

RETIREMENT PLAN OF CREIGHTON UNIVERSITY

ERISA 404 Retirement Plan and Investment Information

08/05/2012

Contract/Plan ID Number 6-15443

This document uses these defined words and phrases:

Plan means **RETIREMENT PLAN OF CREIGHTON UNIVERSITY**.

Plan Fiduciary means the individual(s) holding authority over the operation and administration of the Plan and its retirement funds. The Plan Sponsor is typically the Plan Fiduciary. Contact the Plan Administrator for further details.

Plan Sponsor means **CREIGHTON UNIVERSITY**.

You means the Plan participant or beneficiary.

Plan Administrator is a Plan Fiduciary that has authority over operation and administration of the Plan. You should contact the Plan Administrator if you have any questions about the investment options under the Plan or if you would like paper copies of additional investment information that is available online at principal.com.

The Plan Administrator is:

CREIGHTON UNIVERSITY
2500 CALIFORNIA PLZ
OMAHA, NE 68178-0008
402-280-5767

Information about ERISA Section 404(c)

The Employee Retirement Income Security Act (ERISA) provides rules about the investment of retirement funds. The Plan Sponsor chose to qualify the Plan as an ERISA 404(c) plan and intends to comply with ERISA Section 404(c) requirements by providing information for you to make informed investment decisions and by letting you:

- Direct the investment of individual retirement accounts
- Choose from at least three diverse investment options
- Change investment choices at least quarterly

This means the Plan Fiduciary should not be liable for any investment losses that result from a participant's investment control.

Note: Access to the wide array of investment options under the Principal Self-Directed Brokerage AccountSM may comply with 404(c). However, there is no definitive guidance as to whether the 404(c) requirements are met under a brokerage account.

How does this affect you?

The Plan Fiduciary makes certain investment options available under the Plan. You decide which of those options works best for you according to your age and circumstances. This means that you are responsible for directing the investment in the account the Plan holds for your benefit (your account).

Directing or Transferring Between Investment Options

You can direct or transfer retirement funds between the different investment options at least quarterly. The Plan may allow for more frequent transfers. To transfer retirement funds, you can call the automated phone system of the Principal Financial Group[®] at 1-800-547-7754 or log in to your account at principal.com.

A description of the exercise of voting, tender and similar rights for an investment alternative and any restrictions on these rights is located in the relevant plan document or trustee powers section of the trust agreement. Contact the Plan Administrator to obtain the plan document or the trust agreement, if applicable.

Fees and Expenses

Plan administrative expenses are paid from the total investment expense of one or more of the Plan's investment options. Plan administrative expenses typically include items such as recordkeeping, participant website access, participant statements, Plan compliance services and financial professional services.

From time to time, Plan expenses may be incurred in the course of normal Plan operation for Plan services such as legal, auditing, third-party administration, consulting, investment advice to the Plan, etc. If allowed by the Plan document, the Plan Fiduciary may direct that these expenses be paid by the Plan. If such expenses are charged to participant accounts, the dollar amount of such expenses will be disclosed on the secure principal.com website and on participant statements (if applicable) for the quarter in which they are paid.

The following participant-level services have additional fees. These participant transaction fees will be charged to your account balance for the services you elect to use. Participant transaction fees for the Plan include:

- Installment fee: \$60.00

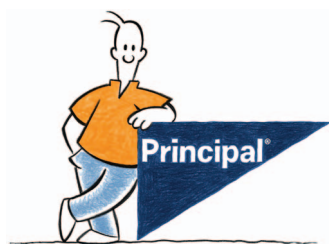
Please see the Investment Option Summary for fees and expenses that may be charged against your account based on investment-level transactions.

In addition to the investment options designated by the Plan, you may utilize the Principal Self-Directed Brokerage AccountSM. Please see the attached Principal Self-Directed Brokerage Account Fee Summary for information about the fees related to the Brokerage Account.

The Plan Administrator can provide the following additional information, upon request:

- Copies of prospectuses (or any short-form or summary prospectuses) for the investment options
- Copies of any financial statements or reports, such as statements of additional information and shareholder reports, and of any other similar materials relating to the Plan's designated investment options
- A statement of the value of a share or unit of each designated investment option and the date of the valuation
- A list of the assets comprising the portfolio of each investment option which constitute Plan assets and the value of each asset (or the proportion of the investment which it comprises)

To help you make informed investment choices and for more information about the investment options available to you, including investment objectives, performance and fees, please review the enclosed materials or visit principal.com.



Principal Self-Directed Brokerage AccountSM

With the Principal Self-Directed Brokerage AccountSM, you make the moves. You choose which mutual funds to direct your contributions. You then manage your own investment decisions.

The Principal Self-Directed Brokerage Account features

- Online trading, including research and quote information
- Access to both the brokerage account and the retirement plan's core investment options through one Internet site
- Daily updates to the brokerage account balance on TeleTouch®, and the participant website at *principal.com*
- Daily transactions
- The ability to transfer retirement funds between the retirement plan's core investment options and the brokerage account overnight
- The ability to bypass the retirement plan's core investment options and make contributions directly into the brokerage account
- No minimum or maximum account balance restrictions, and no minimums for initial and subsequent account transactions¹

An opportunity for you

The Principal Self-Directed Brokerage Account offers you:

More choices – You'll have access to a broader range of mutual funds.

Greater control – The Principal Self-Directed Brokerage Account gives you nearly complete control over your mutual fund choices.

Flexibility – Every plan participant is different. Principal Self-Directed Brokerage Account lets you choose mutual funds that are suited for your individual needs.

¹Some mutual fund families may have minimums for purchases.

A suitable match for the seasoned investor

While the Principal Self-Directed Brokerage Account can be part of a solid retirement strategy, it isn't right for every investor. Here are some things to consider:

Educate yourself – Before choosing a mutual fund, always get as much information as possible.

Diversification is important – Diversification means spreading investment options among various industries and asset classes. This helps you offset risk in case one mutual fund performs poorly.

Risk vs. return – Find out your risk tolerance for investing. This will help you select the mutual funds that best meet your needs.

Account management – With the Principal Self-Directed Brokerage Account, you make your own investment decisions.

Before investing in the brokerage account, you should review the how-to guide available via the participant website at principal.com.



WE'LL GIVE YOU AN EDGE®

Principal Life Insurance Company, Des Moines, Iowa 50392-0001, principal.com

No investment strategy, such as diversification or asset allocation, can guarantee a profit or protect against loss in periods of declining value.

Insurance products and plan administrative services are provided by Principal Life Insurance Company, a member of the Principal Financial Group, Des Moines, IA 50392. Securities are offered through Princor Financial Services Corporation ("Princor®"), member SIPC, 800-547-7754, and/or independent broker dealers. Securities sold by a Princor Registered Representative are offered through Princor. Princor and Principal Life are members of the Principal Financial Group®, Des Moines, IA 50392.

Clearing services are provided by Pershing, a BNY Securities Group Company, Solutions from The Bank of New York Company, Inc., One Pershing Plaza, Jersey City, New Jersey, 07399. Pershing LLC Member FINRA, SIPC. The Principal Financial Group is not affiliated with Pershing LLC, BNY Securities Group or their member companies.

403(b) plans may only invest in mutual funds per requirements from the Internal Revenue Code (IRC) section 403(b)(7).

The value of the investment options will fluctuate so that when redeemed, shares or units may be worth more or less than the original cost.

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 by calling the Trade Desk at 1-800-691-4851. Please read the prospectus carefully before investing.

This document provides important information to help you compare the investment options available to you under the retirement plan.

Investment results shown represent historical performance and do not guarantee future results. Investment returns and principal values fluctuate with changes in interest rates and other market conditions so the value, when redeemed, may be worth more or less than original costs. Current performance may be lower or higher than the performance data shown. For additional information on the investment options, including most recent month-end performance, log in to the Principal Financial Group® website at principal.com or call our automated phone system at 1-800-547-7754.

