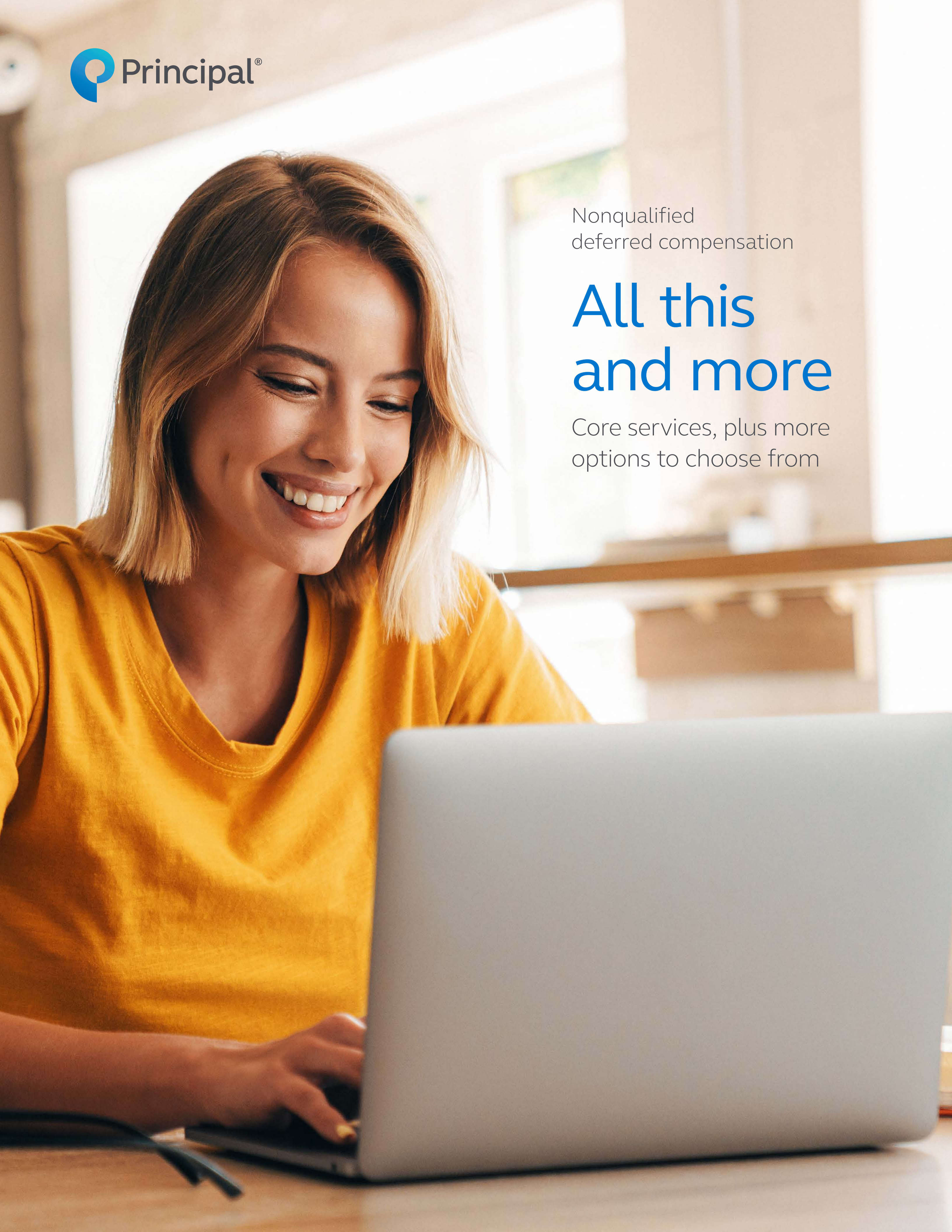
Principal®



Nonqualified deferred compensation

All this and more

Core services, plus more options to choose from

There's a lot that comes with your nonqualified deferred comp plan from Principal®.

A long list of onboarding and core services make the plan a valuable tool to recruit, retain, reward, and retire your key employees. And if you want even more, that's no problem. You can tailor your plan with optional services for an additional fee.

ONBOARDING SERVICES

Our team partners with you and your financial professional to provide services included in the plan onboarding fee.

