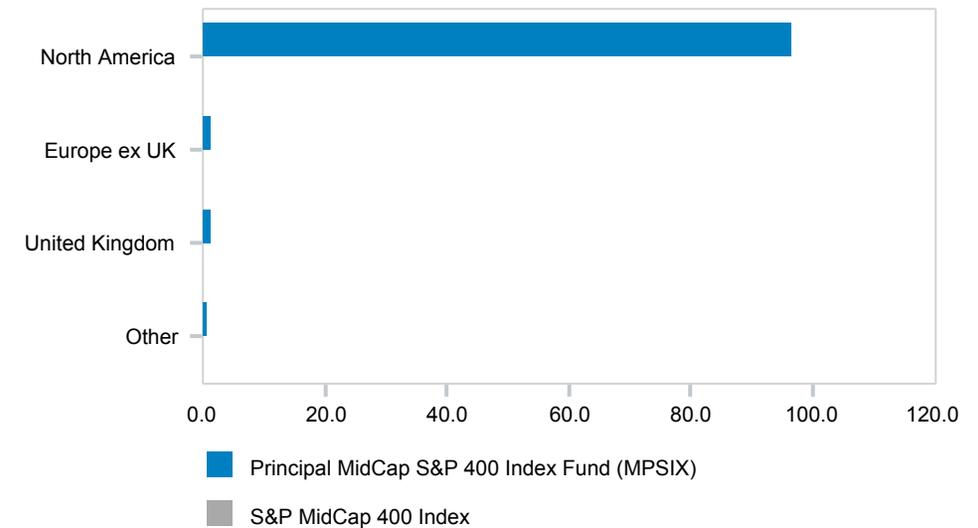
Top Ten Securities As of 07/31/2017

| | |
|--|-------|
| BlackRock Liquidity FedFund;Institutiona | 1.6 % |
| iShares Core S&P Mid-Cap ETF | 0.7 % |
| Cadence Design Systems Inc ORD | 0.6 % |
| MSCI Inc ORD | 0.6 % |
| CDK Global Inc ORD | 0.6 % |
| Huntington Ingalls Industries Inc | 0.6 % |
| Alleghany Corp ORD | 0.6 % |
| Trimble Inc ORD | 0.6 % |
| SVB Financial Group ORD | 0.6 % |
| Teleflex Inc ORD | 0.6 % |

Sector Weights As of 07/31/2017



Region Weights As of 07/31/2017



Statistics provided by Lipper. Most recent available data shown.



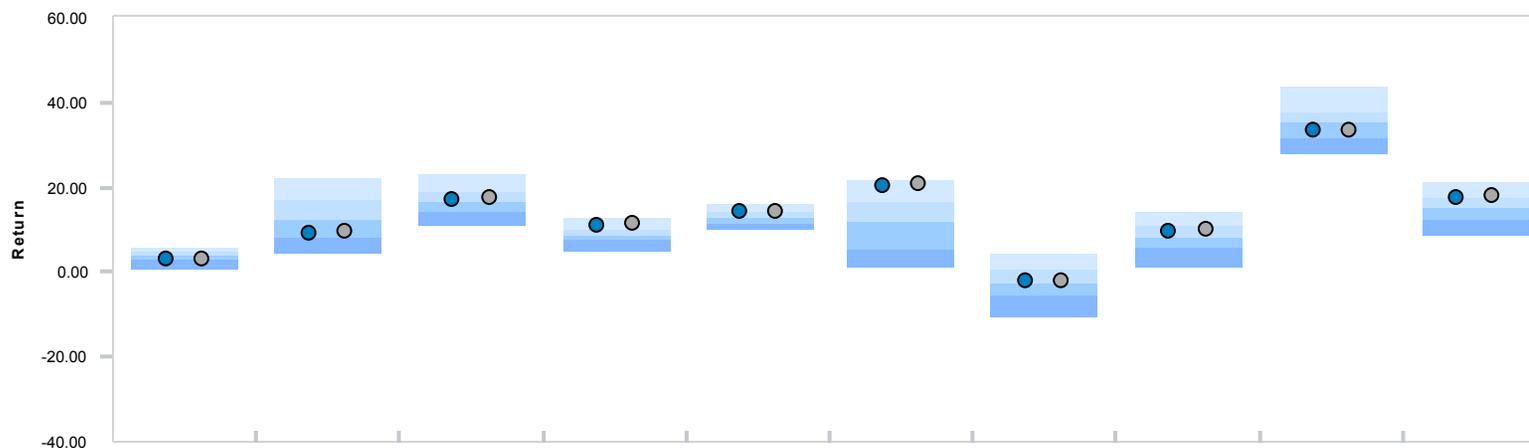
Mutual Fund Info from Lipper

Product Name : Principal:MC S&P400;Inst (MPSIX)
 Fund Family : Principal Global Investors LLC
 Ticker : MPSIX
 Peer Group : IM U.S. Mid Cap Equity (MF)
 Benchmark : S&P MidCap 400 Index
 Fund Inception : 03/01/2001
 Portfolio Manager : Kruchten/Schwarte
 Total Assets : \$501 Million
 Total Assets Date : 09/30/2017
 Gross Expense : 0.20%
 Net Expense : 0.20%
 Turnover : 18%

Summary Description

Under normal circumstances, the fund invests at least 80% of its net assets, plus any borrowings for investment purposes, in equity securities of companies that compose the Standard & Poor's ("S&P") MidCap 400 Index at the time of purchase. The index is designed to represent U.S. equities with risk/return characteristics of the mid cap universe.

Peer Group Analysis - IM U.S. Mid Cap Equity (MF)



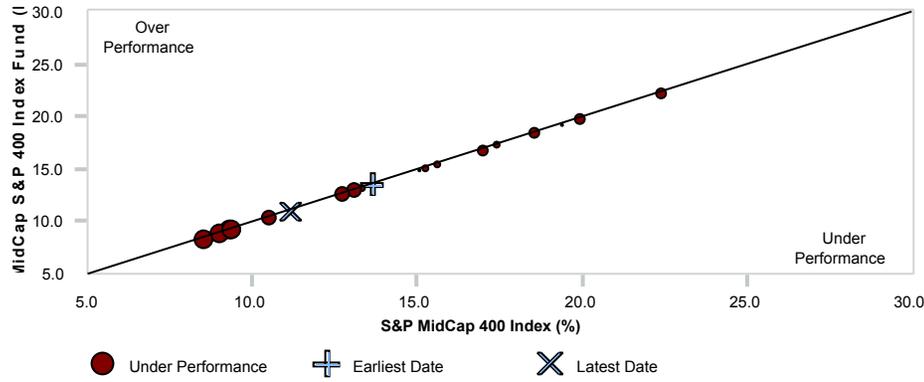
| | QTR | YTD | 1 YR | 3 YR | 5 YR | 2016 | 2015 | 2014 | 2013 | 2012 |
|---|-----------|-----------|------------|------------|------------|------------|------------|-----------|------------|------------|
| ● Principal MidCap S&P 400 Index Fund (MPSIX) | 3.15 (68) | 9.14 (69) | 17.16 (42) | 10.89 (15) | 14.14 (24) | 20.42 (10) | -2.37 (48) | 9.51 (37) | 33.13 (66) | 17.65 (23) |
| ○ S&P MidCap 400 Index | 3.22 (66) | 9.40 (66) | 17.52 (39) | 11.18 (13) | 14.43 (18) | 20.74 (8) | -2.18 (46) | 9.77 (35) | 33.50 (63) | 17.88 (21) |
| Median | 3.80 | 12.40 | 16.44 | 8.77 | 12.80 | 11.67 | -2.56 | 8.15 | 35.15 | 15.26 |

Comparative Performance

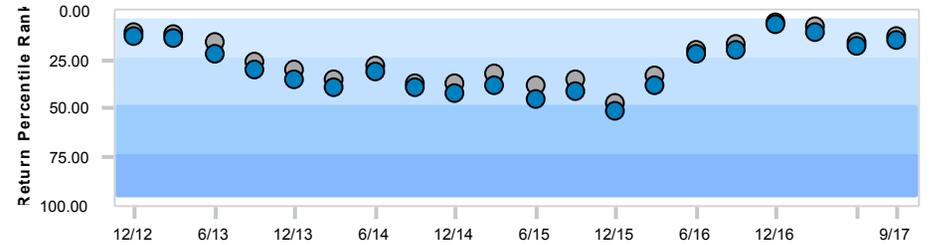
| | 1 Qtr Ending Jun-2017 | 1 Qtr Ending Mar-2017 | 1 Qtr Ending Dec-2016 | 1 Qtr Ending Sep-2016 | 1 Qtr Ending Jun-2016 | 1 Qtr Ending Mar-2016 |
|---|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| Principal MidCap S&P 400 Index Fund (MPSIX) | 1.90 (64) | 3.84 (72) | 7.35 (15) | 4.08 (71) | 3.91 (14) | 3.71 (11) |
| S&P MidCap 400 Index | 1.97 (63) | 3.94 (70) | 7.42 (14) | 4.14 (69) | 3.99 (12) | 3.78 (10) |
| IM U.S. Mid Cap Equity (MF) Median | 2.67 | 5.19 | 3.88 | 4.64 | 2.33 | 0.28 |



3 Yr Rolling Under/Over Performance - 5 Years

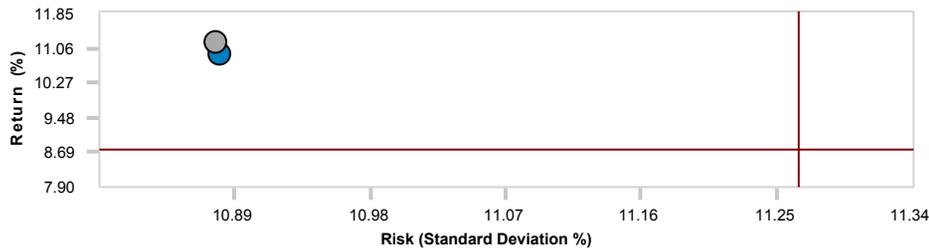


3 Yr Rolling Percentile Ranking - 5 Years



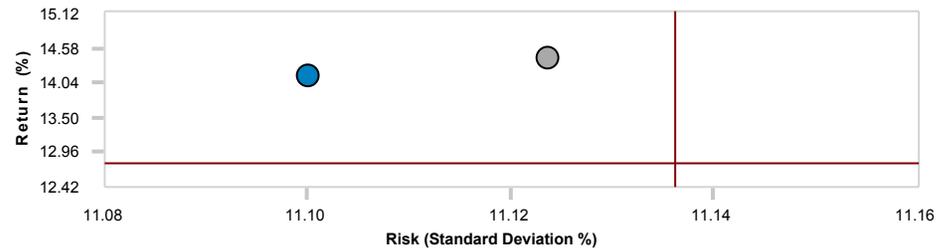
| | Total Period | 5-25 Count | 25-Median Count | Median-75 Count | 75-95 Count |
|---|--------------|------------|-----------------|-----------------|-------------|
| ● Principal MidCap S&P 400 Index Fund (MPSIX) | 20 | 9 (45%) | 10 (50%) | 1 (5%) | 0 (0%) |
| ● S&P MidCap 400 Index | 20 | 9 (45%) | 11 (55%) | 0 (0%) | 0 (0%) |

Peer Group Scattergram - 3 Years



| | Return | Standard Deviation |
|---|--------|--------------------|
| ● Principal MidCap S&P 400 Index Fund (MPSIX) | 10.89 | 10.88 |
| ● S&P MidCap 400 Index | 11.18 | 10.88 |
| — Median | 8.77 | 11.26 |

Peer Group Scattergram - 5 Years



| | Return | Standard Deviation |
|---|--------|--------------------|
| ● Principal MidCap S&P 400 Index Fund (MPSIX) | 14.14 | 11.10 |
| ● S&P MidCap 400 Index | 14.43 | 11.12 |
| — Median | 12.80 | 11.14 |

Historical Statistics - 3 Years

| | Tracking Error | Up Market Capture | Down Market Capture | Alpha | Information Ratio | Sharpe Ratio | Beta | Downside Risk |
|---|----------------|-------------------|---------------------|-------|-------------------|--------------|------|---------------|
| Principal MidCap S&P 400 Index Fund (MPSIX) | 0.07 | 99.30 | 101.22 | -0.26 | -3.85 | 0.98 | 1.00 | 6.00 |
| S&P MidCap 400 Index | 0.00 | 100.00 | 100.00 | 0.00 | N/A | 1.01 | 1.00 | 5.97 |

Historical Statistics - 5 Years

| | Tracking Error | Up Market Capture | Down Market Capture | Alpha | Information Ratio | Sharpe Ratio | Beta | Downside Risk |
|---|----------------|-------------------|---------------------|-------|-------------------|--------------|------|---------------|
| Principal MidCap S&P 400 Index Fund (MPSIX) | 0.08 | 99.25 | 100.89 | -0.23 | -3.07 | 1.24 | 1.00 | 5.87 |
| S&P MidCap 400 Index | 0.00 | 100.00 | 100.00 | 0.00 | N/A | 1.26 | 1.00 | 5.84 |



Fund Information

Fund Name : JPMorgan Trust II: JPMorgan Small Cap Value Fund; Class A Shares
 Fund Family : JPMorgan Funds
 Ticker : PSOAX
 Inception Date : 01/27/1995
 Fund Assets : \$449 Million
 Portfolio Turnover : 41%

Portfolio Assets : \$2,112 Million
 Portfolio Manager : Ruhl/Hart
 PM Tenure : 2005--2010
 Fund Style : IM U.S. SMID Cap Value Equity (MF)
 Style Benchmark : Russell 2000 Value Index

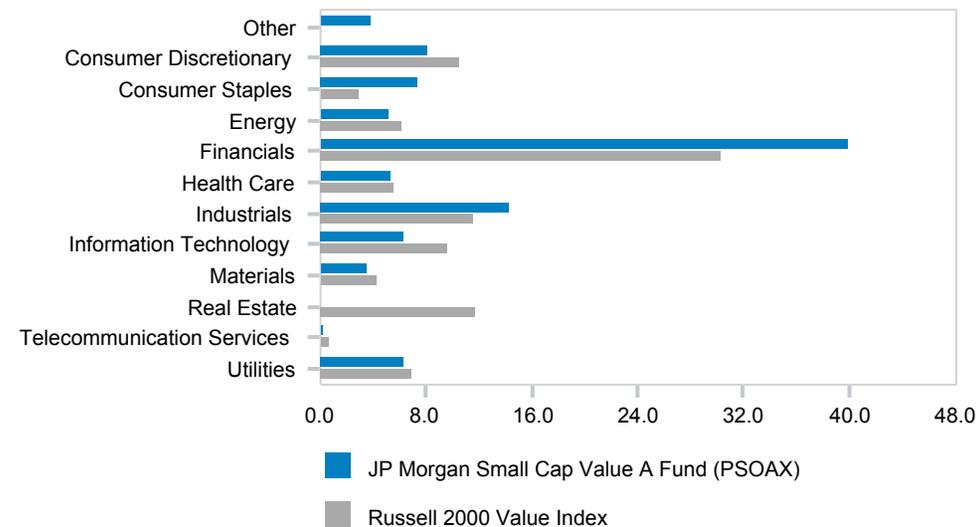
Portfolio Characteristics As of 07/31/2017

| | Portfolio | Benchmark |
|-------------------------|---------------|-------------|
| Total Securities | 340 | 1,394 |
| Avg. Market Cap (\$) | 2,058,358,096 | 686,167,760 |
| Price/Earnings (P/E) | 25.18 | 18.24 |
| Price/Book (P/B) | 2.21 | 1.65 |
| Dividend Yield | 2.83 | 1.93 |
| Annual EPS | 20.20 | N/A |
| 5 Yr EPS | 7.06 | 7.60 |
| 3 Yr EPS Growth | 5.09 | N/A |
| Beta (5 Years, Monthly) | 1.01 | 1.00 |

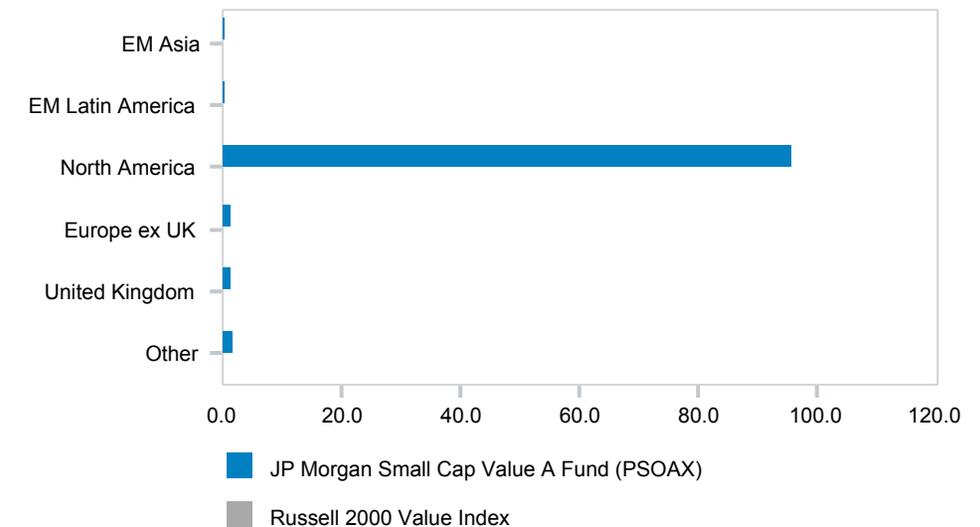
Top Ten Securities As of 07/31/2017

| | |
|-------------------------------------|-------|
| JPMorgan US Government Money Market | 2.5 % |
| Benchmark Electronics Inc ORD | 1.2 % |
| EMCOR Group Inc ORD | 1.2 % |
| Dillard's Inc ORD | 1.1 % |
| Westamerica Bancorp ORD | 1.1 % |
| CNO Financial Group Inc ORD | 1.0 % |
| Take Two Interactive Software Inc | 1.0 % |
| Tech Data Corp ORD | 1.0 % |
| Primerica Inc ORD | 1.0 % |
| CYS Investments Inc ORD | 1.0 % |

Sector Weights As of 07/31/2017



Region Weights As of 07/31/2017



Statistics provided by Lipper. Most recent available data shown.



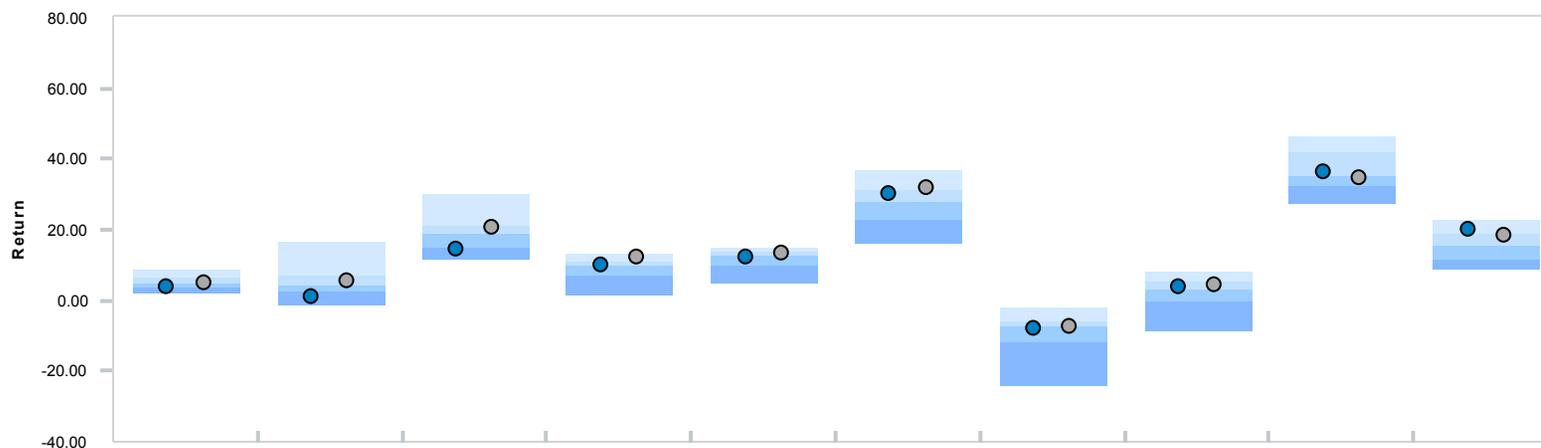
Mutual Fund Info from Lipper

Product Name : JPMorgan:SmCp Val;A (PSOAX)
 Fund Family : JPMorgan Funds
 Ticker : PSOAX
 Peer Group : IM U.S. Small Cap Value Equity (MF)
 Benchmark : Russell 2000 Value Index
 Fund Inception : 01/27/1995
 Portfolio Manager : Ruhl/Hart
 Total Assets : \$449 Million
 Total Assets Date : 09/30/2017
 Gross Expense : 1.54%
 Net Expense : 1.25%
 Turnover : 41%

Summary Description

Invests primarily in equity securities of small-cap companies with market capitalizations equal to those within the universe of the Russell 2000 Value Index. The strategy leverages a proprietary stock ranking system that is enhanced by a fundamental overlay (bottom-up research conducted by small-cap analysts and the portfolio management team) to determine stocks' attractiveness within the investment universe. The fund purchases stocks when they are among the top ranked within their sector and sells them when their ranking falls.

