



Investment Option Performance Results and Statistics



Contract No. 4-52551

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

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Investment Review - Allocation 01/01/2016 through 03/31/2016

Inv Manager or Sub-Advisor Investment Option	Beginning Balance	Breakdown %	Contributions	Breakdown %	Ending Balance	Breakdown %
Large U.S. Equity						
Large Value						
MFS Investment Management MFS Value R3 Fund ²⁴	\$1,185,816	3.61%	\$17,446	3.49%	\$1,199,441	3.67%
Large Blend						
Principal Global Investors LargeCap S&P 500 Index Inst Fund ^{A, 1, 3, 7, 25}	\$403,029	1.23%	\$9,553	1.91%	\$479,169	1.47%
Large Growth						
T. Rowe Price Associates, Inc. T. Rowe Price Growth Stock R Fund ²⁴	\$3,581,867	10.91%	\$32,479	6.49%	\$3,214,146	9.83%
Small/Mid U.S. Equity						
Mid Cap Value						
Fidelity Management & Research Fidelity Advisor Leveraged Co Stock T Fund	\$800,674	2.44%	\$13,874	2.77%	\$773,679	2.37%
Mid Cap Blend						
Principal Global Investors MidCap S&P 400 Index Inst Fund ^{A, 1, 5, 7, 12, 25}	\$152,192	0.46%	\$4,327	0.86%	\$177,334	0.54%
Small Value						
JP Morgan Investment Mgmt Inc. JP Morgan Small Cap Value A Fund	\$292,222	0.89%	\$5,255	1.05%	\$345,794	1.06%
Small Blend						
Principal Global Investors SmallCap S&P 600 Index Inst Fund ^{A, 1, 4, 7, 12}	\$152,579	0.46%	\$3,981	0.80%	\$182,397	0.56%
Small Growth						
Legg Mason Institutional Funds ClearBridge Small Cap Growth A Fund ⁶	\$1,480,400	4.51%	\$14,368	2.87%	\$1,249,285	3.82%
International Equity						
Foreign Large Blend						
Harbor Capital Advisors Harbor International Investor Fund ^{2, 24}	\$922,109	2.81%	\$21,523	4.30%	\$935,522	2.86%
Principal Global Investors Diversified International R5 Fund ^{A, 2, 21}	\$39,569	0.12%	\$1,034	0.21%	\$38,466	0.12%
Balanced/Asset Allocation						
Allocation 50 - 70% Equity						
Harris Associates Oakmark Equity & Income I Fund ^{10, 11, 19}	\$1,131,740	3.45%	\$10,412	2.08%	\$1,044,040	3.19%

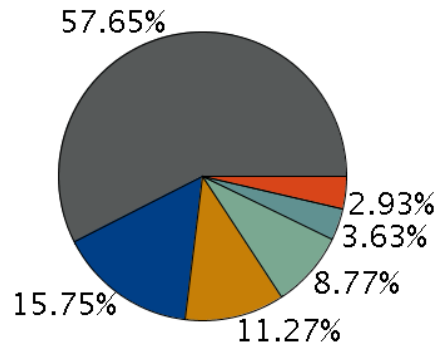
Investment Review - Allocation 01/01/2016 through 03/31/2016						
Inv Manager or Sub-Advisor Investment Option	Beginning Balance	Breakdown %	Contributions	Breakdown %	Ending Balance	Breakdown %
Target-Date Retirement						
<i>Multiple Sub-Advisors</i> Principal LifeTime Strategic Income R5 Fund ^{A, 10, 19, 20, 22, 26, 27}	\$16,325	0.05%	\$226	0.05%	\$20,025	0.06%
Target Date 2010						
<i>Multiple Sub-Advisors</i> Principal LifeTime 2010 R5 Fund ^{A, 10, 19, 20, 22, 26, 27}	\$7,060	0.02%	\$6	0.00%	\$7,125	0.02%
Target Date 2015						
<i>Multiple Sub-Advisors</i> Principal LifeTime 2015 R5 Fund ^{A, 10, 19, 20, 22, 26, 27}	\$214,773	0.65%	\$2,782	0.56%	\$219,630	0.67%
Target Date 2020						
<i>Multiple Sub-Advisors</i> Principal LifeTime 2020 R5 Fund ^{A, 10, 19, 20, 22, 26, 27}	\$810,260	2.47%	\$12,901	2.58%	\$828,377	2.53%
Target Date 2025						
<i>Multiple Sub-Advisors</i> Principal LifeTime 2025 R5 Fund ^{A, 10, 19, 20, 22, 26, 27}	\$277,386	0.85%	\$5,802	1.16%	\$337,105	1.03%
Target Date 2030						
<i>Multiple Sub-Advisors</i> Principal LifeTime 2030 R5 Fund ^{A, 10, 19, 20, 22, 26, 27}	\$545,098	1.66%	\$14,011	2.80%	\$575,147	1.76%
Target Date 2035						
<i>Multiple Sub-Advisors</i> Principal LifeTime 2035 R5 Fund ^{A, 10, 19, 20, 22, 26, 27}	\$260,978	0.80%	\$12,822	2.56%	\$274,569	0.84%
Target Date 2040						
<i>Multiple Sub-Advisors</i> Principal LifeTime 2040 R5 Fund ^{A, 10, 19, 20, 22, 26, 27}	\$207,303	0.63%	\$10,410	2.08%	\$225,865	0.69%
Target Date 2045						
<i>Multiple Sub-Advisors</i> Principal LifeTime 2045 R5 Fund ^{A, 10, 19, 20, 22, 26, 27}	\$143,728	0.44%	\$7,601	1.52%	\$147,226	0.45%
Target Date 2050						
<i>Multiple Sub-Advisors</i> Principal LifeTime 2050 R5 Fund ^{A, 10, 19, 20, 22, 26, 27}	\$65,871	0.20%	\$4,783	0.96%	\$70,304	0.22%
Target Date 2055						
<i>Multiple Sub-Advisors</i> Principal LifeTime 2055 R5 Fund ^{A, 10, 19, 20, 22, 26, 27}	\$15,829	0.05%	\$2,536	0.51%	\$18,351	0.06%
<i>Multiple Sub-Advisors</i> Principal LifeTime 2060 R5 Fund ^{A, 10, 19, 20, 22, 26, 27}	\$2,358	0.01%	\$472	0.09%	\$2,808	0.01%
Short-Term Fixed Income						
GIC						
Fixed Income Guaranteed Option ⁹	\$18,922,272	57.65%	\$273,203	54.60%	\$19,061,247	58.32%

Investment Review - Allocation 01/01/2016 through 03/31/2016						
<i>Inv Manager or Sub-Advisor</i>	Beginning Balance	Breakdown %	Contributions	Breakdown %	Ending Balance	Breakdown %
Investment Option						
Fixed Income						
Intermediate-Term Bond						
<i>Dodge & Cox</i>						
Dodge & Cox Income Fund ¹⁹	\$1,190,771	3.63%	\$18,592	3.72%	\$1,254,266	3.84%
TOTAL	\$32,822,209	100%	\$500,399	100%	\$32,681,318	100%

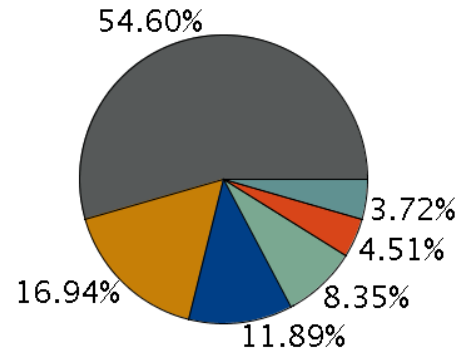
Please see important information at the end of this presentation.

Asset Class Breakdown

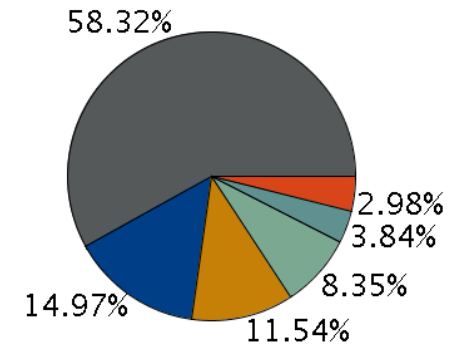
Beginning % As Of 01/01/2016



**Contributions %
01/01/2016 - 03/31/2016**



Ending % As Of 03/31/2016



- Short-Term Fixed Income
- Large U.S. Equity
- Balanced/Asset Allocation
- Small/Mid U.S. Equity
- Fixed Income
- International Equity

Investment results shown represent historical performance and do not guarantee future results. Investment returns and principal values fluctuate with changes in interest rates and other market conditions so the value, when redeemed may be worth more or less than original costs. Current performance may be lower or higher than the performance data shown.

