

# Retirement Plan Fee Summary



As of 03/18/2017

<b>Fee for SOUTH DAKOTA DEPARTMENT OF LABOR</b>	<b>Your Billed Fee</b>	\$0
	<b>Total Investment Expense Net</b>	0.76%
	<b>Total <sup>1</sup></b>	0.76%

Recordkeeping Services include a robust package of Core Services and Optional Services elected. Core Services include benefit calculations and benefit quote services. Settlor fees and fees for investment advisory services offered through Principal Financial Advisors, Inc. are not included in this Fee Summary. Fees for those services are billed to the plan sponsor and are based on either time and expense or a scale fee applied to assets. There are no additional fees from any member company of the Principal Financial Group® for this service package.

\* See *Investment Options* on page 2 for more details.

<b>Plan Characteristics</b>	<b>Current Assets:</b> \$56,950,560
	<b>Annual Deposits:</b> \$0
	<b>Current Active Participants:</b> 8
	<b>Vested Terminated Participants:</b> 1
	<b>Retired Lives:</b> 212

**How the fee is allocated**

**Recordkeeping Services <sup>2</sup>**  
**\$211,349**  
**Revenue Retained by Investment Provider**  
**0.39%**

# Investment Options



The investment options below have fees deducted prior to calculating the published return. These fees make up the Total Investment Expense Net. A portion of the Total Investment Expense Net may be retained by the Investment Provider as revenue to help cover the cost of providing professional investment management and the cost of marketing the investment option. The Investment Provider may also pay a portion to the plan Recordkeeper as revenue sharing to help cover the cost of the plan's recordkeeping and service package. **The chart below details the amount of revenue retained by the Investment Provider and paid to the Recordkeeper for each investment option.**

Inv Manager or Sub-Advisor	Investment Option	Current Assets	Revenue Retained by Investment Provider <sup>3</sup>	+	Revenue Sharing to Recordkeeper <sup>4</sup>	=	Total Investment Expense Net <sup>5</sup>
Mellon Capital Mgmt	Principal Bond Market Index Separate Account-R6	\$4,774,971	0.15%	+	0.26%	=	0.41%
Principal Global Investors	Principal Core Plus Bond Separate Account-I2	\$14,390,214	0.25%	+	0.30%	=	0.55%
JP Morgan / Neuberger Berman	Principal High Yield I Separate Account-R6	\$2,264,827	0.49%	+	0.33%	=	0.82%
Multiple Sub-Advisors	Principal Diversified Real Asset Separate Account-R6	\$1,159,610	0.66%	+	0.39%	=	1.05%
Edge Asset Management, Inc.	Principal Equity Income Separate Account-R6	\$4,001,943	0.30%	+	0.38%	=	0.68%
Principal Global Investors	Principal LargeCap S&P 500 Index Separate Account-R6	\$3,425,748	0.05%	+	0.26%	=	0.31%
Principal Global Investors	Principal LargeCap Value Separate Account-R6	\$3,918,365	0.25%	+	0.36%	=	0.61%
Principal Global/Barrow Hanley	Principal MidCap Value III Separate Account-R6	\$1,160,317	0.39%	+	0.42%	=	0.81%
Principal Real Estate Inv	Principal U.S. Property Separate Account-R6	\$3,404,809	0.75%	+	0.40%	=	1.15%
T. Rowe Price/Brown Advisory	Principal LargeCap Growth I Separate Account-R6	\$8,217,345	0.41%	+	0.37%	=	0.78%
Robert Baird/William Blair	Principal MidCap Growth III Separate Account-R6	\$1,184,234	0.69%	+	0.43%	=	1.12%
AB/Brown/Emerald	Principal SmallCap Growth I Separate Account-R6	\$591,987	0.77%	+	0.42%	=	1.19%
DFA/Vaughan Nelson/LA Capital	Principal SmallCap Value II Separate Account-R6	\$560,696	0.78%	+	0.43%	=	1.21%
Principal Global Investors	Principal International Emerging Markets Separate Acct-R6	\$997,707	0.69%	+	0.82%	=	1.51%

# Investment Options



Inv Manager or Sub-Advisor	Investment Option	Current Assets	Revenue Retained by Investment Provider <sup>3</sup>	+	Revenue Sharing to Recordkeeper <sup>4</sup>	=	Total Investment Expense Net <sup>5</sup>
Principal Global Investors/DFA	Principal International SmallCap Separate Account-R6	\$1,044,950	0.69%	+	0.77%	=	1.46%
Causeway / Barrow Hanley	Principal Overseas Separate Account-R6	\$5,852,837	0.71%	+	0.52%	=	1.23%
		\$56,950,560					
<b>Total Expected Fees paid through investment options:<sup>6</sup></b>			<b>0.39%</b>	<b>+</b>	<b>0.37%</b>	<b>=</b>	<b>0.76%</b>
	<b>Expressed as a dollar amount</b>		<b>\$221,907</b>	<b>+</b>	<b>\$211,349</b>	<b>=</b>	<b>\$433,256</b>