Peer Group Analysis - IM U.S. Small Cap Value Equity (MF)



| | QTR | YTD | 1 YR | 3 YR | 5 YR | 2016 | 2015 | 2014 | 2013 | 2012 |
|--|-----------|-----------|------------|------------|------------|------------|------------|-----------|------------|------------|
| ● JP Morgan Small Cap Value A Fund (PSOAX) | 3.86 (73) | 1.16 (86) | 14.66 (77) | 10.08 (49) | 12.29 (55) | 29.86 (40) | -7.79 (55) | 4.00 (35) | 36.16 (42) | 20.18 (19) |
| ○ Russell 2000 Value Index | 5.11 (48) | 5.68 (40) | 20.55 (32) | 12.12 (19) | 13.27 (43) | 31.74 (22) | -7.47 (52) | 4.22 (33) | 34.52 (55) | 18.05 (32) |
| Median | 4.98 | 4.55 | 18.61 | 9.98 | 12.54 | 27.66 | -7.34 | 3.09 | 35.16 | 15.43 |

Comparative Performance

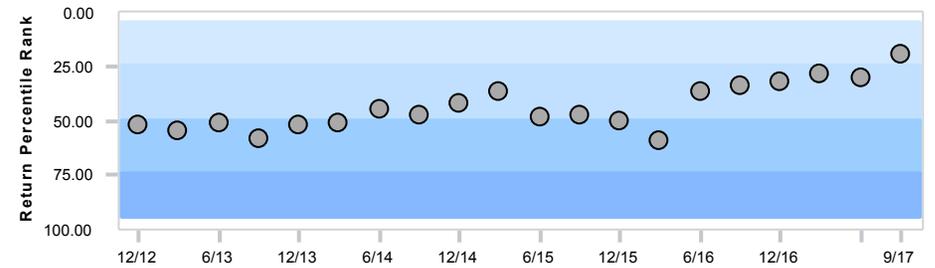
| | 1 Qtr Ending Jun-2017 | 1 Qtr Ending Mar-2017 | 1 Qtr Ending Dec-2016 | 1 Qtr Ending Sep-2016 | 1 Qtr Ending Jun-2016 | 1 Qtr Ending Mar-2016 |
|--|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| JP Morgan Small Cap Value A Fund (PSOAX) | -0.24 (64) | -2.37 (85) | 13.34 (42) | 7.81 (54) | 3.12 (30) | 3.06 (40) |
| Russell 2000 Value Index | 0.67 (45) | -0.13 (44) | 14.07 (27) | 8.87 (39) | 4.31 (10) | 1.70 (72) |
| IM U.S. Small Cap Value Equity (MF) Median | 0.42 | -0.47 | 12.55 | 8.04 | 1.82 | 2.60 |



3 Yr Rolling Under/Over Performance - 5 Years

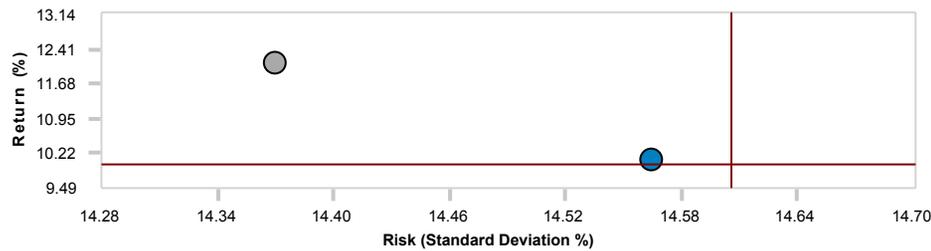
No data found.

3 Yr Rolling Percentile Ranking - 5 Years



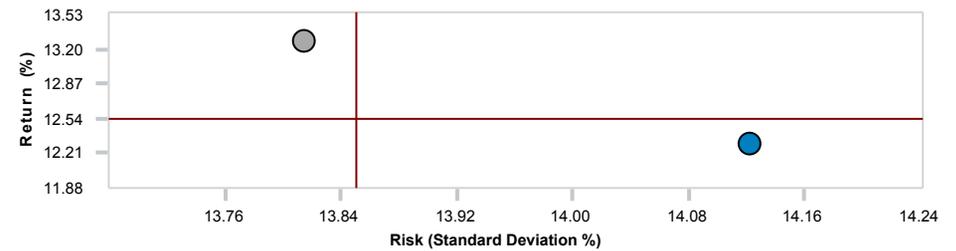
| | Total Period | 5-25 Count | 25-Median Count | Median-75 Count | 75-95 Count |
|--|--------------|------------|-----------------|-----------------|-------------|
| ● JP Morgan Small Cap Value A Fund (PSOAX) | 0 | 0 | 0 | 0 | 0 |
| ○ Russell 2000 Value Index | 20 | 1 (5%) | 12 (60%) | 7 (35%) | 0 (0%) |

Peer Group Scattergram - 3 Years



| | Return | Standard Deviation |
|--|--------|--------------------|
| ● JP Morgan Small Cap Value A Fund (PSOAX) | 10.08 | 14.56 |
| ○ Russell 2000 Value Index | 12.12 | 14.37 |
| — Median | 9.98 | 14.61 |

Peer Group Scattergram - 5 Years



| | Return | Standard Deviation |
|--|--------|--------------------|
| ● JP Morgan Small Cap Value A Fund (PSOAX) | 12.29 | 14.12 |
| ○ Russell 2000 Value Index | 13.27 | 13.81 |
| — Median | 12.54 | 13.85 |

Historical Statistics - 3 Years

| | Tracking Error | Up Market Capture | Down Market Capture | Alpha | Information Ratio | Sharpe Ratio | Beta | Downside Risk |
|--|----------------|-------------------|---------------------|-------|-------------------|--------------|------|---------------|
| JP Morgan Small Cap Value A Fund (PSOAX) | 2.02 | 96.83 | 107.43 | -1.85 | -0.90 | 0.71 | 1.00 | 7.76 |
| Russell 2000 Value Index | 0.00 | 100.00 | 100.00 | 0.00 | N/A | 0.85 | 1.00 | 7.45 |

Historical Statistics - 5 Years

| | Tracking Error | Up Market Capture | Down Market Capture | Alpha | Information Ratio | Sharpe Ratio | Beta | Downside Risk |
|--|----------------|-------------------|---------------------|-------|-------------------|--------------|------|---------------|
| JP Morgan Small Cap Value A Fund (PSOAX) | 2.04 | 98.50 | 103.32 | -0.99 | -0.41 | 0.88 | 1.01 | 7.92 |
| Russell 2000 Value Index | 0.00 | 100.00 | 100.00 | 0.00 | N/A | 0.96 | 1.00 | 7.64 |



Fund Information

| | | | |
|----------------------|---|---------------------|------------------------------------|
| Fund Name : | Principal Funds, Inc: SmallCap S&P 600 Index Fund; Institutional Class Shares | Portfolio Assets : | \$1,346 Million |
| Fund Family : | Principal Global Investors LLC | Portfolio Manager : | Kruchten/Schwarte |
| Ticker : | PSSIX | PM Tenure : | 2011--2016 |
| Inception Date : | 03/01/2001 | Fund Style : | IM U.S. Small Cap Core Equity (MF) |
| Fund Assets : | \$396 Million | Style Benchmark : | S&P SmallCap 600 |
| Portfolio Turnover : | 21% | | |

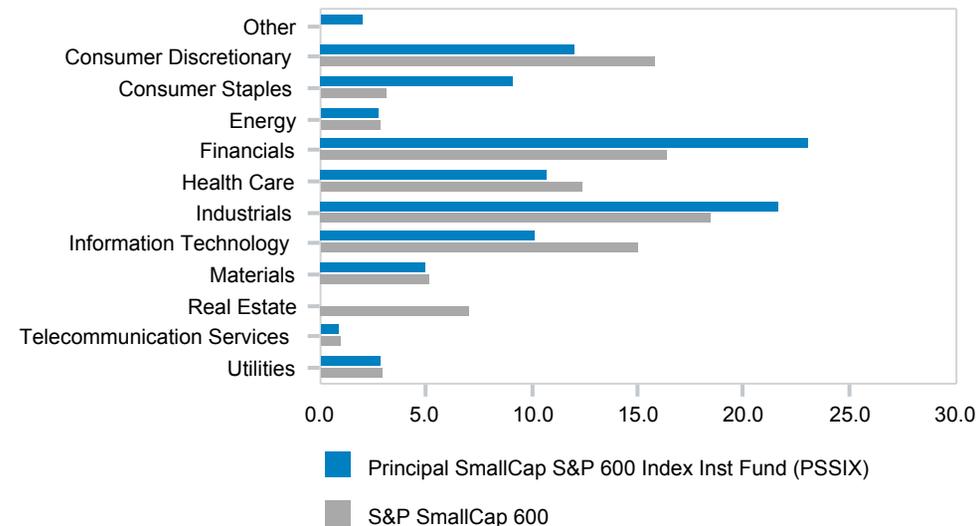
Portfolio Characteristics As of 07/31/2017

| | Portfolio | Benchmark |
|-------------------------|---------------|---------------|
| Total Securities | 603 | 601 |
| Avg. Market Cap (\$) | 1,879,990,722 | 1,157,640,480 |
| Price/Earnings (P/E) | 30.98 | 23.68 |
| Price/Book (P/B) | 3.49 | 2.39 |
| Dividend Yield | 2.32 | 1.40 |
| Annual EPS | 19.53 | N/A |
| 5 Yr EPS | 9.18 | 11.27 |
| 3 Yr EPS Growth | 9.22 | N/A |
| Beta (5 Years, Monthly) | 1.00 | 1.00 |

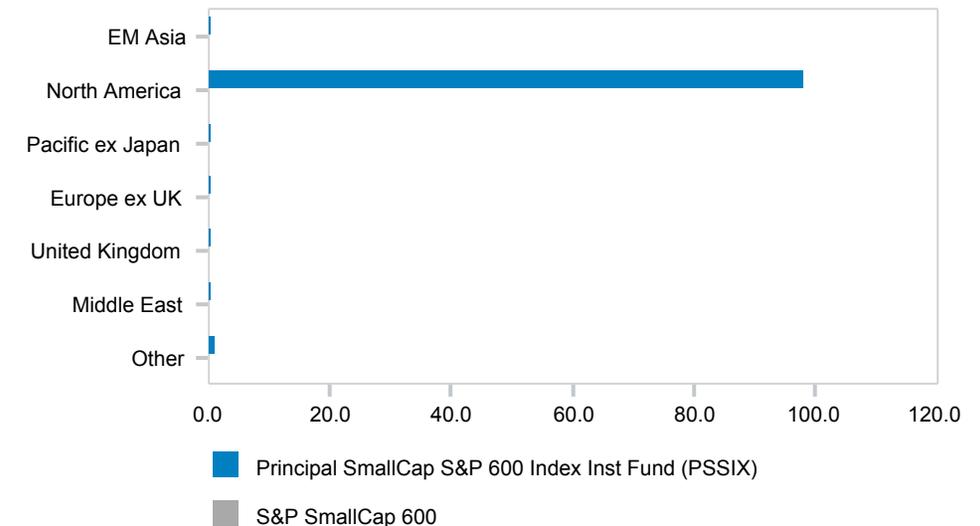
Top Ten Securities As of 07/31/2017

| | |
|--|-------|
| BlackRock Liquidity FedFund;Institutiona | 2.0 % |
| MKS Instruments Inc ORD | 0.6 % |
| Healthcare Services Group Inc ORD | 0.5 % |
| ALLETE Inc ORD | 0.5 % |
| CoreSite Realty Corp ORD | 0.5 % |
| Brinks Co ORD | 0.5 % |
| Spire Inc ORD | 0.5 % |
| Lumentum Holdings Inc ORD | 0.5 % |
| Avista Corp ORD | 0.5 % |
| Nektar Therapeutics ORD | 0.5 % |

Sector Weights As of 07/31/2017



Region Weights As of 07/31/2017



Statistics provided by Lipper. Most recent available data shown.



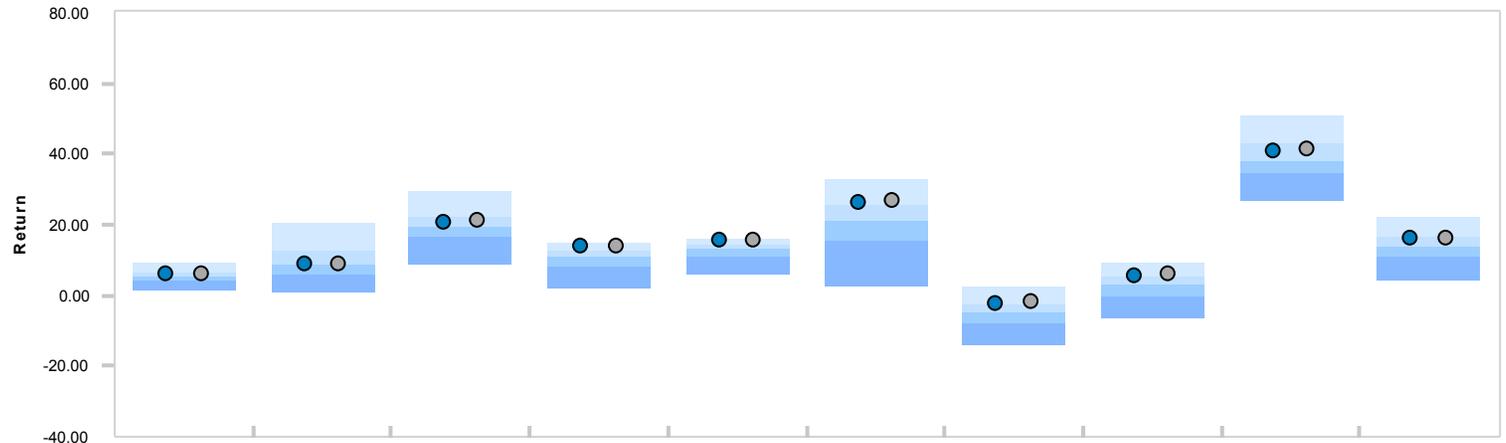
Mutual Fund Info from Lipper

Product Name : Principal:SC S&P600;Inst (PSSIX)
 Fund Family : Principal Global Investors LLC
 Ticker : PSSIX
 Peer Group : IM U.S. Small Cap Equity (MF)
 Benchmark : S&P SmallCap 600
 Fund Inception : 03/01/2001
 Portfolio Manager : Kruchten/Schwarte
 Total Assets : \$396 Million
 Total Assets Date : 09/30/2017
 Gross Expense : 0.21%
 Net Expense : 0.21%
 Turnover : 21%

Summary Description

The investment seeks long-term growth of capital. Under normal circumstances, the fund invests at least 80% of its net assets, plus any borrowings for investment purposes, in equity securities of companies that compose the Standard & Poor's ("S&P") SmallCap 600 Index at the time of purchase. The index is designed to represent U.S. equities with risk/return characteristics of the small cap universe.

Peer Group Analysis - IM U.S. Small Cap Equity (MF)



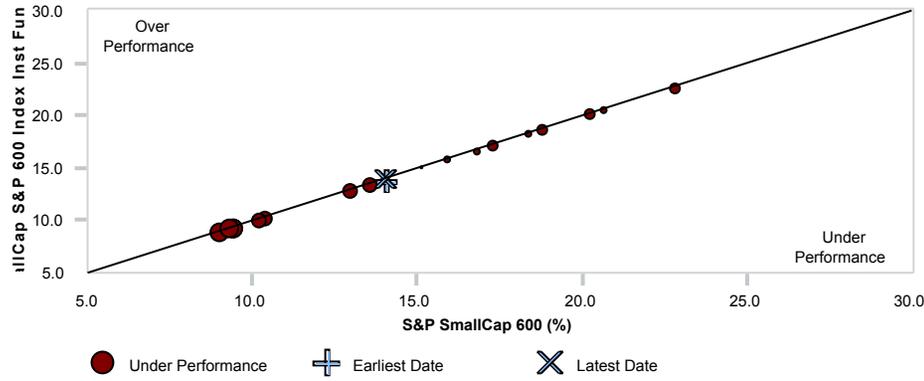
| | QTR | YTD | 1 YR | 3 YR | 5 YR | 2016 | 2015 | 2014 | 2013 | 2012 |
|--|-----------|-----------|------------|------------|------------|------------|------------|-----------|------------|------------|
| ● Principal SmallCap S&P 600 Index Inst Fund (PSSIX) | 5.86 (42) | 8.76 (49) | 20.79 (35) | 13.79 (14) | 15.31 (11) | 26.18 (23) | -2.22 (23) | 5.52 (25) | 40.90 (36) | 16.10 (32) |
| ○ S&P SmallCap 600 | 5.96 (40) | 8.92 (47) | 21.05 (32) | 14.07 (12) | 15.60 (7) | 26.56 (21) | -1.97 (22) | 5.76 (21) | 41.31 (34) | 16.33 (30) |
| Median | 5.50 | 8.60 | 19.60 | 10.86 | 13.14 | 21.34 | -4.80 | 3.32 | 37.85 | 14.07 |

Comparative Performance

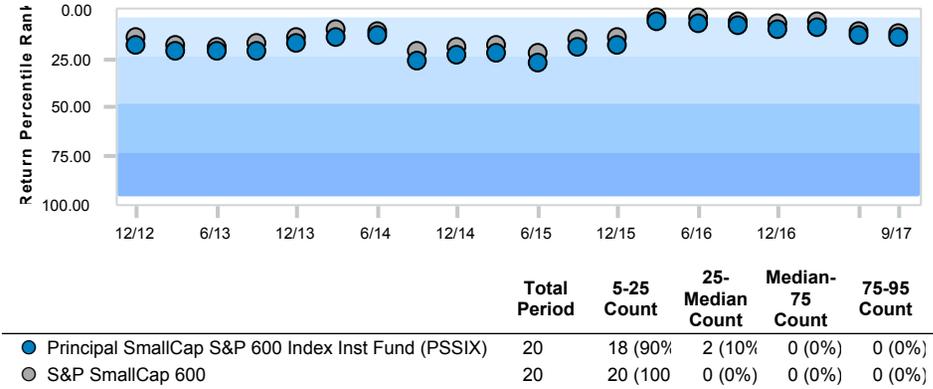
| | 1 Qtr Ending Jun-2017 | 1 Qtr Ending Mar-2017 | 1 Qtr Ending Dec-2016 | 1 Qtr Ending Sep-2016 | 1 Qtr Ending Jun-2016 | 1 Qtr Ending Mar-2016 |
|--|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| Principal SmallCap S&P 600 Index Inst Fund (PSSIX) | 1.66 (58) | 1.06 (51) | 11.06 (37) | 7.16 (55) | 3.43 (34) | 2.50 (21) |
| S&P SmallCap 600 | 1.71 (55) | 1.06 (51) | 11.13 (35) | 7.20 (52) | 3.48 (33) | 2.66 (18) |
| IM U.S. Small Cap Equity (MF) Median | 1.97 | 1.08 | 9.67 | 7.27 | 2.81 | -0.08 |



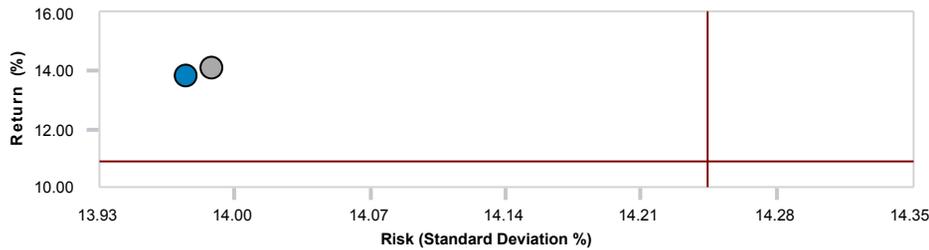
3 Yr Rolling Under/Over Performance - 5 Years



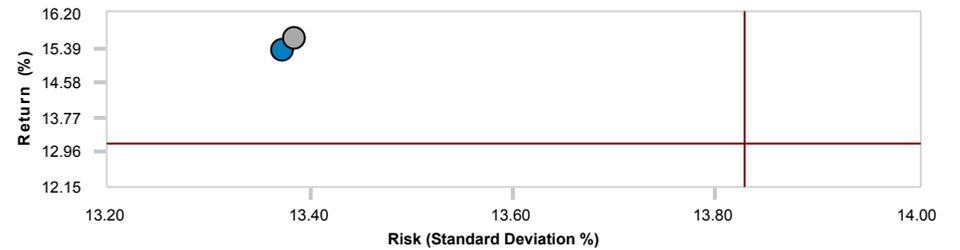
3 Yr Rolling Percentile Ranking - 5 Years



Peer Group Scattergram - 3 Years



Peer Group Scattergram - 5 Years



Historical Statistics - 3 Years

| | Tracking Error | Up Market Capture | Down Market Capture | Alpha | Information Ratio | Sharpe Ratio | Beta | Downside Risk |
|--|----------------|-------------------|---------------------|-------|-------------------|--------------|------|---------------|
| Principal SmallCap S&P 600 Index Inst Fund (PSSIX) | 0.09 | 99.37 | 100.71 | -0.24 | -2.78 | 0.98 | 1.00 | 7.11 |
| S&P SmallCap 600 | 0.00 | 100.00 | 100.00 | 0.00 | N/A | 0.99 | 1.00 | 7.06 |

Historical Statistics - 5 Years

| | Tracking Error | Up Market Capture | Down Market Capture | Alpha | Information Ratio | Sharpe Ratio | Beta | Downside Risk |
|--|----------------|-------------------|---------------------|-------|-------------------|--------------|------|---------------|
| Principal SmallCap S&P 600 Index Inst Fund (PSSIX) | 0.09 | 99.37 | 100.70 | -0.24 | -2.72 | 1.12 | 1.00 | 6.99 |
| S&P SmallCap 600 | 0.00 | 100.00 | 100.00 | 0.00 | N/A | 1.14 | 1.00 | 6.95 |



