

# Welcome to Principal® EASE

Help your employees see a better retirement with a well-designed and practical Pooled Employer Plan.

**Expect more. Do less.**

# Why consider a pooled employer plan (PEP)?



## Added expertise

Rely on experienced professionals with tailored knowledge and skills for plan administrative service and investment management.



## Saves time

Free up valuable time for you and your staff that can be focused instead on the business.



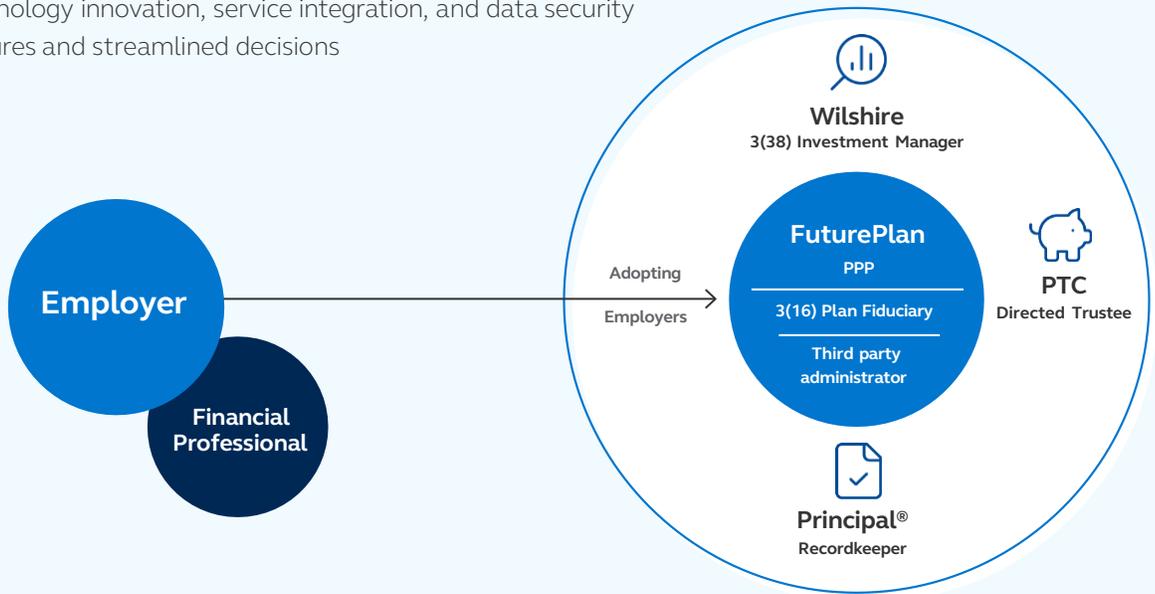
## Reduces risk

Shift risk to designated fiduciaries along with those related plan fiduciary tasks.

# Why choose Principal® EASE?

Careful thought has gone into designing an efficiently operated PEP.

- Specialized talent and retirement best practices
- The latest in technology innovation, service integration, and data security
- Robust plan features and streamlined decisions



## FuturePlan

FuturePlan, as the pooled plan provider (PPP), is the plan sponsor and is designated by the terms of the plan as the 3(16) plan administrator and named fiduciary. They serve as the day-to-day contact for adopting employers.\*



## Wilshire Advisors LLC (Wilshire®)

Wilshire, as the 3(38) investment fiduciary, provides objective, independent third-party oversight for the selection and ongoing monitoring of the plan's investment lineup.



## Principal®

Principal serves as the plan's recordkeeper.



## Principal Trust Company® (PTC)

PTC is the directed trustee.

Intended for financial professional and plan sponsor use.