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

For more performance information, including most recent month-end performance, visit www.principal.com, contact your representative of the Principal Financial Group® (The Principal®), or call our participant contact center at 1-800-547-7754.

Inv Manager or Sub-Advisor Investment Option	Average Annual Total Returns through 03/31/2016					Percentile Rankings as of 03/31/2016					Total Inv. Exp. Net / Gross	Contractual Cap/Waiver Expiration Date		
	YTD	1 yr.	3 yr.	5 yr.	10 yr.	Since Inception	Inception Date	YTD	1 yr.	3 yr.			5 yr.	10 yr.
Large U.S. Equity														
Large Value														
MFS Investment Management MFS Value R3 Fund ²⁴	2.15	0.63	10.57	10.61	6.93	7.29	04/01/2005	-	18	12	14	13	0.87 / 0.90	- 12/31/2016
Russell 1000 Value Index	1.64	-1.54	9.38	10.25	5.72	-	-	-	-	-	-	-		
Morningstar Category Average - Large Value	1.28	-2.96	8.16	8.75	5.20	Total Funds in Category		1480	1390	1207	1051	764	-	-
Large Blend														
Principal Global Investors LargeCap S&P 500 Index Inst Fund ^{A, 1, 3, 7, 25}	1.34	1.66	11.63	11.37	6.82	4.62	03/01/2001	-	15	14	13	22	0.16 / 0.16	- -
Standard & Poor's 500 Index	1.35	1.78	11.82	11.58	7.01	-	-	-	-	-	-	-		
Morningstar Category Average - Large Blend	0.30	-1.96	9.62	9.61	5.98	Total Funds in Category		1655	1573	1398	1225	893	-	-
Large Growth														
T. Rowe Price Associates, Inc. T. Rowe Price Growth Stock R Fund ²⁴	-5.49	-1.56	13.27	11.65	7.64	9.86	09/30/2002	-	43	17	18	24	1.18 / 1.18	- -
Russell 1000 Growth Index	0.74	2.52	13.61	12.38	8.28	-	-	-	-	-	-	-		
Morningstar Category Average - Large Growth	-2.45	-2.37	11.07	9.88	6.63	Total Funds in Category		1744	1663	1524	1315	937	-	-
Small/Mid U.S. Equity														
Mid Cap Value														
Fidelity Management & Research Fidelity Advisor Leveraged Co Stock T Fund	-2.23	-11.66	5.06	6.96	5.72	11.93	12/27/2000	-	88	91	76	61	1.31 / 1.31	- -
Russell Midcap Value Index	3.92	-3.39	9.88	10.52	7.23	-	-	-	-	-	-	-		
Morningstar Category Average - Mid Cap Value	2.41	-5.46	7.85	8.06	6.10	Total Funds in Category		484	463	405	339	235	-	-
Mid Cap Blend														
Principal Global Investors MidCap S&P 400 Index Inst Fund ^{A, 1, 5, 7, 12, 25}	3.71	-3.80	9.21	9.28	7.56	8.35	03/01/2001	-	24	30	26	16	0.19 / 0.19	- -
Standard & Poor's 400 MidCap Stock Index	3.78	-3.60	9.46	9.52	7.78	-	-	-	-	-	-	-		
Morningstar Category Average - Mid Cap Blend	1.28	-6.61	7.78	7.75	5.92	Total Funds in Category		455	421	383	328	215	-	-
Small Value														
JP Morgan Investment Mgmt Inc. JP Morgan Small Cap Value A Fund	3.06	-7.38	6.14	7.85	5.27	10.44	01/27/1995	-	60	59	22	46	1.25 / 1.50	- 10/31/2016
Russell 2000 Value Index	1.70	-7.72	5.73	6.67	4.42	-	-	-	-	-	-	-		
Morningstar Category Average - Small Value	2.19	-6.88	6.06	6.61	5.11	Total Funds in Category		485	445	380	331	215	-	-






Average Annual Total Returns through 03/31/2016								Percentile Rankings as of 03/31/2016						
Inv Manager or Sub-Advisor Investment Option	YTD	1 yr.	3 yr.	5 yr.	10 yr.	Since Inception	Inception Date	YTD	1 yr.	3 yr.	5 yr.	10 yr.	Total Inv. Exp. Net / Gross	Contractual Cap/Waiver Expire Date
Small Blend														
Principal Global Investors SmallCap S&P 600 Index Inst Fund ^{A, 1, 4, 7, 12}	2.50	-3.58	10.07	10.11	6.77	9.14	03/01/2001	-	10	4	4	13	0.20 / 0.20	-
Standard & Poor's 600 Stock Index	2.66	-3.20	10.39	10.41	6.99	-	-	-	-	-	-	-		
Morningstar Category Average - Small Blend	0.56	-8.14	6.41	6.74	5.15	Total Funds in Category		834	761	643	562	370	-	-
Small Growth														
Legg Mason Institutional Funds ClearBridge Small Cap Growth A Fund ⁶	-8.80	-14.24	4.37	7.50	5.83	9.24	07/01/1998	-	70	79	34	40	1.24 / 1.24	-
Russell 2000 Growth Index	-4.68	-11.84	7.91	7.70	6.00	-	-	-	-	-	-	-		
Morningstar Category Average - Small Growth	-4.33	-11.66	6.34	6.48	5.38	Total Funds in Category		753	721	658	588	423	-	-
International Equity														
Foreign Large Blend														
Harbor Capital Advisors Harbor International Investor Fund ^{2, 24}	0.41	-8.95	0.65	1.29	3.30	9.11	11/01/2002	-	61	73	61	15	1.13 / 1.15	02/28/2017
MSCI ACWI Ex USA Index	-0.38	-9.19	0.32	0.31	1.94	-	-	-	-	-	-	-		
Principal Global Investors Diversified International R5 Fund ^{A, 2, 21}	-1.50	-5.97	2.49	2.70	1.81	3.67	12/06/2000	-	26	35	25	38	1.11 / 1.11	-
MSCI ACWI Ex USA Index	-0.38	-9.19	0.32	0.31	1.94	-	-	-	-	-	-	-		
Morningstar Category Average - Foreign Large Blend	-1.98	-7.99	1.72	1.61	1.57	Total Funds in Category		905	786	712	624	359	-	-
Balanced/Asset Allocation														
Allocation 50 - 70% Equity														
Harris Associates Oakmark Equity & Income I Fund ^{10, 11, 19}	0.77	-4.73	6.35	6.01	6.49	10.07	11/01/1995	-	84	29	48	11	0.75 / 0.75	-
Morningstar Moderately Aggressive Target Risk Index	1.58	-2.62	5.39	5.94	5.47	-	-	-	-	-	-	-		
Morningstar Category Average - Allocation 50 - 70% Equity	0.88	-2.85	5.22	5.88	4.95	Total Funds in Category		989	934	856	744	504	-	-
Target-Date Retirement														
Multiple Sub-Advisors Principal LifeTime Strategic Income R5 Fund ^{A, 10, 19, 20, 22, 26, 27}	1.72	-1.19	2.54	3.94	3.16	4.14	03/01/2001	-	51	43	34	71	0.85 / 0.85	-
S&P Target Date Retirement Income Index	2.18	0.31	3.43	4.49	4.28	-	-	-	-	-	-	-		
Morningstar Category Average - Target-Date Retirement	1.74	-1.37	2.33	3.54	3.78	Total Funds in Category		191	175	145	133	64	-	-
Target Date 2010														
Multiple Sub-Advisors Principal LifeTime 2010 R5 Fund ^{A, 10, 19, 20, 22, 26, 27}	1.19	-2.15	3.63	4.64	3.65	4.63	03/01/2001	-	85	43	40	50	0.90 / 0.90	-
S&P Target Date 2010 Index	2.02	-0.11	4.14	4.97	4.59	-	-	-	-	-	-	-		
Morningstar Category Average - Target Date 2010	1.79	-1.10	3.45	4.39	3.75	Total Funds in Category		137	127	92	82	41	-	-
Target Date 2015														
Multiple Sub-Advisors Principal LifeTime 2015 R5 Fund ^{A, 10, 19, 20, 22, 26, 27}	0.94	-2.56	4.07	4.97	-	4.02	02/29/2008	-	77	31	35	-	0.93 / 0.93	-
S&P Target Date 2015 Index	1.90	-0.41	4.84	5.48	4.85	-	-	-	-	-	-	-		
Morningstar Category Average - Target Date 2015	1.61	-1.55	3.62	4.66	4.29	Total Funds in Category		178	161	120	91	11	-	-
Target Date 2020														
Multiple Sub-Advisors Principal LifeTime 2020 R5 Fund ^{A, 10, 19, 20, 22, 26, 27}	0.70	-2.90	4.70	5.49	4.15	5.16	03/01/2001	-	71	30	25	29	0.94 / 0.94	-
S&P Target Date 2020 Index	1.77	-0.75	5.40	5.89	5.02	-	-	-	-	-	-	-		
Morningstar Category Average - Target Date 2020	1.40	-2.14	3.84	4.76	3.90	Total Funds in Category		257	238	187	158	64	-	-
Target Date 2025														
Multiple Sub-Advisors Principal LifeTime 2025 R5 Fund ^{A, 10, 19, 20, 22, 26, 27}	0.60	-3.22	5.09	5.74	-	4.34	02/29/2008	-	67	41	33	-	0.96 / 0.96	-
S&P Target Date 2025 Index	1.64	-1.03	5.78	6.17	5.09	-	-	-	-	-	-	-		
Morningstar Category Average - Target Date 2025	1.16	-2.58	4.69	5.50	4.08	Total Funds in Category		228	207	161	116	27	-	-




