

## Enjoy the advantages of a pool employer plan with Principal<sup>®</sup> EASE and GLJ Financial.



**The Setting Every Community  
Up for Retirement Enhancement  
(SECURE) Act** gives unrelated  
employers the ability to participate  
in a single, pooled employer plan  
(PEP) starting Jan. 1, 2021.

This new 401(k) plan arrangement  
allows small businesses, with the  
help of their financial professionals,  
the ability to offer attractive and  
affordable retirement plan benefits  
and services to employees.

### Why a PEP?

A PEP is designed with the intent to increase efficiencies,  
reduce burdens on employers, manage costs more effectively,  
and help improve retirement outcomes for employees. A PEP  
is treated as a single plan for government reporting purposes:  
**one plan document, one Form 5500 filing, and one plan audit,  
as necessary.**

Outsourcing responsibilities to a PEP can help limit  
administrative and fiduciary involvement by:

- **Providing added expertise**—Rely on experienced retirement  
plan professionals with tailored knowledge and skills
- **Helping save time**—Free up valuable employees to focus on  
their jobs, and owners can focus on their business
- **Reducing risk**—Shift risk to designated fiduciaries along with  
those related plan fiduciary tasks

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### Have questions? Your financial professional can help:

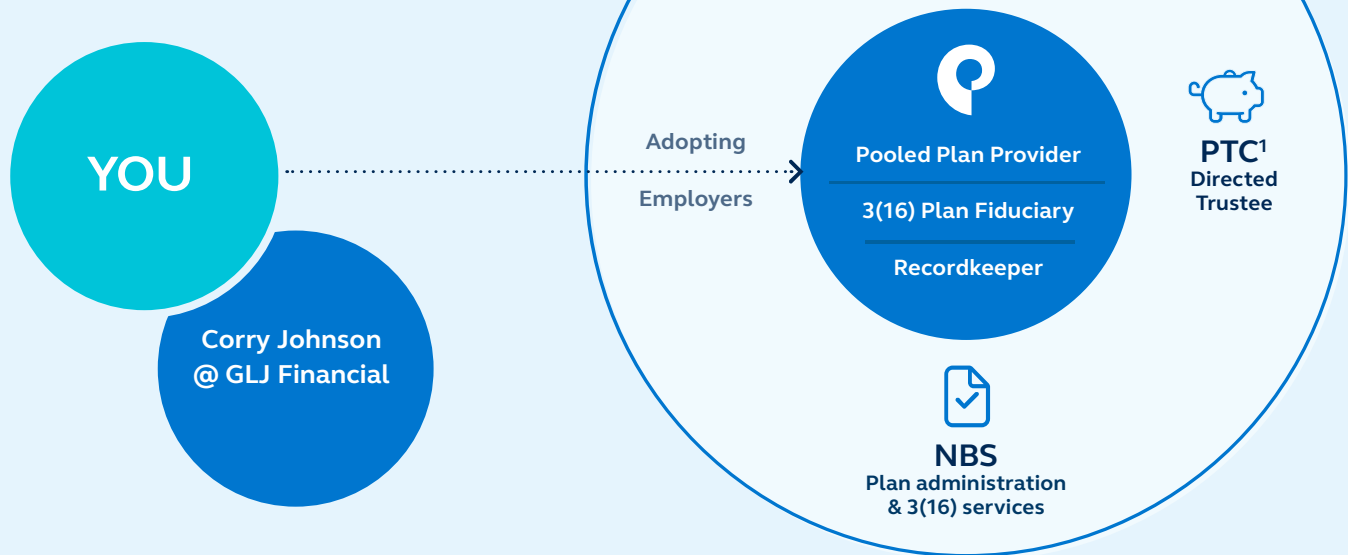


**Corry Johnson, AIF**  
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**480-892-8826**

- Evaluate the PEP versus a single-employer plan
- Explain the packaged fiduciary outsourcing  
approach
- Guide plan design and 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

# Principal® EASE

Industry professionals  
working together



The decision to delegate to and ongoing monitoring of the pooled plan provider (PPP) and 3(38) investment manager is the fiduciary responsibility of the adopting employer.