# See the PEP difference<sup>1</sup>

	Single employer plan	Principal® EASE (Pooled employer plan)			
	Employer responsibility	Employer responsibility	Wilshire® 3(38) responsibility <sup>2</sup>	FuturePlan PPP, 3(16), TPA responsibility	Principal® recordkeeper responsibility <sup>3</sup>
Design plan & select plan provisions	✓ (All plan provisions)	✓		✓ (Base plan provisions for PEP)	
Select and monitor plan-appropriate investment options	✓	Taken care of by the PEP	✓		
Review, approve, & sign plan documents/ amendments & summary plan description	✓			✓ Prepare/approve	
Prepare, approve, & deliver required notices including Summary Annual Report	✓			✓ Prepare/approve	✓ Prepare/deliver
Sign and file Form 5500 and related reports	✓			✓	
Select and support auditor on annual audit	✓			✓ Select/support	✓ Support
Review & approve plan compliance testing	✓			✓ Sign/file	
Monitor plan eligibility & entry dates	✓			✓ Oversee	✓ Process
Oversee transactions, distributions, & corrective actions	✓			✓ Oversee	✓ Process
Submit timely & accurate payroll/plan contributions	✓	✓ Submit timely		✓ Responsibility to monitor timeliness	
Compile & provide year-end census data/ records for compliance testing, Form 5500, & audit <sup>4</sup>	✓	✓			
Communicate acquisitions & changes in business structure to service providers	✓	✓			
Select & monitor designated service providers	✓ Recordkeeper, TPA, 3(16), 3(38), trustee, financial professional (if applicable)	✓ PPP and financial professional (if applicable)		✓ All other service providers	

<sup>1</sup> The decision to delegate to and ongoing monitoring of the Pooled Plan Provider (PPP) is the fiduciary responsibility of the adopting employer.

<sup>2</sup> 3(38) investment advisory services provided through Wilshire, an SEC-registered investment advisor.

<sup>3</sup> Recordkeeping and administrative services provided by Principal Life Insurance Company® are non-fiduciary in nature.

<sup>4</sup> Adopting employer will need to provide support for related audit.

## How your financial professional can help

- ✓ Evaluate the PEP versus a single-employer plan
- ✓ Explain the packaged fiduciary outsourcing approach
- ✓ Guide plan design and qualified default investment alternative (QDIA) decisions with you
- ✓ Increase focus on the financial well-being of your employees
- ✓ Assist with ongoing monitoring of PEP service providers and the choice to participate in a PEP

Intended for financial professional and plan sponsor use.



Principal brings over 80 years of retirement service experience to Principal® EASE and is a top 3 defined contribution service provider.<sup>1</sup>

You and your participants benefit from the same innovative technology and support that single-employer plans do, including:

- Comprehensive recordkeeping services
- Plan health index to help each adopting employer understand participant plan utilization
- Best-in-class plan sponsor and participant websites<sup>2</sup>
- Personalized and interactive resources to help participants plan for their financial future



FuturePlan as the PPP, 3(16) plan administrator, and third party administrator, will take on the complexities of plan administration so you can focus on your business. You'll be supported by a dedicated team that is committed to supporting you and your participants.

- Be your day-to-day contact
- Accept and submit payroll data to Principal for recordkeeping
- Provide and maintain the PEP plan document and your participation agreement
- Perform required plan compliance testing
- Prepare the Form 5500 and schedules
- Prepare the Summary Annual Report
- Handle participant inquiries normally directed to the employer



Wilshire provides recognized expertise in the retirement plan market. You gain access to market-tested investment strategies and programs that have a solid foundation in industry best practices.

Under ERISA 3(38) fiduciary services, Wilshire, as an independent third-party, will have discretion for:

- Selecting the investment options for Principal® EASE (the plan's "investment line-up"),
- Monitoring and making changes when they deem appropriate.

<sup>1</sup>Top 3 401(k) recordkeeper based on number of participants. 2024 PLANSPONSOR Recordkeeping Survey, July 2024.

<sup>2</sup>DALBAR's DC Web Monitor, as of March 31. (Q1, 2024) Ranked #1 among DC plan sponsor websites and #5 among DC plan participant websites, DALBAR's DC Web Monitor as of December 31, 2023 (Q4, 2023)

**Intended for financial professional and plan sponsor use.**

# With Principal® EASE—Expect more. Do less.

Principal® EASE is a packaged, robust program with streamlined decisions for you, meaning more resources to help and less time spent on the details. The goal is to help more of your employees see a better retirement.

**An all-zero revenue sharing investment lineup** selected by Wilshire

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**Reduces your direct involvement** and, typically, costs associated with:

- Day-to-day aspects of running the plan
  - Payroll submission process
  - Annual plan audit (if applicable)
  - Annual plan notice requirements
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**Supports your employees** with holistic financial wellness and safeguarding data