Average Annual Total Returns through 03/31/2016								Percentile Rankings as of 03/31/2016						
Inv Manager or Sub-Advisor Investment Option	YTD	1 yr.	3 yr.	5 yr.	10 yr.	Since Inception	Inception Date	YTD	1 yr.	3 yr.	5 yr.	10 yr.	Total Inv. Exp. Net / Gross	Contractual Cap/Waiver Expire Date
Target Date 2030														
Multiple Sub-Advisors Principal LifeTime 2030 R5 Fund A, 10, 19, 20, 22, 26, 27	0.23	-3.48	5.48	5.96	4.32	5.19	03/01/2001	-	59	39	31	27	0.97 / 0.97	-
S&P Target Date 2030 Index	1.52	-1.33	6.19	6.44	5.12	-	-	-	-	-	-	-		
Morningstar Category Average - Target Date 2030	0.90	-3.22	4.79	5.38	3.98	Total Funds in Category		257	238	187	158	64	-	-
Target Date 2035														
Multiple Sub-Advisors Principal LifeTime 2035 R5 Fund A, 10, 19, 20, 22, 26, 27	-0.28	-3.70	5.80	6.22	-	4.56	02/29/2008	-	54	44	38	-	1.00 / 1.03	-
S&P Target Date 2035 Index	1.39	-1.61	6.52	6.68	5.13	-	-	-	-	-	-	-		
Morningstar Category Average - Target Date 2035	0.61	-3.57	5.44	6.01	4.26	Total Funds in Category		228	207	161	116	27	-	-
Target Date 2040														
Multiple Sub-Advisors Principal LifeTime 2040 R5 Fund A, 10, 19, 20, 22, 26, 27	-0.37	-3.96	6.02	6.33	4.38	5.29	03/01/2001	-	51	41	33	28	0.99 / 0.99	-
S&P Target Date 2040 Index	1.32	-1.82	6.74	6.84	5.16	-	-	-	-	-	-	-		
Morningstar Category Average - Target Date 2040	0.49	-4.01	5.30	5.71	4.05	Total Funds in Category		257	238	187	158	65	-	-
Target Date 2045														
Multiple Sub-Advisors Principal LifeTime 2045 R5 Fund A, 10, 19, 20, 22, 26, 27	-0.55	-4.14	6.20	6.48	-	4.60	02/29/2008	-	52	43	37	-	1.01 / 1.01	-
S&P Target Date 2045 Index	1.25	-2.01	6.90	6.97	5.11	-	-	-	-	-	-	-		
Morningstar Category Average - Target Date 2045	0.36	-4.05	5.77	6.24	4.53	Total Funds in Category		228	207	161	115	18	-	-
Target Date 2050														
Multiple Sub-Advisors Principal LifeTime 2050 R5 Fund A, 10, 19, 20, 22, 26, 27	-0.67	-4.29	6.32	6.52	4.39	5.04	03/01/2001	-	53	38	34	14	1.02 / 1.02	-
S&P Target Date 2050 Index	1.18	-2.15	7.11	7.13	-	-	-	-	-	-	-	-		
Morningstar Category Average - Target Date 2050	0.39	-4.25	5.54	5.90	4.08	Total Funds in Category		246	227	176	134	16	-	-
Target Date 2055														
Multiple Sub-Advisors Principal LifeTime 2055 R5 Fund A, 10, 19, 20, 22, 26, 27	-0.71	-4.23	6.35	6.48	-	4.57	02/29/2008	-	59	47	42	-	1.02 / 1.02	02/28/2017
S&P Target Date 2055+ Index	1.13	-2.29	7.24	7.29	-	-	-	-	-	-	-	-		02/28/2017
Multiple Sub-Advisors Principal LifeTime 2060 R5 Fund A, 10, 19, 20, 22, 26, 27	-0.78	-4.38	6.73	-	-	7.26	03/01/2013	-	65	29	-	-	1.04 / 1.04	02/28/2017
S&P Target Date 2055+ Index	1.13	-2.29	7.24	7.29	-	-	-	-	-	-	-	-		
Morningstar Category Average - Target Date 2055	0.24	-3.89	6.17	6.50	-	Total Funds in Category		340	259	132	65	-	-	-
Fixed Income														
Intermediate-Term Bond														
Dodge & Cox Dodge & Cox Income Fund ¹⁹	2.37	0.47	2.42	3.80	5.25	6.97	01/03/1989	-	65	22	36	21	0.44 / 0.44	-
Barclays Aggregate Bond Index	3.03	1.96	2.50	3.78	4.90	-	-	-	-	-	-	-		
Morningstar Category Average - Intermediate-Term Bond	2.50	0.65	1.88	3.53	4.50	Total Funds in Category		1103	1045	951	827	602	-	-

Must be accompanied by important information on the following page.

Asset Class	Investment Option Name and Description	Crediting Rate 12/01/2015 - 05/31/2016	Crediting Rate 06/01/2016 - 11/30/2016	Rate Level Service Fee ¹⁴
Short-Term Fixed Income	Fixed Income Guaranteed Option ^{9,13} This group annuity contract is a guarantee, backed by the assets in the multi-billion dollar general account of the Principal Life Insurance Company (Principal Life). The contract makes benefit payments at book value (i.e., no market value adjustments or surrender charge adjustments) for plan benefit events. An employer-level surrender of the plan's interest or initiated transfer will be subject to either a 12-month irrevocable advance notice or a 5% surrender charge, whichever the employer chooses.	1.65 ¹⁵	1.60 ¹⁵	0.20

Investment Options
CITY OF MARIETTA 4-52551
As Of 03/31/2016

Large U.S. Equity		
Large Value	Large Blend	Large Growth
MFS Value R3 Fund ²⁴ 	LargeCap S&P 500 Index Inst Fund ^{A, 1, 3, 7, 25 ++}	T. Rowe Price Growth Stock R Fund ²⁴ 
Small/Mid U.S. Equity		
Mid Cap Value	Mid Cap Blend	Mid Cap Growth
Fidelity Advisor Leveraged Co Stock T Fund 	MidCap S&P 400 Index Inst Fund ^{A, 1, 5, 7, 12, 25 ++}	
Small Value	Small Blend	Small Growth
JP Morgan Small Cap Value A Fund 	SmallCap S&P 600 Index Inst Fund ^{A, 1, 4, 7, 12 ++}	ClearBridge Small Cap Growth A Fund ⁶ 

International Equity	Balanced/Asset Allocation	Short-Term Fixed Income
<p>Harbor International Investor Fund ^{2, 24}</p>  <p>Diversified International R5 Fund ^{A, 2, 21}</p> 	<p>Oakmark Equity & Income I Fund ^{10, 11, 19}</p> <p>Principal LifeTime Strategic Income R5 Fund ^{A, 10, 19, 20, 22, 26, 27}</p> <p>Principal LifeTime 2010 R5 Fund ^{A, 10, 19, 20, 22, 26, 27}</p> <p>Principal LifeTime 2015 R5 Fund ^{A, 10, 19, 20, 22, 26, 27}</p> <p>Principal LifeTime 2020 R5 Fund ^{A, 10, 19, 20, 22, 26, 27}</p> <p>Principal LifeTime 2025 R5 Fund ^{A, 10, 19, 20, 22, 26, 27}</p> <p>Principal LifeTime 2030 R5 Fund ^{A, 10, 19, 20, 22, 26, 27}</p> <p>Principal LifeTime 2035 R5 Fund ^{A, 10, 19, 20, 22, 26, 27}</p> <p>Principal LifeTime 2040 R5 Fund ^{A, 10, 19, 20, 22, 26, 27}</p> <p>Principal LifeTime 2045 R5 Fund ^{A, 10, 19, 20, 22, 26, 27}</p> <p>Principal LifeTime 2050 R5 Fund ^{A, 10, 19, 20, 22, 26, 27}</p> <p>Principal LifeTime 2055 R5 Fund ^{A, 10, 19, 20, 22, 26, 27}</p> <p>Principal LifeTime 2060 R5 Fund ^{A, 10, 19, 20, 22, 26, 27}</p> <div data-bbox="934 625 1144 698" style="border: 1px solid black; padding: 2px; text-align: center;"> Multiple Sub-Advisors </div>	<p>Fixed Income Guaranteed Option ⁹</p>
Fixed Income		
<p>Dodge & Cox Income Fund ¹⁹</p> 		

Must be accompanied by important information at the end of this presentation.