Additional information available online includes, if applicable, the name of the investment option's issuer; the investment option's objectives or goals; the investment option's principal strategies, including a general description of the types of assets held by the investment option; the portfolio turnover rate; and the investment option's performance data and fee and expense information.

In situations where the net and gross total investment expense figures are different, the mutual fund or the underlying fund in which a Separate Account invests has waived/capped a portion of its management fees through the date displayed in the waiver expiration date or contractual cap expiration date column. Differences may also be shown due to the fund family choosing to pay certain expenses that would normally be payable by the fund. Returns displayed are based on total investment expense net.

Fees and expenses are only one of several factors that participants and beneficiaries should consider when making investment decisions. Some or all of the Plan administrative expenses are paid from the total investment expense of one or more of the Plan's investment options. The cumulative effect of fees and expenses can substantially reduce the growth of a participant's or beneficiary's retirement account. Participants and beneficiaries can visit the Employee Benefit Security Administration's website for an example demonstrating the long-term effect of fees and expenses.

For a glossary of terms to assist you in understanding the designated investment options, log in to your account at principal.com.

Asset Class: Short-Term Fixed Income														
This asset class is generally composed of short-term, fixed-income investment options that are largely liquid and are designed to not lose much value. These investment options may include stable value, money market, short-term bond, and guaranteed interest accounts. They are considered to be among the least risky forms of investment options. However, they typically have a lower rate of return than equities or longer-term fixed income investment options over long periods of time. Depending on the objectives of the investment options, they may experience price fluctuations and may lose value.														
Investment Category: Money Market														
Inv Manager or Sub-Advisor : Principal Global Investors														
Investment Option Name				Average Annual Total Return										
Money Market Inst Fund ^{8,4,6,18}				(as of 06/30/2012 quarter end)						(as of 12/31/2011 year end)				
				YTD Ret	1-Year	3-Year	5-Year	10-Year	Since Incept	1-Year	5-Year	10-Year	Since Incept	Incept Date
				0.00	0.00	0.00	1.08	1.80	2.00	0.00	1.58	1.88	2.09	3/2001
Benchmark: Barclays Capital Treasury Bellwethers 3 Month Index				0.04	0.07	0.14	1.05	1.90	-	0.11	1.55	1.99	-	-
Description: The investment seeks as high a level of current income as is considered consistent with preservation of principal and maintenance of liquidity. The fund invests its assets in a portfolio of high quality, short-term money market instruments such as those issued by banks, corporations (U.S. and non-U.S.), municipalities and the U.S. government. Such instruments include certificates of deposit, bankers acceptances, commercial paper, treasury bills, bonds, and shares of other money market funds. It maintains a dollar weighted average portfolio maturity of 60 days or less.														
Composition (% of Assets) as of 05/31/2012				Fees & Expenses					# of Transfers Allowed/Time Period					
Cash	0.03	U.S. Bonds	21.69	Total Inv Exp Net %					0.42	-				
Other	78.28			Contractual Cap Expiration Date					N/A					
				Waiver Expiration Date					N/A					
				Total Inv Exp Gross %					0.42					
				Total Inv Exp Gross Per \$1,000 Invested					\$4.20					
				Redemption Fee					-					

Asset Class: Fixed Income

This asset class is generally composed of investment options that invest in bonds, or debt of a company or government entity (including U.S. and Non- U.S.). It may also include real estate investment options that directly own property. These investment options typically carry more risk than short-term fixed income investment options (including, for real estate investment options, liquidity risk), but less overall risk than equities. All investment options in this category have the potential to lose value.

Investment Category: Intermediate-Term Bond

Inv Manager or Sub-Advisor : PIMCO

Investment Option Name	Average Annual Total Return										
PIMCO Total Return Admin Fund ^{9,16}	(as of 06/30/2012 quarter end)						(as of 12/31/2011 year end)				
	YTD Ret	1-Year	3-Year	5-Year	10-Year	Since Incept	1-Year	5-Year	10-Year	Since Incept	Incept Date
	5.62	6.69	8.41	8.95	6.71	7.43	3.91	7.82	6.53	7.31	9/1994
Benchmark: Barclays Capital U.S. Government/Credit 5-10 Year Index	3.96	11.03	9.97	8.57	6.89	-	10.79	7.84	6.88	-	-

Description: The investment seeks maximum total return, consistent with preservation of capital and prudent investment management. The fund normally invests at least 65% of its total assets in a diversified portfolio of Fixed Income Instruments of varying maturities, which may be represented by forwards or derivatives such as options, futures contracts, or swap agreements. It invests primarily in investment-grade debt securities, but may invest up to 10% of total assets in high-yield securities ("junk bonds"). The fund may invest up to 15% of its total assets in securities and instruments that are economically tied to emerging market countries.

Composition (% of Assets) as of 03/31/2012				Fees & Expenses			# of Transfers Allowed/Time Period				
Cash	-18.91	Non-U.S. Bonds	44.73	Total Inv Exp Net %			-				
Convertibles	0.01	Preferred	0.43	Contractual Cap Expiration Date			N/A				
U.S. Bonds	72.76	Other	0.98	Waiver Expiration Date			N/A				
				Total Inv Exp Gross %			0.71				
				Total Inv Exp Gross Per \$1,000 Invested			\$7.10				
				Redemption Fee			-				

Inv Manager or Sub-Advisor : Vanguard Group

Investment Option Name	Average Annual Total Return										
Vanguard Total Bond Market Index Inst Fund ^{2,9,16,F}	(as of 06/30/2012 quarter end)						(as of 12/31/2011 year end)				
	YTD Ret	1-Year	3-Year	5-Year	10-Year	Since Incept	1-Year	5-Year	10-Year	Since Incept	Incept Date
	2.45	7.60	6.89	6.86	5.58	6.21	7.72	6.52	5.63	6.25	9/1995
Benchmark: Barclays Capital U.S. Government/Credit 5-10 Year Index	3.96	11.03	9.97	8.57	6.89	-	10.79	7.84	6.88	-	-

Description: The investment seeks to track the performance of a broad, market-weighted bond index. The fund employs an indexing investment approach designed to track the performance of the Barclays Capital U.S. Aggregate Float Adjusted Index. It invests by sampling the index, meaning that it holds a broadly diversified collection of securities that, in the aggregate, approximates the full index in terms of key risk factors and other characteristics. The fund invests at least 80% of assets in bonds held in the index. It maintains a dollar-weighted average maturity consistent with that of the index, ranging between 5 and 10 years.

Composition (% of Assets) as of 03/31/2012				Fees & Expenses		# of Transfers Allowed/Time Period	
Cash	6.16	Non-U.S. Bonds	7.38	Total Inv Exp Net %	0.07	1/30 day period	
Preferred	0.06	U.S. Bonds	84.47	Contractual Cap Expiration Date	N/A		
Other	1.92			Waiver Expiration Date	N/A		
				Total Inv Exp Gross %	0.07		
				Total Inv Exp Gross Per \$1,000 Invested	\$0.70		
				Redemption Fee	-		

Investment Category: Inflation-Protected Bond

Inv Manager or Sub-Advisor : PIMCO

Investment Option Name	Average Annual Total Return										
PIMCO Real Return Admin Fund ^{9,16,22}	(as of 06/30/2012 quarter end)						(as of 12/31/2011 year end)				
	YTD Ret	1-Year	3-Year	5-Year	10-Year	Since Incept	1-Year	5-Year	10-Year	Since Incept	Incept Date
	5.33	11.52	10.71	9.00	7.37	7.89	11.29	8.09	7.60	7.76	4/2000
Benchmark: Barclays Capital US Treas TIPS Index	4.04	11.66	9.63	8.44	7.23	-	13.56	7.95	7.57	-	-

Description: The investment seeks maximum real return, consistent with preservation of capital and prudent investment management. The fund normally invests at least 80% of its net assets in inflation-indexed bonds of varying maturities issued by the U.S. and non-U.S. governments, their agencies or instrumentalities, and corporations, which may be represented by forwards or derivatives such as options, futures contracts or swap agreements. It invests primarily in investment-grade securities, but may invest up to 10% of total assets in high-yield securities ("junk bonds"). The fund also may invest in derivative instruments. It is non-diversified.