Fund Information

| | | | |
|----------------------|---|---------------------|-------------------------------------|
| Fund Name : | Legg Mason Partners Equity Trust: ClearBridge Small Cap Growth Fund; Class A Shares | Portfolio Assets : | \$2,949 Million |
| Fund Family : | Legg Mason | Portfolio Manager : | Team Managed |
| Ticker : | SASMX | PM Tenure : | |
| Inception Date : | 07/01/1998 | Fund Style : | IM U.S. SMID Cap Growth Equity (MF) |
| Fund Assets : | \$833 Million | Style Benchmark : | Russell 2000 Growth Index |
| Portfolio Turnover : | 9% | | |

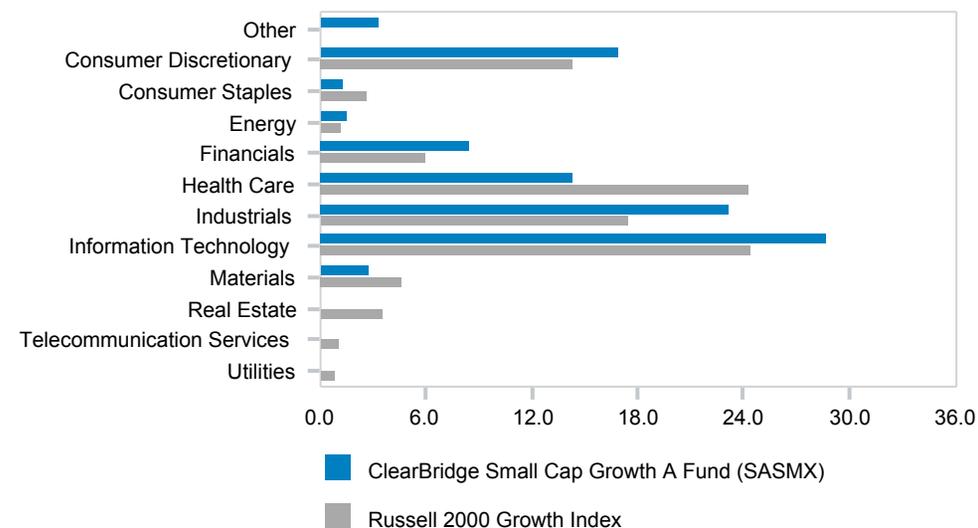
Portfolio Characteristics As of 06/30/2017

| | Portfolio | Benchmark |
|-------------------------|---------------|-------------|
| Total Securities | 73 | 1,171 |
| Avg. Market Cap (\$) | 3,398,804,657 | 894,300,400 |
| Price/Earnings (P/E) | 39.90 | 26.37 |
| Price/Book (P/B) | 7.31 | 4.14 |
| Dividend Yield | 1.31 | 0.73 |
| Annual EPS | 27.92 | N/A |
| 5 Yr EPS | 18.20 | 14.12 |
| 3 Yr EPS Growth | 21.12 | N/A |
| Beta (5 Years, Monthly) | 0.94 | 1.00 |

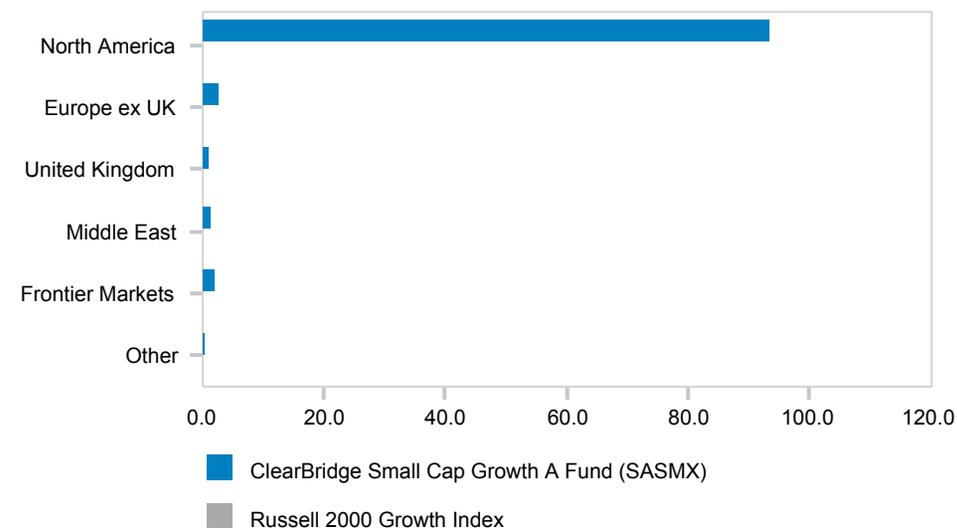
Top Ten Securities As of 06/30/2017

| | |
|------------------------------------|-------|
| Medidata Solutions Inc ORD | 3.7 % |
| ICON PLC ORD | 2.6 % |
| State Street Institutional Treas | 2.6 % |
| athenahealth Inc ORD | 2.4 % |
| Copart Inc ORD | 2.4 % |
| IDEX Corp ORD | 2.3 % |
| Trex Company Inc ORD | 2.3 % |
| Orbital ATK Inc ORD | 2.3 % |
| Fortinet Inc ORD | 2.3 % |
| Integra LifeSciences Holdings Corp | 2.2 % |

Sector Weights As of 06/30/2017



Region Weights As of 06/30/2017



Statistics provided by Lipper. Most recent available data shown.



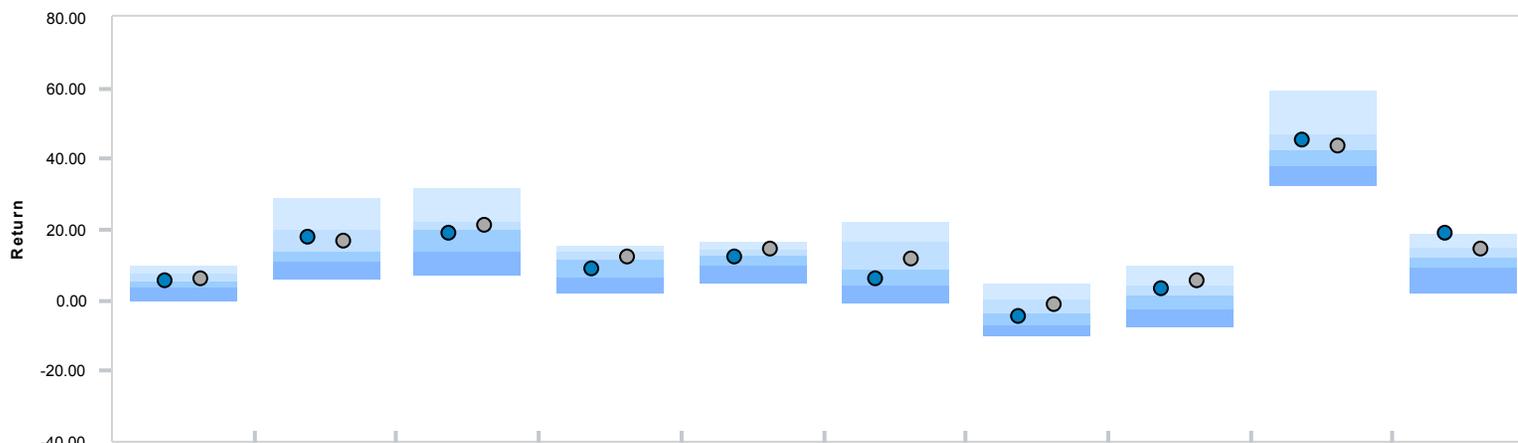
Mutual Fund Info from Lipper

Product Name : CB Small Cap Growth;A (SASM)
 Fund Family : Legg Mason
 Ticker : SASMX
 Peer Group : IM U.S. Small Cap Growth Equity (MF)
 Benchmark : Russell 2000 Growth Index
 Fund Inception : 07/01/1998
 Portfolio Manager : Team Managed
 Total Assets : \$833 Million
 Total Assets Date : 09/30/2017
 Gross Expense : 1.24%
 Net Expense : 1.24%
 Turnover : 9%

Summary Description

Invests primarily in growth-oriented small cap U.S. companies. Seeks long-term capital growth using a bottom-up investment process and a team of sector analysts. Emphasizes companies with strong management teams, good multi-year growth prospects, growing demand, dominant positions and strong or improving financial profiles.

Peer Group Analysis - IM U.S. Small Cap Growth Equity (MF)



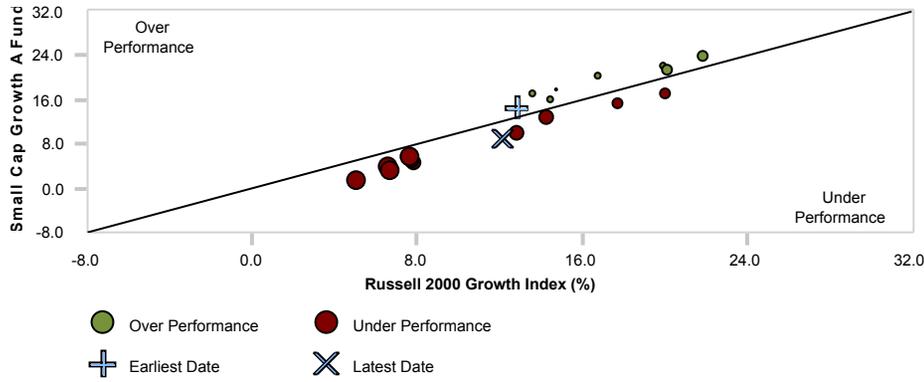
| | QTR | YTD | 1 YR | 3 YR | 5 YR | 2016 | 2015 | 2014 | 2013 | 2012 |
|--|-----------|------------|------------|------------|------------|------------|------------|-----------|------------|------------|
| ● ClearBridge Small Cap Growth A Fund (SASM) | 5.33 (61) | 17.75 (37) | 18.87 (61) | 8.95 (62) | 12.10 (60) | 5.76 (71) | -4.83 (63) | 3.29 (36) | 45.05 (36) | 18.89 (5) |
| ○ Russell 2000 Growth Index | 6.22 (42) | 16.81 (38) | 20.98 (31) | 12.17 (40) | 14.28 (32) | 11.32 (46) | -1.38 (41) | 5.60 (16) | 43.30 (45) | 14.59 (29) |
| Median | 5.61 | 13.96 | 19.79 | 11.44 | 12.49 | 8.60 | -3.29 | 1.39 | 42.53 | 12.00 |

Comparative Performance

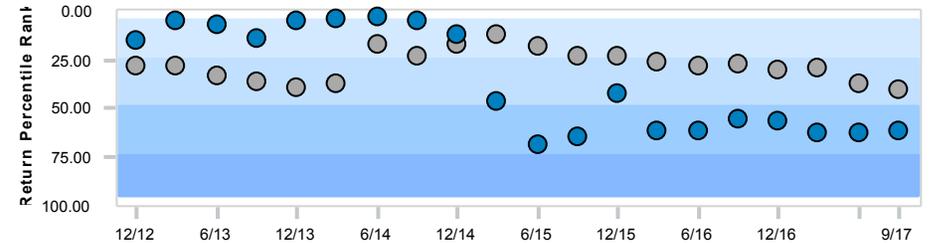
| | 1 Qtr Ending Jun-2017 | 1 Qtr Ending Mar-2017 | 1 Qtr Ending Dec-2016 | 1 Qtr Ending Sep-2016 | 1 Qtr Ending Jun-2016 | 1 Qtr Ending Mar-2016 |
|---|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| ClearBridge Small Cap Growth A Fund (SASM) | 5.92 (28) | 5.55 (38) | 0.95 (65) | 10.25 (38) | 4.18 (41) | -8.80 (77) |
| Russell 2000 Growth Index | 4.39 (60) | 5.35 (45) | 3.57 (35) | 9.22 (40) | 3.24 (54) | -4.68 (42) |
| IM U.S. Small Cap Growth Equity (MF) Median | 4.97 | 4.82 | 2.57 | 7.90 | 3.54 | -5.85 |



3 Yr Rolling Under/Over Performance - 5 Years

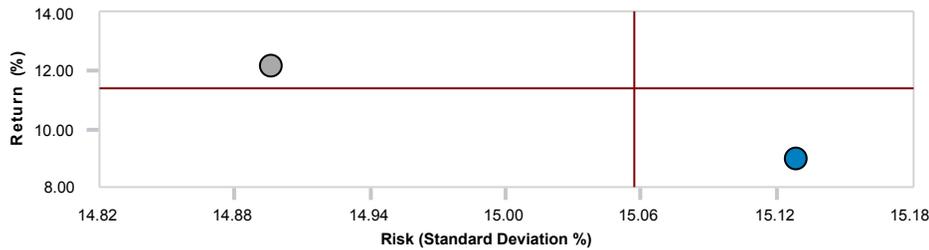


3 Yr Rolling Percentile Ranking - 5 Years



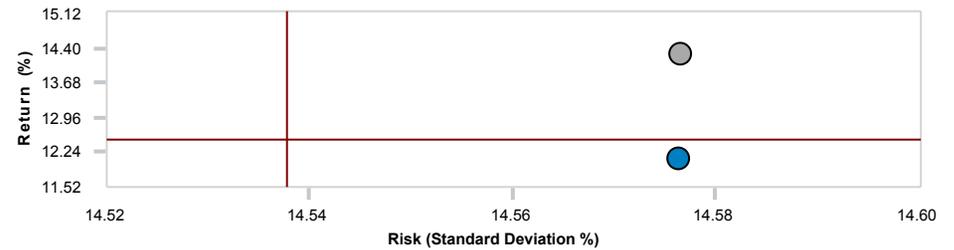
| | Total Period | 5-25 Count | 25-Median Count | Median-75 Count | 75-95 Count |
|---|--------------|------------|-----------------|-----------------|-------------|
| ● ClearBridge Small Cap Growth A Fund (SASMX) | 20 | 9 (45%) | 2 (10%) | 9 (45%) | 0 (0%) |
| ● Russell 2000 Growth Index | 20 | 7 (35%) | 13 (65%) | 0 (0%) | 0 (0%) |

Peer Group Scattergram - 3 Years



| | Return | Standard Deviation |
|---|--------|--------------------|
| ● ClearBridge Small Cap Growth A Fund (SASMX) | 8.95 | 15.13 |
| ● Russell 2000 Growth Index | 12.17 | 14.90 |
| — Median | 11.44 | 15.06 |

Peer Group Scattergram - 5 Years



| | Return | Standard Deviation |
|---|--------|--------------------|
| ● ClearBridge Small Cap Growth A Fund (SASMX) | 12.10 | 14.58 |
| ● Russell 2000 Growth Index | 14.28 | 14.58 |
| — Median | 12.49 | 14.54 |

Historical Statistics - 3 Years

| | Tracking Error | Up Market Capture | Down Market Capture | Alpha | Information Ratio | Sharpe Ratio | Beta | Downside Risk |
|---|----------------|-------------------|---------------------|-------|-------------------|--------------|------|---------------|
| ClearBridge Small Cap Growth A Fund (SASMX) | 4.76 | 92.86 | 106.68 | -2.42 | -0.61 | 0.63 | 0.96 | 10.62 |
| Russell 2000 Growth Index | 0.00 | 100.00 | 100.00 | 0.00 | N/A | 0.83 | 1.00 | 9.86 |

Historical Statistics - 5 Years

| | Tracking Error | Up Market Capture | Down Market Capture | Alpha | Information Ratio | Sharpe Ratio | Beta | Downside Risk |
|---|----------------|-------------------|---------------------|-------|-------------------|--------------|------|---------------|
| ClearBridge Small Cap Growth A Fund (SASMX) | 4.86 | 92.28 | 98.12 | -1.13 | -0.40 | 0.85 | 0.94 | 9.37 |
| Russell 2000 Growth Index | 0.00 | 100.00 | 100.00 | 0.00 | N/A | 0.98 | 1.00 | 9.02 |



Fund Information

Fund Name : Harbor Funds: Harbor International Fund; Investor Class Shares
 Fund Family : Harbor Capital Advisors Inc
 Ticker : HIINX
 Inception Date : 11/01/2002
 Fund Assets : \$1,848 Million
 Portfolio Turnover : 14%

Portfolio Assets : \$33,072 Million
 Portfolio Manager : Appleby/Ducrest/LaTorre
 PM Tenure : 2009--2009--2009
 Fund Style : IM International Large Cap Growth Equity (MF)
 Style Benchmark : MSCI EAFE (Net) Index

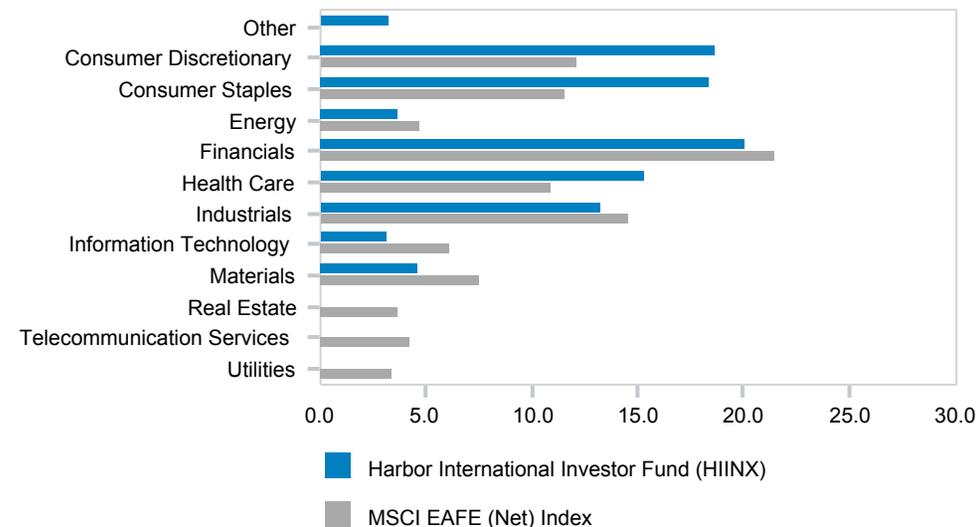
Portfolio Characteristics As of 06/30/2017

| | Portfolio | Benchmark |
|-------------------------|----------------|----------------|
| Total Securities | 83 | 927 |
| Avg. Market Cap (\$) | 68,866,668,680 | 10,401,465,783 |
| Price/Earnings (P/E) | 29.47 | 17.31 |
| Price/Book (P/B) | 4.45 | 2.21 |
| Dividend Yield | 2.70 | 3.16 |
| Annual EPS | 5.29 | N/A |
| 5 Yr EPS | 5.83 | 5.13 |
| 3 Yr EPS Growth | 5.98 | N/A |
| Beta (5 Years, Monthly) | 0.97 | 1.00 |

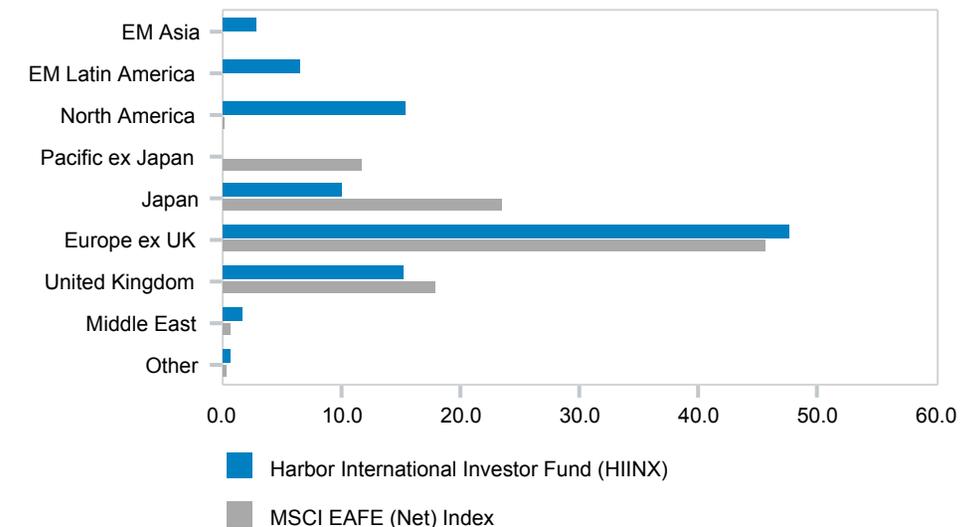
Top Ten Securities As of 06/30/2017

| | |
|------------------------------|-------|
| Las Vegas Sands Corp ORD | 6.6 % |
| Schlumberger NV ORD | 3.1 % |
| Wynn Resorts Ltd ORD | 3.1 % |
| Bayer AG ORD | 2.9 % |
| Alibaba Group Holding Ltd DR | 2.7 % |
| Vivendi SA ORD | 2.6 % |
| Shire PLC ORD | 2.6 % |
| Heineken NV ORD | 2.3 % |
| Novartis AG ORD | 2.3 % |
| Fanuc Corp ORD | 2.2 % |

Sector Weights As of 06/30/2017



Region Weights As of 06/30/2017



Statistics provided by Lipper. Most recent available data shown.