Sub-Advised Investment Option Scoring Criteria

As part of the due diligence process of Principal Life Insurance Company (Principal Life), we provide a rigorous and disciplined framework for identifying, selecting and monitoring premier investment management firms as sub-advisors for each asset class and investment style for our Sub-Advised Investment Options¹. This innovative approach gives plan sponsors and participants access to investment options and investment managers that are typically only available to large, institutional retirement plans. It also helps control consistency in investment mandates and conduct seamless manager transitions when necessary.

We also conduct a comprehensive and continuous review of all investment managers of our Sub-Advised Investment Options using advanced analytical tools and research from independent third-party firms, in addition to the research provided by our due diligence team, which averages more than 14 years² of industry experience.

As part of this continuous review, we evaluate and score each Sub-Advised Investment Option quarterly as we review the underlying investment manager(s)³, using both qualitative and quantitative analysis.

Quantitative Score

We score each Sub-Advised Investment Option on a quantitative basis, focusing on elements that can be measured objectively and compared to certain benchmarks or peer groups, using historical performance. By analyzing historical performance, we can determine whether the investment option has delivered top-tier investment results and the manager(s) have demonstrated skill in the process of delivering that performance. The Quantitative Score is comprised of the following elements and weightings:

Quantitative Score						
Peer Performance (50%)			Risk Adjusted Performance vs. Benchmark (30%)		Up/Down Capture (20%)	
1-year, 1 point (10%)	3-year, 2 points (20%)	5-year, 2 points (20%)	3-year, 1.5 points (15%)	5-year, 1.5 points (15%)	3-year, 1 point (10%)	5-year, 1 point (10%)

Through this methodology, Principal Life scores Sub-Advised Investment Options on a scale of 0 – 10.00 (with 10.00 being the best possible score). The quantitative scores, grades, and explanations are as follows:

Score	Grade	Explanation
7.00 - 10.00	Favorable	Meeting or exceeding our expectations
5.00 – 6.99	Neutral	Not exceeding expectations but still in good standing
0.00 – 4.99	Less Favorable	Significantly below our expectations

¹ Sub-Advised Investment Options include the Principal Stable Value Fund, Principal Funds, the Principal TrustSM Target Date Collective Investment Funds, and the Principal Life Separate Accounts available through a group annuity contract with Principal Life Insurance Company, Des Moines, IA 50392. References to Principal Life’s responsibility to retain and/or replace the portfolio managers are specific to the Principal Life Separate Accounts.

² As of December 31, 2012

³ The term “manager” or “investment manager” used in this material may also refer to an investment advisor or sub-advisor of an underlying mutual fund.

⁴ Gross performance returns are not indicative of the returns for any specific rate level or share class available to the public. Performance and expenses for other share classes or rate levels may differ. For Financial Professional and Plan Sponsor use only. Not for distribution to any plan participants. Past performance is no guarantee of future results.

When evaluating the Quantitative Score, please keep in mind the following:

- We typically score a Sub-Advised Investment Option’s gross performance based on its three- and five-year risk-adjusted excess returns relative to a passive index (i.e. Information Ratio) and its three- and five-year capture ratio statistics, which help measure how a manager performs over different market cycles. For example, if an option is a large-growth investment option, we will typically use the Russell 1000 Growth Index for comparison.
- We score a Sub-Advised Investment Option’s performance net of expenses (typically using the Institutional share class of Principal Funds) based on one-, three-, and five-year Morningstar percentile rankings within an appropriate peer group. For example, if an option is a large-growth oriented, we will typically compare it to the Morningstar Large Growth Category.
- If a Sub-Advised Investment Option has at least a three-year performance record, but not a five-year performance record, we will use since inception performance for the 5 year scores until the investment option achieves a 5-year track record. However, an investment option must at least have 3 years of performance to be scored.
- * Target Date and Target Risk investment options are scored on an individual basis but are assessed collectively for Watch List status because they are generally offered as a series. This means for an entire series (e.g. Target Date vintages ranging from Income through 2060) an average of the series is computed for application of Watch List status.

Qualitative Evaluation

To ensure an investment manager retains the same organizational and investment characteristics on which Principal Life based its selection, we continue to evaluate their ability to add value in the future based on the firm’s organization, investment philosophy and process, and people/resources. These factors are perhaps the most critical aspect of our monitoring process. Managers who meet or exceed our qualitative standards and will be considered in Good Standing. Otherwise we will take Decisive Courses of Action when a manager does not maintain our high standards and will communicate these actions to plan sponsors.

Status	Explanation
Watch List	Issue has been identified for which we believe there is an increased level of concern about a particular issue or event (Quantitative or Qualitative).

Sub-Advised Investment Option Scoring Criteria - Prior to 03/31/2016

As part of the due diligence process of Principal Life Insurance Company (Principal Life), we provide a rigorous and disciplined framework for identifying, selecting and monitoring premier investment management firms as sub-advisors for each asset class and investment style for our Sub-Advised Investment Options¹. This innovative approach gives plan sponsors and participants access to investment options and investment managers that are typically only available to large, institutional retirement plans. It also helps control consistency in investment mandates and conduct seamless manager transitions when necessary.

We also conduct a comprehensive and continuous review of all investment managers of our Sub-Advised Investment Options using advanced analytical tools and research from independent third-party firms, in addition to the research provided by our due diligence team, which averages more than 14 years² of industry experience.

As part of this continuous review, we evaluate and score each Sub-Advised Investment Option quarterly as we review the underlying investment manager(s)³, using both qualitative and quantitative analysis.

Quantitative Score

We score each Sub-Advised Investment Option on a quantitative basis, focusing on elements that can be measured objectively and compared to certain benchmarks or peer groups, using historical performance. By analyzing historical performance, we can determine whether the investment option has delivered top-tier investment results and the manager(s) have demonstrated skill in the process of delivering that performance. The Quantitative Score is comprised of the following elements and weightings:

Quantitative Score				
35% Risk-Adjusted Passive Index Performance		50% Peer Performance		15% Consistency
50% Three-year Returns	50% Five-year Returns	50% Three-year Returns	50% Five-year Returns	100% Three-year Returns

Through this methodology, Principal Life scores Sub-Advised Investment Options on a scale of 0 – 10.00 (with 10.00 being the best possible score). The quantitative scores, grades, and explanations are as follows:

Score	Grade	Explanation
1.00 - 2.50	Favorable	Meeting or exceeding our expectations
2.51 – 3.00	Neutral	Not exceeding expectations but still in good standing
3.01 – 4.00	Less Favorable	Significantly below our expectations

¹ Sub-Advised Investment Options include the Principal Stable Value Fund, Principal Funds, the Principal TrustSM Target Date Collective Investment Funds, and the Principal Life Separate Accounts available through a group annuity contract with Principal Life Insurance Company, Des Moines, IA 50392. References to Principal Life's responsibility to retain and/or replace the portfolio managers are specific to the Principal Life Separate Accounts.

² As of December 31, 2012

³ The term "manager" or "investment manager" used in this material may also refer to an investment advisor or sub-advisor of an underlying mutual fund.

⁴ Gross performance returns are not indicative of the returns for any specific rate level or share class available to the public. Performance and expenses for other share classes or rate levels may differ.

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Principal Advantage Sub-Advised Investment Options

When evaluating the Quantitative Score, please keep in mind the following:

- We typically score a Sub-Advised Investment Option's gross performance based on its three- and five-year risk-adjusted excess returns relative to a passive index (i.e. Information Ratio) and on a net basis for the three-year consistency of performance relative to that same index⁴. For example, if an option is a large-growth investment option, we will typically use the Russell 1000 Growth Index for comparison.
- We score a Sub-Advised Investment Option's performance net of expenses (typically using the Institutional share class of Principal Funds) based on three- and five-year Morningstar percentile rankings within an appropriate peer group. For example, if an option is a large-growth oriented, we will typically compare it to the Morningstar Large Growth Category.
- If a Sub-Advised Investment Option has at least a three-year performance record, but not a five-year performance record, we will weight 50% of the historical performance score based on three-year performance and 50% based on inception-to-date performance. If an investment option does not have at least a three-year performance record, we will weight 100% of the historical performance score based on inception-to-date performance. However, an investment option must at least have 12 months of performance to be scored.
- * Target Date and Target Risk investment options are scored on an individual basis but are assessed collectively for Watch List status because they are generally offered as a series. This means for an entire series (e.g. Target Date vintages ranging from Income through 2060) an average of the series is computed for application of Watch List status.