Composition (% of Assets) as of 03/31/2012				Fees & Expenses			# of Transfers Allowed/Time Period				
Cash	-16.20	Non-U.S. Bonds	19.80	Total Inv Exp Net %			-				
Convertibles	0.01	Preferred	0.12	Contractual Cap Expiration Date			N/A				
U.S. Bonds	96.13	Other	0.14	Waiver Expiration Date			N/A				
				Total Inv Exp Gross %			0.71				
				Total Inv Exp Gross Per \$1,000 Invested			\$7.10				
				Redemption Fee			-				

Asset Class: Balanced/Asset Allocation

This asset class is generally composed of a combination of fixed income and equity investment options. These investment options may include balanced, asset allocation, target-date, and target-risk investment options. Although typically lower risk than investment options that invest solely in equities, all investment options in this category have the potential to lose value.

Investment Category: Retirement Income

Inv Manager or Sub-Advisor : Multiple Sub-Advisors

Investment Option Name	Average Annual Total Return										
Principal LifeTime Strategic Income Inst Fund ^{8,16,20,21,23,F}	(as of 06/30/2012 quarter end)						(as of 12/31/2011 year end)				
	YTD Ret	1-Year	3-Year	5-Year	10-Year	Since Incept	1-Year	5-Year	10-Year	Since Incept	Incept Date
	4.69	4.19	10.86	2.14	5.00	4.49	3.56	1.53	4.43	4.26	3/2001
Benchmark: Principal LifeTime Strategic Income Blended Index	3.57	5.99	9.06	5.19	6.13	-	5.97	5.00	5.41	-	-
Benchmark: Morningstar Lifetime Moderate Income Index	4.34	4.03	9.67	4.87	6.97	-	4.00	4.86	6.54	-	-

Description: The investment seeks current income, and as a secondary objective, capital appreciation. The fund invests in underlying Principal Funds, Inc. ("PFI") domestic and foreign equity, real estate investments, and fixed-income funds according to an asset allocation strategy designed for investors primarily seeking current income and secondarily capital appreciation. Its asset allocation is designed for investors who are approximately 15 years beyond the normal retirement age of 65. The fund invests in PFI Institutional Class shares of underlying funds.

Composition (% of Assets) as of 05/31/2012				Fees & Expenses		# of Transfers Allowed/Time Period	
Cash	3.26	U.S. Stocks	15.54	Total Inv Exp Net %	0.62	1/30 day period	
Non-U.S. Stocks	7.14	Non-U.S. Bonds	10.36	Contractual Cap Expiration Date	N/A		
Convertibles	0.14	Preferred	1.18	Waiver Expiration Date	N/A		
U.S. Bonds	60.97	Other	1.42	Total Inv Exp Gross %	0.62		
				Total Inv Exp Gross Per \$1,000 Invested	\$6.20		
				Redemption Fee	-		

Investment Category: Target Date 2000-2010

Inv Manager or Sub-Advisor : Multiple Sub-Advisors

Investment Option Name	Average Annual Total Return										
Principal LifeTime 2010 Inst Fund ^{8,16,20,21,23,F}	(as of 06/30/2012 quarter end)						(as of 12/31/2011 year end)				
	YTD Ret	1-Year	3-Year	5-Year	10-Year	Since Incept	1-Year	5-Year	10-Year	Since Incept	Incept Date
	5.90	2.36	13.00	1.16	5.35	4.62	1.16	0.78	4.55	4.28	3/2001
Benchmark: Principal LifeTime 2010 Blended Index	4.51	4.35	11.47	2.83	5.63	-	4.50	2.88	4.66	-	-
Benchmark: Morningstar Lifetime Moderate 2010 Index	5.21	4.11	11.43	4.32	7.69	-	3.53	4.37	6.87	-	-

Description: The investment seeks a total return consisting of long-term growth of capital and current income. The fund operates as a "target date fund." It invests in underlying Principal Funds, Inc. ("PFI") domestic and foreign equity, real estate investments, and fixed-income funds according to an asset allocation strategy designed for investors having an investment time horizon comparable to that of the fund. The fund invests in PFI Institutional Class shares of underlying funds. Within 10 to 15 years after its target year, the fund's underlying fund allocation is expected to match that of the Principal LifeTime Strategic Income Fund.

Composition (% of Assets) as of 05/31/2012				Fees & Expenses		# of Transfers Allowed/Time Period	
Cash	2.33	U.S. Stocks	28.43	Total Inv Exp Net %	0.69	1/30 day period	
Non-U.S. Stocks	13.59	Non-U.S. Bonds	7.89	Contractual Cap Expiration Date	N/A		
Convertibles	0.11	Preferred	0.93	Waiver Expiration Date	N/A		
U.S. Bonds	45.50	Other	1.22	Total Inv Exp Gross %	0.69		
				Total Inv Exp Gross Per \$1,000 Invested	\$6.90		
				Redemption Fee	-		

Asset Class: Balanced/Asset Allocation

This asset class is generally composed of a combination of fixed income and equity investment options. These investment options may include balanced, asset allocation, target-date, and target-risk investment options. Although typically lower risk than investment options that invest solely in equities, all investment options in this category have the potential to lose value.

Investment Category: Target Date 2016-2020

Inv Manager or Sub-Advisor : Multiple Sub-Advisors

Investment Option Name	Average Annual Total Return										
Principal LifeTime 2020 Inst Fund ^{8,16,20,21,23,F}	(as of 06/30/2012 quarter end)						(as of 12/31/2011 year end)				
	YTD Ret	1-Year	3-Year	5-Year	10-Year	Since Incept	1-Year	5-Year	10-Year	Since Incept	Incept Date
	7.19	0.65	13.56	0.53	5.69	4.81	-1.11	0.20	4.66	4.36	3/2001
Benchmark: Principal LifeTime 2020 Blended Index	6.37	1.99	11.97	1.44	5.55	-	0.63	1.31	4.24	-	-
Benchmark: Morningstar Lifetime Moderate 2020 Index	5.88	2.51	12.91	2.86	7.98	-	1.70	3.10	6.84	-	-
Description: The investment seeks a total return consisting of long-term growth of capital and current income. The fund operates as a "target date fund." It invests in underlying Principal Funds, Inc. ("PFI") domestic and foreign equity, real estate investments, and fixed-income funds according to an asset allocation strategy designed for investors having an investment time horizon comparable to that of the fund. The fund invests in PFI Institutional Class shares of underlying funds. Within 10 to 15 years after its target year, the fund's underlying fund allocation is expected to match that of the Principal LifeTime Strategic Income Fund.											

Composition (% of Assets) as of 05/31/2012				Fees & Expenses		# of Transfers Allowed/Time Period	
Cash	0.32	U.S. Stocks	42.19	Total Inv Exp Net %	0.74	1/30 day period	
Non-U.S. Stocks	21.06	Non-U.S. Bonds	5.27	Contractual Cap Expiration Date	N/A		
Convertibles	0.11	Preferred	1.03	Waiver Expiration Date	N/A		
U.S. Bonds	28.99	Other	1.03	Total Inv Exp Gross %	0.74		
				Total Inv Exp Gross Per \$1,000 Invested	\$7.40		
				Redemption Fee	-		

Investment Category: Target Date 2026-2030

Inv Manager or Sub-Advisor : Multiple Sub-Advisors

Investment Option Name	Average Annual Total Return										
Principal LifeTime 2030 Inst Fund ^{8,16,20,21,23,F}	(as of 06/30/2012 quarter end)						(as of 12/31/2011 year end)				
	YTD Ret	1-Year	3-Year	5-Year	10-Year	Since Incept	1-Year	5-Year	10-Year	Since Incept	Incept Date
	7.42	-0.48	13.85	-0.09	5.61	4.52	-2.23	-0.29	4.42	4.05	3/2001
Benchmark: Principal LifeTime 2030 Blended Index	6.45	0.84	12.50	0.56	5.43	-	-0.25	0.54	3.99	-	-
Benchmark: Morningstar Lifetime Moderate 2030 Index	6.39	-0.50	13.86	1.17	7.84	-	-1.24	1.56	6.58	-	-
Description: The investment seeks a total return consisting of long-term growth of capital and current income. The fund operates as a "target date fund." It invests in underlying Principal Funds, Inc. ("PFI") domestic and foreign equity, real estate investments, and fixed-income funds according to an asset allocation strategy designed for investors having an investment time horizon comparable to that of the fund. The fund invests in PFI Institutional Class shares of underlying funds. Within 10 to 15 years after its target year, the fund's underlying fund allocation is expected to match that of the Principal LifeTime Strategic Income Fund.											