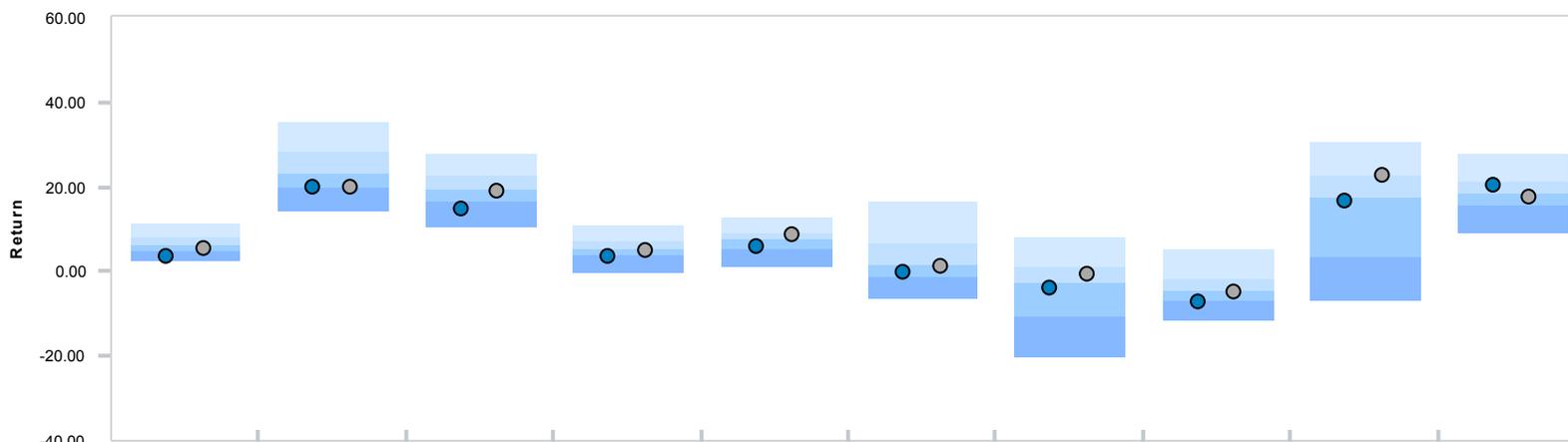
Mutual Fund Info from Lipper

Product Name : Harbor:Internatl;Inv (HIINX)
 Fund Family : Harbor Capital Advisors Inc
 Ticker : HIINX
 Peer Group : IM International Equity (MF)
 Benchmark : MSCI EAFE (Net) Index
 Fund Inception : 11/01/2002
 Portfolio Manager : Appleby/Ducrest/LaTorre
 Total Assets : \$1,848 Million
 Total Assets Date : 09/30/2017
 Gross Expense : 1.17%
 Net Expense : 1.16%
 Turnover : 14%

Summary Description

The Harbor International Fund is subadvised by Northern Cross, LLC. The Fund invests primarily in common and preferred stocks of foreign large cap companies, including those located in countries with emerging markets. Companies in the Fund's portfolio generally have market capitalizations in excess of \$1 billion at the time of purchase. When considering securities for the Fund, the portfolio manager uses an analysis of economic and market data as well as their knowledge of each country's political, social and economic culture.

Peer Group Analysis - IM International Equity (MF)



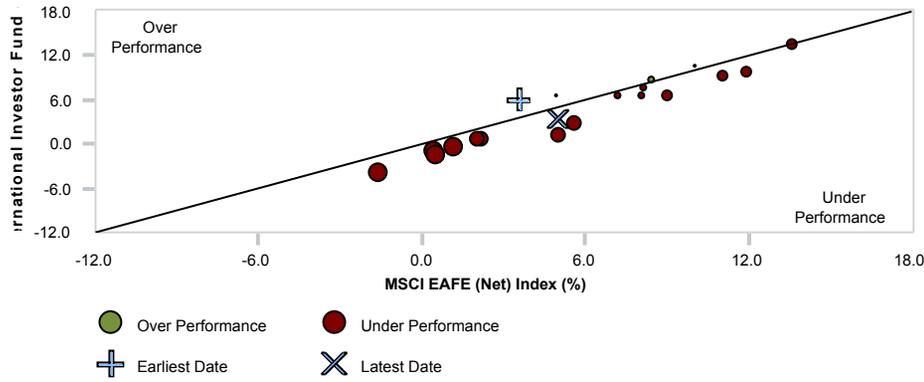
| | QTR | YTD | 1 YR | 3 YR | 5 YR | 2016 | 2015 | 2014 | 2013 | 2012 |
|--|-----------|------------|------------|-----------|-----------|------------|------------|------------|------------|------------|
| ● Harbor International Investor Fund (HIINX) | 3.51 (89) | 19.95 (76) | 14.67 (85) | 3.24 (80) | 5.97 (72) | -0.14 (67) | -4.16 (56) | -7.16 (80) | 16.40 (53) | 20.41 (33) |
| ○ MSCI EAFE (Net) Index | 5.40 (66) | 19.96 (76) | 19.10 (53) | 5.04 (56) | 8.38 (36) | 1.00 (57) | -0.81 (38) | -4.90 (55) | 22.78 (24) | 17.32 (64) |
| Median | 6.22 | 23.11 | 19.33 | 5.37 | 7.50 | 1.77 | -2.78 | -4.48 | 17.38 | 18.60 |

Comparative Performance

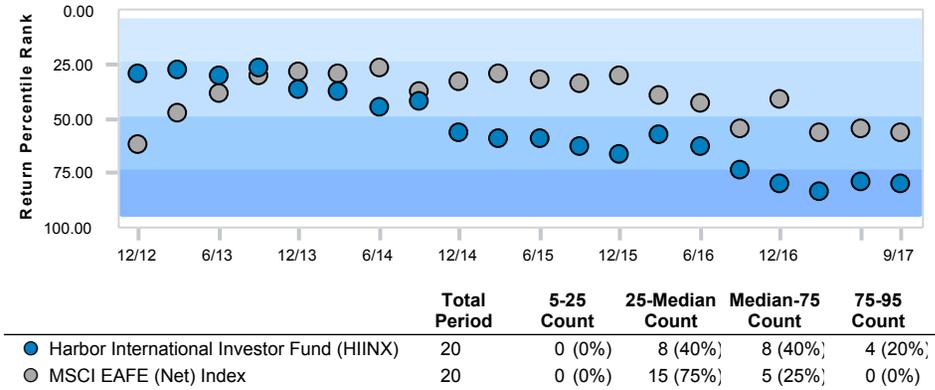
| | 1 Qtr Ending Jun-2017 | 1 Qtr Ending Mar-2017 | 1 Qtr Ending Dec-2016 | 1 Qtr Ending Sep-2016 | 1 Qtr Ending Jun-2016 | 1 Qtr Ending Mar-2016 |
|--|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| Harbor International Investor Fund (HIINX) | 6.69 (44) | 8.61 (51) | -4.40 (57) | 5.86 (69) | -1.72 (74) | 0.41 (39) |
| MSCI EAFE (Net) Index | 6.12 (58) | 7.25 (78) | -0.71 (19) | 6.43 (55) | -1.46 (71) | -3.01 (77) |
| IM International Equity (MF) Median | 6.40 | 8.68 | -3.85 | 6.61 | -0.14 | -0.68 |



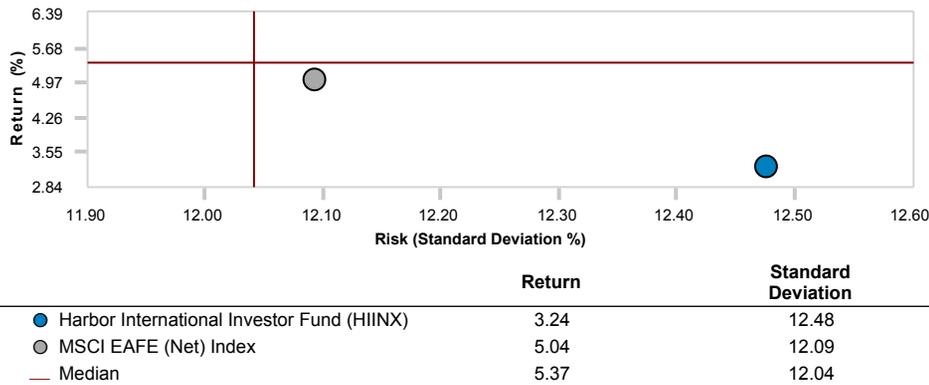
3 Yr Rolling Under/Over Performance - 5 Years



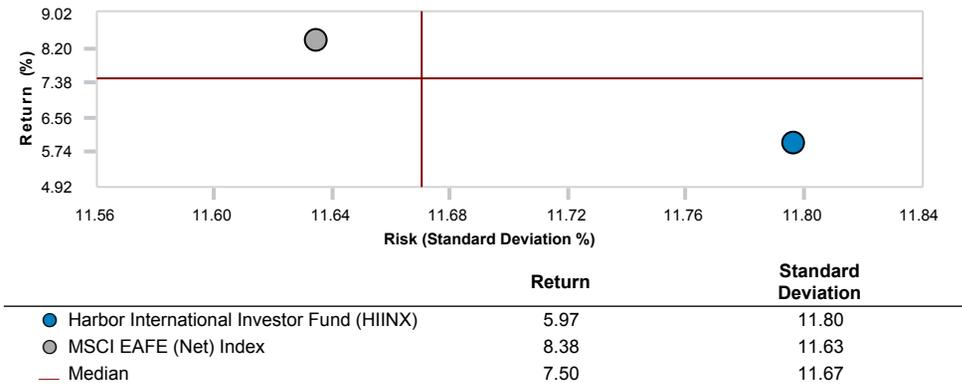
3 Yr Rolling Percentile Ranking - 5 Years



Peer Group Scattergram - 3 Years



Peer Group Scattergram - 5 Years



Historical Statistics - 3 Years

| | Tracking Error | Up Market Capture | Down Market Capture | Alpha | Information Ratio | Sharpe Ratio | Beta | Downside Risk |
|--|----------------|-------------------|---------------------|-------|-------------------|--------------|------|---------------|
| Harbor International Investor Fund (HIINX) | 3.25 | 93.74 | 103.12 | -1.65 | -0.52 | 0.30 | 1.00 | 8.13 |
| MSCI EAFE (Net) Index | 0.00 | 100.00 | 100.00 | 0.00 | N/A | 0.44 | 1.00 | 7.85 |

Historical Statistics - 5 Years

| | Tracking Error | Up Market Capture | Down Market Capture | Alpha | Information Ratio | Sharpe Ratio | Beta | Downside Risk |
|--|----------------|-------------------|---------------------|-------|-------------------|--------------|------|---------------|
| Harbor International Investor Fund (HIINX) | 3.35 | 90.53 | 102.05 | -1.99 | -0.67 | 0.54 | 0.97 | 7.42 |
| MSCI EAFE (Net) Index | 0.00 | 100.00 | 100.00 | 0.00 | N/A | 0.74 | 1.00 | 6.94 |



Fund Information

Fund Name : Principal Funds, Inc: Diversified International Fund; Class R-5 Shares
 Fund Family : Principal Global Investors LLC
 Ticker : PINPX
 Inception Date : 12/06/2000
 Fund Assets : \$63 Million
 Portfolio Turnover : 48%

Portfolio Assets : \$11,954 Million
 Portfolio Manager : Blankenhager/Cohn
 PM Tenure : 2003--2004
 Fund Style : IM International Multi-Cap Growth Equity (MF)
 Style Benchmark : MSCI AC World ex USA (Net)

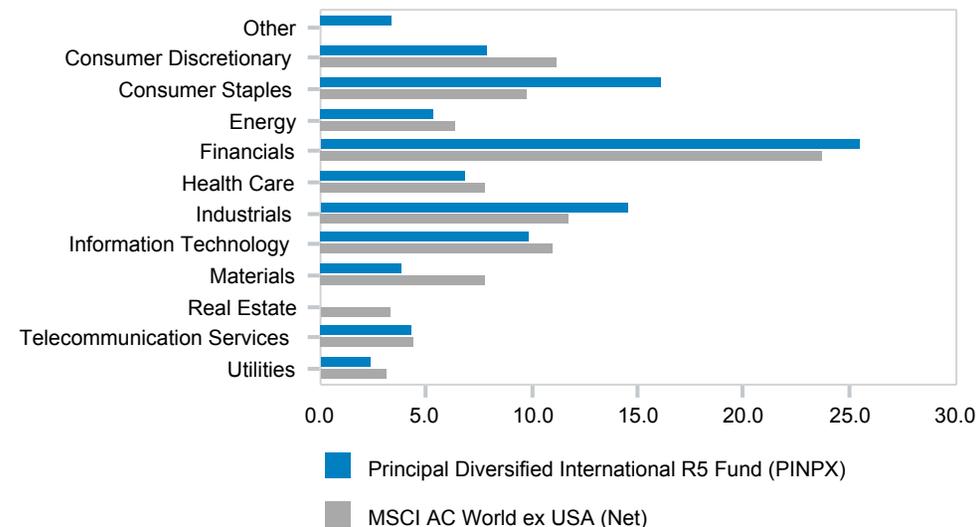
Portfolio Characteristics As of 07/31/2017

| | Portfolio | Benchmark |
|-------------------------|----------------|---------------|
| Total Securities | 181 | 1,863 |
| Avg. Market Cap (\$) | 64,070,223,785 | 8,136,207,879 |
| Price/Earnings (P/E) | 22.55 | 16.38 |
| Price/Book (P/B) | 4.03 | 2.25 |
| Dividend Yield | 2.65 | 2.94 |
| Annual EPS | 24.81 | N/A |
| 5 Yr EPS | 12.28 | 6.99 |
| 3 Yr EPS Growth | 14.82 | N/A |
| Beta (5 Years, Monthly) | 0.89 | 1.00 |

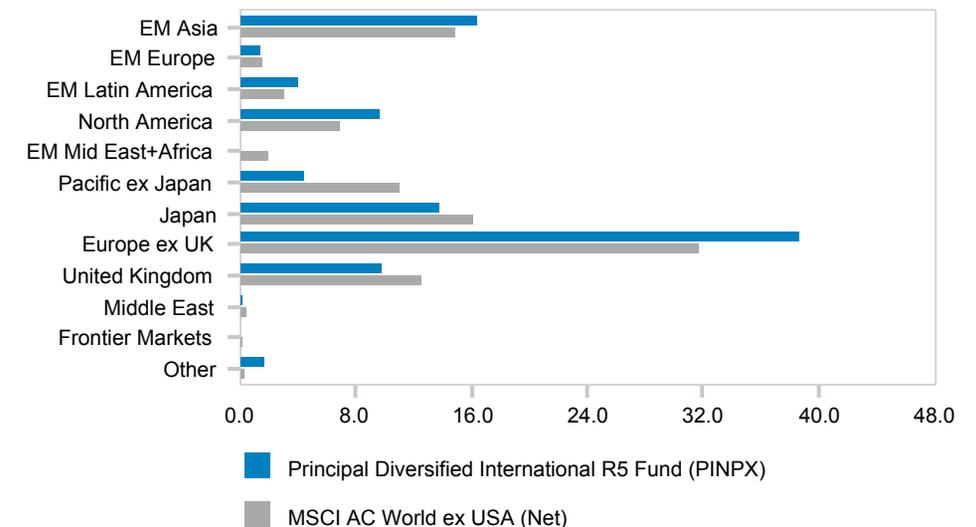
Top Ten Securities As of 07/31/2017

| | |
|--|-------|
| Samsung Electronics Co Ltd ORD | 1.9 % |
| Tencent Holdings Ltd ORD | 1.9 % |
| Nestle SA ORD | 1.5 % |
| Taiwan Semiconductor Manufacturing | 1.5 % |
| Goldman Sachs FS Government Fund;Institu | 1.5 % |
| Roche Holding AG Par | 1.3 % |
| Alibaba Group Holding Ltd DR | 1.3 % |
| LVMH Moet Hennessy Louis Vuitton | 1.3 % |
| ING Groep NV ORD | 1.2 % |
| Mitsubishi UFJ Financial Group | 1.1 % |

Sector Weights As of 07/31/2017



Region Weights As of 07/31/2017



Statistics provided by Lipper. Most recent available data shown.



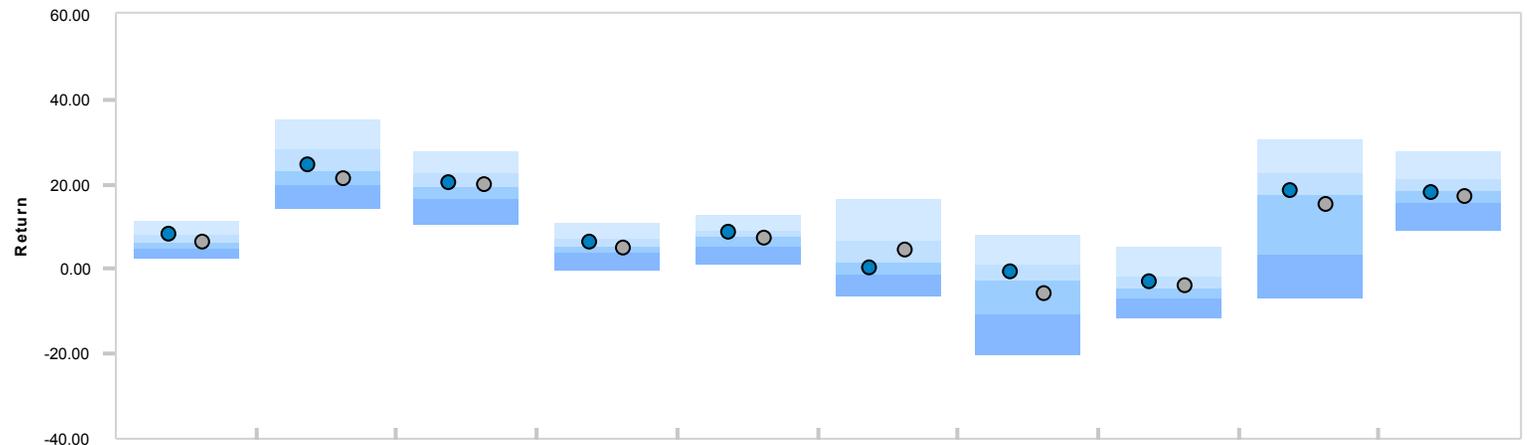
Mutual Fund Info from Lipper

Product Name : Principal:Dvs Intl;R-5 (PINPX)
 Fund Family : Principal Global Investors LLC
 Ticker : PINPX
 Peer Group : IM International Equity (MF)
 Benchmark : MSCI AC World ex USA (Net)
 Fund Inception : 12/06/2000
 Portfolio Manager : Blankenhager/Cohn
 Total Assets : \$63 Million
 Total Assets Date : 09/30/2017
 Gross Expense : 1.10%
 Net Expense : 1.10%
 Turnover : 48%

Summary Description

The investment seeks long-term growth of capital. The fund invests primarily in foreign equity securities. The fund has no limitation on the percentage of assets that are invested in any one country or denominated in any one currency, but the fund typically invests in foreign securities of at least 30 countries. The fund invests in equity securities of small, medium, and large market capitalization companies.

Peer Group Analysis - IM International Equity (MF)



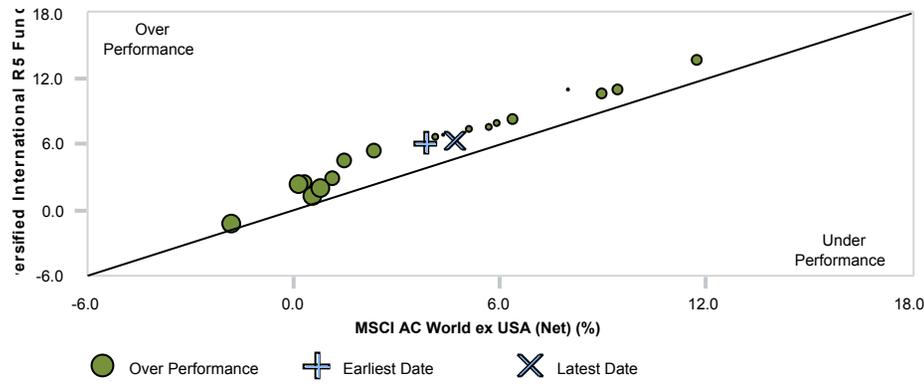
| | QTR | YTD | 1 YR | 3 YR | 5 YR | 2016 | 2015 | 2014 | 2013 | 2012 |
|---|-----------|------------|------------|-----------|-----------|------------|------------|------------|------------|------------|
| ● Principal Diversified International R5 Fund (PINPX) | 7.93 (27) | 24.60 (42) | 20.12 (43) | 6.26 (37) | 8.58 (33) | -0.01 (66) | -0.63 (37) | -3.18 (37) | 18.45 (47) | 17.82 (59) |
| ○ MSCI AC World ex USA (Net) | 6.16 (51) | 21.13 (65) | 19.61 (48) | 4.70 (62) | 6.97 (58) | 4.50 (34) | -5.66 (61) | -3.87 (43) | 15.29 (56) | 16.83 (68) |
| Median | 6.22 | 23.11 | 19.33 | 5.37 | 7.50 | 1.77 | -2.78 | -4.48 | 17.38 | 18.60 |

Comparative Performance

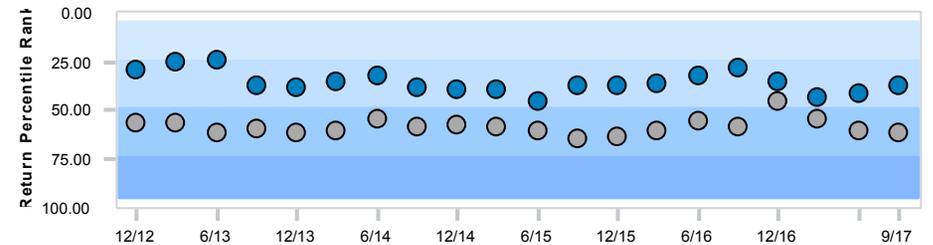
| | 1 Qtr Ending Jun-2017 | 1 Qtr Ending Mar-2017 | 1 Qtr Ending Dec-2016 | 1 Qtr Ending Sep-2016 | 1 Qtr Ending Jun-2016 | 1 Qtr Ending Mar-2016 |
|---|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| Principal Diversified International R5 Fund (PINPX) | 6.63 (45) | 8.26 (57) | -3.59 (47) | 6.55 (52) | -1.17 (66) | -1.50 (58) |
| MSCI AC World ex USA (Net) | 5.78 (67) | 7.86 (65) | -1.25 (23) | 6.91 (44) | -0.64 (59) | -0.38 (48) |
| IM International Equity (MF) Median | 6.40 | 8.68 | -3.85 | 6.61 | -0.14 | -0.68 |



