



## **Principal Money Market Institutional Fund will be removed from retirement plans**

We think it is important to let you know about an upcoming change to your organization's retirement plan.

As part of the U.S. Securities and Exchange Commission's (SEC) money market fund rule amendments, effective October 14, 2016 all mutual fund companies must classify their money market mutual funds as either retail, institutional or government. Principal Life Insurance Company will not recordkeep retail or institutional money market funds due to the liquidity fees and redemption gates that may be imposed on these types of funds. As a result, retail and institutional money market funds will be removed from our retirement plan platform. Government money market funds are not required to impose liquidity fees or redemption gates, but a government money market fund could voluntarily elect to be subject to them. We will continue to recordkeep government money market funds that do not intend to be subject to requirements surrounding the imposition of liquidity fees and redemption gates.

The Principal Money Market Institutional Fund will be classified as a retail money market fund. As a result, this Fund will be **removed from your organization's retirement plan lineup on or about October 07, 2016.**

### **What this means for your organization's retirement plan**

- **Action Needed:** Please work with your financial professional or representative of the Principal Financial Group® to select an alternative investment option for current investment direction to and transfer assets out of the Principal Money Market Institutional Fund prior to October 07, 2016.
- If your plan has elected to use the Principal Money Market Institutional Fund as a default, a new investment option must be elected.
- In the event an alternative investment option is not selected, all new contributions directed toward the Principal Money Market Institutional Fund will be directed to the plan's default investment option beginning October 07, 2016. Any assets remaining in the Principal Money Market Institutional Fund will be moved to the plan's default investment option.

### **Participant Notification**

If your defined contribution plan is subject to ERISA, you must notify your participants of this investment change **at least 30 days but not more than 90 days before the effective date** of the change.

**We are providing this information in advance of the change so that you can consider coordinating any other investment changes with the same effective date. Coordinating those changes may reduce the number of participant notifications you will need to distribute.**

As always, you have the flexibility to make investment lineup changes at any time. To make investment changes or if you have questions, please contact your financial professional or representative of The Principal®.

**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.**

Sub-Advised Investment Options include Principal Funds, Inc. mutual funds. Principal Funds, Inc. is distributed by Principal Funds Distributor, Inc.

**Investing involves risk, including possible loss of principal.** Equity investment options involve greater risk, including heightened volatility, than fixed-income investment options.

**Money market investment options are not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency.**

Fixed-income investment options are subject to interest rate risk, and their value will decline as interest rates rise. Neither the principal of the bond investment options nor their yields are guaranteed by the U.S. government.

Insurance products and plan administrative services are provided by Principal Life Insurance Company. Principal Funds, Inc. is distributed by Principal Funds Distributor, Inc. Securities are offered through Princor Financial Services Corporation, 800-547-7754, [Member SIPC](#) and/or independent broker/dealers. Securities sold by a Princor<sup>®</sup> Registered Representative are offered through Princor. Principal Funds Distributor, Princor and Principal Life are members of the Principal Financial Group<sup>®</sup>, Des Moines, IA 50392. Certain investment options may not be available in all states or U.S. commonwealths.

t16012702s1 - 2/2016

© 2016 Principal Financial Services, Inc.

The above information should not be construed as investment advice.