# Additional Services



<b>Transactional Services/Fees</b>	Defined Benefit (DB) Participant Distributions:	\$40.00 per distribution
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The DB participant distribution fee is a plan-level fee and will be collected according to the collection method established for other plan fees. This fee does not apply to distributions in the form of annuities.

# Important Information



- This Fee Summary is based on the following information:
  - This is a defined benefit plan.
  - Billed fees are collected quarterly.
  - Up to 32 investment options may be used. Additional investments may incur a fee.
  - An individually designed (custom) plan document is used. Applicable fees for future changes to your plan document will be billed directly to you at the time the service is performed. If summary plan description (SPD) services are provided, applicable fees for future SPD changes and/or printing will be billed at the time the SPD's are mailed.
  - Coding changes to implement and operate employer requested amended or restated plan provisions on custom plan documents or outside plan documents will be charged at the time the service is performed.
- Deposit Year End Date: 06/30/2018
- This Fee Summary Principal Life Insurance Company (Principal Life), a member company of The Principal, is submitting for your consideration is based on information concerning your plan submitted to The Principal by your representative. This Fee Summary reflects specific rate level / share class(s) that you and your representative decided upon. You should consider whether the rate level / share classes(s) illustrated is most appropriate for you.
- Capitalized terms not defined in this Fee Summary have the same meaning assigned to them under other applicable agreements or contracts.

- 1 Total is reflected in basis points as a percentage of plan assets being recordkept by Principal Life. It includes the sum of the Total Investment Expense Net and Your Billed/Deducted Fee and is based on the investment options illustrated and chosen service package. It does not include such items as float, slippage/breakage, settlor fees, fees for investment advisory services offered through Principal Financial Advisors, Inc., certain optional services or other qualified plan expenses that may be incurred from other service providers. Fees include Principal Trust Company Directed Trust Services or Custodial Services, if applicable. With respect to the establishment and operation of its separate accounts, Principal Life may receive financial benefits as the result of the application of U.S. Tax law. There is no certainty from year to year what, if any, tax benefits Principal Life will receive. Principal Life cannot provide a meaningful estimate of any tax benefit, if any, that Principal Life may receive. Any such benefit, if received, is dependent on the U.S. tax laws, and is a consequence of activity within a particular separate account. The possibility that Principal Life will receive any financial benefits as a result of the application of U.S. tax laws to the activities of its separate accounts does not influence the investment strategy of Principal Life.
- 2 The fee allocated to Recordkeeping Services is the sum of Your Billed / Deducted Fee and Revenue Sharing to Recordkeeper.
- 3 Affiliates of Principal Life may receive fees as the Investment Provider and/or the Investment Sub-Advisor for certain investment options. These fees are reflected in this column. The term Investment Provider refers to the providers (i.e. manufacturers) of the investment options we make available to employer-sponsored retirement and savings plans. The Investment Provider may or may not be the same entity as the Investment Manager or Sub-Advisor. Please see prospectus for the Investment Provider for mutual fund investment options. Principal Life is the Investment Provider for all Separate Accounts and pays fees for sub-advisory services to the Investment Manager or Sub-Advisor. When affiliates of Principal Life are both Investment Provider and Recordkeeper, amounts in this column and the Revenue Sharing to Recordkeeper column are determined based on internal allocation assumptions.
- 4 These are amounts Principal Life as Recordkeeper or an affiliate expects to receive in connection with the services provided to your plan. In the case of mutual funds, these amounts, which include 12b-1 fees, are paid from the mutual funds, including mutual funds provided by an affiliate of Principal Life. Any 12b-1 fees are paid to Principal Securities, Inc. an affiliate of Principal Life. For investment options other than Separate Accounts, these amounts are paid pursuant to contracts between the investment options and Principal Life or its affiliates for services Principal Life or its affiliates provides to retirement plans on behalf of the investment options. In the case of Separate Accounts, these are amounts that are retained by Principal Life, the Investment Provider of the Separate Accounts, and are allocated to recordkeeping based on internal allocation assumptions. The amounts received or retained are taken into consideration in setting the price for the investment and service package and do not offset our fees on a dollar-for-dollar basis. For plans that have not entered into a service agreement with Principal Life to provide recordkeeping services, these amounts are for additional administrative and/or reporting services.
- 5 Total Investment Expense Net is the gross total investment expense less any fee waivers, reimbursements, caps, or reduction of expenses for the investment options, as well as any operating expenses. These are the expenses, as a percentage of net assets, actually borne by the investment option, including interest expense.
- 6 Total expected fees paid through investment options are an estimate based on the expected amount for each investment option as shown in the table. Fees actually paid through investment options will depend on the investment options chosen for the plan and the value of plan assets directed to those investment options.