Composition (% of Assets) as of 05/31/2012				Fees & Expenses		# of Transfers Allowed/Time Period	
Cash	1.14	U.S. Stocks	47.87	Total Inv Exp Net %	0.76	1/30 day period	
Non-U.S. Stocks	24.24	Non-U.S. Bonds	3.44	Contractual Cap Expiration Date	N/A		
Convertibles	0.11	Preferred	1.68	Waiver Expiration Date	N/A		
U.S. Bonds	20.67	Other	0.85	Total Inv Exp Gross %	0.76		
				Total Inv Exp Gross Per \$1,000 Invested	\$7.60		
				Redemption Fee	-		

Asset Class: Balanced/Asset Allocation

This asset class is generally composed of a combination of fixed income and equity investment options. These investment options may include balanced, asset allocation, target-date, and target-risk investment options. Although typically lower risk than investment options that invest solely in equities, all investment options in this category have the potential to lose value.

Investment Category: Target Date 2036-2040

Inv Manager or Sub-Advisor : Multiple Sub-Advisors

Investment Option Name	Average Annual Total Return										
Principal LifeTime 2040 Inst Fund ^{8,16,20,21,23,F}	(as of 06/30/2012 quarter end)						(as of 12/31/2011 year end)				
	YTD Ret	1-Year	3-Year	5-Year	10-Year	Since Incept	1-Year	5-Year	10-Year	Since Incept	Incept Date
	7.73	-1.37	13.81	-0.70	5.34	4.37	-3.38	-0.82	4.03	3.86	3/2001
Benchmark: Principal LifeTime 2040 Blended Index	6.54	-0.29	12.74	-0.16	5.37	-	-1.22	-0.11	3.80	-	-
Benchmark: Morningstar Lifetime Moderate 2040 Index	6.49	-2.23	13.89	0.58	7.81	-	-2.85	1.03	6.57	-	-

Description: The investment seeks a total return consisting of long-term growth of capital and current income. The fund operates as a "target date fund." It invests in underlying Principal Funds, Inc. ("PFI") domestic and foreign equity, real estate investments, and fixed-income funds according to an asset allocation strategy designed for investors having an investment time horizon comparable to that of the fund. The fund invests in PFI Institutional Class shares of underlying funds. Within 10 to 15 years after its target year, the fund's underlying fund allocation is expected to match that of the Principal LifeTime Strategic Income Fund.

Composition (% of Assets) as of 05/31/2012				Fees & Expenses		# of Transfers Allowed/Time Period
Cash	2.00	U.S. Stocks	53.78	Total Inv Exp Net %	0.78	1/30 day period
Non-U.S. Stocks	28.70	Non-U.S. Bonds	1.81	Contractual Cap Expiration Date	N/A	
Convertibles	0.11	Preferred	1.90	Waiver Expiration Date	N/A	
U.S. Bonds	10.97	Other	0.73	Total Inv Exp Gross %	0.78	
				Total Inv Exp Gross Per \$1,000 Invested	\$7.80	
				Redemption Fee	-	

Investment Category: Target Date 2046-2050

Inv Manager or Sub-Advisor : Multiple Sub-Advisors

Investment Option Name	Average Annual Total Return										
Principal LifeTime 2050 Inst Fund ^{8,16,20,21,23,F}	(as of 06/30/2012 quarter end)						(as of 12/31/2011 year end)				
	YTD Ret	1-Year	3-Year	5-Year	10-Year	Since Incept	1-Year	5-Year	10-Year	Since Incept	Incept Date
	8.00	-1.98	13.88	-1.01	5.24	3.91	-4.02	-1.15	3.76	3.35	3/2001
Benchmark: Principal LifeTime 2050 Blended Index	6.73	-1.20	12.84	-0.58	5.44	-	-2.14	-0.51	3.72	-	-
Benchmark: Morningstar Lifetime Moderate 2050 Index	6.39	-2.92	13.72	0.45	7.93	-	-3.47	0.96	6.73	-	-

Description: The investment seeks a total return consisting of long-term growth of capital and current income. The fund operates as a "target date fund." It invests in underlying Principal Funds, Inc. ("PFI") domestic and foreign equity, real estate investments, and fixed-income funds according to an asset allocation strategy designed for investors having an investment time horizon comparable to that of the fund. The fund invests in PFI Institutional Class shares of underlying funds. Within 10 to 15 years after its target year, the fund's underlying fund allocation is expected to match that of the Principal LifeTime Strategic Income Fund.

Composition (% of Assets) as of 05/31/2012				Fees & Expenses		# of Transfers Allowed/Time Period	
Cash	2.42	U.S. Stocks	56.74	Total Inv Exp Net %	0.79	1/30 day period	
Non-U.S. Stocks	31.96	Non-U.S. Bonds	0.85	Contractual Cap Expiration Date	N/A		
Convertibles	0.11	Preferred	1.76	Waiver Expiration Date	N/A		
U.S. Bonds	5.50	Other	0.65	Total Inv Exp Gross %	0.79		
				Total Inv Exp Gross Per \$1,000 Invested	\$7.90		
				Redemption Fee	-		

Asset Class: Large U.S. Equity

This asset class is generally composed of investment options that invest in stocks, or shares of ownership in large, well-established, U.S. companies. These investment options typically carry more risk than fixed income investment options but have the potential for higher returns over longer time periods. They may be an appropriate choice for long-term investors who are seeking the potential for growth. All investment options in this category have the potential to lose value.

Investment Category: Large Value

Inv Manager or Sub-Advisor : Columbia Management Advisors

Investment Option Name Average Annual Total Return

Columbia Value & Restructuring Z Fund ^{17,E}	(as of 06/30/2012 quarter end)						(as of 12/31/2011 year end)				Incept Date
	YTD Ret	1-Year	3-Year	5-Year	10-Year	Since Incept	1-Year	5-Year	10-Year	Since Incept	
	4.89	-8.84	13.38	-3.35	6.31	11.74	-10.79	-1.76	4.57	11.79	

Benchmark:

Russell 1000 Value Index

Description: The investment seeks long-term capital appreciation. The fund normally invests at least 65% of assets in common stocks of companies that the Advisor believes will benefit from various types of restructuring efforts or industry consolidation. It may invest in companies that have market capitalizations of any size. The fund may invest in foreign securities, including securities of companies in emerging market countries. It may invest directly in foreign securities or indirectly through depositary receipts.

Composition (% of Assets) as of 04/30/2012				Fees & Expenses			# of Transfers Allowed/Time Period			
Cash	0.01	U.S. Stocks	81.46	Total Inv Exp Net %			1/28 day period			
Non-U.S. Stocks	16.36	Convertibles	0.26	Contractual Cap Expiration Date						
Preferred	1.91			Waiver Expiration Date			07/31/2012			
				Total Inv Exp Gross %			0.95			
				Total Inv Exp Gross Per \$1,000 Invested			\$9.50			
				Redemption Fee			-			

Inv Manager or Sub-Advisor : MFS Investment Management

Investment Option Name Average Annual Total Return

MFS Value A Fund ^G	(as of 06/30/2012 quarter end)						(as of 12/31/2011 year end)				Incept Date
	YTD Ret	1-Year	3-Year	5-Year	10-Year	Since Incept	1-Year	5-Year	10-Year	Since Incept	
	7.95	2.05	12.32	-0.68	5.57	9.05	-0.21	-0.65	4.39	8.83	

Benchmark:

Russell 1000 Value Index

Description: The investment seeks capital appreciation. The fund normally invests its assets in equity securities. Equity securities include common stocks, preferred stocks, securities convertible into stocks, and depositary receipts for those securities. It focuses on the stocks of companies it believes are undervalued compared to their perceived worth (value companies). The fund may invest in companies of any size, while it focuses on companies with large capitalizations. The fund may invest in foreign securities.