Qualitative Evaluation

To ensure an investment manager retains the same organizational and investment characteristics on which Principal Life based its selection, we continue to evaluate their ability to add value in the future based on the firm's organization, investment philosophy and process, and people/resources. These factors are perhaps the most critical aspect of our monitoring process. Managers who meet or exceed our qualitative standards and will be considered in Good Standing. Otherwise we will take Decisive Courses of Action when a manager does not maintain our high standards and will communicate these actions to plan sponsors.

Status	Explanation
Watch List	Issue has been identified for which we believe there is an increased level of concern about a particular issue or event (Quantitative or Qualitative).

Decisive Courses of Action

When the due diligence process uncovers a significant issue or event, we may apply Cautionary Status in the form of Watch List, which means we believe there is an increased level of concern about a particular issue or event that, if left unresolved, could endanger the investment manager's status on our platform for the specific investment option:

- **Quantitative Watch List** – A Sub-Advised Investment Option may be placed on the Watch List when long-term performance is significantly below our expectations. For active investment strategies, an investment option is placed on the Watch List if its grade is “Less Favorable” for two of three consecutive quarters. However, for newly hired investment managers, they will be given approximately two to three years before the investment option is placed on the Watch List for performance reasons to prevent unnecessary action immediately after hiring a new investment manager.
- **Qualitative Watch List** – A Sub-Advised Investment Option may be placed on the Watch List due to an issue affecting the investment manager(s), such as replacement of the portfolio management team, a sudden change in investment process, or significant compliance and ethical concerns at the firm or strategy level. Otherwise, the manager is in Good Standing.

A Sub-Advised Investment Option can be placed on the Watch List for no more than 12 months. If the due diligence process determines removal from the **Quantitative** Watch List is appropriate, the investment option may be placed in the Cautionary Status of Probation until the performance of the relevant manager(s) improves. Please see the Glossary of Terms for more information about the factors that trigger Probation based on our quantitative criteria.

Why is this important?

Your fiduciary obligation centers on documenting a process to choose your retirement plan's investment options. Our due diligence process can help you make informed decisions and help you manage your fiduciary responsibilities because it is a reliable, documented process for selecting and monitoring Sub-Advised Investment Options.

The rigorous selection and monitoring process of our due diligence is also backed by a level of indemnification protection for plan sponsors and their financial professionals.

- Principal Life acts prudently in making available a platform of Sub-Advised Investment Options to Qualified Retirement Plan fiduciaries for the fiduciary to select one or more Sub-Advised Investment Option for their plan.
- Principal Life provides ongoing monitoring for those Sub-Advised Investment Options.

Because these actions described above do not give Principal Life any authority or control over the management of plan assets or constitute the provision of investment advice, they are not fiduciary activities. That said, Principal Life performs these services in a prudent, diligent and professional manner and stands behind its actions as if it were a fiduciary under ERISA section 3(21).

Retirement plan sponsors and their financial professionals have a lot of responsibilities—especially when it comes to selecting and monitoring investment options. The Principal[®] can help.

Scores: Sub-Advised Investment Options as of 03/31/2016

4-52551

Inv Manager or Sub-Advisor Investment Option	Quantitative Investment Option			Qualitative Investment Advisor(s)	Comments
	Score	Grade	Status	Status	
Large U.S. Equity					
Large Blend					
Principal Global Investors LargeCap S&P 500 Index Inst Fund ^{1, 3, 7, 25}	8.00	Favorable		Good Standing	
Morningstar Total Funds in Category - Large Blend			3 Year: 1398; 5 Year: 1225		
Small/Mid U.S. Equity					
Mid Cap Blend					
Principal Global Investors MidCap S&P 400 Index Inst Fund ^{1, 5, 7, 12, 25}	8.00	Favorable		Good Standing	
Morningstar Total Funds in Category - Mid Cap Blend			3 Year: 383; 5 Year: 328		
Small Blend					
Principal Global Investors SmallCap S&P 600 Index Inst Fund ^{1, 4, 7, 12}	8.00	Favorable		Good Standing	
Morningstar Total Funds in Category - Small Blend			3 Year: 643; 5 Year: 562		
International Equity					
Foreign Large Blend					
Principal Global Investors Diversified International R5 Fund ^{2, 21}	9.50	Favorable		Good Standing	
Morningstar Total Funds in Category - Foreign Large Blend			3 Year: 712; 5 Year: 624		
Balanced/Asset Allocation					
Target-Date Retirement					
Multiple Sub-Advisors Principal LifeTime Strategic Income R5 Fund ^{8, 10, 19, 20, 22, 26, 27}	7.75	Favorable		Good Standing	As of 03/31/2016 Quantitative Grade changed to Favorable as five-year information ratio improved.
Morningstar Total Funds in Category - Target-Date Retirement			3 Year: 145; 5 Year: 133		
Target Date 2010					
Multiple Sub-Advisors Principal LifeTime 2010 R5 Fund ^{8, 10, 19, 20, 22, 26, 27}	8.00	Favorable		Good Standing	
Morningstar Total Funds in Category - Target Date 2010			3 Year: 92; 5 Year: 82		
Target Date 2015					
Multiple Sub-Advisors Principal LifeTime 2015 R5 Fund ^{10, 19, 20, 22, 26, 27}	7.50	Favorable		Good Standing	
Morningstar Total Funds in Category - Target Date 2015			3 Year: 120; 5 Year: 91		
Target Date 2020					
Multiple Sub-Advisors Principal LifeTime 2020 R5 Fund ^{8, 10, 19, 20, 22, 26, 27}	8.50	Favorable		Good Standing	
Morningstar Total Funds in Category - Target Date 2020			3 Year: 187; 5 Year: 158		

Inv Manager or Sub-Advisor Investment Option	Quantitative			Qualitative	Comments
	Investment Option			Investment Advisor(s)	
	Score	Grade	Status	Status	
Target Date 2025					
<i>Multiple Sub-Advisors</i> Principal LifeTime 2025 R5 Fund ^{10, 19, 20, 22, 26, 27}	8.00	Favorable		Good Standing	
Morningstar Total Funds in Category - Target Date 2025			3 Year: 161; 5 Year: 116		
Target Date 2030					
<i>Multiple Sub-Advisors</i> Principal LifeTime 2030 R5 Fund ^{8, 10, 19, 20, 22, 26, 27}	8.00	Favorable		Good Standing	
Morningstar Total Funds in Category - Target Date 2030			3 Year: 187; 5 Year: 158		
Target Date 2035					
<i>Multiple Sub-Advisors</i> Principal LifeTime 2035 R5 Fund ^{10, 19, 20, 22, 26, 27}	7.75	Favorable		Good Standing	
Morningstar Total Funds in Category - Target Date 2035			3 Year: 161; 5 Year: 116		
Target Date 2040					
<i>Multiple Sub-Advisors</i> Principal LifeTime 2040 R5 Fund ^{8, 10, 19, 20, 22, 26, 27}	7.75	Favorable		Good Standing	
Morningstar Total Funds in Category - Target Date 2040			3 Year: 187; 5 Year: 158		
Target Date 2045					
<i>Multiple Sub-Advisors</i> Principal LifeTime 2045 R5 Fund ^{10, 19, 20, 22, 26, 27}	7.75	Favorable		Good Standing	
Morningstar Total Funds in Category - Target Date 2045			3 Year: 161; 5 Year: 115		
Target Date 2050					
<i>Multiple Sub-Advisors</i> Principal LifeTime 2050 R5 Fund ^{8, 10, 19, 20, 22, 26, 27}	7.75	Favorable		Good Standing	
Morningstar Total Funds in Category - Target Date 2050			3 Year: 176; 5 Year: 134		
Target Date 2055					
<i>Multiple Sub-Advisors</i> Principal LifeTime 2055 R5 Fund ^{10, 19, 20, 22, 26, 27}	7.00	Favorable		Good Standing	
<i>Multiple Sub-Advisors</i> Principal LifeTime 2060 R5 Fund ^{10, 19, 20, 22, 26, 27}	9.00	Favorable		Good Standing	
Morningstar Total Funds in Category - Target Date 2055			3 Year: 132; 5 Year: 65		

Mutual Fund Network Scoring Criteria

The rigorous monitoring of the proprietary due diligence process extends to the investment options of the Mutual Fund Network with the quantitative scoring analysis. While this analysis is not intended to be investment advice, it is another way The Principal can provide support to help you with your fiduciary obligation to monitor your retirement plan's investment choices.

The Mutual Fund Network Scoring Criteria is based on the elements of a fund that can be measured objectively and compared to certain benchmarks and peer groups, such as historical performance. The purpose of analyzing historic performance is to measure whether the fund has delivered acceptable and consistent performance results over time. Keep in mind that past performance is no guarantee of future results.