- Dedicated project manager
- Initial consultation
- Model plan documents
- Plan document preparation
- Plan set-up including non source year and single employer plan scenarios
- Data collection and investment mapping strategy coordination
- Financing strategy implementation
- Payroll, tax, and accounting process review
- Initial enrollment
- On-demand eStatements

CORE SERVICES

All-inclusive plan features are automatically included in the annual plan fee.

Features of the plan

- Three separate vesting schedules
- In-service accounts
- Up to 32 reference investment options can be included
- Plan-level vesting based on date of hire, contribution date, or plan entrys
- Multiple distribution events with lump sum or annual installment
- Participant elections stay in effect unless changed
- 409A grandfathered plan
- Multiple compensation deferral types
- Participant discretion with reference investment direction on all sources of money

Services for you, the plan sponsor

Ongoing services

- Dedicated Client Service Manager
- Toll-free plan assistance
- Daily asset rebalancing
- Analysis of plan assets to determine least expensive funding source for distributions
- Plan administrative guide, upon request
- Daily valuation of participant and asset balances
- Quarterly and annual reporting
- Non source year recordkeeping
- Single location recordkeeping
- Annual tax reporting
- Annual plan and investment review document, upon request
- Annual fee disclosure reporting, upon request
- Enrollment planning support
- Reference investment change support and communication

Online services

- Sponsor contact security and management
- Census management tool
- Participant distribution requests
- Contribution and asset submissions
- On-demand and scheduled reporting
- Enrollment
- Sponsor reporting portal with access to multiple reports

Online information

- Convenient dashboard view of plan and asset information
- Participant benefit account summary and details
- Full transaction history
- Complete investment information
- Participant education materials
- Distribution schedules
- Plan document and plan summary documents
- Service Organization Control 1 and 2 (SOC1 and SOC2) reports
- Resources on accounting, taxation, financing, and plan design topics
- On-demand eStatements

CORE SERVICES (cont'd)

Services for your participants

Ongoing services

- Toll-free plan assistance 8 a.m. – 10 p.m. Eastern
- Daily valuation of account balances
- Quarterly statements

Online services

- Distribution election change requests
- Beneficiary management
- Enrollment
- Reference investment transfers, rebalancing, and redirection of future contributions
- Scheduled rebalancing
- On-demand eStatements

Online information

- Online learning center with educational resources and calculators
- Quarterly statement archive
- Account summary and details
- Account allocations and distributions
- Transaction history
- Personalized rate of return
- Plan summary
- Reference investment options

OPTIONAL SERVICES

Customize your plan with these a la carte options for an additional fee. Optional services will need to be discussed and approved before implementation.

Optional features of the plan

- More than three vesting schedules, determining vesting at the time of a contribution or participant level vesting
- More than 32 reference investment options can be included
- Non-standard reference investments including fixed rate options
- Company stock reference investments
- Distributions that are more frequent than annual
- Participant-elected delay of distributions after benefit event
- Allowing for in-service accounts to be paid after separation from service
- Offering distribution elections for each compensation type
- Requiring participants to enroll each year

Optional services for you, the plan sponsor

Asset services

- Non-standard assets requiring set-up on the mutual fund nonqualified platform
- Non-standard asset recordkeeping
- Asset gain/loss reporting that is more frequent than annual (mutual funds)
- Company stock services
- Customizations to the core services

Optional services for you, the plan sponsor (cont'd)

Ongoing services

- Source or contribution year plan set-up and recordkeeping
- Multiple plans
- Multiple location plan set-up and recordkeeping
- Transition services outside of core plan implementation/ transition services
- Plan set-up outside of core services
- Consulting services outside core services
- Rabbi Trust services (provided by Principal Trust Company[SM])
- Distribution and tax reporting services for separated participants (provided by Principal Trust Company[SM])
- Asset and liability reporting or off-calendar period reporting that is more frequent than quarterly
- FICA reporting information
- Plan amendments which require document or recordkeeping system updates
- Establishment and maintenance of file feeds for contribution or census handling
- Partnering directly with your payroll vendor
- Ad hoc reports
- Customizations to the core services
- Onsite administrative meeting
- Requiring calculations to charge participants plan fees or RIA fee determination

Optional services for your participants

- Educational webinars facilitated by Principal
- Weekly contribution processing
- Customized communications or educational materials
- Plan corrections or extensive research requests
- In-person, educational meetings
- In-person, plan review visits

Learn more Contact your financial professional.

Principal®

principal.com

Principal Life Insurance Company, Des Moines, Iowa 50392

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