Composition (% of Assets) as of 05/31/2012				Fees & Expenses			# of Transfers Allowed/Time Period			
Cash	0.88	U.S. Stocks	89.16	Total Inv Exp Net %			2/calendar quarter			
Non-U.S. Stocks	9.70	Preferred	0.12	Contractual Cap Expiration Date			N/A			
Other	0.15			Waiver Expiration Date			N/A			
				Total Inv Exp Gross %			0.94			
				Total Inv Exp Gross Per \$1,000 Invested			\$9.40			
				Redemption Fee			-			

Investment Category: Large Blend

Inv Manager or Sub-Advisor : Principal Global Investors

Investment Option Name Average Annual Total Return

LargeCap S&P 500 Index Inst Fund ^{B,2,5,6,19,24,F}	(as of 06/30/2012 quarter end)						(as of 12/31/2011 year end)				Incept Date
	YTD Ret	1-Year	3-Year	5-Year	10-Year	Since Incept	1-Year	5-Year	10-Year	Since Incept	
	9.33	5.29	16.17	0.03	5.12	1.79	2.00	-0.42	2.71	1.05	

Benchmark:

Standard & Poor's 500 Index

Description: The investment seeks long-term growth of capital. The fund normally invests at least 80% of its net assets in equity securities of companies that compose the S&P 500 Index at the time of purchase. The index is designed to represent U.S. equities with risk/return characteristics of the large cap universe. It employs a passive investment approach designed to attempt to track the performance of the index. The fund may utilize derivative strategies. Specifically, it invests in index futures and options on a daily basis to gain exposure to the index in an effort to minimize tracking error relative to the benchmark.

Composition (% of Assets) as of 05/31/2012				Fees & Expenses			# of Transfers Allowed/Time Period			
Cash	0.26	U.S. Stocks	96.57	Total Inv Exp Net %			1/30 day period			
Non-U.S. Stocks	3.17			Contractual Cap Expiration Date			N/A			
				Waiver Expiration Date			N/A			
				Total Inv Exp Gross %			0.17			
				Total Inv Exp Gross Per \$1,000 Invested			\$1.70			
				Redemption Fee			-			

Asset Class: Large U.S. Equity

This asset class is generally composed of investment options that invest in stocks, or shares of ownership in large, well-established, U.S. companies. These investment options typically carry more risk than fixed income investment options but have the potential for higher returns over longer time periods. They may be an appropriate choice for long-term investors who are seeking the potential for growth. All investment options in this category have the potential to lose value.

Investment Category: Large Blend

Inv Manager or Sub-Advisor : TIAA-CREF Mutual Funds

Investment Option Name**Average Annual Total Return**

TIAA-CREF Growth and Income Premier Fund ^F	(as of 06/30/2012 quarter end)						(as of 12/31/2011 year end)				Incept Date
	YTD Ret	1-Year	3-Year	5-Year	10-Year	Since Incept	1-Year	5-Year	10-Year	Since Incept	
	9.48	4.50	15.44	2.34	6.72	10.77	2.93	2.61	4.02	8.84	
Benchmark: Russell 1000 Index	9.38	4.37	16.64	0.39	5.72	-	1.50	-0.02	3.34	-	-

Description: The investment seeks a favorable long-term total return, through both capital appreciation and investment income, primarily from income-producing equity securities. The fund normally invests at least 80% of net assets in income-producing equity securities. It invests primarily in income-producing equity securities or large-cap securities. The Adviser seeks to construct a portfolio whose weighted average market capitalization is similar to the fund's benchmark index, the Standard and Poor's 500 Index. It may invest up to 20% of its assets in foreign investments when Advisors believes these companies offer more attractive investment opportunities.

Composition (% of Assets) as of 04/30/2012				Fees & Expenses			# of Transfers Allowed/Time Period				
Cash	1.18	U.S. Stocks	90.69	Total Inv Exp Net %			2/60 day period				
Non-U.S. Stocks	6.84	Other	1.29	Contractual Cap Expiration Date			N/A				
				Waiver Expiration Date			N/A				
				Total Inv Exp Gross %			0.62				
				Total Inv Exp Gross Per \$1,000 Invested			\$6.20				
				Redemption Fee			-				

Inv Manager or Sub-Advisor : Vanguard Group

Investment Option Name**Average Annual Total Return**

Vanguard Total Stock Market Index Inst Fund ^{2,F}	(as of 06/30/2012 quarter end)						(as of 12/31/2011 year end)				Incept Date
	YTD Ret	1-Year	3-Year	5-Year	10-Year	Since Incept	1-Year	5-Year	10-Year	Since Incept	
	9.36	3.92	16.92	0.66	6.13	5.14	1.09	0.32	3.87	4.67	
Benchmark: Russell 1000 Index	9.38	4.37	16.64	0.39	5.72	-	1.50	-0.02	3.34	-	-

Description: The investment seeks to track the performance of a benchmark index that measures the investment return of the overall stock market. The fund employs an indexing investment approach designed to track the performance of the MSCI US Broad Market Index, which represents approximately 99.5% or more of the total market capitalization of all the U.S. common stocks regularly traded on the New York Stock Exchange and the Nasdaq over-the-counter market. It invests by sampling the index, meaning that it holds a broadly diversified collection of securities that, in the aggregate, approximates the full index in terms of key characteristics.

Composition (% of Assets) as of 03/31/2012				Fees & Expenses			# of Transfers Allowed/Time Period				
Cash	0.44	U.S. Stocks	98.87	Total Inv Exp Net %			1/30 day period				
Non-U.S. Stocks	0.69			Contractual Cap Expiration Date			N/A				
				Waiver Expiration Date			N/A				
				Total Inv Exp Gross %			0.05				
				Total Inv Exp Gross Per \$1,000 Invested			\$0.50				
				Redemption Fee			-				

Investment Category: Large Growth

Inv Manager or Sub-Advisor : Capital Research and Mgmt Co

Investment Option Name**Average Annual Total Return**

American Funds Growth Fund of America R4 Fund ^{22,G}	(as of 06/30/2012 quarter end)						(as of 12/31/2011 year end)				Incept Date
	YTD Ret	1-Year	3-Year	5-Year	10-Year	Since Incept	1-Year	5-Year	10-Year	Since Incept	
	9.78	-0.13	12.05	-0.48	6.37	5.32	-4.87	-0.59	3.61	4.58	
Benchmark: Russell 1000 Growth Index	10.08	5.76	17.50	2.87	6.03	-	2.64	2.50	2.60	-	-

Description: The investment seeks capital growth. The fund invests primarily in common stocks and seeks to invest in companies that appear to offer superior opportunities for growth of capital. It may invest a portion of its assets in securities of issuers domiciled outside the U.S. The investment adviser uses a system of multiple portfolio counselors in managing the fund's assets.

Composition (% of Assets) as of 03/31/2012				Fees & Expenses			# of Transfers Allowed/Time Period				
Cash	4.82	U.S. Stocks	76.37	Total Inv Exp Net %			1/30 day period				
Non-U.S. Stocks	15.79	U.S. Bonds	0.38	Contractual Cap Expiration Date			N/A				
Other	2.64			Waiver Expiration Date			N/A				
				Total Inv Exp Gross %			0.68				
				Total Inv Exp Gross Per \$1,000 Invested			\$6.80				
				Redemption Fee			-				

Asset Class: Large U.S. Equity

This asset class is generally composed of investment options that invest in stocks, or shares of ownership in large, well-established, U.S. companies. These investment options typically carry more risk than fixed income investment options but have the potential for higher returns over longer time periods. They may be an appropriate choice for long-term investors who are seeking the potential for growth. All investment options in this category have the potential to lose value.