Actively managed mutual funds strive to deliver excess return relative to their benchmarks. These mutual funds are also compared against a universe of similarly categorized mutual funds by Morningstar. Performance is measured over longer time horizons to capture both up and down market cycles and provide more accurate representations of fund manager skill. Finally, risk-adjusted performance is measured to gauge a fund's risk-reward profile.

As a retirement plan sponsor, you have a lot of responsibility – from increasing participation to tracking investment performance. We can help ease some of your burden when you select investment options from our Mutual Fund Network . While not as rigorous as the due diligence monitoring process for our Sub-Advised Investment Options, the Mutual Fund Network Scoring Criteria will help you:

- Monitor mutual funds and identify any adverse changes in their performance results
- Review the performance score of each investment option on a quarterly basis

Mutual Fund Network Evaluation Criteria:

We make available mutual funds within various asset classes and investment styles. Our goal is to meet the following evaluation criteria.

Based on our quantitative methodology, we score each Mutual Fund Network investment option every quarter. Our methodology scores funds using third-party tools such as Zephyr, Morningstar, etc. We use the analytics from these third-party tools to compute a score reflected in a scale of 0.0–10.0 (with 10.0 being the best). The scores and explanations are as follows:

Score	Grade	Explanation
7.00 - 10.00	Favorable	Mutual Fund performance is meeting or exceeding our expectations
5.00 – 6.99	Neutral	Mutual Fund performance is not exceeding expectations but still in good standing
0.00 – 4.99	Less Favorable	Mutual Fund performance is significantly below our expectations

Methodology

The purpose of analyzing historical performance is to determine whether a fund has delivered acceptable investment results. We score a fund's gross performance based on three- and five-year risk-adjusted excess returns relative to an index (i.e. information ratio), three- and five-year risk-adjusted peer performance (i.e. information ratio compared to the Morningstar peer group), one-, three-, and five-year Morningstar percentile rankings within an appropriate peer group, and its three- and five-year capture ratio statistics, which help measure how a manager performs over different market cycles. If an investment manager has at least a three-year performance record, but not a five-year performance record, we will weight 100% of the historical performance score based on three-year performance metrics, and the one-year percentile rank. An investment manager must have at least three years of performance to be scored.

For example, if ABC Investment Option is a large growth investment option, we'll typically compare it to the Russell 1000 Growth Index. We'll then compare it to the Morningstar Large Growth Category for a peer group comparison.

¹Gross returns are not indicative of the returns for any specific rate level or share class available to the public. Performance and expenses for other share classes or rate levels may differ.

Quantitative Score

Quantitative Score						
Peer Performance (50%)			Risk Adjusted Performance vs. Benchmark (30%)		Up/Down Capture (20%)	
1-year, 1 point (10%)	3-year, 2 points (20%)	5-year, 2 points (20%)	3-year, 1.5 points (15%)	5-year, 1.5 points (15%)	3-year, 1 point (10%)	5-year, 1 point (10%)

Course of Action

Investment performance is by nature cyclical through time. As such, plan sponsors can use the Mutual Fund Network Scores to help them monitor the funds they make available and make decisions accordingly.

Other Considerations

While the Mutual Fund Network Scores are based on a quantitative process, the plan sponsor is encouraged to conduct additional reviews and evaluations of the investment options under the Mutual Fund Network. You may want to check with your financial professional to determine if any additional factors should be considered.

Principal Life Insurance Company is not a fiduciary in the broader context of operating your retirement plan or in any manner not specifically assumed in writing.

Mutual Fund Network Scoring Criteria - Prior to 03/31/2016

The rigorous monitoring of the proprietary due diligence process extends to the investment options of the Mutual Fund Network with the quantitative scoring analysis. While this analysis is not intended to be investment advice, it is another way The Principal can provide support to help you with your fiduciary obligation to monitor your retirement plan's investment choices.

The Mutual Fund Network Scoring Criteria is based on the elements of a fund that can be measured objectively and compared to certain benchmarks and peer groups, such as historical performance. The purpose of analyzing historic performance is to measure whether the fund has delivered acceptable and consistent performance results over time. Keep in mind that past performance is no guarantee of future results.

Actively managed mutual funds strive to deliver excess return relative to their benchmarks. These mutual funds are also compared against a universe of similarly categorized mutual funds by Morningstar. Performance is measured over longer time horizons to capture both up and down market cycles and provide more accurate representations of fund manager skill. Finally, risk-adjusted performance is measured to gauge a fund's risk-reward profile.

As a retirement plan sponsor, you have a lot of responsibility – from increasing participation to tracking investment performance. We can help ease some of your burden when you select investment options from our Mutual Fund Network . While not as rigorous as the due diligence monitoring process for our Sub-Advised Investment Options, the Mutual Fund Network Scoring Criteria will help you:

- Monitor mutual funds and identify any adverse changes in their performance results
- Review the performance score of each investment option on a quarterly basis

Mutual Fund Network Evaluation Criteria:

We make available mutual funds within various asset classes and investment styles. Our goal is to meet the following evaluation criteria.

Based on our quantitative methodology, we score each Mutual Fund Network investment option every quarter. Our methodology scores funds using third-party tools such as Zephyr, Morningstar, etc. We use the analytics from these third-party tools to compute a score reflected in a scale of 1.0–4.0 (with 1.0 being the best). The scores and explanations are as follows:

Score	Grade	Explanation
1.00 - 2.50	Favorable	Mutual Fund performance is meeting or exceeding our expectations
2.51 – 3.00	Neutral	Mutual Fund performance is not exceeding expectations but still in good standing
3.01 – 4.00	Less Favorable	Mutual Fund performance is significantly below our expectations

Methodology

The purpose of analyzing historical performance is to determine whether a fund has delivered acceptable investment results. We score a fund's gross performance based on three- and five-year risk-adjusted excess returns relative to an index (i.e. information ratio), three- and five-year risk-adjusted peer performance (i.e. information ratio compared to the Morningstar peer group), three- and five-year Morningstar percentile rankings within an appropriate peer group, and three-year consistency of performance relative to an index¹. If an investment manager has at least a three-year performance record, but not a five-year performance record, we will weight 100% of the historical performance score based on three-year performance. An investment manager must have at least three years of performance to be scored.

For example, if ABC Investment Option is a large growth investment option, we'll typically compare it to the Russell 1000 Growth Index. We'll then compare it to the Morningstar Large Growth Category for a peer group comparison.

¹Gross returns are not indicative of the returns for any specific rate level or share class available to the public. Performance and expenses for other share classes or rate levels may differ.

Quantitative Score

Quantitative Score				
35% Risk-Adjusted Passive Index Performance		50% Peer Performance		15% Consistency
50% Three-year Returns	50% Five-year Returns	50% Three-year Returns	50% Five-year Returns	100% Three-year Returns

Course of Action

Investment performance is by nature cyclical through time. As such, plan sponsors can use the Mutual Fund Network Scores to help them monitor the funds they make available and make decisions accordingly.

Other Considerations

While the Mutual Fund Network Scores are based on a quantitative process, the plan sponsor is encouraged to conduct additional reviews and evaluations of the investment options under the Mutual Fund Network. You may want to check with your financial professional to determine if any additional factors should be considered.

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Mutual Fund Network Scores as of 03/31/2016
4-52551

Inv Manager or Sub-Advisor Investment Option	Quantitative Evaluation	
	Score	Grade
	Large U.S. Equity	
	Large Value	
MFS Investment Management MFS Value R3 Fund ²⁴	9.00	Favorable
Morningstar Total Funds in Category - Large Value	3 Year: 1207; 5 Year: 1051	
	Large Growth	
T. Rowe Price Associates, Inc. T. Rowe Price Growth Stock R Fund ²⁴	8.25	Favorable
Morningstar Total Funds in Category - Large Growth	3 Year: 1524; 5 Year: 1315	
	Small/Mid U.S. Equity	
	Mid Cap Value	
Fidelity Management & Research Fidelity Advisor Leveraged Co Stock T Fund	1.50	Less Favorable
Morningstar Total Funds in Category - Mid Cap Value	3 Year: 405; 5 Year: 339	
	Small Value	
JP Morgan Investment Mgmt Inc. JP Morgan Small Cap Value A Fund	8.25	Favorable
Morningstar Total Funds in Category - Small Value	3 Year: 380; 5 Year: 331	
	Small Growth	
Legg Mason Institutional Funds ClearBridge Small Cap Growth A Fund ⁶	4.00	Less Favorable
Morningstar Total Funds in Category - Small Growth	3 Year: 658; 5 Year: 588	
	International Equity	
	Foreign Large Blend	
Harbor Capital Advisors Harbor International Investor Fund ^{2, 24}	6.00	Neutral
Morningstar Total Funds in Category - Foreign Large Blend	3 Year: 712; 5 Year: 624	
	Balanced/Asset Allocation	
	Allocation 50 - 70% Equity	
Harris Associates Oakmark Equity & Income I Fund ^{10, 11, 19}	7.00	Favorable
Morningstar Total Funds in Category - Allocation 50 - 70% Equity	3 Year: 856; 5 Year: 744	
	Fixed Income	
	Intermediate-Term Bond	
Dodge & Cox Dodge & Cox Income Fund ¹⁹	7.50	Favorable

<i>Inv Manager or Sub-Advisor</i> Investment Option	Quantitative Evaluation	
	Score	Grade
Morningstar Total Funds in Category - Intermediate-Term Bond	3 Year: 951; 5 Year: 827	

Please see important information at the end of this presentation.