3 Yr Rolling Under/Over Performance - 5 Years

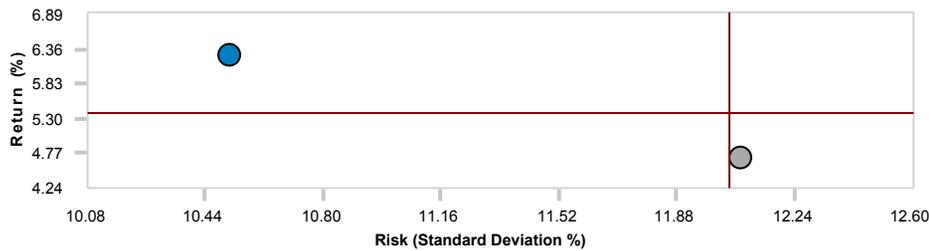


3 Yr Rolling Percentile Ranking - 5 Years



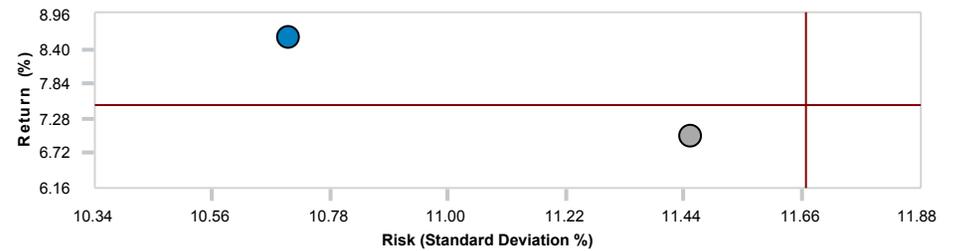
| | Total Period | 5-25 Count | 25-Median Count | Median-75 Count | 75-95 Count |
|---|--------------|------------|-----------------|-----------------|-------------|
| Principal Diversified International R5 Fund (PINPX) | 20 | 2 (10%) | 18 (90%) | 0 (0%) | 0 (0%) |
| MSCI AC World ex USA (Net) | 20 | 0 (0%) | 1 (5%) | 19 (95%) | 0 (0%) |

Peer Group Scattergram - 3 Years



| | Return | Standard Deviation |
|---|--------|--------------------|
| Principal Diversified International R5 Fund (PINPX) | 6.26 | 10.52 |
| MSCI AC World ex USA (Net) | 4.70 | 12.08 |
| Median | 5.37 | 12.04 |

Peer Group Scattergram - 5 Years



| | Return | Standard Deviation |
|---|--------|--------------------|
| Principal Diversified International R5 Fund (PINPX) | 8.58 | 10.70 |
| MSCI AC World ex USA (Net) | 6.97 | 11.45 |
| Median | 7.50 | 11.67 |

Historical Statistics - 3 Years

| | Tracking Error | Up Market Capture | Down Market Capture | Alpha | Information Ratio | Sharpe Ratio | Beta | Downside Risk |
|---|----------------|-------------------|---------------------|-------|-------------------|--------------|------|---------------|
| Principal Diversified International R5 Fund (PINPX) | 3.63 | 91.47 | 78.96 | 2.21 | 0.36 | 0.61 | 0.83 | 6.43 |
| MSCI AC World ex USA (Net) | 0.00 | 100.00 | 100.00 | 0.00 | N/A | 0.42 | 1.00 | 7.63 |

Historical Statistics - 5 Years

| | Tracking Error | Up Market Capture | Down Market Capture | Alpha | Information Ratio | Sharpe Ratio | Beta | Downside Risk |
|---|----------------|-------------------|---------------------|-------|-------------------|--------------|------|---------------|
| Principal Diversified International R5 Fund (PINPX) | 3.49 | 99.17 | 87.19 | 2.25 | 0.41 | 0.81 | 0.89 | 6.22 |
| MSCI AC World ex USA (Net) | 0.00 | 100.00 | 100.00 | 0.00 | N/A | 0.63 | 1.00 | 7.03 |



Fund Information

| | | | |
|----------------------|---|---------------------|--|
| Fund Name : | Harris Associates Investment Trust: Oakmark Equity and Income Fund; Investor Class Shares | Portfolio Assets : | \$16,163 Million |
| Fund Family : | Oakmark Family of Funds | Portfolio Manager : | McGregor/Hudson/Wojciechowski |
| Ticker : | OAKBX | PM Tenure : | 1995--2016--2016 |
| Inception Date : | 11/01/1995 | Fund Style : | IM Mixed-Asset Target Alloc Moderate (MF) |
| Fund Assets : | \$14,262 Million | Style Benchmark : | 60% S&P 500/40% Blmbrg Barclay's Government/Credit |
| Portfolio Turnover : | 18% | | |

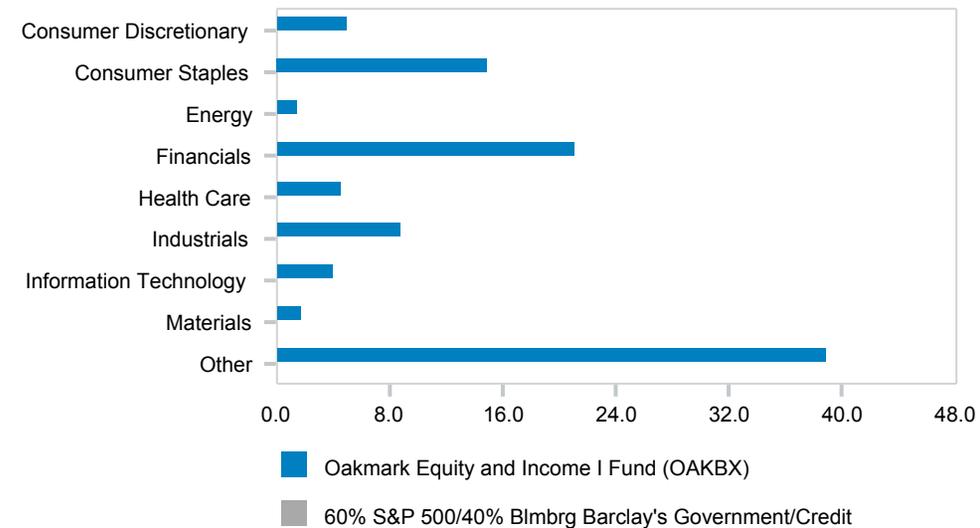
Portfolio Characteristics As of 06/30/2017

| | Portfolio | Benchmark |
|-------------------------|----------------|-----------|
| Total Securities | 313 | N/A |
| Avg. Market Cap (\$) | 85,143,776,068 | - |
| Price/Earnings (P/E) | 19.84 | N/A |
| Price/Book (P/B) | 3.53 | N/A |
| Dividend Yield | 2.00 | N/A |
| Annual EPS | 11.29 | N/A |
| 5 Yr EPS | 16.28 | N/A |
| 3 Yr EPS Growth | 10.63 | N/A |
| Beta (5 Years, Monthly) | 1.13 | 1.00 |

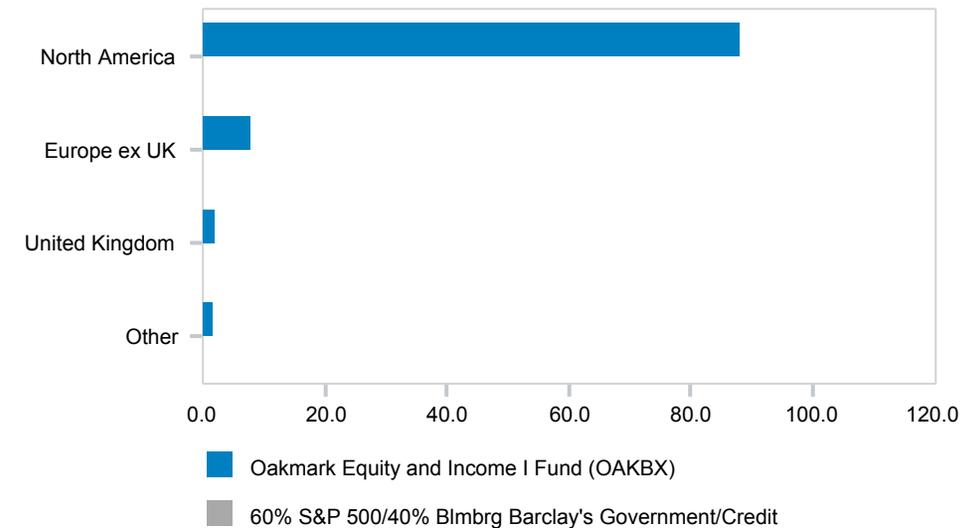
Top Ten Securities As of 06/30/2017

| | |
|---------------------------------|-------|
| Bank of America Corp ORD | 4.9 % |
| General Motors Co ORD | 4.5 % |
| Oracle Corp ORD | 3.6 % |
| TE Connectivity Ltd ORD | 3.4 % |
| Nestle SA DR | 3.1 % |
| Mastercard Inc ORD | 2.7 % |
| Dover Corp ORD | 2.7 % |
| UnitedHealth Group Inc ORD | 2.6 % |
| CVS Health Corp ORD | 2.5 % |
| Philip Morris International Inc | 2.3 % |

Sector Weights As of 06/30/2017



Region Weights As of 06/30/2017



Statistics provided by Lipper. Most recent available data shown.



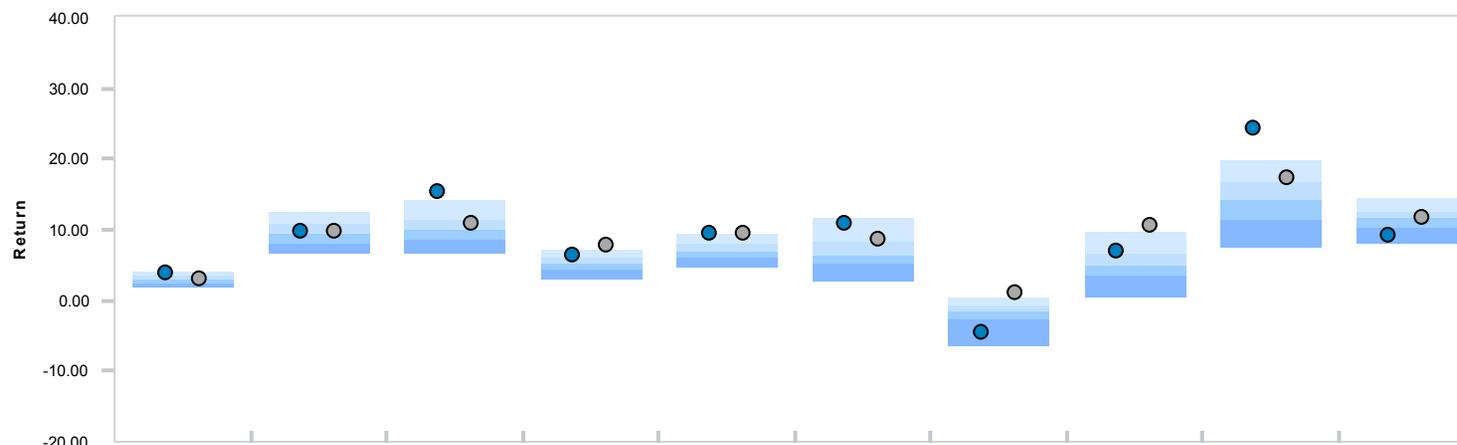
Mutual Fund Info from Lipper

Product Name : Oakmark Eqty & Inc;Inv (OAKBX)
Fund Family : Oakmark Family of Funds
Ticker : OAKBX
Peer Group : IM Mixed-Asset Target Alloc Moderate (MF)
Benchmark : 60% S&P 500/40% Blmbrg Barclay's Government/Credit
Fund Inception : 11/01/1995
Portfolio Manager : McGregor/Hudson/Wojciechowski
Total Assets : \$14,262 Million
Total Assets Date : 09/30/2017
Gross Expense : 0.89%
Net Expense : 0.79%
Turnover : 18%

Summary Description

Oakmark Equity and Income (OAKBX) seeks income and preservation and growth of capital. The Fund is primarily made up of U.S. equity and fixed-income securities. The Fund is designed for investors who want to tap into the appreciation potential of stocks while generating income and reducing portfolio risk through allocation to high-quality bonds.

Peer Group Analysis - IM Mixed-Asset Target Alloc Moderate (MF)



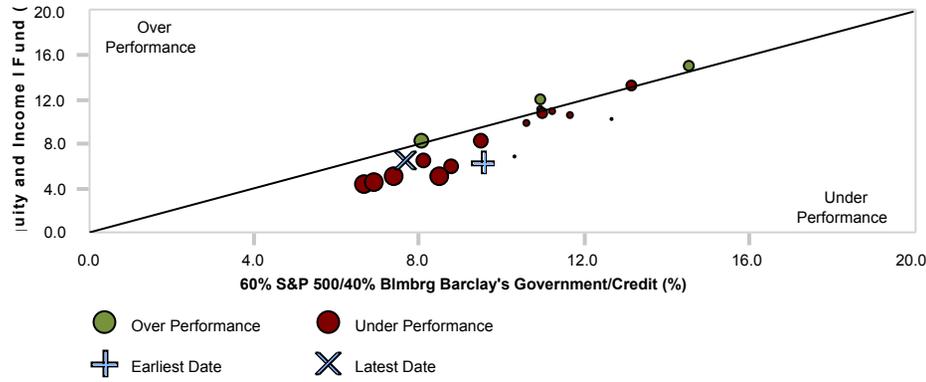
| | QTR | YTD | 1 YR | 3 YR | 5 YR | 2016 | 2015 | 2014 | 2013 | 2012 |
|--|-----------|-----------|------------|-----------|----------|-----------|------------|-----------|------------|------------|
| ● Oakmark Equity and Income I Fund (OAKBX) | 3.69 (13) | 9.83 (42) | 15.30 (5) | 6.45 (17) | 9.39 (4) | 10.97 (8) | -4.60 (90) | 6.93 (23) | 24.25 (1) | 9.05 (91) |
| ○ 60% S&P 500/40% Blmbrg Barclay's Government/Credit | 3.01 (51) | 9.84 (42) | 10.87 (33) | 7.71 (2) | 9.36 (5) | 8.48 (24) | 1.13 (2) | 10.63 (3) | 17.40 (20) | 11.58 (52) |
| Median | 3.01 | 9.38 | 9.96 | 5.23 | 6.94 | 6.41 | -1.61 | 4.85 | 14.21 | 11.59 |

Comparative Performance

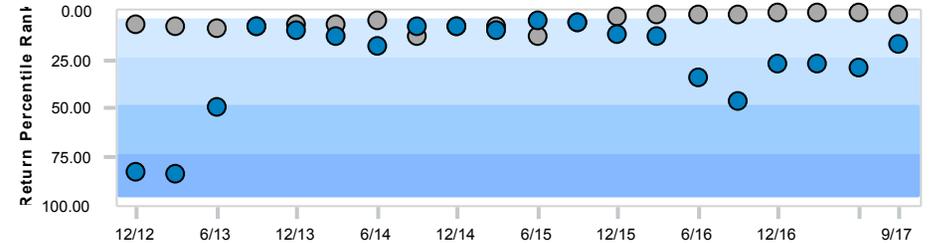
| | 1 Qtr Ending Jun-2017 | 1 Qtr Ending Mar-2017 | 1 Qtr Ending Dec-2016 | 1 Qtr Ending Sep-2016 | 1 Qtr Ending Jun-2016 | 1 Qtr Ending Mar-2016 |
|--|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| Oakmark Equity and Income I Fund (OAKBX) | 1.70 (90) | 4.14 (29) | 4.98 (1) | 5.34 (2) | -0.42 (99) | 0.77 (61) |
| 60% S&P 500/40% Blmbrg Barclay's Government/Credit | 2.53 (41) | 4.01 (35) | 0.93 (37) | 2.47 (70) | 2.55 (30) | 2.28 (19) |
| IM Mixed-Asset Target Alloc Moderate (MF) Median | 2.42 | 3.67 | 0.39 | 3.05 | 2.01 | 1.04 |



3 Yr Rolling Under/Over Performance - 5 Years

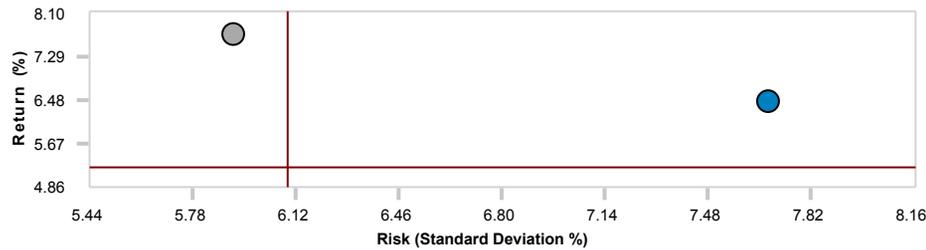


3 Yr Rolling Percentile Ranking - 5 Years



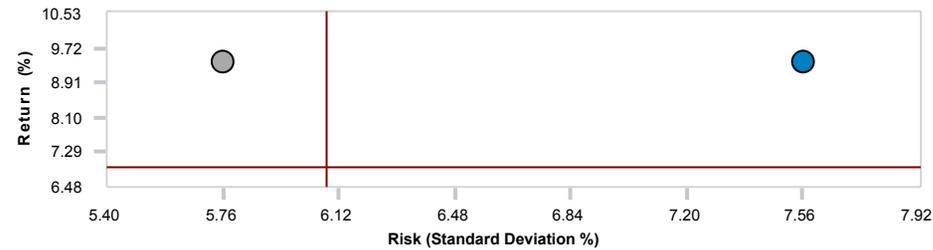
| | Total Period | 5-25 Count | 25-Median Count | Median-75 Count | 75-95 Count |
|--|--------------|------------|-----------------|-----------------|-------------|
| ● Oakmark Equity and Income I Fund (OAKBX) | 20 | 12 (60%) | 6 (30%) | 0 (0%) | 2 (10%) |
| ● 60% S&P 500/40% Blmbrg Barclay's Government/Credit | 20 | 20 (100%) | 0 (0%) | 0 (0%) | 0 (0%) |

Peer Group Scattergram - 3 Years



| | Return | Standard Deviation |
|--|--------|--------------------|
| ● Oakmark Equity and Income I Fund (OAKBX) | 6.45 | 7.68 |
| ● 60% S&P 500/40% Blmbrg Barclay's Government/Credit | 7.71 | 5.92 |
| — Median | 5.23 | 6.09 |

Peer Group Scattergram - 5 Years



| | Return | Standard Deviation |
|--|--------|--------------------|
| ● Oakmark Equity and Income I Fund (OAKBX) | 9.39 | 7.57 |
| ● 60% S&P 500/40% Blmbrg Barclay's Government/Credit | 9.36 | 5.76 |
| — Median | 6.94 | 6.08 |

Historical Statistics - 3 Years

| | Tracking Error | Up Market Capture | Down Market Capture | Alpha | Information Ratio | Sharpe Ratio | Beta | Downside Risk |
|--|----------------|-------------------|---------------------|-------|-------------------|--------------|------|---------------|
| Oakmark Equity and Income I Fund (OAKBX) | 4.09 | 105.93 | 140.05 | -1.83 | -0.26 | 0.82 | 1.10 | 4.49 |
| 60% S&P 500/40% Blmbrg Barclay's Government/Credit | 0.00 | 100.00 | 100.00 | 0.00 | N/A | 1.24 | 1.00 | 3.08 |

Historical Statistics - 5 Years

| | Tracking Error | Up Market Capture | Down Market Capture | Alpha | Information Ratio | Sharpe Ratio | Beta | Downside Risk |
|--|----------------|-------------------|---------------------|-------|-------------------|--------------|------|---------------|
| Oakmark Equity and Income I Fund (OAKBX) | 3.90 | 111.79 | 133.55 | -1.07 | 0.04 | 1.20 | 1.13 | 4.04 |
| 60% S&P 500/40% Blmbrg Barclay's Government/Credit | 0.00 | 100.00 | 100.00 | 0.00 | N/A | 1.55 | 1.00 | 2.83 |



Fund Information

Fund Name : Dodge & Cox Funds: Dodge & Cox Income Fund
 Fund Family : Dodge & Cox
 Ticker : DODIX
 Inception Date : 01/03/1989
 Fund Assets : \$51,608 Million
 Portfolio Turnover : 27%

Portfolio Assets : \$51,608 Million
 Portfolio Manager : Team Managed
 PM Tenure :
 Fund Style : IM U.S. Broad Market Core Fixed Income (MF)
 Style Benchmark : Bloomberg Barclays U.S. Aggregate

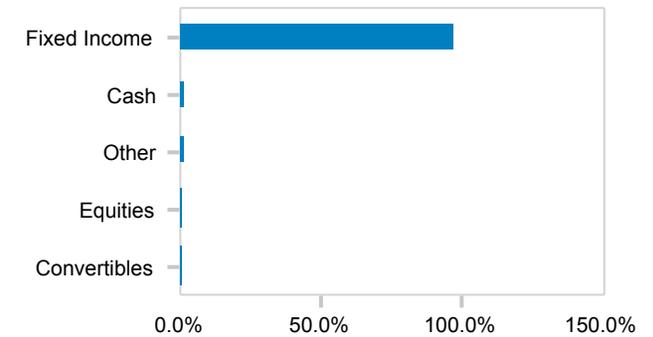
Fund Characteristics As of 06/30/2017

Avg. Coupon 4.20 %
 Nominal Maturity N/A
 Effective Maturity 8.00 Years
 Duration 4.20 Years
 SEC 30 Day Yield N/A
 Avg. Credit Quality AA

