

# Principal® Pre-Migration Guide

## Defined Benefit

We believe a better retirement begins with a better customer experience. We're focused on providing the customer care you expect along with best-in-class enhancements to help make your job easier and help drive outcomes.

Your service team will continue to support you each step of the way. In addition, we're focused on making the retirement plan management easier while keeping your plan and participant data secure. Your plan administration tasks will be streamlined for efficiency, and our online access will give you the ability to easily and efficiently take action when it fits best in your schedule.

The focus of this guide is the administrative services provided by Principal® through our plan sponsor secure website at principal.com and to provide you with an overview of how you'll manage some of the key defined benefit (DB) plan management responsibilities after migrating to Principal. Once your plan has migrated to Principal, these details and many more will be available through a robust help feature on the plan sponsor secure website providing in-the-moment answers to your how-to questions. And, your service team contact will be available to help, too.

Any services provided to you by Wells Fargo Trust & Custody will remain with Wells Fargo Institutional Retirement & Trust (IRT) and migrate at a time later in 2021. You should have received separate communications on that. As a result, there'll be no changes to the trust reports, trading process, or overall investment management structure you currently have in place. You'll continue to use the Wells Fargo Trust & Custody website to manage those assets.

If you're currently using Findley to manage some of the DB plan administrative or actuarial services, there'll be no changes to those services and no material changes to the billing process for those services; as a result, some of the DB plan administrative services Principal provides may not be applicable to you.

Your expense invoices will continue to be provided by Wells Fargo until such time services provided to you by Wells Fargo Trust and Custody moves to Principal Trust Company<sup>SM</sup>.

Account information	
<b>Signing in / authenticating</b>	<p>You'll follow a series of steps to access and log in to the plan sponsor secure website. You'll:</p> <ul style="list-style-type: none"> <li>• Receive an authentication email to kick off the process.</li> <li>• Be guided through a secure account setup process to:               <ul style="list-style-type: none"> <li>○ Verify your identity</li> <li>○ Set up your username and password</li> <li>○ Establish security questions</li> </ul> </li> </ul> <p>Once your account is activated (through the steps above), you'll be asked to:</p> <ul style="list-style-type: none"> <li>• Set up your 2-factor authentication</li> <li>• Be given backup codes to keep</li> </ul> <p>Upon completion, you'll be redirected to our pre-migration web page that has resources, such as this guide, to help you prepare for migration.</p> <p><b>NOTE:</b> If you have more than one plan, you'll be redirected to a web page where you can select the plan you're setting up. Once you select the plan, you'll be redirected to our pre-migration web page.</p> <p>On the plan migration day (Day 1), you'll receive a welcome email from Principal confirming the completion of the plan migration. We'll invite you to log in to the plan sponsor secure site to view</p>

	the plan's data.
<b>Plan sponsor website</b>	<p>Through the Principal plan sponsor secure website, plan administration tasks are just a click away and streamlined for efficiency. Online access gives you the ability to easily take action when it fits best in your schedule. Some ways this website will help you manage your plan efficiently include:</p> <ul style="list-style-type: none"> <li>• Participant search feature. You can search and view benefit information and access their account to use the Web Calculator.</li> <li>• Robust reporting capabilities. You can get the information you need, when you need it. This is available through the Reports tab on the plan sponsor secure website.</li> <li>• To-Do List. It provides prompts/reminders to ensure key deadlines are met.</li> <li>• Ability to manage preferences. Choose how often you'd like to receive emails (notifications) to alert you when there are new tasks, documents, or messages that might require your attention. You can also manage who at your organization receives what type of information.</li> </ul>
<b>To-Do List</b>	<p>The To-Do List helps you organize and manage tasks that need your attention. It helps you prioritize plan administrative and participant requests more efficiently, helping you save time. It provides real-time alerts to notify you of action you need to take. With the To-Do List you can manage the work on your time, any time.</p> <p><b>Through the To-Do List, you can:</b></p> <ul style="list-style-type: none"> <li>• Assign a task to yourself.</li> <li>• Release or delegate a task to make it available for others to claim and work.</li> <li>• See completed tasks for up to two years.</li> <li>• Determine who has a task checked out or who completed the task.</li> </ul>
<b>Reporting</b>	<p>You'll have access to a variety of reports to help you stay informed of activity within the DB plan, including:</p> <ul style="list-style-type: none"> <li>• Participant Census report: Provides basic demographic participant information. The information contained in this report is based on the data available in our records as of the previous day.</li> <li>• Domestic Relations Orders report: Lists all participants with a Qualified Domestic Relations Order during the scheduled reporting period.</li> <li>• Address Changes report: Lists all participants who made an address change during the scheduled reporting period.</li> <li>• Benefit Plan report: A report produced for each participant after the annual benefit update. The report is posted to the participant's secure website and can also be mailed directly to the participant's home.</li> <li>• Display of Benefits report: An annual report that outlines participant accrued benefits and additional demographic information is made available and mailed to you.</li> <li>• Distributions &amp; Withdrawals report: This report lists all participants who have taken a distribution and includes key distribution information.</li> <li>• Income Payment Summary report: Posted annually in the audit section of the plan sponsor secure website. It includes details on all annuitants/retirees in pay status for the scheduled reporting period.</li> </ul> <p><b>Through the Reports tab on the plan sponsor secure website, you can:</b></p> <ul style="list-style-type: none"> <li>• Create and save templates for custom reports by selecting the specific data points you want within the report, including the ability to select filters for the participant to be included in the report.</li> <li>• View reports immediately online or download them, as well as schedule the report to automatically update and deliver to the Message Center based on your timing preferences.</li> <li>• Format reports based on your personal preferences. For example, the Participant Data</li> </ul>