Investment Category: Large Growth

Inv Manager or Sub-Advisor : Fidelity Management & Research

Investment Option Name**Average Annual Total Return**

Fidelity Contrafund ^H	(as of 06/30/2012 quarter end)						(as of 12/31/2011 year end)				Incept Date
	YTD Ret	1-Year	3-Year	5-Year	10-Year	Since Incept	1-Year	5-Year	10-Year	Since Incept	
	10.91	6.11	16.56	2.93	8.17	12.18	-0.12	2.58	6.96	12.07	

Benchmark:

Russell 1000 Growth Index

Description: The investment seeks capital appreciation. The fund normally invests primarily in common stocks. It invests in securities of companies whose value the advisor believes is not fully recognized by the public. The fund invests in domestic and foreign issuers. It invests in either "growth" stocks or "value" stocks or both. The fund uses fundamental analysis of factors such as each issuer's financial condition and industry position, as well as market and economic conditions to select investments.

Composition (% of Assets) as of 05/31/2012				Fees & Expenses			# of Transfers Allowed/Time Period				
Cash	6.55	U.S. Stocks	82.80	Total Inv Exp Net %			1/60 day period				
Non-U.S. Stocks	10.41	Non-U.S. Bonds	0.07	Contractual Cap Expiration Date			N/A				
Preferred	0.06	U.S. Bonds	0.10	Waiver Expiration Date			N/A				
				Total Inv Exp Gross %			0.81				
				Total Inv Exp Gross Per \$1,000 Invested			\$8.10				
				Redemption Fee			-				

Inv Manager or Sub-Advisor : Neuberger Berman Mgmt. Inc.

Investment Option Name**Average Annual Total Return**

Neuberger Berman Socially Responsive Tr Fund	(as of 06/30/2012 quarter end)						(as of 12/31/2011 year end)				Incept Date
	YTD Ret	1-Year	3-Year	5-Year	10-Year	Since Incept	1-Year	5-Year	10-Year	Since Incept	
	3.45	-5.60	13.88	-0.95	6.04	5.80	-3.05	0.31	4.92	5.76	

Benchmark:

Russell 1000 Growth Index

Description: The investment seeks long-term growth of capital by investing primarily in securities of companies that meet the fund's financial criteria and social policy. The fund invests primarily in common stocks of mid- to large-capitalization companies that meet the fund's social policy. It seeks to reduce risk by investing across many different industries. The Portfolio Managers employ a research driven and valuation sensitive approach to stock selection, with a long term perspective. Although the fund invests primarily in domestic stocks, it may also invest in stocks of foreign companies.

Composition (% of Assets) as of 04/30/2012				Fees & Expenses			# of Transfers Allowed/Time Period				
Cash	1.07	U.S. Stocks	85.40	Total Inv Exp Net %			-				
Non-U.S. Stocks	13.51	Other	0.03	Contractual Cap Expiration Date			N/A				
				Waiver Expiration Date			N/A				
				Total Inv Exp Gross %			1.08				
				Total Inv Exp Gross Per \$1,000 Invested			\$10.80				
				Redemption Fee			-				

Asset Class: Small/Mid U.S. Equity

This asset class is generally composed of investment options that invest in stocks, or shares of ownership in small- to medium-sized U.S. companies. These investment options typically carry more risk than larger U.S. equity investment options but have the potential for higher returns. They may be an appropriate choice for long-term investors who are seeking the potential for growth. All investment options in this category have the potential to lose value.

Investment Category: Mid Cap Value

Inv Manager or Sub-Advisor : TIAA-CREF Mutual Funds

Investment Option Name	Average Annual Total Return										
TIAA-CREF MidCap Value Premier Fund ^{1,F}	(as of 06/30/2012 quarter end)						(as of 12/31/2011 year end)				
	YTD Ret	1-Year	3-Year	5-Year	10-Year	Since Incept	1-Year	5-Year	10-Year	Since Incept	Incept Date
	7.85	-2.22	16.92	-0.15	-	10.88	-2.31	0.42	-	9.70	9/2009
Benchmark: Russell Midcap Value Index	7.78	-0.37	19.92	-0.13	8.17	-	-1.38	0.04	7.67	12.15	-

Description: The investment seeks a favorable long-term total return, mainly through capital appreciation, primarily from equity securities of medium-sized domestic companies. The fund invests at least 80% of its assets in mid-cap equity securities. It invests primarily in equity securities of medium-sized domestic companies, as defined by the fund's benchmark index (the Russell Midcap(R) Value Index), that the advisors believe appear undervalued by the market based on an evaluation of their potential worth. The fund may invest up to 20% of its assets in foreign investments.

Composition (% of Assets) as of 04/30/2012				Fees & Expenses			# of Transfers Allowed/Time Period				
Cash	5.15	U.S. Stocks	88.11	Total Inv Exp Net %			2/60 day period				
Non-U.S. Stocks	5.23	Other	1.51	Contractual Cap Expiration Date							
				Waiver Expiration Date							
				Total Inv Exp Gross %							
				Total Inv Exp Gross Per \$1,000 Invested							
				Redemption Fee							

Investment Category: Mid Cap Blend

Inv Manager or Sub-Advisor : Fidelity Management & Research

Investment Option Name	Average Annual Total Return										
Fidelity Small Cap Stock Fund ^{1,H,M}	(as of 06/30/2012 quarter end)						(as of 12/31/2011 year end)				
	YTD Ret	1-Year	3-Year	5-Year	10-Year	Since Incept	1-Year	5-Year	10-Year	Since Incept	Incept Date
	5.83	-14.02	13.45	-0.41	6.74	7.55	-15.60	0.75	5.85	7.40	3/1998
Benchmark: Standard & Poor's 400 MidCap Stock Index	7.90	-2.33	19.36	2.55	8.21	-	-1.73	3.32	7.04	-	-

Description: The investment seeks long-term growth of capital. The fund normally invests at least 80% of assets in common stocks of companies with small market capitalizations (which, for purposes of this fund, are those companies with market capitalizations similar to companies in the Russell 2000(R) Index or the S&P SmallCap 600(R) Index). It invests in domestic and foreign issuers. The fund invests in either "growth" stocks or "value" stocks or both. It uses fundamental analysis of factors such as each issuer's financial condition and industry position, as well as market and economic conditions, to select investments.

Composition (% of Assets) as of 04/30/2012				Fees & Expenses			# of Transfers Allowed/Time Period				
Cash	4.31	U.S. Stocks	85.13	Total Inv Exp Net %			1/60 day period				
Non-U.S. Stocks	10.56			Contractual Cap Expiration Date							
				Waiver Expiration Date							
				Total Inv Exp Gross %							
				Total Inv Exp Gross Per \$1,000 Invested							
				Redemption Fee							

Investment Category: Mid Cap Growth

Inv Manager or Sub-Advisor : TIAA-CREF Mutual Funds

Investment Option Name	Average Annual Total Return										
TIAA-CREF MidCap Growth Premier Fund ^{1,F}	(as of 06/30/2012 quarter end)						(as of 12/31/2011 year end)				
	YTD Ret	1-Year	3-Year	5-Year	10-Year	Since Incept	1-Year	5-Year	10-Year	Since Incept	Incept Date
	11.62	-4.13	19.58	2.33	-	14.64	-5.34	2.29	-	12.53	9/2009
Benchmark: Russell Midcap Growth Index	8.10	-2.99	19.01	1.90	8.47	-	-1.65	2.44	5.29	13.36	-

Description: The investment seeks a favorable long-term total return, mainly through capital appreciation, primarily from equity securities of medium-sized domestic companies. The fund normally invests at least 80% of its assets in mid-cap equity securities. It will invest primarily in equity securities of medium-sized domestic companies, as defined by the fund's benchmark index (the Russell Midcap(R) Growth Index), that the Advisors believe present the opportunity for growth. The fund may invest up to 20% of its assets in foreign investments.