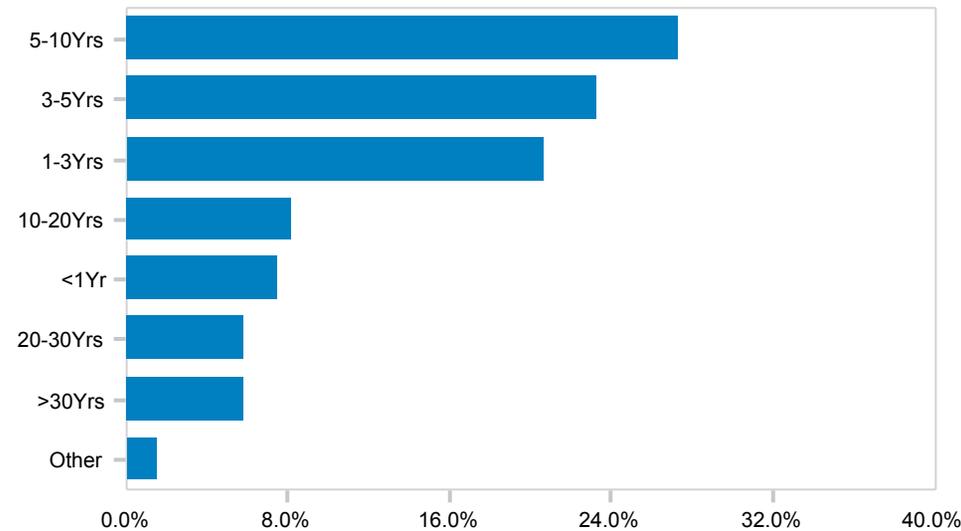
Top Ten Securities As of 06/30/2017

Corporate Notes/Bonds 38.9 %
 Government Agency Securities 22.7 %
 Treasury Notes/Bonds 16.3 %
 GNMA and Other Mtg Backed 16.0 %
 Asset Backed Securities 3.3 %

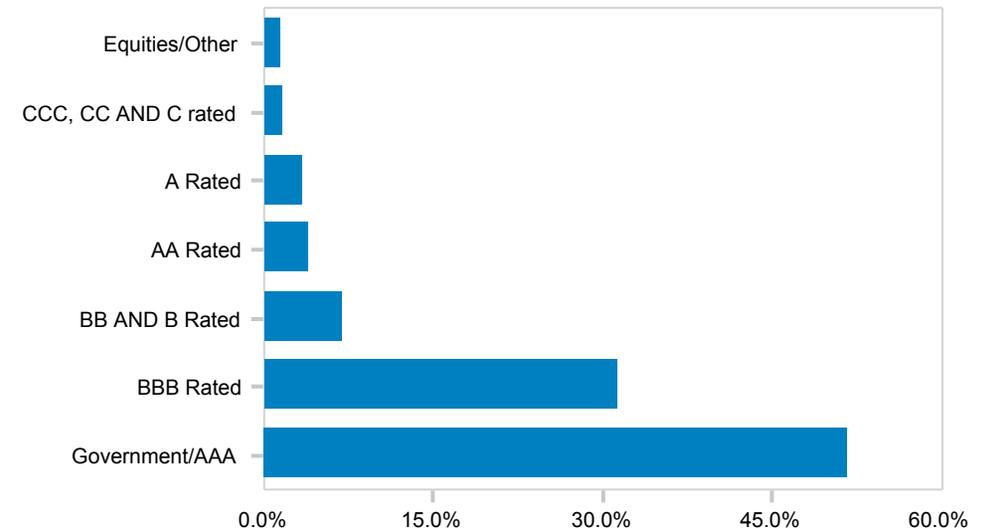
Asset Allocation As of 06/30/2017



Maturity Distribution As of 06/30/2017



Sector/Quality Allocation As of 06/30/2017



Statistics provided by Lipper. Most recent available data shown.



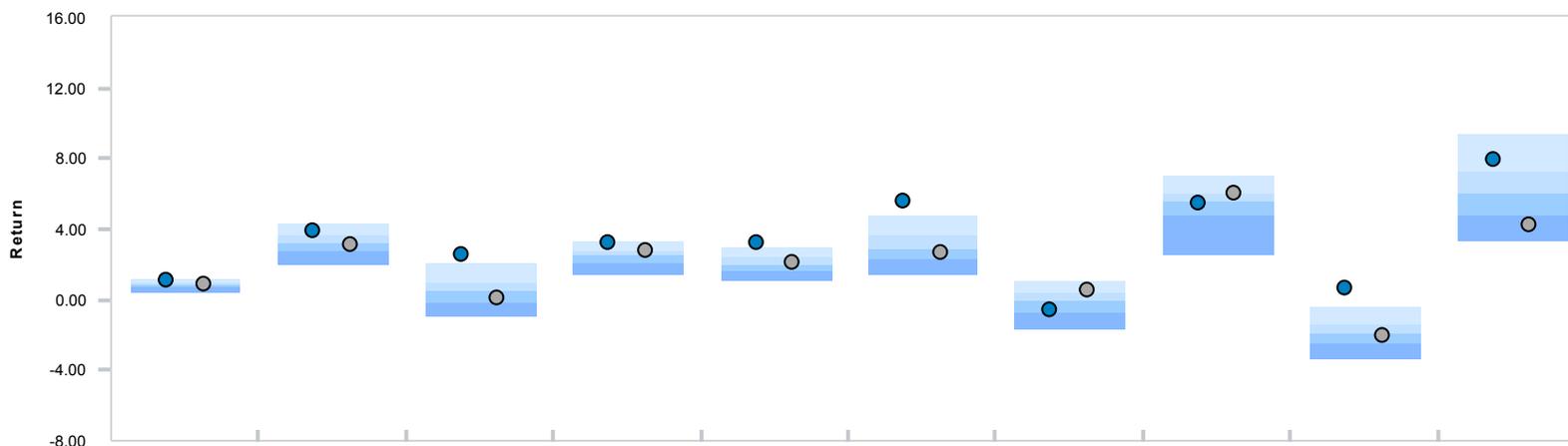
Mutual Fund Info from Lipper

Product Name : Dodge & Cox Income (DODIX)
 Fund Family : Dodge & Cox
 Ticker : DODIX
 Peer Group : IM U.S. Broad Market Core Fixed Income (MF)
 Benchmark : Bloomberg Barclays U.S. Aggregate Index
 Fund Inception : 01/03/1989
 Portfolio Manager : Team Managed
 Total Assets : \$51,608 Million
 Total Assets Date : 08/31/2017
 Gross Expense : 0.43%
 Net Expense : 0.43%
 Turnover : 27%

Summary Description

The Fund invests in a diversified portfolio consisting primarily of high-quality bonds and other debt securities. Debt securities in which the Fund may invest include government and government-related obligations, mortgage- and asset-backed securities, corporate and municipal bonds, and other debt securities, and may include fixed and floating rate instruments. A maximum of 20% of the Fund's total assets may be invested in debt obligations rated below investment grade.

Peer Group Analysis - IM U.S. Broad Market Core Fixed Income (MF)



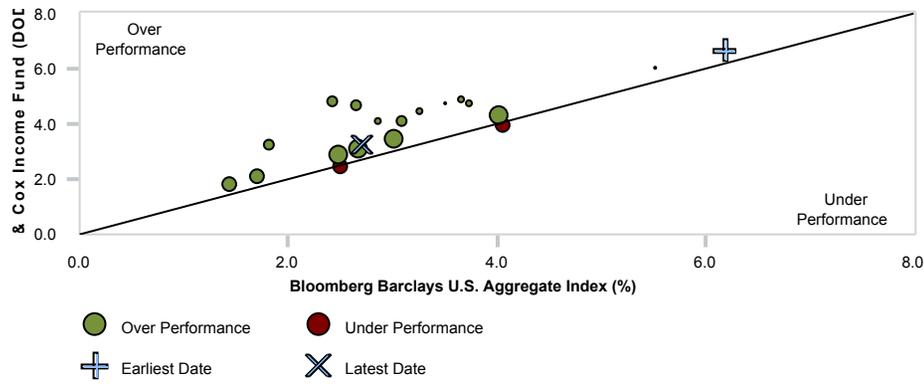
| | QTR | YTD | 1 YR | 3 YR | 5 YR | 2016 | 2015 | 2014 | 2013 | 2012 |
|---|-----------|-----------|-----------|-----------|-----------|-----------|------------|-----------|------------|-----------|
| ● Dodge & Cox Income Fund (DODIX) | 1.13 (8) | 3.86 (17) | 2.57 (3) | 3.23 (7) | 3.17 (3) | 5.61 (2) | -0.59 (72) | 5.48 (55) | 0.64 (2) | 7.94 (14) |
| ○ Bloomberg Barclays U.S. Aggregate Index | 0.85 (42) | 3.14 (57) | 0.07 (62) | 2.71 (30) | 2.06 (44) | 2.65 (60) | 0.55 (18) | 5.97 (26) | -2.02 (53) | 4.21 (80) |
| Median | 0.81 | 3.25 | 0.47 | 2.49 | 1.99 | 2.85 | -0.01 | 5.55 | -1.99 | 5.98 |

Comparative Performance

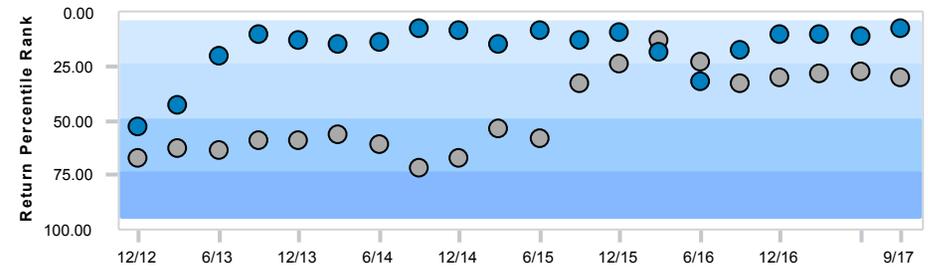
| | 1 Qtr Ending Jun-2017 | 1 Qtr Ending Mar-2017 | 1 Qtr Ending Dec-2016 | 1 Qtr Ending Sep-2016 | 1 Qtr Ending Jun-2016 | 1 Qtr Ending Mar-2016 |
|--|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| Dodge & Cox Income Fund (DODIX) | 1.50 (44) | 1.19 (17) | -1.24 (3) | 1.79 (3) | 2.64 (18) | 2.37 (84) |
| Bloomberg Barclays U.S. Aggregate Index | 1.45 (52) | 0.82 (68) | -2.98 (71) | 0.46 (74) | 2.21 (64) | 3.03 (18) |
| IM U.S. Broad Market Core Fixed Income (MF) Median | 1.45 | 0.94 | -2.72 | 0.73 | 2.35 | 2.72 |



3 Yr Rolling Under/Over Performance - 5 Years

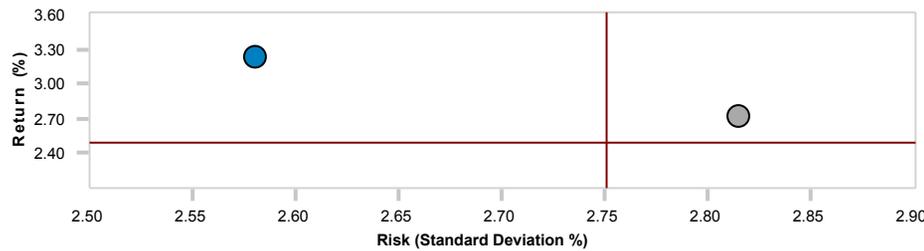


3 Yr Rolling Percentile Ranking - 5 Years



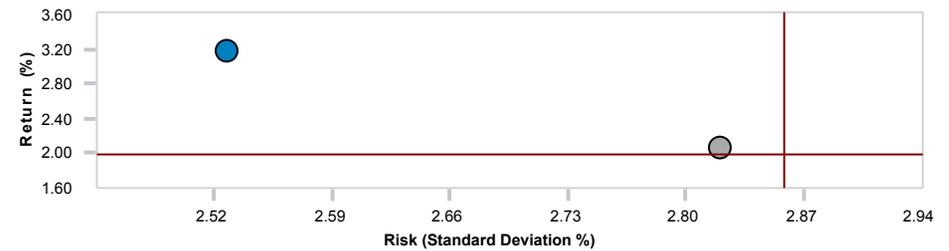
| | Total Period | 5-25 Count | 25-Median Count | Median-75 Count | 75-95 Count |
|---|--------------|------------|-----------------|-----------------|-------------|
| ● Dodge & Cox Income Fund (DODIX) | 20 | 17 (85%) | 2 (10%) | 1 (5%) | 0 (0%) |
| ● Bloomberg Barclays U.S. Aggregate Index | 20 | 3 (15%) | 6 (30%) | 11 (55%) | 0 (0%) |

Peer Group Scattergram - 3 Years



| | Return | Standard Deviation |
|---|--------|--------------------|
| ● Dodge & Cox Income Fund (DODIX) | 3.23 | 2.58 |
| ● Bloomberg Barclays U.S. Aggregate Index | 2.71 | 2.82 |
| — Median | 2.49 | 2.75 |

Peer Group Scattergram - 5 Years



| | Return | Standard Deviation |
|---|--------|--------------------|
| ● Dodge & Cox Income Fund (DODIX) | 3.17 | 2.53 |
| ● Bloomberg Barclays U.S. Aggregate Index | 2.06 | 2.82 |
| — Median | 1.99 | 2.86 |

Historical Statistics - 3 Years

| | Tracking Error | Up Market Capture | Down Market Capture | Alpha | Information Ratio | Sharpe Ratio | Beta | Downside Risk |
|---|----------------|-------------------|---------------------|-------|-------------------|--------------|------|---------------|
| Dodge & Cox Income Fund (DODIX) | 2.02 | 88.92 | 56.03 | 1.42 | 0.25 | 1.15 | 0.66 | 1.34 |
| Bloomberg Barclays U.S. Aggregate Index | 0.00 | 100.00 | 100.00 | 0.00 | N/A | 0.87 | 1.00 | 1.72 |

Historical Statistics - 5 Years

| | Tracking Error | Up Market Capture | Down Market Capture | Alpha | Information Ratio | Sharpe Ratio | Beta | Downside Risk |
|---|----------------|-------------------|---------------------|-------|-------------------|--------------|------|---------------|
| Dodge & Cox Income Fund (DODIX) | 1.72 | 96.74 | 56.09 | 1.68 | 0.62 | 1.18 | 0.72 | 1.41 |
| Bloomberg Barclays U.S. Aggregate Index | 0.00 | 100.00 | 100.00 | 0.00 | N/A | 0.67 | 1.00 | 1.80 |



Fund Information

| | | | |
|----------------------|--|---------------------|---|
| Fund Name : | Principal Funds, Inc: Principal LifeTime Strategic Income Fund; Class R-5 Shares | Portfolio Assets : | \$597 Million |
| Fund Family : | Principal Global Investors LLC | Portfolio Manager : | Team Managed |
| Ticker : | PLSPX | PM Tenure : | |
| Inception Date : | 03/01/2001 | Fund Style : | IM Mixed-Asset Target Today (MF) |
| Fund Assets : | \$26 Million | Style Benchmark : | S&P Target Date Retirement Income Index |
| Portfolio Turnover : | 18% | | |

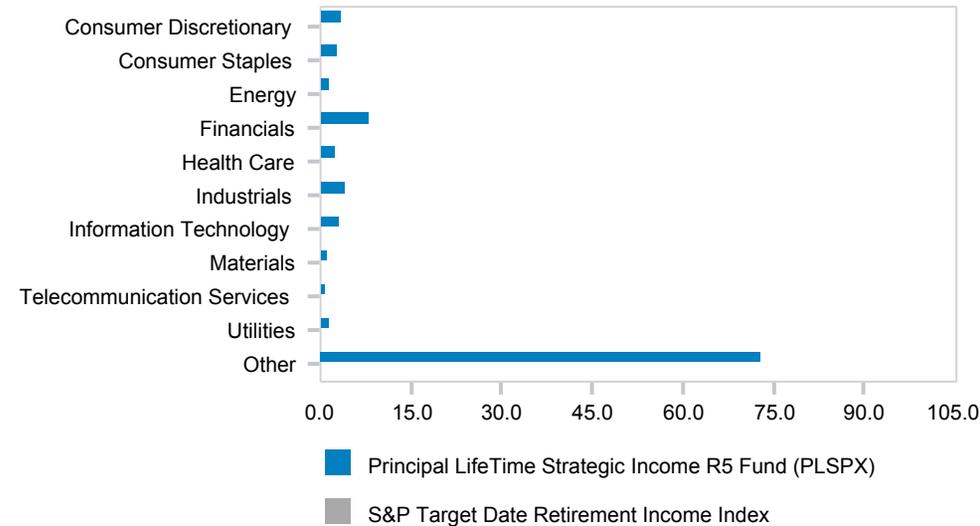
Portfolio Characteristics As of 07/31/2017

| | Portfolio | Benchmark |
|-------------------------|----------------|-----------|
| Total Securities | 16 | N/A |
| Avg. Market Cap (\$) | 28,359,564,889 | - |
| Price/Earnings (P/E) | 10.42 | N/A |
| Price/Book (P/B) | 1.73 | N/A |
| Dividend Yield | 1.03 | N/A |
| Annual EPS | 6.84 | N/A |
| 5 Yr EPS | 3.76 | N/A |
| 3 Yr EPS Growth | 4.71 | N/A |
| Beta (5 Years, Monthly) | 0.98 | 1.00 |

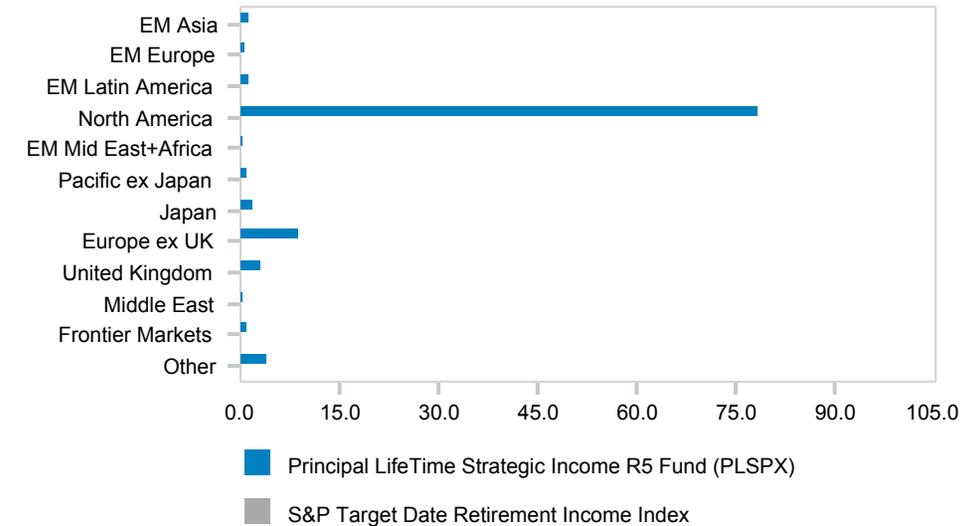
Top Ten Securities As of 07/31/2017

| | |
|--|--------|
| Principal Core Plus Bond Fund;Institutio | 22.6 % |
| Principal Short-Term Income Fund;Inst | 19.9 % |
| Principal Bond Market Index Fund;Institu | 11.0 % |
| Principal Global Diversified Income | 10.0 % |
| Principal Inflation Protection | 7.6 % |
| Principal Global Multi-Strategy | 6.5 % |
| Principal Blue Chip Fund;R-6 | 3.4 % |
| Principal Equity Income Fund;Inst | 3.4 % |
| Principal Diversified International | 3.1 % |
| Principal Overseas Fund;Institutional | 3.1 % |

Sector Weights As of 07/31/2017



Region Weights As of 07/31/2017



Statistics provided by Lipper. Most recent available data shown.



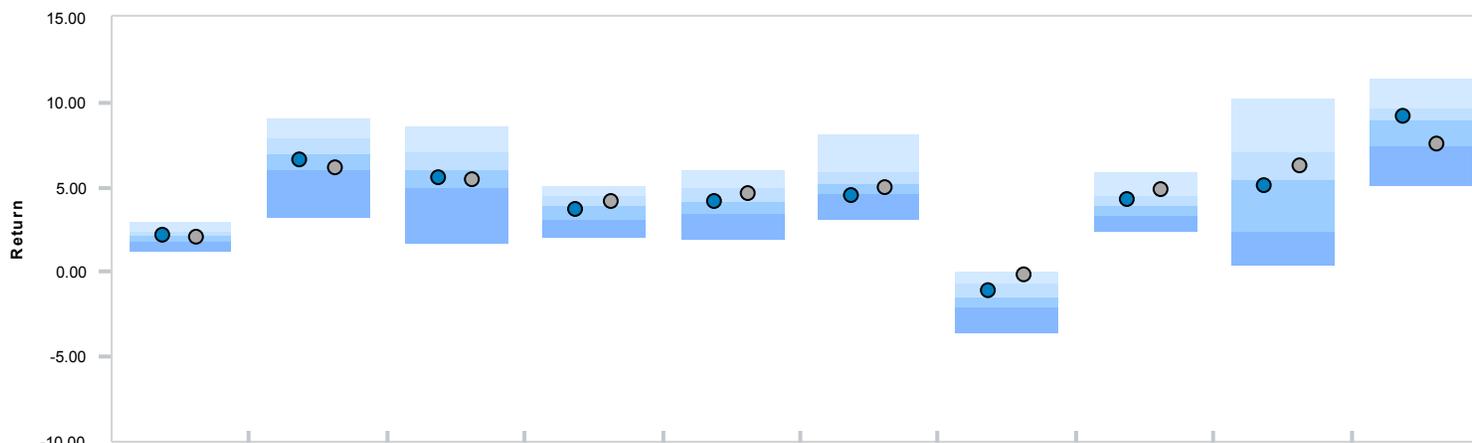
Mutual Fund Info from Lipper

Product Name : Principal:LT Str;R-5 (PLSPX)
 Fund Family : Principal Global Investors LLC
 Ticker : PLSPX
 Peer Group : IM Mixed-Asset Target Today (MF)
 Benchmark : S&P Target Date Retirement Income Index
 Fund Inception : 03/01/2001
 Portfolio Manager : Team Managed
 Total Assets : \$26 Million
 Total Assets Date : 09/30/2017
 Gross Expense : 0.89%
 Net Expense : 0.89%
 Turnover : 18%

Summary Description

The investment seeks current income, and as a secondary objective, capital appreciation. The fund is a fund of funds that invests in PFI Institutional Class shares which consist of domestic and foreign equity funds, fixed-income funds, real asset funds, and other funds that aim to offer diversification beyond traditional equity and fixed-income securities. Its asset allocation is designed for investors who are approximately 15 years beyond the normal retirement age of 65.

