

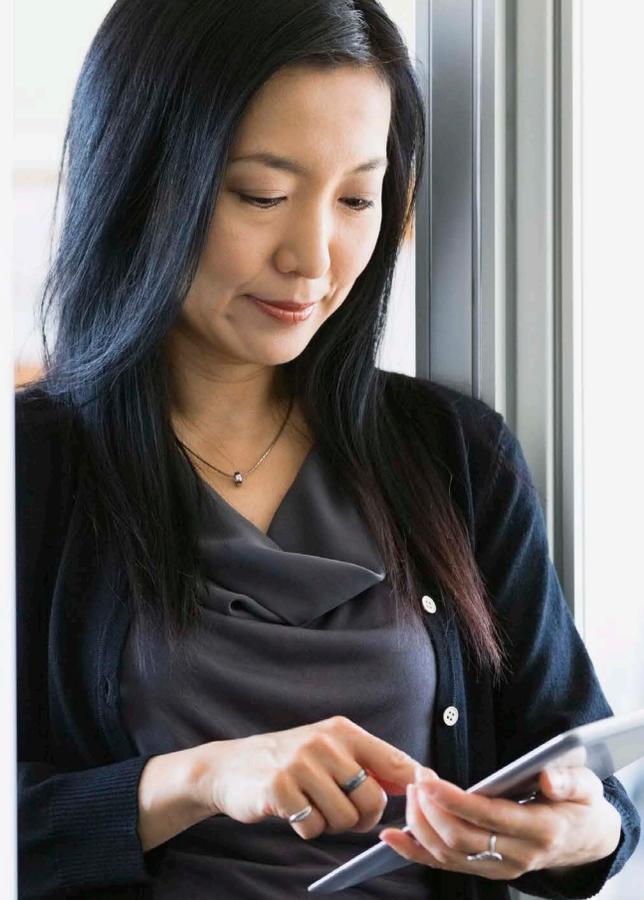


Principal® Deferred Compensation—Defined Contribution

Online enrollment, step by step

Deciding to enroll in your organization's nonqualified deferred comp plan is a big step toward managing your taxes, saving more, and maybe even the retirement of your dreams. Now, there are a few choices left to make.

Our digital experience will guide you through the process. But if you like following a recipe, these step-by-step instructions let you look ahead and track your progress. And if you see something slightly different, it's okay—we're always working to improve the experience to better meet your needs.



First

Go to principal.com and log in.

If it's your first time using principal.com, you'll need to establish your username and password.

- Click **Create an account** to get started.
- At any time, you can click the **Need Help** link for instructions.
- You'll complete several steps to verify your identity, build your profile, and establish security measures.
- In a minute or two, you'll get a confirmation email from which you'll need to log in again, this time using your new username and password.
- Then, you'll set up more security measures, agree to do business electronically, and be able to access account information to enroll.

Once logged in, click the name of the nonqualified benefit program in which you wish to enroll.

Next

Enter the Enrollment Center.

- Click **Enroll now** in the message displayed on the Plan Dashboard.

Overview ▾ Contributions ▾ Investments ▾ Distributions ▾ Enrollment center ▾ Planning resources ▾

Your balance As of Jul 22, 2022
\$281,066.02

Vested balance ⓘ \$236,098.75 >
e \$334,972.05 >
i -15.25% >
-\$53,906.83 >

Annual Event: Sample Company
Our records indicate you are eligible to participate in the following plan: Nonqualified Deferred Compensation Plan of Sample Company.
You have until 12/31/2022 to make your elections online.
Enroll now > Show more ▾
Wondering what to expect? [Click here](#) to learn more

Performance Accounts

Your total balance over time

\$400,000
\$300,000

NONQUALIFIED DEFINED CONTRIBUTION PLAN - 451958
NONQUALIFIED DEFERRED COMP...
\$440,543.80 ⓘ
as of April 21, 2023
Enroll Now I want to ...

Or click the **Enrollment Center** option located on the top navigation menu, then click **Enrollment Summary**. Next, click **Enroll** under the open participant events to enroll now.

Step 1

Learn and explore, then begin enrollment.

Review the educational resources under **Learn and explore**.

- Click **Begin annual enrollment** when you're ready to enroll.