**Before investing in mutual funds, investors should carefully consider the investment objectives, risks, charges and expenses of the funds. This and other information is contained in the free prospectus, which can be obtained from your local representative or by contacting us at 1-800-547-7754. Please read the prospectus carefully before investing.**

*Before directing retirement funds to an investment option, investors should carefully consider the investment objectives, risks, charges and expenses of the investment option if any as well as their individual risk tolerance, time horizon and goals. For additional information contact us at 1-800-547-7754.*

*A mutual fund's share price and investment return will vary with market conditions, and the principal value of an investment when you sell your shares may be more or less than the original cost.*

Equity investment options involve greater risk, including heightened volatility, than fixed-income investment options. Fixed-income investment options are subject to interest rate risk, and their value will decline as interest rates rise.

Asset allocation does not guarantee a profit or protect against a loss. Investing in real estate, small-cap, international, and high-yield investment options involves additional risks.

Specialty investment options may experience greater volatility than funds with a broader investment strategy due to sector focus. These investment options are not intended to serve as a complete investment program by itself.

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

*International investing involves increased risks due to currency fluctuations, political or social instability, and differences in accounting standards. REIT securities are subject to risk factors associated with the real estate industry and tax factors of REIT registration.*

Each index based investment option is invested in the stocks of the index it tracks. Performance of indices reflects the unmanaged result for the market segment the selected stocks represent. There is no assurance an index based investment option will match the performance of the index tracked. Investors cannot invest directly in an index.

§ Your FPI contract provides for three General Account Options. The Guaranteed Interest Fund and Guaranteed Access Fund provide a guarantee interest rate for specified periods of time. As an insurance guarantee, these options do not have a fixed investment management fee or expense ratio; those are concepts unique to investment products. Rather, the guarantee is backed by the General Account of Principal Life Insurance Company. The calculation of each guarantee includes some amount of expected costs and expenses. While we target a certain level of expense, there are many factors that can change our actual cost of providing the guarantee. This can include factors such as changes in the interest rate environment. While it is impossible to know the actual expense due to these factors, Principal Life Insurance Company, as a provider of administrative services to the plan, assumes that it will receive the basis points shown, if applicable (from the expense built into the Guaranteed Interest Fund or Guaranteed Access Fund) as part of the overall fee arrangement a plan pays for services from Principal Life.

# Disclosures



§ The General Investment Fund portion of the insurance contract guarantees principal and provides an additional rate of return based on the underlying investments that are assigned to support the contract. As an insurance guarantee, this option does not have a fixed investment management fee or expense ratio; those are concepts unique to investment products. Rather, the guarantee is backed by the General Account of Principal Life Insurance Company. The calculation of the General Investment Fund value includes some amount of expected costs and expenses. While we target a certain level of expense, there are many factors that can change our actual cost. This can include factors such as changes in the economic environment. While it is impossible to know in advance the amount that Principal Life will actually be able to retain due to unknown factors, Principal Life, as a provider of administrative services to the plan, assumes that it will receive the basis points shown, if applicable (from the expense built into the General Investment Fund) as part of the overall fee arrangement a plan pays for services from Principal Life.

The Investment Manager or Sub-Advisors will display "Multiple Sub-Advisors" for investment options where the assets are directed by the Investment Manager to multiple underlying investment options. These underlying investment options may use multiple sub-advisors who are responsible for the day-to-day management responsibilities.

Insurance products and plan administrative services are provided by Principal Life Insurance Company. Principal mutual funds are part of the Principal Funds, Inc. series. Principal Funds, Inc. is distributed by Principal Funds Distributor, Inc. Securities sold or services offered by a Principal Securities Registered Representative are offered through Principal Securities, Inc., 800-547-7754, member SIPC and/or independent brokers/dealers. Principal Funds Distributor, Principal Securities and Principal Life are members of the Principal Financial Group®, Des Moines, IA 50392. Certain investment options may not be available in all states or U.S. commonwealths.