Effective April 30, 2011, Mutual Fund Network investment options are compared to Morningstar's Category Index. Historical quantitative scores prior to this change have not been restated.

Important Information

^A Sub-advised Investment Options include Principal Funds, Inc. mutual funds. Principal Funds, Inc. is distributed by Principal Funds Distributor, Inc. Securities are offered through Princor Financial Services Corporation, 800-547-7754, member SIPC and/or independent broker/dealers. Securities sold by a Princor® Registered Representative are offered through Princor. Principal Funds Distributor, Princor, and Principal Life are members of the Principal Financial Group, Des Moines, IA 50392. Certain investment options may not be available in all states or U.S. commonwealths.

++ Investment options sub-advised by Principal Global Investors.

A mutual fund's share price and investment return will vary with market conditions, and the principal value of an investment when you sell your shares may be more or less than the original cost.

Percentile rankings are based on total returns.

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

Insurance products and plan administrative services, if applicable, are provided by Principal Life Insurance Company. Principal mutual funds are part of the Principal Funds, Inc. series. Principal Funds, Inc. is distributed by Principal Funds Distributor, Inc. Securities are offered through Princor Financial Services Corporation, 800-547-7754, member SIPC and/or independent broker/dealers. Securities sold by a Princor® Registered Representative are offered through Princor. Principal Funds Distributor, Princor and Principal Life are members of the Principal Financial Group®, Des Moines, IA 50392. Certain investment options may not be available in all states or U.S. commonwealths.

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

Past performance is not a guarantee of future results.

Investment options are subject to investment risk. Shares or unit values will fluctuate and investments, when redeemed, may be worth more or less than their original cost. This does not apply, however, to the guaranteed portions of group annuity contracts issued by Principal Life that constitute guaranteed benefit policies as defined in ERISA §401(b)(2)(B).

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

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

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

See the Principal Funds, Inc. prospectus for the full name of each Fund.

Compliance number: t12033003s2

1. *Each index based investment option is invested in the stocks or bonds of the index it tracks. Performance of indexes reflects the unmanaged results for the market segment the selected stocks or bonds represent. There is no assurance an index based investment option will match the performance of the index tracked.*
2. *International and global investment options are subject to additional risk due to fluctuating exchange rates, foreign accounting and financial policies, and other economic and political environments.*
3. *S&P 500 is a trademark of The McGraw-Hill Companies, Inc., and has been licensed for use by Principal Life Insurance Company and Principal Management Corporation. The product is not sponsored, endorsed, sold or promoted by Standard & Poor's and Standard & Poor's makes no representation regarding the advisability of investing in the product.*
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6. *This investment option is closed to new investors.*
7. *These calculated returns reflect the historical performance of the oldest share class of the fund, adjusted to reflect a portion of the fees and expenses of this share class. For time periods prior to inception date of the fund, predecessor performance is reflected. Please see the fund's prospectus for more information on specific expenses, and the fund's most recent shareholder report for actual date of first sale. Expenses are deducted from income earned by the fund. As a result, dividends and investment results will differ for each share class.*
8. *Balanced/Asset Allocation investment options will not be scored using our current methodology. Instead, our review for these investment strategies focuses on the structure and consistency of the underlying asset allocation models and the capital market assumptions used to support them. Today, all of the Balanced/Asset Allocation options available on our investment platform meet our due diligence standards.*
9. *Principal® Fixed Income Guaranteed Option is the Group Annuity Contract - Custodial Guaranteed Interest Contract available through Principal Life Insurance Company, a member of the Principal Financial Group®, Des Moines Iowa 50392. May not be available in all states.*
10. *Equity investment options involve greater risk, including heightened volatility, than fixed-income investment options. Fixed-income investment options are subject to interest rate risk, and their value will decline as interest rates rise.*
11. *Asset allocation does not guarantee a profit or protect against a loss. Investing in real estate, small-cap, international, and high-yield investment options involves additional risks.*
12. *Small-cap and mid-cap stocks may have additional risks, including greater price volatility.*
13. *If the retirement program provides a participant access to the Fixed Income Guaranteed Option and Competing Plan Investment Options, participant transfers, either directly or indirectly, to Competing Plan Investment Options will generally be subject to an Equity Wash. An Equity Wash requires that transfers must be directed to a non-competing investment option under the plan for 90-days before such transferred amounts may be directed to any other Competing Plan Investment Option. Competing Plan Investment Options include other guaranteed investment options, or fixed income, money market, or bond funds that have ever had an average duration of 3.0 years or less.*
14. *The Fixed Income Guaranteed Option is a guarantee backed by the general account of Principal Life Insurance Company(Principal Life). As a guarantee, it does not have an investment management fee or expense ratio; those are concepts unique to investment products. The Rate Level Service Fee illustrated here represents the part of the overall fee arrangement that the plan pays for services from Principal Life as a provider of administrative services to the plan, as agreed to in the Service and Expense Agreement for the plan.*

15. The crediting rate shown for the Fixed Income Guaranteed Option is an effective annual rate and is displayed here as the rate guaranteed by Principal Life net of the fees for administrative services to the plan illustrated in the Rate Level Service Fee column for the Fixed Income Guaranteed Option.

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

20. Asset allocation and diversification do not ensure a profit or protect against a loss. Additionally there is no guarantee this investment option will provide adequate income at or through retirement.

21. In March 2010, the Class experienced a significant one time gain of approximately \$0.08/share as the result of a settlement in an SEC administrative proceeding. If such gain had not been recognized, the total return amounts expressed herein would have been lower.

22. The Investment Advisor will display "Multiple Sub-Advisors" for certain target-date, target-risk and specialty investment options where the assets are directed by the Investment Manager to multiple underlying investment options. These underlying investment options may use multiple sub-advisors who are responsible for the day-to-day management responsibilities.

24. For Mutual Fund Network investment options, returns for all time periods, except the Since Inception time frame, may include the historical performance of the oldest share class of the fund, adjusted to reflect a portion of the fees and expenses of this share class. Since Inception returns display the actual return of this share class and do not reflect the adjusted returns of the oldest share class. Please see the fund's prospectus for more information on specific expenses, and the fund's most recent shareholder report for actual date of first sale. Expenses are deducted from income earned by the fund. As a result, dividends and investment results will differ for each share class.

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

26. International and global investing involves greater risks such as currency fluctuations, political/social instability and differing accounting standards.

27. This Principal LifeTime Fund indirectly bears its pro rata share of the management fees incurred by the underlying Principal Funds in which this fund invests. Based on the asset allocation of the Principal LifeTime Funds outlined in the prospectus dated March 1, 2016, the weighted average operating expenses of the underlying funds are: Principal LifeTime Strategic Income, 0.58%; Principal LifeTime 2010, 0.63%; Principal LifeTime 2015, 0.66%; Principal LifeTime 2020, 0.68%; Principal LifeTime 2025, 0.70%; Principal LifeTime 2030, 0.71%; Principal LifeTime 2035, 0.73%; Principal LifeTime 2040, 0.73%; Principal LifeTime 2045, 0.74%; Principal LifeTime 2050, 0.75%; Principal LifeTime 2055, 0.74%; Principal LifeTime 2060, 0.75%. While the operating expenses of the underlying mutual funds are not part of the Principal LifeTime Fund's operating expenses they are included in the Total Investment Expense. Performance results shown for the Principal LifeTime Fund reflect the application of these expenses.

Benchmark Descriptions

Barclays Aggregate Bond Index represents securities that are domestic, taxable, and dollar denominated. The index covers the U.S. investment grade fixed rate bond market, with index components for government and corporate securities, mortgage pass-through securities, and asset-backed securities. These major sectors are subdivided into more specific indices that are calculated and reported on a regular basis.

Morningstar Moderately Aggressive Target Risk Index represents a portfolio of global equities, bonds and traditional inflation hedges such as commodities and TIPS. This portfolio is held in a static allocation appropriate for U.S. investors who seek a slightly above-average exposure to equity market risk and returns.