The screenshot shows a user interface for enrollment. On the left, under 'Begin enrollment now', there is a blue button labeled 'Begin annual enrollment' and a link 'I do not want to participate'. On the right, under 'Learn and explore', there is a heading 'Before you enroll, consider the following questions. Then, click to get started.' Below this, there are four circular icons with text: 'What are you saving for?', 'How much to defer?', 'How to invest?', and 'How to receive?'. To the right of these icons, there is text explaining goal types: 'You can defer into the following goal types:' followed by a list: 'Retirement, beyond what you're saving in a 401(k) or 403(b) plan.', 'Savings, for short-term needs', and 'Education, to be prepared for a child's education.' Below this, there are three paragraphs of text: 'Determine how much of next year's compensation to defer based on your financial goals. This reduces your taxable income.', 'Select from the reference investments in the plan. While not directly investing, your account(s) are credited with any gains or losses.', and 'Choose when and how to receive the compensation you previously deferred plus any potential earnings credited to your account.'

Step 2

See some examples. (Upon initial enrollment only.)

Review examples of how nonqualified plans give you flexibility to meet your unique needs.

- Click **Continue setting up my plan**.

The screenshot shows a section titled 'See some examples' with the text: 'It's important to understand how nonqualified plans can give you flexibility to meet your unique needs. Take a minute to read through the examples below, or jump right into enrollment.' Below this is a blue button labeled 'Continue setting up my plan'. Underneath, there is a section 'Example setups' with the text: 'The examples below show Jane and John, both age 45, who each earn \$190,000 annually in compensation. John and Jane have very different goals, and both are using their nonqualified plans to reach them.' Below this is 'Example 1: John' with a profile card for John. The card includes: 'Age: 45', 'Salary: \$190,000', 'Priorities:'. To the right, there is a box titled 'John's retirement around the world' with details: 'Goal type: Savings', 'Defer compensation from: 100% of employer contributions, 0% of salary, 100% of bonus', 'Invest: Aggressive risk target date fund', and 'Receive payout: At retirement, pay funds in a lump sum'.

Step 3

Create goals.

Decide what you are saving for, how you want to invest, when distributions will take place, and how you want to receive your benefits, including distribution contingencies in the case of unexpected scenarios.

- In some plans, you may be able to set up more than one goal.*
- Click **Continue**.
- Review your selections, and click save account and **continue on the bottom right-hand corner**.

* Depending upon your plan, a goal may also be referred to as an account, bucket, or distribution.

Setup your goals

Goals can be used to save for retirement, short-term savings, or education.

The screenshot shows a 'Setup your goals' interface. At the top, it says 'Goals can be used to save for retirement, short-term savings, or education.' Below this is a 'New Goals' section. The first goal is a 'Retirement Account' with 'Edit' and 'Delete' buttons. The goal type is 'Retirement'. It shows 'Distribution' and 'Payout selected' options. For 'Prior to seniority *', the payout is 'Semiannual installments over 10 years'. For 'After seniority *', the payout is 'Annual installments over 6 years'. A note explains: '* Seniority Distributions: Seniority date is defined as when the participant attains age 55 and completes 5 years of service from first date of service.' Below this, there is an 'Investment advisor' section with a table showing 'Investment option' and 'Desired allocation'. The table lists two options: 'Capital Research and Mgmt Co American Funds Growth Fund of America R3 Fund' with a 50% allocation, and 'Fidelity Management & Research Fidelity Advisor Balanced A Fund' with a 50% allocation. At the bottom, there is another 'Retirement Account' section with 'Edit' and 'Delete' buttons, and a '+ Set up goal' button.

Step 4

Set funding.

- Decide how much of your earnings you want to contribute in the coming year.
- If your plan allows, you'll also indicate how to allocate each contribution type to each goal, if applicable.
- Click **Save deferrals and continue**.

Set your deferrals

Existing deferrals	New deferrals
Base Salary 25%	Base Salary More Info <input type="text" value="25"/> % <input type="checkbox"/> Show other options
Service Bonus 50%	Service Bonus More Info <input type="text" value="50"/> % <input type="checkbox"/> Show other options
Performance-Based Compensation 50%	Performance-Based Compensation More Info <input type="text" value="50"/> % <input type="checkbox"/> Show other options
Other 50%	Other More Info <input type="text" value="50"/> % <input type="checkbox"/> Show other options

Making contributions

How much should I defer?

Your employer has determined that you may contribute the following types of compensation within these limits:

- Base Salary
 - Defer at least \$0.00.
 - Defer an amount from 0% to 25% in increments of 0.01%.
- Service Bonus
 - Defer at least \$0.00.
 - Defer an amount from 0% to 100% in increments of 0.01%.
- Performance-Based Compensation
 - Defer at least \$0.00.
 - Defer an amount from 0% to 100% in increments of 0.01%.
- Other
 - Defer an amount from 0% to 50% in increments of 0.01%.