## Careful thought has gone into designing an efficiently operated PEP.

**Principal® as Pooled Plan Provider** is the plan sponsor and is designated by the terms of the plan as the 3(16) plan administrator and named fiduciary, as well as serving as the plan's recordkeeper.

**National Benefit Services, LLC (NBS)** will carry out plan administration and 3(16) services under the direction and oversight of Principal®. They will serve as the day-to-day contact for adopting employers.

**Principal Trust Company® (PTC)** is Directed Trustee and oversees the monitoring of timely plan contributions to the PEP.

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



**Count on Principal** for top-tier service and support for you and your employees.

<sup>1</sup> Principal Trust Company®

# Program Fees<sup>3</sup>

Total plan assets	Flat annual fee	+ Annual per participant fee	+ Asset charge <sup>5</sup>
Under \$5 million in plan	Paid by participating employer <sup>4</sup> \$2,600	Paid from participant account <sup>4</sup> \$75	Paid from participant account <sup>4</sup> 0.20%
\$5 million + in plan	Custom pricing		

There is a one-time fee paid by the Participating Employer for the Participation Agreement & SPD:

- 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

- An all-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 Investment Management LLC
- 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®
- Principal target date series — with active/passive multi-managment

### Select key plan design features

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

### Add innovative options

- Principal Pension Builder<sup>SM</sup> — an in-plan guaranteed income option
- Health Saving Account integration with Health Equity®, HSA Bank®, or Optum®

For more details contact:

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<sup>3</sup> Program Fees are based on a variety of factors including plan characteristics, selected services, and selected investment options. The Fees include recordkeeping services, Core Services and other elected services (if applicable) provided by Principal Life Insurance Company as well as Plan Administration and 3(16) services under the direction and oversight of Principal provided by National Benefit Services, LLC (NBS); additional fees may apply for Participant Transaction Fees and Optional Services.

<sup>4</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>5</sup> Asset charge includes 0.05% for Wilshire's 3(38) Fiduciary Service.

## Important Information

Carefully consider the Fund's objectives, risks, charges, and expenses. Contact your financial professional or visit [principal.com](http://principal.com) for a prospectus, or summary prospectus if available, containing this and other information. Please read it carefully before investing.

Morningstar Investment Management LLC is 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. **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.** The Morningstar name and logo are registered marks of Morningstar, Inc. 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 ability of Principal Life Insurance Company to pay the guarantee is based on the claims-paying ability of the general account and is subject to the terms of the contract.**

Principal Pension Builder<sup>SM</sup> is a deferred income annuity rider available through certain group annuity contracts with Principal Life Insurance Company, a member of the Principal Financial Group®, Des Moines, Iowa, 50392. Principal Pension Builder is not available to plan sponsor located in New York.

Principal Pension Builder provides for the purchase of deferred income annuities that provide guaranteed income in retirement. Contributions and transfers used to purchase guaranteed income through Principal Pension Builder will no longer be subject to market gains or losses. In exchange, the participant is purchasing a guaranteed future income stream. In no instance shall the Income Start Date be earlier than your Normal Retirement Date unless you separate from service prior to the plan's Normal Retirement Date.

Guaranteed monthly income may change due to elections by the plan fiduciary or participant, such as changing the income start date or annuity form or surrendering guaranteed income. As an annuity, Principal Pension Builder does not have an investment performance, a management fee or expense ratio; those are concepts unique to investment products.

Wilshire, Health Equity, HSA Bank and Optum are not an affiliate of any company of the Principal Financial Group.

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

Insurance products and plan administrative services provided through Principal Life Insurance Co. Principal Funds, Inc. is distributed by Principal Funds Distributor, Inc. Securities offered through Principal Securities, Inc., 800-547-7754, **member SIPC** and/or independent broker-dealers. Principal Life, Principal Funds Distributor, Inc. and Principal Securities are members of the Principal Financial Group®, Des Moines, IA 50392. Certain investment options and contract riders may not be available in all states or U.S. commonwealths. Principal Global Investors leads global asset management and is a member of the Principal Financial Group®.

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Corry Johnson is a registered representative with LPL.