

RetireView[®]

“Do-It-Myself” asset allocation...with a little help

Deciding how to invest retirement plan contributions can be overwhelming. As a leading provider of defined contribution plans,¹ the Principal Financial Group[®] is always looking for ways to help make retirement planning faster for you. That’s why we make available RetireView.

With RetireView, you can have a little help selecting investment options while still having some control over how your contributions are allocated. By accounting for the number of years until you retire, the selected plan investment options that fill the RetireView model investment categories and your comfort with investment risk, RetireView helps educate you to make an asset allocation that’s more in tune with your individual goals.

Asset allocation is the process of combining various asset classes such as large and small/mid cap equities, bonds and cash equivalents. Typically, each investment category reacts differently to changing economic and market conditions creating a mixture of asset classes that can help balance risk and return.²

¹ Based on number of recordkeeping plans, PLANSPONSOR Recordkeeping Survey “Tying it all together, picking the best provider,” June 2011.

² No investment strategy, such as diversification or asset allocation, can guarantee a profit or protect against loss in periods of declining value.

The investment strategy

When you have many years until retirement, a more aggressive investment mix might be appropriate because you have time to ride out the possible market highs and lows. And if you are closer to retirement, a more conservative investment mix might be appropriate because you will likely need to use retirement savings sooner.

RetireView is based on that strategy, and even goes a step further by accounting for your comfort with risk.

Asset allocation models

An independent third party, Ibbotson Associates, developed the RetireView asset allocation models. Illustrated on the following page, the models range from conservative to aggressive, and represent a wide range of risk profiles, years to retirement and investment categories.

Your plan sponsor selects from the plan's investment options based on investment categories shown on the next page to populate the RetireView models; or you can elect to allocate contributions among the plan's investment options as you see fit.

To help address market fluctuation concerns you may have, RetireView includes two features — automatic age adjustment (adjusting to reflect your Years to Retirement) and rebalancing — that help ensure you continue to follow your investment strategy.

Automatic age adjustment. RetireView can automatically adjust — or “age” — the asset allocation model you initially choose to a more conservative strategy as you get closer to retirement. This adjustment is based on your Years to Retirement. This is an optional feature, and you can choose to opt out at any time.

Rebalancing. RetireView automatically rebalances the account periodically to keep the investment mix in proportion to the desired asset allocation targets. Quarterly rebalancing is the default. Or you can choose to rebalance annually or semi-annually by logging in to the account at principal.com. If your plan sponsor allows a portion of your future contributions to be directed to other investment options in addition to being directed according to a RetireView Populated Model, rebalancing applies to the entire account balance.

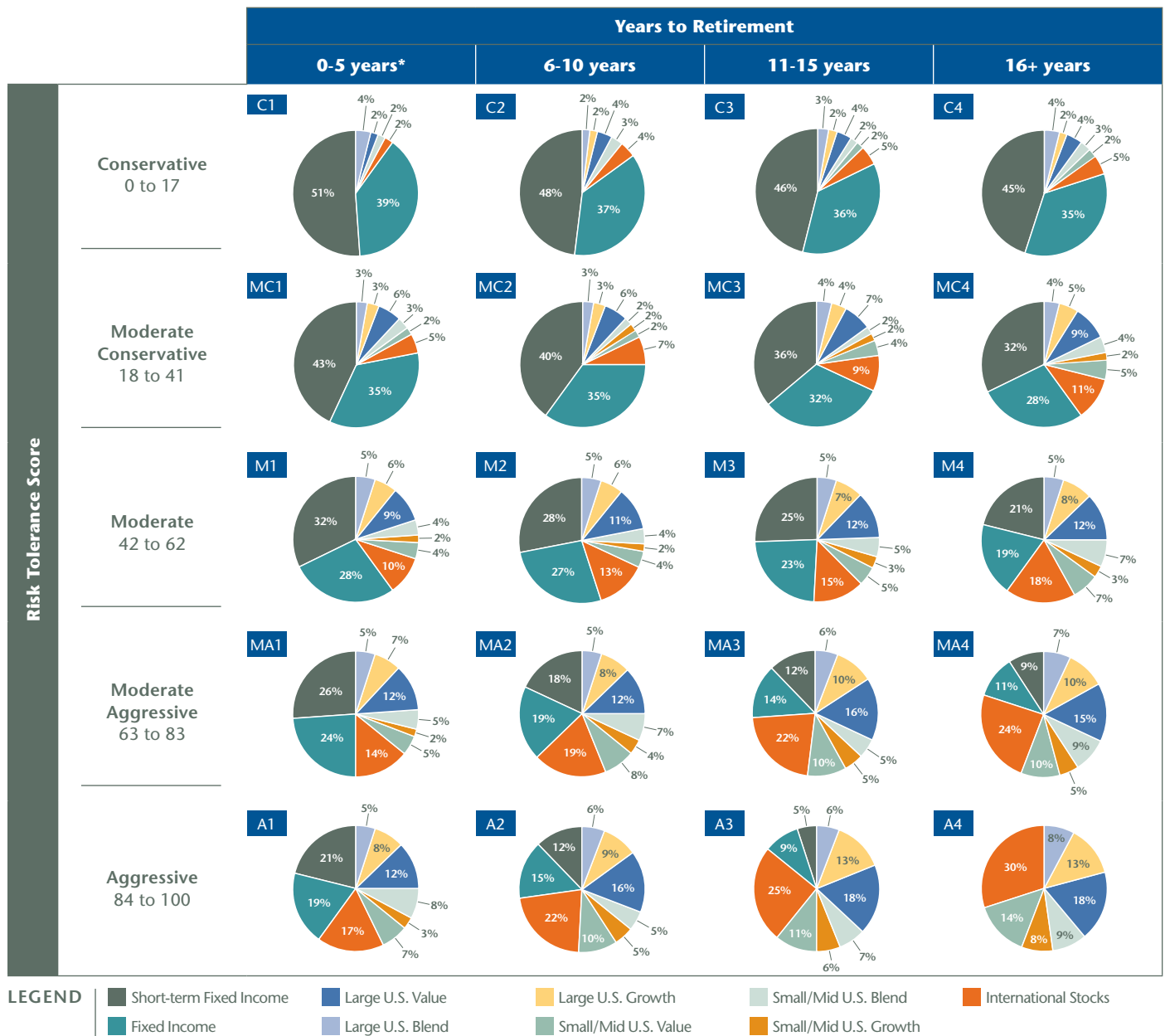
How do I elect?