Composition (% of Assets) as of 04/30/2012				Fees & Expenses			# of Transfers Allowed/Time Period				
Cash	2.28	U.S. Stocks	85.66	Total Inv Exp Net %			2/60 day period				
Non-U.S. Stocks	6.65	Other	5.40	Contractual Cap Expiration Date							
				Waiver Expiration Date							
				Total Inv Exp Gross %							
				Total Inv Exp Gross Per \$1,000 Invested							
				Redemption Fee							

Asset Class: Small/Mid U.S. Equity

This asset class is generally composed of investment options that invest in stocks, or shares of ownership in small- to medium-sized U.S. companies. These investment options typically carry more risk than larger U.S. equity investment options but have the potential for higher returns. They may be an appropriate choice for long-term investors who are seeking the potential for growth. All investment options in this category have the potential to lose value.

Investment Category: Small Blend

Inv Manager or Sub-Advisor : Royce & Associates, LLC

Investment Option Name	Average Annual Total Return										
Royce Total Return Investment Fund ¹	(as of 06/30/2012 quarter end)						(as of 12/31/2011 year end)				
	YTD Ret	1-Year	3-Year	5-Year	10-Year	Since Incept	1-Year	5-Year	10-Year	Since Incept	Incept Date
	4.18	-2.82	15.61	0.65	7.11	10.46	-1.68	1.55	7.24	10.51	12/1993
Benchmark: Russell 2000 Index	8.53	-2.08	17.80	0.54	7.00	-	-4.18	0.15	5.62	-	-

Description: The investment seeks long-term growth of capital and current income. The fund invests primarily in dividend-paying securities of small-cap and micro-cap companies that the Advisor believes are trading significantly below its estimate of their current worth, basing this assessment chiefly on balance sheet quality and cash flow levels. It invests at least 65% of its net assets in equity securities. At least 90% of these securities will produce dividend or interest income to the fund, and at least 65% will be issued by companies with stock market capitalizations up to \$2.5 billion at the time of investment.

Composition (% of Assets) as of 03/31/2012				Fees & Expenses			# of Transfers Allowed/Time Period				
Cash	5.84	U.S. Stocks	85.38	Total Inv Exp Net %			-				
Non-U.S. Stocks	6.36	Non-U.S. Bonds	0.02	Contractual Cap Expiration Date			N/A				
Convertibles	0.47	Preferred	0.25	Waiver Expiration Date			N/A				
U.S. Bonds	0.01	Other	1.66	Total Inv Exp Gross %			1.15				
				Total Inv Exp Gross Per \$1,000 Invested			\$11.50				
				Redemption Fee			-				

Investment Category: Small Growth

Inv Manager or Sub-Advisor : Baron Capital

Investment Option Name	Average Annual Total Return										
Baron Small Cap Fund ^{1,F}	(as of 06/30/2012 quarter end)						(as of 12/31/2011 year end)				
	YTD Ret	1-Year	3-Year	5-Year	10-Year	Since Incept	1-Year	5-Year	10-Year	Since Incept	Incept Date
	9.00	-3.99	17.26	1.64	7.52	8.79	-1.58	1.87	7.37	8.45	9/1997
Benchmark: Russell 2000 Growth Index	8.81	-2.71	18.09	1.99	7.39	-	-2.91	2.09	4.48	-	-

Description: The investment seeks capital appreciation. The fund invests 80% of net assets in equity securities in the form of common stock of small-sized growth companies with market capitalizations of less than \$2.5 billion at the time of purchase selected for their capital appreciation potential. It seeks to purchase securities that BAMCO, Inc. ("BAMCO" or "the Adviser") expects could increase in value 50% within two years.

Composition (% of Assets) as of 03/31/2012				Fees & Expenses			# of Transfers Allowed/Time Period				
Cash	3.13	U.S. Stocks	89.57	Total Inv Exp Net %			1/180 day period				
Non-U.S. Stocks	5.34	Other	1.95	Contractual Cap Expiration Date			N/A				
				Waiver Expiration Date			N/A				
				Total Inv Exp Gross %			1.31				
				Total Inv Exp Gross Per \$1,000 Invested			\$13.10				
				Redemption Fee			-				

Inv Manager or Sub-Advisor : Vanguard Group

Investment Option Name	Average Annual Total Return										
Vanguard Explorer Admiral Fund ^{1,22,F}	(as of 06/30/2012 quarter end)						(as of 12/31/2011 year end)				
	YTD Ret	1-Year	3-Year	5-Year	10-Year	Since Incept	1-Year	5-Year	10-Year	Since Incept	Incept Date
	7.15	-4.03	18.28	0.79	7.05	6.39	-1.72	1.47	4.86	5.99	11/2001
Benchmark: Russell 2000 Growth Index	8.81	-2.71	18.09	1.99	7.39	-	-2.91	2.09	4.48	-	-

Description: The investment seeks to provide long-term capital appreciation. The fund invests mainly in the stocks of small companies. These companies tend to be unseasoned but are considered by the fund's advisors to have superior growth potential. Also, these companies often provide little or no dividend income. It uses multiple investment advisors.

Composition (% of Assets) as of 03/31/2012				Fees & Expenses			# of Transfers Allowed/Time Period				
Cash	2.59	U.S. Stocks	92.10	Total Inv Exp Net %			1/30 day period				
Non-U.S. Stocks	4.93	Other	0.37	Contractual Cap Expiration Date			N/A				
				Waiver Expiration Date			N/A				
				Total Inv Exp Gross %			0.34				
				Total Inv Exp Gross Per \$1,000 Invested			\$3.40				
				Redemption Fee			-				

Asset Class: International Equity

This asset class is composed of investment options that invest in stocks, or shares of ownership in companies with their principal place of business or office outside the United States. These investment options often carry more risk than U.S. equity investment options but may have the potential for higher returns. They may be an appropriate choice for long-term investors who are seeking the potential for growth. All investment options in this category have the potential to lose value.

Investment Category: Foreign Large Blend

Inv Manager or Sub-Advisor : Capital Research and Mgmt Co

Investment Option Name	Average Annual Total Return									
American Funds EuroPacific Growth R4 Fund ^{3,22,G}	(as of 06/30/2012 quarter end)						(as of 12/31/2011 year end)			
	YTD Ret	1-Year	3-Year	5-Year	10-Year	Since Incept	1-Year	5-Year	10-Year	Since Incept
	5.30	-12.95	7.14	-2.59	7.37	7.04	-13.61	-1.46	6.51	6.84

Benchmark: MSCI ACWI Ex USA Index	2.77	-14.57	6.97	-4.62	6.74	-	-13.71	-2.92	6.31	-	-
---	------	--------	------	-------	------	---	--------	-------	------	---	---

Description: The investment seeks long-term growth of capital. The fund invests primarily in common stocks of issuers in Europe and the Pacific Basin that the investment adviser believes have the potential for growth. Growth stocks are stocks that the investment adviser believes have the potential for above-average capital appreciation. It normally invests at least 80% of net assets in securities of issuers in Europe and the Pacific Basin. The fund may invest a portion of its assets in common stocks and other securities of companies in countries with developing economies and/or markets.