	<p>Report includes a variety of filters to help you pinpoint specific information and specific sets of participants.</p> <p>If you have other existing reports, those will be available to you after the plan migrates to Principal. Contact your service team if you have additional reporting needs.</p>
<b>Plan administration</b>	
<b>Payroll</b>	<p>If your payroll file is sent directly from your payroll vendor or HR system, those connections will be established prior to your migration.</p> <p>If we encounter demographic errors as we're processing your payroll file, you'll be notified and asked to correct those errors in the next file you send.</p>
<b>Death benefits</b>	<p>On a monthly basis, our Repetitive Benefit Services (RBS) team does a comparison to the Social Security Death Master File (SSDMF) to locate possible retiree deaths. The same comparison is done on co-annuitants every four months and annually on your active and vested/terminated participants.</p> <p>If additional validation is needed, we have an agreement with the LexusNexus® Accurint® search service.</p>
<b>Change of plan sponsor contact</b>	<p>Due to movement of people within your organization, it may be necessary to change role contact after your plan moves to Principal.</p> <p>To change any of your organization's contacts after the plan has migrated to Principal, draft a letter on company letterhead and include the following:</p> <ul style="list-style-type: none"> <li>• Name of person being removed and their listed role</li> <li>• Name of new person being assigned and the role being filled</li> <li>• Contact information of new contact (email and phone number)</li> </ul> <p>Have the letter signed by an authorized signer/trustee and send it to your Principal service team.</p>
<b>Change Primary Security Administrator</b>	<p>Due to movement within your organization, it may be necessary to change the plan's Primary Security Administrator. To do so, you must fill out the Primary Security Administrator Contact Information form available on the plan sponsor secure website and have an authorized signer for the plan sign the completed form. The completed form can be returned to your Principal service team via email or fax.</p> <p>The coding is typically updated 2 to 3 business days following the form submission.</p>
<b>Qualified Domestic Relations Orders (QDROs)</b>	<p>Detailed instructions for processing Qualified Domestic Relations Order (QDRO) requests, including sample communication, are available on the plan sponsor secure website. QDRO service processing time once all items are received and in good order is generally 3 to 5 weeks.</p> <p>If you are currently using Findley to provide QDRO services, there'll be no changes to those services; you'll continue to be able to leverage Findley for your QDRO servicing needs.</p>
<b>Participant services</b>	
<b>Participant Contact Center</b>	<p>To ensure we're available to help your participants when they need it, the Participant Contact Center is available Monday through Friday from 7 a.m. to 9 p.m. CT, except major U.S. holidays: <b>800-547-7754</b>.</p> <p>Our service target is 80% of calls answered within 30 seconds and is measured on a quarterly basis.</p>
<b>Plan participant website</b>	<p>Our participant experience will welcome your eligible employees to Principal®, inspire them to discover the financial future that they desire, and give them the confidence that they need to help build it step-by-step.</p> <p>Once their account is set up, your participants can access details about their pension benefit, benefit plan options and other retirement account information. They can also take advantage of benefit modeling tools, educational tools, and resources to help plan for a financially secure</p>