MSCI ACWI Ex USA Index is a free float-adjusted market capitalization index that is designed to measure the combined equity market performance of developed and emerging market countries excluding the US.

Russell 1000 Growth Index is a market-capitalization weighted index of those firms in the Russell 1000 with higher price-to-book ratios and higher forecasted growth values.

Russell 1000 Value Index is a market-capitalization weighted index of those firms in the Russell 1000 with lower price-to-book ratios and lower forecasted growth values.

Russell 2000 Growth Index is a market-weighted total return index that measures the performance of companies within the Russell 2000 Index having higher price-to-book ratio and higher forecasted growth values.

Russell 2000 Value Index is a market-weighted total return index that measures the performance of companies within the Russell 2000 Index having lower price-to-book ratios and lower forecasted growth values.

Russell Midcap Value Index is a market-weighted total return index that measures the performance of companies within the Russell Midcap index having lower price-to-book ratios and lower forecasted growth values.

S&P Target Date 2010 Index provides varying levels of exposure to equities and fixed income. Each target date allocation is created and retired according to a pre-determined schedule related to the respective target date.

S&P Target Date 2015 Index provides varying levels of exposure to equities and fixed income. Each target date allocation is created and retired according to a pre-determined schedule related to the respective target date.

S&P Target Date 2020 Index provides varying levels of exposure to equities and fixed income. Each target date allocation is created and retired according to a pre-determined schedule related to the respective target date.

S&P Target Date 2025 Index provides varying levels of exposure to equities and fixed income. Each target date allocation is created and retired according to a pre-determined schedule related to the respective target date.

S&P Target Date 2030 Index provides varying levels of exposure to equities and fixed income. Each target date allocation is created and retired according to a pre-determined schedule related to the respective target date.

S&P Target Date 2035 Index provides varying levels of exposure to equities and fixed income. Each target date allocation is created and retired according to a pre-determined schedule related to the respective target date.

S&P Target Date 2040 Index provides varying levels of exposure to equities and fixed income. Each target date allocation is created and retired according to a pre-determined schedule related to the respective target date.

S&P Target Date 2045 Index provides varying levels of exposure to equities and fixed income. Each target date allocation is created and retired according to a pre-determined schedule related to the respective target date.

S&P Target Date 2050 Index provides varying levels of exposure to equities and fixed income. Each target date allocation is created and retired according to a pre-determined schedule related to the respective target date.

S&P Target Date 2055+ Index provides varying levels of exposure to equities and fixed income. Each target date allocation is created and retired according to a pre-determined schedule related to the respective target date.

S&P Target Date Retirement Income Index provides varying levels of exposure to equities and fixed income. Each target date allocation is created and retired according to a pre-determined schedule related to the respective target date.

Standard & Poor's 400 MidCap Stock Index includes approximately 10% of the capitalization of U.S. equity securities. These are comprised of stocks in the middle capitalization range.

Standard & Poor's 500 Index is a market capitalization-weighted index of 500 widely held stocks often used as a proxy for the stock market.

Standard & Poor's 600 Stock Index is a small cap index that consists of 600 domestic stocks chosen for market size, liquidity, and industry group representation.

Glossary of Terms

7 Day Yield - The 7-Day Yield % more closely reflects the current earnings of this money market investment option than the total return displayed.

Category Average Return - Morningstar takes the average return of the funds that exist in a category for the time period and divide by the number of funds that exist for that time period. For calendar year category average returns, Morningstar includes funds that have merged, liquidated, or changed categories when calculating category averages.

Total Investment Expense Gross - The maximum expense ratio that can be applied to an investment option. This includes expenses and management fees, including 12b-1 fees, administrative fees, and all other asset-based costs incurred by the investment option, except brokerage costs.

Total Investment Expense Net - Gross expense ratio less any fee waivers, reimbursements or caps. The expenses, as a percentage of net assets, actually borne by the fund. Investment performance results are always net of expense ratios.

Expense Waiver - The investment advisor can waive a portion of their management fees resulting in a lower net investment expense ratio.

Contractual Cap - A contractual agreement between the investment advisor and the fund to limit, as a percentage of net assets, the expenses borne by the fund.

Inception Date - Date on which the investment option began its operations.

Morningstar Category - The Morningstar Category identifies investment options based on their actual investment styles as measured by their underlying portfolio holdings (portfolio statistics and compositions over the past three years).

Percentile Rankings - Each investment's total returns are compared to other investments in the same Morningstar category for various time periods. Total returns are ranked on a scale from 1 to 100 where 1 represents the highest-returning 1% of investments and 100 represents the lowest returning investments.

Scores - Comments - Provides additional information on Sub-Advised Investment Options that may be relevant to the sub-advisor, investment option, or both.

Scores - Qualitative Status - If a Sub-Advised investment manager is on the Watch List for qualitative reasons, this will be noted by in the Status column of the report. Otherwise the Status column will reflect Good Standing.

Scores - Quantitative Grade - Numerical quantitative rating that is assigned to investment option based on peer performance, risk adjusted performance vs. benchmark, and up/down capture ratio. Scale is Favorable, Neutral, and Less Favorable. See Performance Review sections for greater detail about computation methodology and additional factors.

Scores - Quantitative Score - Numerical quantitative rating that is assigned to investment option based on peer performance, risk adjusted performance vs. benchmark, and up/down capture ratio. Scale is 0.0 – 10.0 (with 10.0 being the best). See Performance Review sections for greater detail about computation methodology and additional factors.

Scores - Quantitative Status - If a Sub-Advised Investment Option is on the Watch List for quantitative reasons, this will be noted in the Status column of the report. If a Sub-Advised Investment Option is placed on Probation for quantitative reasons, this will also be noted in the Status column of the report. Probation is applied to a Sub-Advised Investment Option when long-term performance is below expectations and requires additional monitoring.

Information Ratio - The information ratio is a risk-adjusted measure commonly used to evaluate an active manager's investment skill. It is defined as the manager's excess return divided by the variability or standard deviation of the excess return. Information ratio is an excellent tool for evaluating a manager's level of skill because it simultaneously considers both the level of excess return as well as consistency in which the excess return was delivered to investors. Managers should strive for a positive information ratio, with higher numbers representing better results.

Consistency Ratio - A measure of how consistently the manager is able to exhibit positive excess returns. To calculate the consistency ratio, the number of months the manager had positive excess returns is divided by the total number of months. The higher the number, the better.

Up-Market Capture Ratio - A statistical measure of an investment option's performance relative to a comparative index in months in which that index has risen. An up-market capture ratio of greater than 100 would indicate that the investment option performed better than the comparative index during months in which the index had risen over a specified time period.

Down-Market Capture Ratio - A statistical measure of an investment option's performance relative to a comparative index in months in which that index has fallen. A down-market capture ratio of greater than 100 would indicate that the investment option performed worse than the comparative index during months in which the index had fallen over a specified time period.

Morningstar Category - The Morningstar Category identifies investment options based on their actual investment styles as measured by their underlying portfolio holdings (portfolio statistics and compositions over the past three years).

Cautionary Status - Our due diligence process has uncovered a concern with the investment option that requires further monitoring. For quantitative, or performance-related, concerns there are two levels of Cautionary Status: Watch List and Probation. For qualitative concerns, only Watch List status is applicable.

Probation - Probation may be assigned to an investment option for the following reasons:

- An investment option has been removed from the Quantitative Watch List because the due diligence process has determined that the manager(s) has made improvements in the short-term that have the potential to be sustainable over the long term. However, long-term performance is still below our expectations and requires additional monitoring.
- An investment option has been removed from the Quantitative Watch List because the due diligence process has determined that the underperformance that led to Watch List status is explainable in light of the process used by the manager(s) based on the market environment at that time. However, long-term performance is still below our expectations and requires additional monitoring.
- A manager(s) is removed from an investment option due to performance reasons but the investment option's long-term performance is still below our expectations and requires additional monitoring. In this situation, the due diligence process recognizes that while removal of the underperforming manager(s) has the potential to improve performance, the long-term performance history still reflects the manager(s) that have led to the underperformance.

The status of Probation is conferred on an investment option for an indefinite period of time. However, the due diligence process can remove a manager at any time, including while on Probation. Probation status is lifted only after the investment option scores "Favorable" for one quarter based on the quantitative scoring criteria of the due diligence process, which focuses on three- and five-year results.

Investment Advisor - May include Registered Investment Advisers as defined in the Advisers Act of 1940, Investment Advisers as defined in the Investment Company Act of 1940, as well as a company employed by the investment option's advisor to handle the investment option's day-to-day management. In these instances, the portfolio manager generally works for the fund's subadvisor, and not the advisor. See definition of Multiple Sub-Advisor appearing elsewhere in this presentation for greater detail about Sub-Advisors.

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