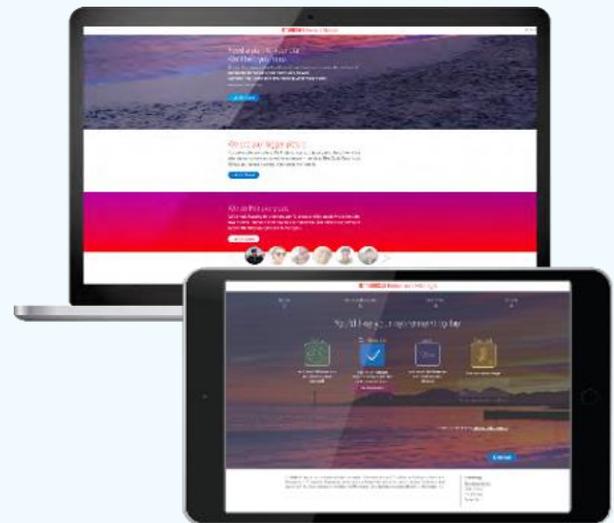
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**RetireView® asset allocation educational service** (that takes risk tolerance **and** time-to-retirement into account)



RetireView models

**Target My Retirement®** managed account service recommendations—powered by Morningstar Retirement\*



\*Managed account service available for a fee that is in addition to investment and recordkeeping fees, or can use point-in-time advice at no additional cost.

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# For your 401(k) participants

## Personalized to fit goals

### Principal® Real Start digital onboarding experience—

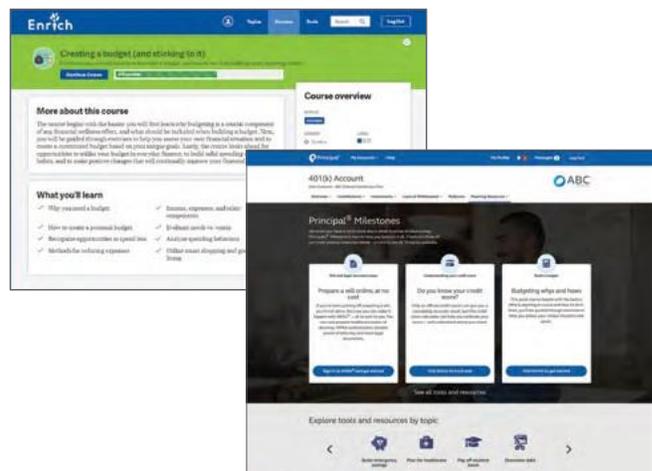
Gives new and transitioning eligible employees plan-specific help to get started with contributions, investment elections, rollovers, beneficiary designations, and more, available in both English and Spanish.



## Easy to build confidence

**Principal® Milestones**—This financial wellness resource provides self-serve, personalized, online education to help participants increase knowledge and build their confidence. At no additional cost they can access:

- Enrich® for unbiased financial education
- Enrich® Student Loan Repayment Program (through their partnership with SoFi)
- ARAG® to prepare a standard will or other legal documents



## Simple to take action

**Retirement Wellness Score**—A personalized score to see how well they're tracking toward their retirement goals. The score represents the estimated percentage of their pre-retirement income they may be able to maintain at retirement.

**External accounts aggregator**—By entering outside information related to assets, participants get a more holistic picture of their total Retirement Wellness Score. Once the account is linked, they can visit the planner to view the balances of all their retirement accounts in one place. If you offer your employees an HSA through HSA Bank®, HealthEquity®, or Optum Bank®, we can turn on even deeper integration.



For illustrative purposes only.

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# PEP fees<sup>1</sup>

Total plan assets	Flat annual fee	+ Annual per participant fee	+ Asset charge <sup>3</sup>
Under \$5 million in plan	Paid by adopting employer <sup>2</sup> \$4,000	Paid from participant account <sup>2</sup> \$75	Paid from participant account <sup>2</sup> 0.20%
\$5 million + in plan	Custom pricing		

There is a one-time fee paid by the adopting employer for the Participation Agreement & Summary Plan Description:

- For start-up plans, add a one-time fee of \$1,250.
- For transfer plans, add a one-time fee of \$750.

## Principal® EASE provides simplicity...

- Zero revenue sharing investment lineup selected by Wilshire
- Target My Retirement® managed accounts with personalized recommendations available for a fee or point-in-time advice at no additional cost—powered by Morningstar Retirement
- RetireView® asset allocation educational service that takes risk-tolerance and time-to-retirement into account
- Wilshire 3(38) Hybrid menu—including Principal® Guaranteed Option

## ...and flexibility to your plan

### Choose a QDIA eligible transition option

- RetireView® model or risk tolerance band
- Principal target date series — with active/passive
- Target My Retirement
- IQDIA

### Select key plan design features

- Safe harbor or not
- Eligibility and entry
- Automated plan features
- Contributions and vesting

## How Principal protects you and your participants—and guarantees it

Principal has the people, processes, and technology in place to help safeguard access to your employees' data and retirement savings.