	<p>retirement via principal.com, our award-winning website.<sup>1</sup></p> <p>Participants receiving repetitive payments will also be encouraged to register on our website, as they will be able to update Automatic Clearing House (ACH) information, withholding elections, and access 1099R forms as well as three months of payment history on the website.</p> <p><sup>1</sup> DALBAR's DC Web Monitor Program, Plan Participant website ranking, as of Dec. 31, 2019 (4Q, 2019). Principal's plan participant website was ranked #3 out of more than 30 websites evaluated.</p>
<b>Accessing the website and establishing a password</b>	<p>Through the migration to Principal, your participants will be guided through a one-time easy account set up and secure account set up to meet our high standards of account access security that can help protect them, and you, as a result.</p> <p>Security and accuracy of your participants' data is important to you—and to us. Participants will establish a password which is needed to access and secure their personal login at principal.com. Plan participants can establish their password on the Internet or through our interactive voice response system.</p> <ul style="list-style-type: none"> <li>• <a href="http://Principal.com">Principal.com</a>: Available 24 hours a day, seven days a week.<sup>1</sup></li> <li>• 800-986-3343: Principal Corporate Contact Center associates are available from 7 a.m. to 9 p.m. CT, Monday through Friday or use the IVR.</li> </ul> <p><sup>1</sup> Excluding scheduled maintenance during off-peak weekend hours and limited period of emergency maintenance or unscheduled downtime.</p>
<b>Proactive benefit communications</b>	<p>Principal proactively notifies participants of their upcoming retirement commencement, required minimum distribution (RMD) date, or other distribution events. Communications are sent directly to the participant by email or mail.</p> <p><b>Required Minimum Distributions (RMDs):</b></p> <ul style="list-style-type: none"> <li>• Based on the information you provide within your payroll files; we'll identify which participants must receive a RMD.</li> <li>• We'll calculate RMDs, notify the participants who qualify for RMDs, and automatically pay RMDs by 4/1 each plan year for clients who have authorized us to do so.</li> <li>• Distributions will be processed as elections are received.</li> <li>• <b>Distribution Events:</b> Based on the information you provide within your payroll files, we'll identify which participants are no longer employed by your organization.</li> <li>• For participants who would be eligible to take a distribution, we'll create a benefit event notification. The participant will be directed to go online, calculate their benefit, and if eligible, elect a distribution online.</li> <li>• For participants who aren't eligible to take a distribution, we'll notify them of their final vested accrued benefit and ask that they contact us when they approach their retirement age.</li> </ul>
<b>Benefit estimate modeling</b>	<p>You can rely on us to help your DB participants with their retirement planning. With our easy, modern, digital experience, participants can model retirement benefits including their available payment options (a personalized benefit illustration) via the retirement benefit calculator. Using the online benefit estimate modeling, participants can compare up to three benefit illustrations, with immediate results.</p> <p>Your participants will be guided through the online election journey once they're eligible to receive a distribution from your plan. The experience is customized to each participant based on your plan's distribution option(s).</p>
<b>Online benefit elections</b>	<p>As the number one defined benefit recordkeeper, we're well suited to assist your plan participants with their benefit elections.<sup>1</sup> Once participants are eligible to start their benefit, they'll need to log in to create a personalized benefit illustration at least 180 days before they want to start their</p>

	<p>benefit. Once that has been completed, they can easily request a distribution online through our simple, guided process.</p> <p>Our digital experience simplifies the necessary steps, so they are easier to follow and personalized to each participant, helping them feel more confident from start to finish. This distribution experience is entirely online so there are no paper forms to mail in. With our online process:</p> <ul style="list-style-type: none"> <li>• Participant information is secure and even more so when they set up 2-factor authentication mitigating against fraud.</li> <li>• Any documents that need a physical signature (like spousal consent) can be shared by conveniently uploading through our website.</li> <li>• Participants can keep track of their progress within the election experience by a progress bar that follows them every step of the way.</li> <li>• Participants can save their progress and come back later when they are ready to complete a request.</li> <li>• Online notarization services provide additional convenience.</li> </ul> <p>You can assist participants with modeling retirement benefits and the completion of the online election forms if participants would like your assistance. Participants can also contact us at any time in the online benefit elections process if they have any questions.</p> <p>Paper distribution election forms are available if required.</p> <p><sup>1</sup> Principal is the <b>No.1 defined benefit recordkeeper</b> by number of plans. <i>PLANSPONSOR</i> Defined Benefit Administration survey. (May 2020)</p>
<p><b>Participant statements</b></p>	<p>As required by the Pension Protection Act, annual paper statements will be provided to DB plan participants. Copies will also be available on the participant website. For participants who have historically received quarterly paper statements, Principal will provide benefit updates online on a go-forward basis (no paper).</p>
<p><b>Beneficiary management</b></p>	<p>Participants can establish and/or change their beneficiary through the participant website. This will be available for both active and deferred/termed participants. When submitted, the updates you make are reflected immediately for the participant account.</p>



Findley is an independent third-party actuarial and employee benefit consulting firm that provides services to Wells Fargo Institutional Retirement & Trust.

Findley is not affiliated with Wells Fargo Institutional Retirement & Trust or its affiliates.

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Principal Financial Group closed the acquisition of certain assets of the Wells Fargo Institutional Retirement and Trust business (IRT) on July 1, 2019. The transition, transfer, and conversion of IRT business operations, employees, and clients will occur over the following 12-24 months. During the transition period, Wells Fargo Bank, N.A., a bank affiliate of Wells Fargo & Company, will continue to operate and service the IRT business for the benefit of Principal®, including providing recordkeeping, trustee, and/or custody services.

Wells Fargo has not reviewed the content of the attached material and makes no judgment of its accuracy.

Principal Trust Company<sup>SM</sup> is a trade name of Delaware Charter Guarantee & Trust Company, a member company of the Principal Financial Group.

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