In addition, your employer may contribute to the plan on your behalf. Remember, unlike a 401(k) plan, there are no government-imposed restrictions on how much you can contribute to the deferred comp plan. You'll have a chance to change your contribution deferral amount each year during the plan's annual enrollment period.

< Back **Save deferrals and continue >**

Allocations

Contribution Sources

Set allocations to your new and existing goals from the contribution sources listed below.

Employee Deferral Credits **Allocated 100%**
This is money you contribute directly as an employee.

Goal name	Existing allocation	New allocation
Retirement Account	New goal	<input type="text" value="40"/> %
Retirement Account	New goal	<input type="text" value="40"/> %
In-Service Account - Payable 1/1/2025 - Referred Goal number: 2247	10%	<input type="text" value="20"/> %
Retirement Account - Lump Sum Goal number: 24893	-	<input type="text" value="0"/> %
Retirement Account 2 Goal number: 138803	-	<input type="text" value="0"/> %

Setting allocations

- You will be able to set allocations by goal from the contribution sources.
- Your plan may have provisions limiting the types of goals a contribution source can be allocated to.
- Each contribution source must be allocated to 100% across your eligible goals.

< Back **Review and submit >**

Step 5

Select beneficiaries.

- Enter your beneficiary information and make changes as needed.
- Click **Review and submit**.

Select beneficiaries

Who should get your deferred compensation if you die?

Once your account is created, you can change your beneficiary at any time by logging on to principal.com.

Primary beneficiaries

Beneficiary name	Relationship	Percentage
<input type="text" value="Mary Jones"/>	<input type="text" value="-- Select --"/>	<input type="text" value="100"/> %

Total: 100% [+ Add another primary beneficiary](#)

Contingent beneficiaries

You have not selected any contingent beneficiaries.

[+ Add a contingent beneficiary](#)

< Back **Review and submit >**

Step 6

Review and submit.

Review your elections and click the appropriate **Edit** button if changes are needed.

- To approve, **check the box** and click **Submit enrollment**

Submit your elections

⚠ Your elections are not yet complete. Review your elections and submit below.

Changes to your goal(s)

Retirement Account

Goal type: Retirement	Distribution	Payout selected	Investment advisor Investment option	Desired allocation
	Prior to seniority * After seniority *	Annual installments over 10 years Annual installments over 10 years	Franklin Mutual Advisors, LLC Franklin Small Cap Value R Fund L	100%

* Seniority Distributions: Seniority date is defined as: when the participant attains age 55 and completes 5 years of service from first date of service.

Retirement Account

Goal type: Retirement	Distribution	Payout selected	Investment advisor Investment option	Desired allocation
	Prior to seniority * After seniority *	Semiannual installments over 10 years Annual installments over 8 years	Capital Research and Mgmt Co American Funds Growth Fund of America R3 Fund L	50%
			Fidelity Management & Research Fidelity Advisor Balanced A Fund L	50%

* Seniority Distributions: Seniority date is defined as: when the participant attains age 55 and completes 5 years of service from first date of service.

[Edit goal\(s\)](#)

⚠ Participant acknowledgement:

Acknowledgement: The Participant hereby acknowledges the following:

A. The obligation of your Employer to make payments under the Plan is a contractual liability of the Employer to you, the Participant, and not a promise or contract between you and the Employer. You, the Participant, shall not have any interest in any particular assets of your Employer by reason of obligation under the Plan.

B. Any payment(s) made under this Plan may be made from the general funds of your Employer or, if applicable, funds held by your Employer; however, your Employer shall not be required to establish or maintain any special or separate fund, or otherwise make the payment(s). You, the Participant, shall not have any interest in any particular assets of your Employer by reason of obligation under the Plan.

C. Any funds, whether the general funds of your Employer or funds held in trust, are subject to your Employer's creditors.

I confirm the information above and authorize the Principal Financial Group to process this request.

Confirm

Successful submission, with an opportunity to reset.

Print the page for your records.

If the enrollment period is still open, you can still **Edit** a specific selection, or **Reset** to clear all selections and repeat the enrollment steps.

Go back to your plan dashboard.

✓ Confirmation

Congratulations! You have successfully submitted the elections listed below. Your elections will take effect 01/01/2024 and continue in effect until modified. Participation elections may only be made on an annual basis. Please print this page for your records.

[Go to plan dashboard](#)

[Printable page](#)

[Edit enrollment elections](#)

[Reset enrollment election](#)



principal.com

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