Identity validation



Behavioral biometrics



Two-factor authentication



Accoustical analysis and phone priting



Account validation



Transaction updates via text for notification of fraudulent activity

Plus, we put in writing a **Customer Protection Guarantee**.<sup>4</sup>

<sup>1</sup> PEP fees include recordkeeping services provided by Principal, pooled plan provider, plan administration and 3(16) services provided by FuturePlan, and Wilshire 3(38) Fiduciary Services.

<sup>2</sup> This is the default payment method per fee component. Employer may select to pay the fee as a billed amount or have the fee paid from participant accounts. These fees are calculated annually based on the characteristics of the Plan at that point in time.

<sup>3</sup> Asset charge includes 0.05% for Wilshire's 3(38) Fiduciary Service.

<sup>4</sup> The Customer Protection Guarantee applies to employer-sponsored retirement plans record kept by Principal® including defined benefit, defined contribution, employee stock ownership plans, retirement accounts with pension payments made through Principal® Custody Solutions, and nonqualified deferred compensation plans with distributions made through Principal. It's effective for unauthorized activity that occurs after participants have registered their account online, provided their contact information, and kept it up to date in the event of changes. Guarantee details are current as of July 1, 2024, and are subject to change. Exclusions to the policy may apply. <https://www.principal.com/customer-protection-guarantee>.

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[principal.com](https://principal.com)

The Morningstar name and logo are registered marks of Morningstar, Inc. Morningstar Retirement offers research and technology driven products and services to individuals, workplace retirement plans and other industry players. Associated advisor services are provided by Morningstar Investment Management LLC, a registered investment adviser and subsidiary of Morningstar Inc. Morningstar Retirement and Morningstar Investment Management LLC are not an affiliate of any company of the Principal Financial Group.

Equity investment options involve greater risk, including heightened volatility, than fixed-income investment options. Fixed-income investments are subject to interest rate risk; as interest rates rise their value will decline. Small and mid-cap stocks may have additional risks including greater price volatility. 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. Asset allocation does not ensure a profit or protect against a loss.

Fixed-income and asset allocation investment options that invest in mortgage securities are subject to increased risk due to real estate exposure. Review the RetireView Terms and Conditions for a full discussion of the features of this service, including rebalancing and automatic age adjustment of the populated models.

Investing involves risk, including possible loss of principal.

RetireView® is an educational service designed to help retirement plan participants determine an appropriate investment mix for their retirement account. Principal retained Morningstar Investment Management LLC, a registered investment adviser and subsidiary of Morningstar, Inc., to create asset class-level model portfolios ("Models") for RetireView. In no way should Morningstar Investment Management's creation of the Models be viewed as advice or establishing any kind of advisory relationship with Morningstar Investment Management. Morningstar Investment Management does not endorse and/or recommend any specific financial product that may be used in conjunction with the Models.

Models are created by Morningstar Investment Management LLC. Morningstar Investment Management begins by analyzing asset classes and constructs

long-term expected returns, standard deviations, and correlation coefficients. These form the inputs for the mean-variance optimization, a statistical technique. Because forecasting is a critical and pivotal step in the asset allocation process, Morningstar Investment Management develops proprietary capital market forecasts for each asset class using a combination of historical data, current market information and additional analysis. Each forecast becomes an input in portfolio creation.

The Models are intended to be used as an additional information source for retirement plan participants making investment allocation decisions. Pursuant to the Department of Labor's Definition of Investment Education, 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 Morningstar Investment Management 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 for any investment decisions relating to the plan. Accordingly, neither we nor Morningstar Investment Management 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 ensure a profit or protect against 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, Social Security benefits, IRA investments, savings accounts and interests in other qualified and nonqualified plans) in addition to their interests in the plan.

Target My Retirement is a managed account program that provides participants with a personalized approach to retirement planning and an investment strategy that moves on a glide path toward their retirement.

Principal has retained Morningstar Investment Management LLC as an investment adviser to create and manage the Target My Retirement investment strategies.

Morningstar Investment Management uses its proprietary platform, Morningstar® Retirement Manager<sup>SM</sup> to provide personalized advice on retirement age, savings rate, and investment strategies with the goal of helping a participant reach their retirement goals.