Peer Group Analysis - IM Mixed-Asset Target Today (MF)



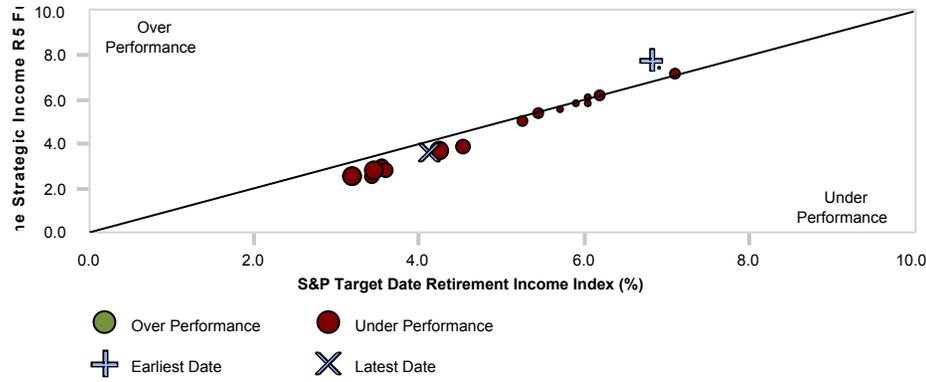
| | QTR | YTD | 1 YR | 3 YR | 5 YR | 2016 | 2015 | 2014 | 2013 | 2012 |
|---|-----------|-----------|-----------|-----------|-----------|-----------|------------|-----------|-----------|-----------|
| ● Principal LifeTime Strategic Income R5 Fund (PLSPX) | 2.17 (44) | 6.64 (60) | 5.55 (63) | 3.61 (65) | 4.09 (50) | 4.51 (79) | -1.07 (38) | 4.25 (32) | 5.13 (53) | 9.20 (39) |
| ○ S&P Target Date Retirement Income Index | 2.06 (58) | 6.17 (73) | 5.37 (69) | 4.14 (37) | 4.60 (31) | 5.01 (58) | -0.18 (10) | 4.86 (15) | 6.28 (32) | 7.51 (75) |
| Median | 2.12 | 6.94 | 6.04 | 3.88 | 4.09 | 5.16 | -1.42 | 3.86 | 5.37 | 8.90 |

Comparative Performance

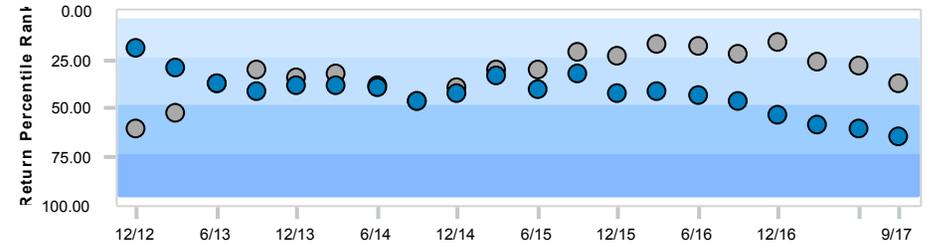
| | 1 Qtr Ending Jun-2017 | 1 Qtr Ending Mar-2017 | 1 Qtr Ending Dec-2016 | 1 Qtr Ending Sep-2016 | 1 Qtr Ending Jun-2016 | 1 Qtr Ending Mar-2016 |
|---|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| Principal LifeTime Strategic Income R5 Fund (PLSPX) | 1.89 (53) | 2.44 (69) | -1.02 (68) | 1.91 (62) | 1.86 (70) | 1.72 (57) |
| S&P Target Date Retirement Income Index | 1.79 (65) | 2.20 (80) | -0.76 (38) | 1.66 (76) | 1.86 (69) | 2.18 (25) |
| IM Mixed-Asset Target Today (MF) Median | 1.91 | 2.67 | -0.86 | 2.17 | 1.95 | 1.80 |



3 Yr Rolling Under/Over Performance - 5 Years

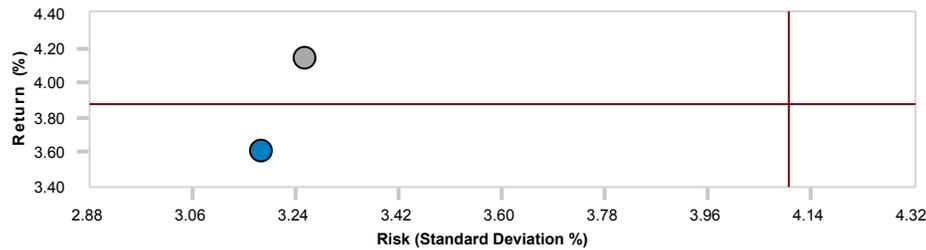


3 Yr Rolling Percentile Ranking - 5 Years



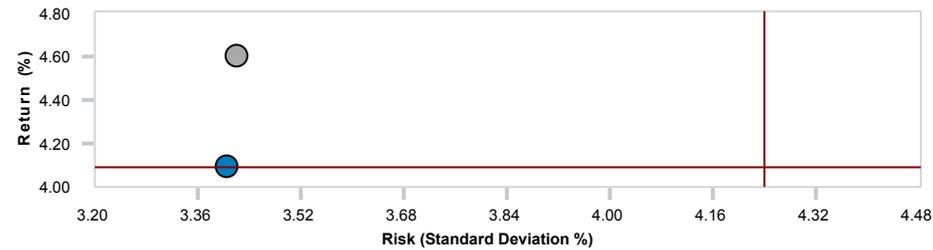
| | Total Period | 5-25 Count | 25-Median Count | Median-75 Count | 75-95 Count |
|---|--------------|------------|-----------------|-----------------|-------------|
| Principal LifeTime Strategic Income R5 Fund (PLSPX) | 20 | 1 (5%) | 15 (75%) | 4 (20%) | 0 (0%) |
| S&P Target Date Retirement Income Index | 20 | 6 (30%) | 12 (60%) | 2 (10%) | 0 (0%) |

Peer Group Scattergram - 3 Years



| | Return | Standard Deviation |
|---|--------|--------------------|
| Principal LifeTime Strategic Income R5 Fund (PLSPX) | 3.61 | 3.18 |
| S&P Target Date Retirement Income Index | 4.14 | 3.26 |
| Median | 3.88 | 4.10 |

Peer Group Scattergram - 5 Years



| | Return | Standard Deviation |
|---|--------|--------------------|
| Principal LifeTime Strategic Income R5 Fund (PLSPX) | 4.09 | 3.41 |
| S&P Target Date Retirement Income Index | 4.60 | 3.42 |
| Median | 4.09 | 4.24 |

Historical Statistics - 3 Years

| | Tracking Error | Up Market Capture | Down Market Capture | Alpha | Information Ratio | Sharpe Ratio | Beta | Downside Risk |
|---|----------------|-------------------|---------------------|-------|-------------------|--------------|------|---------------|
| Principal LifeTime Strategic Income R5 Fund (PLSPX) | 0.68 | 95.74 | 108.28 | -0.33 | -0.76 | 1.05 | 0.96 | 1.83 |
| S&P Target Date Retirement Income Index | 0.00 | 100.00 | 100.00 | 0.00 | N/A | 1.19 | 1.00 | 1.81 |

Historical Statistics - 5 Years

| | Tracking Error | Up Market Capture | Down Market Capture | Alpha | Information Ratio | Sharpe Ratio | Beta | Downside Risk |
|---|----------------|-------------------|---------------------|-------|-------------------|--------------|------|---------------|
| Principal LifeTime Strategic Income R5 Fund (PLSPX) | 0.69 | 95.16 | 104.30 | -0.38 | -0.72 | 1.14 | 0.98 | 1.99 |
| S&P Target Date Retirement Income Index | 0.00 | 100.00 | 100.00 | 0.00 | N/A | 1.28 | 1.00 | 1.89 |



Fund Information

Fund Name : Principal Funds, Inc: Principal LifeTime 2030 Fund; Class R-5 Shares
 Fund Family : Principal Global Investors LLC
 Ticker : PTCPX
 Inception Date : 03/01/2001
 Fund Assets : \$298 Million
 Portfolio Turnover : 15%

Portfolio Assets : \$6,671 Million
 Portfolio Manager : Team Managed
 PM Tenure :
 Fund Style : IM Mixed-Asset Target 2030 (MF)
 Style Benchmark : S&P Target Date 2030 Index

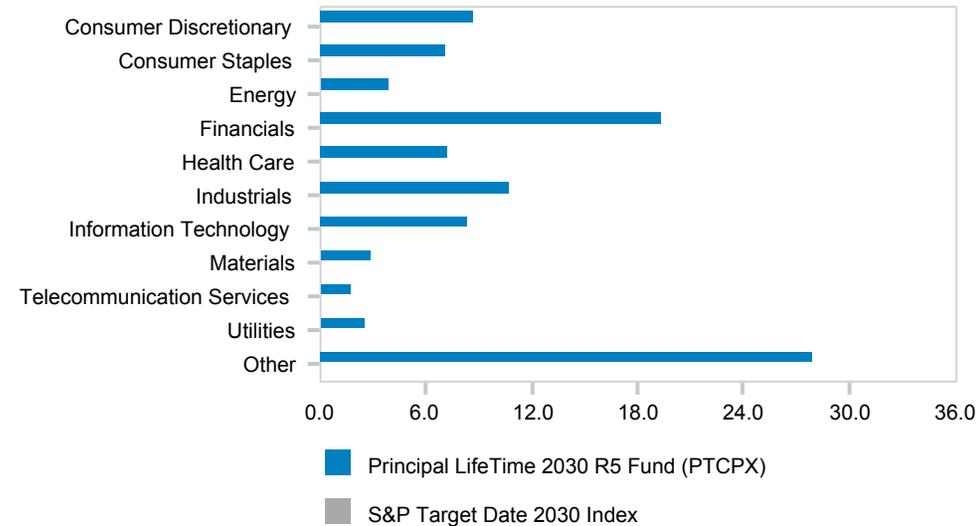
Portfolio Characteristics As of 07/31/2017

| | Portfolio | Benchmark |
|-------------------------|----------------|-----------|
| Total Securities | 23 | N/A |
| Avg. Market Cap (\$) | 67,150,184,226 | - |
| Price/Earnings (P/E) | 21.89 | N/A |
| Price/Book (P/B) | 3.81 | N/A |
| Dividend Yield | 2.02 | N/A |
| Annual EPS | 15.04 | N/A |
| 5 Yr EPS | 8.64 | N/A |
| 3 Yr EPS Growth | 10.36 | N/A |
| Beta (5 Years, Monthly) | 1.02 | 1.00 |

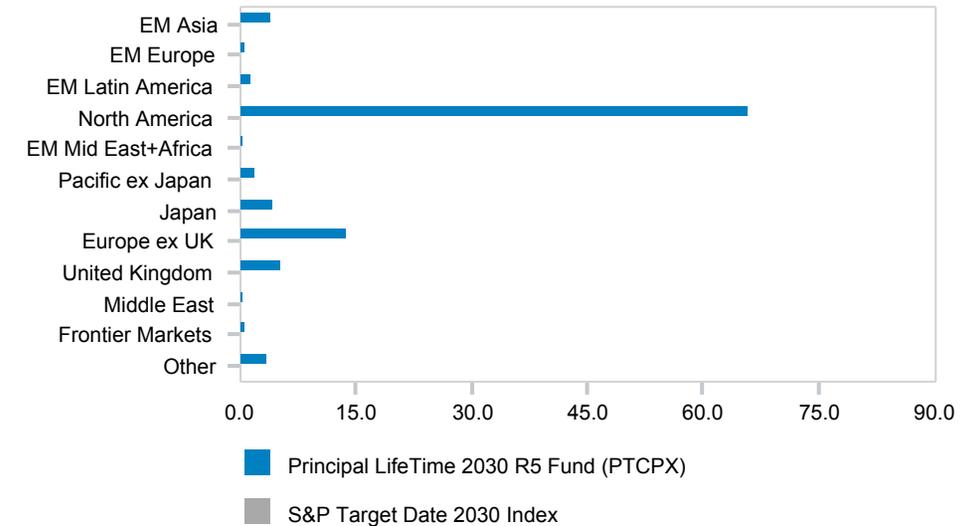
Top Ten Securities As of 07/31/2017

| | |
|--|--------|
| Principal Core Plus Bond Fund;Institutio | 11.5 % |
| Principal Diversified International | 9.1 % |
| Principal Overseas Fund;Institutional | 9.0 % |
| Principal LargeCap S&P 500 Index | 8.7 % |
| Principal Global Opportunities;Inst | 6.6 % |
| Principal LargeCap Growth Fund | 6.1 % |
| Principal Bond Market Index Fund;Institu | 5.2 % |
| Principal LargeCap Value Fund III;Inst | 4.6 % |
| Principal Global Diversified Income | 4.6 % |
| Principal MidCap Fund;R-6 | 4.5 % |

Sector Weights As of 07/31/2017



Region Weights As of 07/31/2017



Statistics provided by Lipper. Most recent available data shown.



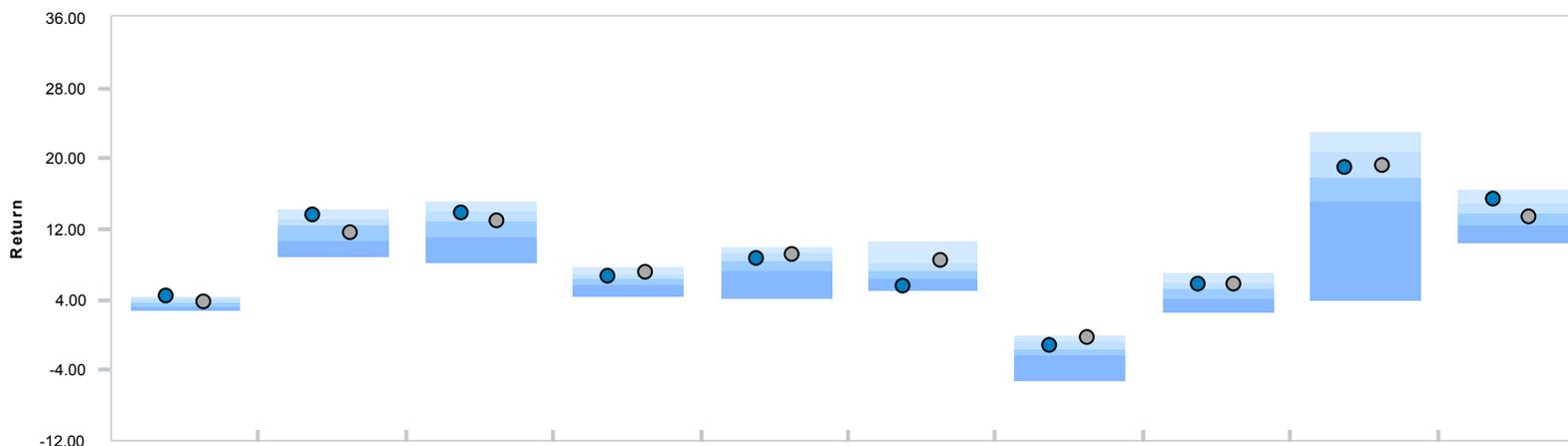
Mutual Fund Info from Lipper

Product Name : Principal:LT 2030;R-5 (PTCPX)
 Fund Family : Principal Global Investors LLC
 Ticker : PTCPX
 Peer Group : IM Mixed-Asset Target 2030 (MF)
 Benchmark : S&P Target Date 2030 Index
 Fund Inception : 03/01/2001
 Portfolio Manager : Team Managed
 Total Assets : \$298 Million
 Total Assets Date : 09/30/2017
 Gross Expense : 0.99%
 Net Expense : 0.99%
 Turnover : 15%

Summary Description

The investment seeks a total return consisting of long-term growth of capital and current income. The fund operates as a "target date fund" that invests according to an asset allocation strategy designed for investors having a retirement investment goal close to the year in 2030. It is a fund of funds and invests in PFI Institutional Class shares. Its underlying funds consist of domestic and foreign equity funds, fixed-income funds, real asset funds, and other funds that aim to offer diversification beyond traditional equity and fixed-income securities.

Peer Group Analysis - IM Mixed-Asset Target 2030 (MF)



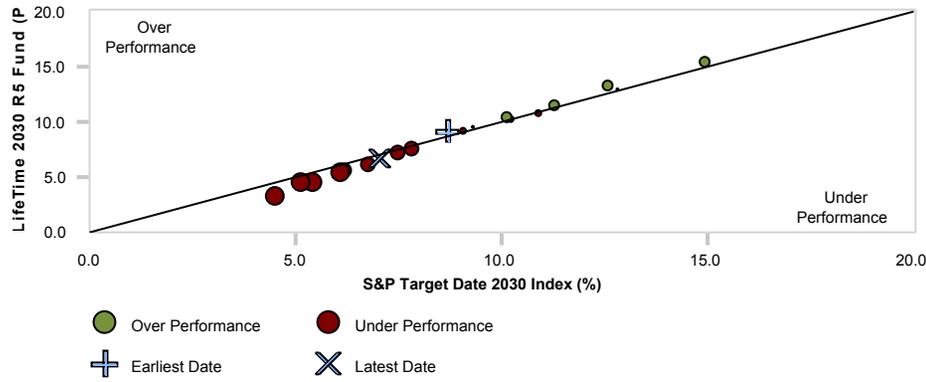
| | QTR | YTD | 1 YR | 3 YR | 5 YR | 2016 | 2015 | 2014 | 2013 | 2012 |
|---|-----------|------------|------------|-----------|-----------|-----------|------------|-----------|------------|------------|
| ● Principal LifeTime 2030 R5 Fund (PTCPX) | 4.40 (7) | 13.59 (16) | 13.71 (30) | 6.54 (40) | 8.71 (38) | 5.52 (90) | -1.21 (37) | 5.66 (35) | 18.99 (41) | 15.28 (19) |
| ○ S&P Target Date 2030 Index | 3.60 (55) | 11.46 (66) | 12.79 (54) | 7.07 (23) | 9.17 (27) | 8.35 (19) | -0.30 (9) | 5.64 (35) | 19.14 (41) | 13.43 (56) |
| Median | 3.70 | 12.43 | 12.92 | 6.30 | 8.34 | 7.31 | -1.61 | 5.18 | 17.87 | 13.71 |

Comparative Performance

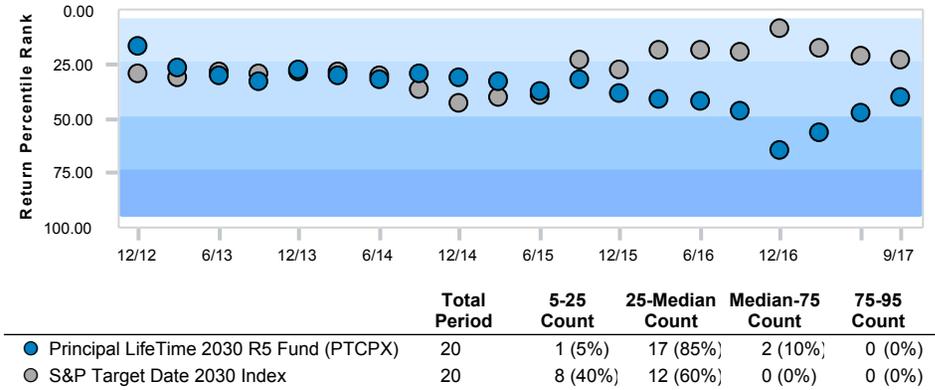
| | 1 Qtr Ending Jun-2017 | 1 Qtr Ending Mar-2017 | 1 Qtr Ending Dec-2016 | 1 Qtr Ending Sep-2016 | 1 Qtr Ending Jun-2016 | 1 Qtr Ending Mar-2016 |
|---|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| Principal LifeTime 2030 R5 Fund (PTCPX) | 3.54 (21) | 5.09 (32) | 0.10 (63) | 3.57 (62) | 1.54 (84) | 0.23 (71) |
| S&P Target Date 2030 Index | 3.01 (67) | 4.45 (69) | 1.19 (15) | 3.39 (77) | 2.02 (42) | 1.52 (29) |
| IM Mixed-Asset Target 2030 (MF) Median | 3.20 | 4.81 | 0.32 | 3.69 | 1.94 | 1.12 |