Start by taking the Investor Profile Quiz. Using the quiz results, find the pie chart where your Risk Tolerance Score (left column of the chart) intersects with your estimated Years to Retirement (top row of the chart).

You can sign up for RetireView by electing the corresponding RetireView populated asset allocation model on your enrollment form. Review the RetireView Terms and Conditions and RetireView Populated Models pages to better understand the features of RetireView, and its functions and limitations.

You can also use the RetireView asset allocation models illustrated here as a sample to help with your decision. But keep in mind that this information is just a guideline and for educational purposes — it isn't intended to tell you how to invest. Take the Investor Profile Quiz at least annually or as significant events occur. This can help ensure the strategy continues to meet your risk tolerance and retirement goals. Log in to principal.com, or call 1-800-547-7754 for additional information about investment and rebalancing choices. For a list of frequently asked questions and answers about RetireView, visit principal.com/retireviewfaq.

RetireView Asset Allocation Models



*Investors 0-5 years away from retirement are assumed to remain invested for at least 5 years after retirement. Ibbotson Associates periodically reviews and may adjust the RetireView models' asset allocation percentages based upon their economic outlook and current market conditions. The models shown here are for illustrative purposes only and the actual investment category percentages may vary over time. Please see the RetireView Terms and Conditions document for a full discussion of the RetireView service, including how model allocation changes are conducted. For the most up to date RetireView allocations visit us at principal.com or call 1.800.547.7754.



WE'LL GIVE YOU AN EDGE®

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No investment strategy, such as diversification or asset allocation, can guarantee a profit or protect against loss in periods of declining value.

Investing in real estate, small-cap, international and high-yield investment options involves additional risk.

The risk tolerance models (models) are intended to be used as an additional information source for retirement plan participants making investment allocation decisions. Pursuant to Department of Labor Interpretive Bulletin 96-1, such models (taken alone or in conjunction with this document) do not constitute investment advice for purposes of the Employee Retirement Income Security Act (ERISA) and there is no agreement or understanding between Ibbotson Associates, and us or any plan or plan fiduciary, or any participant who uses this Service, under which the latter receives information, recommendations or advice concerning investments that are to be used as a primary basis for any investment decisions relating to the plan. Accordingly, neither we nor Ibbotson Associates are a fiduciary with respect to your plan sponsor's plan for purposes of this Service, including the features of rebalancing and aging. Following an asset allocation model does not assure a profit or guarantee that you will not incur a loss. Performance of the individual models may fluctuate and will be influenced by many factors. In applying particular asset allocation models to their individual situations, participants or beneficiaries should consider their other assets, income and investments (e.g., equity in a home, IRA investments, savings accounts and interests in other qualified and nonqualified plans) in addition to their interests in the plan.

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For additional information visit principal.com.