This service is offered by Morningstar Investment Management LLC, a registered investment adviser and subsidiary of Morningstar, Inc., and is intended for citizens or legal residents of the United States or its territories. Investment advice generated by this service is based on information provided and limited to the investment options available in the defined contribution plan. Projections and other information regarding the likelihood of various retirement income and/or investment outcomes are hypothetical in nature, do not reflect actual results, and are not guarantees of future results. Results may vary with each use and over time. Participants should continue to review investment information at least annually or as significant events occur. Morningstar Investment Management is not affiliated with Principal.

Target My Retirement has been designed to be able to meet the requirements for a managed account "qualified default investment alternative" under DOL regulations. Note that plan specific requirements also apply. Plan sponsors should consult their legal advisors for more information.

The plan sponsor or other plan fiduciary is responsible for selecting the investment options utilized in the Target My Retirement investment array, which may be different from the investments available as core investment options in their retirement plan. When using the plan's existing core investment option array with the Target My Retirement offering, Principal does not serve in a 3(21) capacity; the plan sponsor or designated fiduciary maintains responsibility for the plan's core investment array.

Principal charges each participant who enrolls in Target My Retirement (TMR) an asset-based management fee based on the participant's assets under management through the TMR investment solution. In addition to the asset-based management fee, assets invested through TMR are also subject to fees and expenses charged by the underlying investment options. Depending on the version of TMR selected by the Principal client, the underlying investment options may include mutual funds, collective investment funds (CITs) and Separate Accounts for which Principal or its affiliates may receive additional compensation.



If a plan participant selects Target My Retirement-Advice, Morningstar Investment Management LLC will make a point-in-time recommendation on investments, savings rate, and retirement age, based on specific information the participant provides, including age, gender, years to retirement, current salary, current savings rate, and account balance. The participant is responsible for logging in to set their mix of investments, rebalancing or any updating of their mix of investments.

If a plan participant selects Target My Retirement-Guidance, Morningstar Investment Management will provide asset allocation information that can help a participant invest and manage their plan for retirement based on specific information they provide, including age, gender, years to retirement, current salary, current savings rate, and account balance. Each participant receives a flexible glide path that rebalances and reallocates as he or she nears retirement or as changes are indicated either through the recordkeeping system or directly by the participant.

Past performance is no guarantee of future results. All investments involve risk, including the loss of principal. There can be no assurance that any financial strategy will be successful. Morningstar Investment Management does not guarantee that the results of their advice, recommendations or objectives of a strategy will be achieved.

This information is for marketing and promotional purposes only. It does not constitute fiduciary advice or a recommendation with respect to an independent plan fiduciary's decision to use the Target My Retirement investment solution.

The value-added resources provided through ARAG Services, LLC (ARAG®) and iGrad, Inc. (Enrich®) are not a part of any insurance products and plan administrative services provided through Principal Life Insurance Co or affiliated with any company of the Principal Financial Group®. All resources may be changed or canceled at any time.

The use of resources provided by ARAG Services, LLC or Enrich should not be considered a substitute for consultation with an attorney or advisor. Principal® is not responsible for any loss, injury, claim, liability, or damages related to the use of the ARAG Will & Legal Document Center or Enrich resources.

Please remember that the ARAG legal documents, DIY Docs® are accurate and useful in many situations. Due to possible changes by a state, it is a good idea to periodically review a template used to be sure it is the most current template. Whether or not the document is right for you and your situation depends on your circumstances. If you want specific advice regarding your situation, consult an attorney.

Information is intended to be educational in nature and is not intended to be taken as a recommendation.

The Retirement Wellness Planner information and Retirement Wellness Score are limited only to the inputs and other financial assumptions and is not intended to be a financial plan or investment advice from any company of the Principal Financial Group® or plan sponsor. This calculator only provides education which may be helpful in making personal financial decisions. Responsibility for those decisions is assumed by the participant, not the plan sponsor and not by any member of Principal®. Individual results will vary. Participants should regularly review their savings progress and post-retirement needs.

FuturePlan by Ascensus and FuturePlan Fiduciary Services, LLC (collectively referred to as FuturePlan) provides plan design, administration, and compliance services.

They are not broker-dealers nor investment advisors and do not provide tax, legal, or accounting services.

Insurance products and plan administrative services provided through Principal Life Insurance Company®. Securities offered through Principal Securities, Inc., member SIPC and/or independent broker/dealers.

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