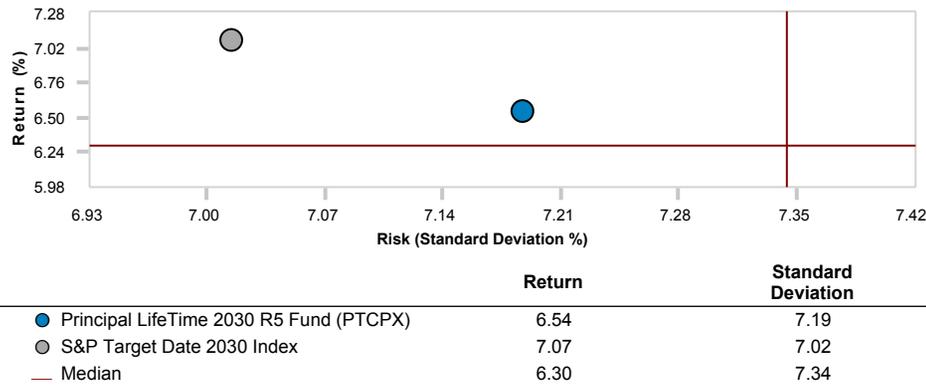
3 Yr Rolling Under/Over Performance - 5 Years



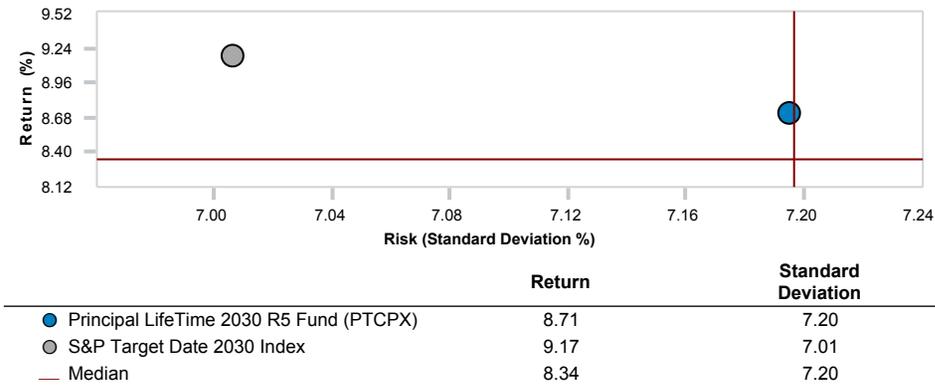
3 Yr Rolling Percentile Ranking - 5 Years



Peer Group Scattergram - 3 Years



Peer Group Scattergram - 5 Years



Historical Statistics - 3 Years

| | Tracking Error | Up Market Capture | Down Market Capture | Alpha | Information Ratio | Sharpe Ratio | Beta | Downside Risk |
|---|----------------|-------------------|---------------------|-------|-------------------|--------------|------|---------------|
| Principal LifeTime 2030 R5 Fund (PTCPX) | 0.96 | 99.32 | 106.76 | -0.60 | -0.52 | 0.88 | 1.02 | 4.38 |
| S&P Target Date 2030 Index | 0.00 | 100.00 | 100.00 | 0.00 | N/A | 0.97 | 1.00 | 4.08 |

Historical Statistics - 5 Years

| | Tracking Error | Up Market Capture | Down Market Capture | Alpha | Information Ratio | Sharpe Ratio | Beta | Downside Risk |
|---|----------------|-------------------|---------------------|-------|-------------------|--------------|------|---------------|
| Principal LifeTime 2030 R5 Fund (PTCPX) | 0.97 | 98.54 | 103.29 | -0.57 | -0.43 | 1.18 | 1.02 | 4.01 |
| S&P Target Date 2030 Index | 0.00 | 100.00 | 100.00 | 0.00 | N/A | 1.27 | 1.00 | 3.84 |



Trailing Performance

As of 9/30/2017

| | QTR | 1 Year | 3 Years | 5 Years | 10 Years |
|--|------|--------|---------|---------|----------|
| Vanguard 500 Index Admiral | 4.48 | 18.57 | 10.78 | 14.18 | 7.43 |
| S&P 500 TR USD | 4.48 | 18.61 | 10.81 | 14.22 | 7.44 |
| Vanguard Mid Cap Index Admiral | 3.43 | 15.30 | 9.72 | 14.39 | 7.95 |
| CRSP US Mid Cap TR USD | 3.43 | 15.33 | 9.77 | 14.45 | 7.89 |
| Vanguard Small Cap Index Adm | 4.57 | 17.35 | 10.44 | 13.94 | 8.58 |
| CRSP US Small Cap TR USD | 4.58 | 17.33 | 10.41 | 14.12 | 8.94 |
| American Beacon Small Cp Val Inst | 4.71 | 19.87 | 10.93 | 14.16 | 8.30 |
| Russell 2000 Value TR USD | 5.11 | 20.55 | 12.12 | 13.27 | 7.14 |
| American Funds Europacific Growth R6 | 6.86 | 20.63 | 7.56 | 9.51 | 3.60 |
| MSCI ACWI Ex USA NR USD | 6.16 | 19.61 | 4.70 | 6.97 | 1.28 |
| Vanguard Target Retirement Income Inv | 1.96 | 5.26 | 4.28 | 4.68 | 4.87 |
| S&P Target Date Retirement Income TR USD | 2.06 | 5.37 | 4.14 | 4.60 | 3.89 |
| Vanguard Target Retirement 2015 Inv | 2.61 | 7.95 | 5.35 | 6.92 | 4.88 |
| S&P Target Date 2015 TR USD | 2.55 | 8.43 | 5.47 | 6.73 | 4.55 |
| Vanguard Target Retirement 2020 Inv | 3.14 | 10.17 | 6.23 | 8.08 | 5.15 |
| S&P Target Date 2020 TR USD | 2.81 | 9.86 | 6.05 | 7.64 | 4.77 |
| Vanguard Target Retirement 2025 Inv | 3.52 | 11.74 | 6.76 | 8.85 | 5.21 |
| S&P Target Date 2025 TR USD | 3.22 | 11.39 | 6.57 | 8.42 | 4.93 |
| Vanguard Target Retirement 2030 Inv | 3.88 | 13.25 | 7.19 | 9.58 | 5.27 |
| S&P Target Date 2030 TR USD | 3.60 | 12.79 | 7.07 | 9.17 | 5.02 |
| Vanguard Target Retirement 2035 Inv | 4.18 | 14.76 | 7.61 | 10.30 | 5.46 |
| S&P Target Date 2035 TR USD | 3.97 | 14.19 | 7.57 | 9.82 | 5.13 |
| Vanguard Target Retirement 2040 Inv | 4.51 | 16.26 | 7.97 | 10.80 | 5.73 |
| S&P Target Date 2040 TR USD | 4.21 | 15.15 | 7.90 | 10.28 | 5.22 |
| Vanguard Target Retirement 2045 Inv | 4.66 | 16.84 | 8.14 | 10.91 | 5.77 |
| S&P Target Date 2045 TR USD | 4.35 | 15.87 | 8.14 | 10.63 | 5.22 |
| Vanguard Target Retirement 2050 Inv | 4.66 | 16.84 | 8.15 | 10.91 | 5.78 |
| S&P Target Date 2050 TR USD | 4.43 | 16.53 | 8.36 | 10.96 | 5.36 |
| Vanguard Target Retirement 2055 Inv | 4.69 | 16.86 | 8.10 | 10.88 | |
| S&P Target Date 2055 TR USD | 4.48 | 16.94 | 8.47 | 11.19 | 5.49 |
| Vanguard Target Retirement 2060 Inv | 4.65 | 16.84 | 8.09 | 10.87 | |
| Vanguard Target Retirement 2065 Inv | | | | | |
| S&P Target Date 2060+ TR USD | 4.51 | 17.24 | 8.52 | 11.22 | |
| VT PLUS R7 | 0.50 | 1.94 | 1.88 | | |
| 3-Month LIBOR | 0.34 | 1.13 | 0.67 | 0.51 | 0.87 |

Returns Net of Fees.

Performance data shown prior to fund's inception date represents extended performance of an older share class of the same strategy.



| | YTD | 2016 | 2015 | 2014 | 2013 | 2012 |
|--|-------|-------|-------|-------|-------|-------|
| Vanguard 500 Index Admiral | 14.20 | 11.93 | 1.36 | 13.64 | 32.33 | 15.96 |
| S&P 500 TR USD | 14.24 | 11.96 | 1.38 | 13.69 | 32.39 | 16.00 |
| Vanguard Mid Cap Index Admiral | 12.88 | 11.22 | -1.34 | 13.76 | 35.15 | 15.99 |
| CRSP US Mid Cap TR USD | 12.92 | 11.25 | -1.28 | 13.83 | 35.27 | 16.69 |
| Vanguard Small Cap Index Adm | 10.60 | 18.30 | -3.64 | 7.50 | 37.81 | 18.24 |
| CRSP US Small Cap TR USD | 10.59 | 18.26 | -3.68 | 7.54 | 38.48 | 18.59 |
| American Beacon Small Cp Val Inst | 5.35 | 26.77 | -5.04 | 4.70 | 40.06 | 16.52 |
| Russell 2000 Value TR USD | 5.68 | 31.74 | -7.47 | 4.22 | 34.52 | 18.05 |
| American Funds Europacific Growth R6 | 25.85 | 1.01 | -0.48 | -2.29 | 20.58 | 19.64 |
| MSCI ACWI Ex USA NR USD | 21.13 | 4.50 | -5.66 | -3.87 | 15.29 | 16.83 |
| Vanguard Target Retirement Income Inv | 6.31 | 5.25 | -0.17 | 5.54 | 5.87 | 8.23 |
| S&P Target Date Retirement Income TR USD | 6.17 | 5.01 | -0.18 | 4.86 | 6.28 | 7.51 |
| Vanguard Target Retirement 2015 Inv | 8.55 | 6.16 | -0.46 | 6.56 | 13.00 | 11.37 |
| S&P Target Date 2015 TR USD | 8.30 | 6.56 | -0.16 | 5.49 | 12.16 | 10.32 |
| Vanguard Target Retirement 2020 Inv | 10.37 | 6.95 | -0.68 | 7.11 | 15.85 | 12.35 |
| S&P Target Date 2020 TR USD | 9.30 | 7.22 | -0.19 | 5.67 | 14.76 | 11.48 |
| Vanguard Target Retirement 2025 Inv | 11.62 | 7.48 | -0.85 | 7.17 | 18.14 | 13.29 |
| S&P Target Date 2025 TR USD | 10.43 | 7.82 | -0.25 | 5.56 | 17.03 | 12.51 |
| Vanguard Target Retirement 2030 Inv | 12.77 | 7.85 | -1.03 | 7.17 | 20.49 | 14.24 |
| S&P Target Date 2030 TR USD | 11.46 | 8.35 | -0.30 | 5.64 | 19.14 | 13.43 |
| Vanguard Target Retirement 2035 Inv | 13.87 | 8.26 | -1.26 | 7.24 | 22.82 | 15.16 |
| S&P Target Date 2035 TR USD | 12.48 | 8.85 | -0.35 | 5.69 | 20.84 | 14.12 |
| Vanguard Target Retirement 2040 Inv | 14.96 | 8.73 | -1.59 | 7.15 | 24.37 | 15.56 |
| S&P Target Date 2040 TR USD | 13.17 | 9.23 | -0.40 | 5.69 | 22.10 | 14.69 |
| Vanguard Target Retirement 2045 Inv | 15.40 | 8.87 | -1.57 | 7.16 | 24.37 | 15.58 |
| S&P Target Date 2045 TR USD | 13.65 | 9.54 | -0.46 | 5.67 | 23.14 | 15.15 |
| Vanguard Target Retirement 2050 Inv | 15.40 | 8.85 | -1.58 | 7.18 | 24.34 | 15.58 |
| S&P Target Date 2050 TR USD | 14.09 | 9.74 | -0.47 | 5.69 | 24.13 | 15.49 |
| Vanguard Target Retirement 2055 Inv | 15.41 | 8.88 | -1.72 | 7.19 | 24.33 | 15.58 |
| S&P Target Date 2055 TR USD | 14.33 | 9.94 | -0.54 | 5.64 | 24.96 | 15.81 |
| Vanguard Target Retirement 2060 Inv | 15.39 | 8.84 | -1.68 | 7.16 | 24.35 | |
| Vanguard Target Retirement 2065 Inv | | | | | | |
| S&P Target Date 2060+ TR USD | 14.49 | 10.08 | -0.66 | 5.64 | 24.96 | 15.81 |
| VT PLUS R7 | 1.46 | 1.82 | 1.88 | 1.92 | | |
| 3-Month LIBOR | 0.90 | 0.74 | 0.30 | 0.24 | 0.27 | 0.45 |

Returns Net of Fees.

Performance data shown prior to fund's inception date represents extended performance of an older share class of the same strategy.



2017 Fiduciary Documentation

| Quarterly | 1 st Qtr | 2 nd Qtr | 3 rd Qtr | 4 th Qtr |
|---|---------------------|---------------------|---------------------|---------------------|
| Review of plan investments and compliance with investment policy statement | ✓ | ✓ | ✓ | |
| Follow required procedures, including documentation of all meetings and decisions | ✓ | ✓ | ✓ | |
| Review performance of providers | ✓ | ✓ | ✓ | |
| Regularly | | | | |
| Review QDIA selection | ✓ | | | |
| Allocation fund (Target Date or Risk-based) analysis | ✓ | | | |
| Investment policy statement review | | | | |
| Employee education review | | | | |
| Plan recordkeeping & administration services review | ✓ | ✓ | ✓ | |
| Fee analysis | ✓ | ✓ | ✓ | |
| Other Projects | | | | |
| Fiduciary Education Module | ✓ | ✓ | ✓ | |
| | | | | |
| | | | | |
| | | | | |



Principal Preservation Options

| Product Type | Type of Investments | Asset Ownership | Rate of Return | Duration | Fees |
|---------------------|---|--|---|---|---|
| Money Market | Short-term, low-risk securities such as gov't securities, CDs, & commercial paper of companies. | Directly owned by participating plans | Minimal | Less than 1 year | Low. Expressed as an expense ratio. |
| Pooled Stable Value | High quality bonds & one or more wrap contracts issued by banks or insurance companies | Directly owned by the participating plans. | Rate of return based on the performance of the underlying assets held in an external trust. | Typically 2-4 years | Higher than money market funds due to complexity. Expressed as an expense ratio. |
| General Accounts | Managed by an insurance company & held in insurer's general account or separate account | Owned by the insurance company | Guaranteed rate regardless of the performance of the underlying assets. | Varies by insurer typically between 3-8 years | Fees not generally disclosed. Insurer collects money from the spread (difference between investment returns & guaranteed rate). |



Stable Value vs. Money Market

Several recent court cases have alleged that a prudent fiduciary would have utilized a stable value fund instead of money market fund in their plan menus given the higher returns from stable value funds over time.

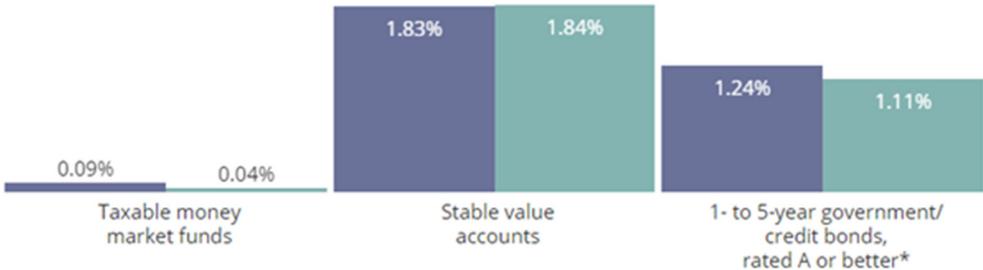
In the *Tibble v. Edison* court case, the district court ruled (and appellate court upheld) in favor of the defendants, commenting that the fiduciaries considered using stable value, but decided in favor of a money market fund because it would “provide more consistent returns and have lower risk.”

While stable value funds typically outperform money market funds, fiduciaries may find stable value overly complex due to the need to understand and vet additional layers such as the guarantees involved. Some also consider stable value funds to be riskier than money market funds, and the funds contain restrictions of transfers and withdrawals.

Money Market Funds vs. Stable Value Accounts

Returns for periods ended December 31, 2016

■ 1 year ■ 5 years (annualized)



Source: Morningstar, eVestment.

*Bloomberg Barclays Index



Things To Consider

- What happens during a rising rate environment?
 - Money Market Funds: most interest rate sensitive; returns will rise
 - Pooled Stable Value: will lag slightly based on duration of underlying assets
 - General Accounts: no immediate change to guaranteed rate; generally slow to change
- Does the current plan option provide appropriate value to participants in a rising rate environment?
 - If not, what are other options that would provide improved value to participants?
- When changing a stable value fund:
 - What impact is there on recordkeeping fees?
 - What are the exit restrictions (MVAs, puts, etc.)?
- Are participants currently being defaulted into this fund?
- Has the plan documented why they chose the current option?

Due to lack of transparency and the general inability to obtain sufficient investment information relating to this product, AndCo Consulting cannot endorse nor does this report include analysis of the Fixed Account offered by your recordkeeper.

Definition: A Fixed Account is a set of contractual promises backed by the insurance company's general account. The general account is managed on an aggregate basis and supports multiple financial commitments of the company. No portion of the general account is attributable to a particular customer nor do customers have any exclusive ownership interest in general account assets.

Risks: Fixed Account investments are subject to the risk that the insurance company, or other financial institution, will fail to meet its commitments. In addition, they are subject to general bond market risks, including interest rate risk and credit risk.

Expenses: There is no explicit expense ratio associated with typical insurance company general accounts. Over the long-term duration of the account, the insurance company tries to earn a spread between what they can earn through investing the money collected separately and what they must credit back to plans. This spread is intended to cover their investment-related expense, provide a reasonable profit margin for the insurance company, provide a subsidy for plan administrative expenses, cover the risk associated with the minimum monthly, annual, and lifetime rate guarantees along with asset defaults.



| | |
|---------------------------------------|---|
| Active Return | - Arithmetic difference between the manager's performance and the designated benchmark return over a specified time period. |
| Alpha | - A measure of the difference between a portfolio's actual performance and its expected return based on its level of risk as determined by beta. It determines the portfolio's non-systemic return, or its historical performance not explained by movements of the market. |
| Beta | - A measure of the sensitivity of a portfolio to the movements in the market. It is a measure of the portfolio's systematic risk. |
| Consistency | - The percentage of quarters that a product achieved a rate of return higher than that of its benchmark. Higher consistency indicates the manager has contributed more to the product's performance. |
| Distributed to Paid In (DPI) | - The ratio of money distributed to Limited Partners by the fund, relative to contributions. It is calculated by dividing cumulative distributions by paid in capital. This multiple shows the investor how much money they got back. It is a good measure for evaluating a fund later in its life because there are more distributions to measure against. |
| Down Market Capture | - The ratio of average portfolio performance over the designated benchmark during periods of negative returns. A lower value indicates better product performance |
| Downside Risk | - A measure similar to standard deviation that utilizes only the negative movements of the return series. It is calculated by taking the standard deviation of the negative quarterly set of returns. A higher factor is indicative of a riskier product. |
| Excess Return | - Arithmetic difference between the manager's performance and the risk-free return over a specified time period. |
| Excess Risk | - A measure of the standard deviation of a portfolio's performance relative to the risk free return. |
| Information Ratio | - This calculates the value-added contribution of the manager and is derived by dividing the active rate of return of the portfolio by the tracking error. The higher the Information Ratio, the more the manager has added value to the portfolio. |
| Public Market Equivalent (PME) | - Designs a set of analyses used in the Private Equity Industry to evaluate the performance of a Private Equity Fund against a public benchmark or index. |
| R-Squared | - The percentage of a portfolio's performance that can be explained by the behavior of the appropriate benchmark. A high R-Squared means the portfolio's performance has historically moved in the same direction as the appropriate benchmark. |
| Return | - Compounded rate of return for the period. |
| Sharpe Ratio | - Represents the excess rate of return over the risk free return divided by the standard deviation of the excess return. The result is an absolute rate of return per unit of risk. A higher value demonstrates better historical risk-adjusted performance. |
| Standard Deviation | - A statistical measure of the range of a portfolio's performance. It represents the variability of returns around the average return over a specified time period. |
| Total Value to Paid In (TVPI) | - The ratio of the current value of remaining investments within a fund, plus the total value of all distributions to date, relative to the total amount of capital paid into the fund to date. It is a good measure of performance before the end of a fund's life |
| Tracking Error | - This is a measure of the standard deviation of a portfolio's returns in relation to the performance of its designated market benchmark. |
| Treynor Ratio | - Similar to Sharpe ratio but utilizes beta rather than excess risk as determined by standard deviation. It is calculated by taking the excess rate of return above the risk free rate divided by beta to derive the absolute rate of return per unit of risk. A higher value indicates a product has achieved better historical risk-adjusted performance. |
| Up Market Capture | - The ratio of average portfolio performance over the designated benchmark during periods of positive returns. A higher value indicates better product performance. |



AndCo compiled this report for the sole use of the client for which it was prepared. AndCo is responsible for evaluating the performance results of the Total Fund along with the investment advisors by comparing their performance with indices and other related peer universe data that is deemed appropriate. AndCo uses the results from this evaluation to make observations and recommendations to the client.

AndCo uses time-weighted calculations which are founded on standards recommended by the CFA Institute. The calculations and values shown are based on information that is received from custodians. AndCo analyzes transactions as indicated on the custodian statements and reviews the custodial market values of the portfolio. As a result, this provides AndCo with a reasonable basis that the investment information presented is free from material misstatement. This methodology of evaluating and measuring performance provides AndCo with a practical foundation for our observations and recommendations. Nothing came to our attention that would cause AndCo to believe that the information presented is significantly misstated.

This performance report is based on data obtained by the client's custodian(s), investment fund administrator, or other sources believed to be reliable. While these sources are believed to be reliable, the data providers are responsible for the accuracy and completeness of their statements. Clients are encouraged to compare the records of their custodian(s) to ensure this report fairly and accurately reflects their various asset positions.

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