Composition (% of Assets) as of 03/31/2012				Fees & Expenses			# of Transfers Allowed/Time Period				
Cash	7.97	U.S. Stocks	0.09	Total Inv Exp Net %	0.85		1/30 day period				
Non-U.S. Stocks	89.39	Preferred	0.03	Contractual Cap Expiration Date	N/A						
U.S. Bonds	0.25	Other	2.27	Waiver Expiration Date	N/A						
				Total Inv Exp Gross %	0.85						
				Total Inv Exp Gross Per \$1,000 Invested	\$8.50						
				Redemption Fee	-						

Inv Manager or Sub-Advisor : TIAA-CREF Mutual Funds

Investment Option Name	Average Annual Total Return									
TIAA-CREF International Equity Retirement Fund ^{3,22,F,L}	(as of 06/30/2012 quarter end)						(as of 12/31/2011 year end)			
	YTD Ret	1-Year	3-Year	5-Year	10-Year	Since Incept	1-Year	5-Year	10-Year	Since Incept
	7.55	-19.21	6.95	-7.55	4.73	7.12	-23.78	-6.39	3.88	6.67

Benchmark: MSCI ACWI Ex USA Index	2.77	-14.57	6.97	-4.62	6.74	-	-13.71	-2.92	6.31	-	-
---	------	--------	------	-------	------	---	--------	-------	------	---	---

Description: The investment seeks a favorable long-term total return, mainly through capital appreciation, primarily from equity securities of foreign issuers. The fund normally invests at least 80% of net assets in equity securities of foreign issuers. It has a policy of maintaining investments of equity securities of foreign issuers in at least three countries other than the United States. The fund may invest in emerging markets to varying degrees, depending on the prevalence of stock specific opportunities. It typically invests in companies of all sizes, including smaller, lesser-known companies where Advisors believes it has some unique insights into the company.

Composition (% of Assets) as of 04/30/2012				Fees & Expenses		# of Transfers Allowed/Time Period
Cash	2.83	Non-U.S. Stocks	80.78	Total Inv Exp Net %	0.78	2/60 day period
Other	16.40			Contractual Cap Expiration Date	N/A	
				Waiver Expiration Date	N/A	
				Total Inv Exp Gross %	0.78	
				Total Inv Exp Gross Per \$1,000 Invested	\$7.80	
				Redemption Fee	2% in 60 days	

Asset Class: Short-Term Fixed IncomeInvestment Option Name: Fixed Income Guaranteed Option ^{7,11}**Description:**

This group annuity contract provides an interest rate guaranteed for a set period of time by the Principal Life Insurance Company. It is supported by the multi-billion dollar general account of Principal Life, which invests in private market bonds, commercial mortgages and mortgage-backed securities. However, money you allocate to this investment does not entitle you to participate in the investment experience or performance of the General Account. The rate credited to participant accounts is a composite weighted average of underlying guarantees provided in the contract. Each underlying guarantee is in effect for its full maturity. The maturity of each guarantee varies from 2 to 10 years at the establishment of the guarantee. Each guarantee matures at a different time. The term shown in the Term column represents the average maturity of the underlying guarantees. The composite rate (crediting rate) is reset every 6 months based on the changing weighted average of the underlying guarantees and applies prospectively (moving forward). The crediting rate is an effective annual rate and is displayed here as the rate guaranteed by Principal Life net of the Rate Level Service Fee. The composite rate is subject to an indexed minimum guaranteed rate that is determined through a formula determined according to state insurance regulations which utilizes Treasury rates and is outlined in the group annuity contract. The minimum will range between 1% and 3% depending on prevailing market conditions. The contract provides for benefit payments at book value (i.e., no market value adjustments or surrender charge adjustments) for withdrawals due to retirement, termination of employment, disability, loans, plan termination, or death, including participant-directed transfers. If the retirement program provides you access to the Fixed Income Guaranteed Option and Competing Plan Investment Options, participant transfers, either directly or indirectly, to Competing Plan Investment Options will generally be subject to an Equity Wash. An Equity Wash requires that transfers must be directed to a non-competing investment option under the plan for 90 days before such transferred amounts may be directed to any other Competing Plan Investment Option. Competing Plan Investment Options include other guaranteed investment options or fixed income, money market or bond funds that ever had an average duration of three years or less. A plan fiduciary-directed surrender or transfer will be subject to 12 months' advance notice or a 5% surrender charge (subject to additional contractual limitations), whichever the plan sponsor chooses. For more information, call the automated phone system at 1-800-547-7754 or see the applicable fact sheet on principal.com for a more complete description of this investment option and the crediting rate.

Rate Level Service Fee: 0.65

Crediting Rate (credited to participants)	Crediting Period	Term (underlying guarantees)
1.75	06/01/2012-11/30/2012	10.00 years

Investors should carefully consider a mutual fund's investment objectives, risks, charges, and expenses prior to investing. A prospectus, or summary prospectus if available, containing this and other information can be obtained by contacting a financial professional, visiting principal.com, or calling 1-800-547-7754. Read the prospectus carefully before investing.

The value of the investment options will fluctuate so that when redeemed, shares or units may be worth more or less than the original cost.

An investment's past performance is not necessarily an indication of how the investment will perform in the future.

Since inception benchmark returns are displayed on the Investment Option Summary for investments that are less than 10 years old. The benchmark reflecting the Since Inception return is the Morningstar Category index. For some Sub-Advised investment options, two benchmarks will be displayed on the Investment Option Summary and the secondary index reflecting the Since Inception Return is the Morningstar Category index.

- ^B Principal Funds mutual funds are part of the Principal Funds, Inc. series. Principal Funds, Inc is distributed by Principal Funds Distributor, Inc. Certain investment options may not be available in all states or U.S. commonwealths.

These results are for the investment options available through your Plan Sponsor's retirement plan, and may be different from the results for other retirement plans. Past performance is not a guarantee of future results. Principal values and investment returns will fluctuate so that values upon redemption may be worth more or less than original costs. Total returns illustrated are net of investment expenses and management fees.

Returns shown for periods of less than one year are not annualized. All returns displayed here are after net Total Investment Expense of the investment option.

For a Mutual Fund investment option, Total Investment Expense gross equals the sum of (a) the total fund operating expenses plus (b) if the mutual fund invests in other mutual funds, the weighted-average management fee of those other mutual funds, as listed in the most recent prospectus. The actual Total Investment Expense may change if the mutual fund investment option's allocation of assets to other mutual funds changes.

Any operating expenses of a mutual fund or underlying mutual fund that are part of net Total Investment Expense are obtained from the mutual fund's most recent prospectus. The operating expenses shown as part of net Total Investment Expense include voluntary expense limits and fee credit.

As allowed by their prospectuses several mutual fund companies have decided to impose redemption fees and/or transfer restrictions on certain plan and/or participant transactions. Once or more of the investment options in your employer's retirement plan may be impacted. For more information, visit The Principal Web site at principal.com.

© 2012 Morningstar, Inc. All Rights Reserved. Part of the mutual fund data contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete, or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information.

This report includes investment options that contain information from a variety of sources. Morningstar generally provides holdings information, operations data, and rankings or statistics proprietary to Morningstar. Morningstar is also the source of information on certain mutual funds.

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 are offered through Princor Financial Services Corporation, 1-800-547-7754, member SIPC and/or independent broker/dealers. Securities sold by a Princor® Registered Representative are offered through Princor. Principal Funds Distributor, Princor and Principal Life are members of the Principal Financial Group® (The Principal®), Des Moines, IA 50392.

Since inception returns are only shown for funds/accounts in existence for less than 10 years.

- ¹ Small-cap and mid-cap investment options are subject to more fluctuation in value and may have additional risks than other investment options with stocks of larger, more stable companies.
- ² Each index based investment option is invested in the stocks or bonds of the index it tracks. Performance of indexes reflects the unmanaged results for the market segment the selected stocks or bonds represent. There is no assurance an index based investment option will match the performance of the index tracked.
- ³ 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.
- ⁴ Money Market Funds are not guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although these Funds seek to preserve the value of your investment at \$1.00 per share, it is possible to lose money.
- ⁵ S&P 500 is a trademark of The McGraw-Hill Companies, Inc., and has been licensed for use by Principal Life Insurance Company and Principal Management Corporation. The product is not sponsored, endorsed, sold or promoted by Standard & Poor's and Standard & Poor's makes no representation regarding the advisability of investing in the product.
- ⁶ These calculated returns reflect the historical performance of the oldest share class of the fund, adjusted to reflect a portion of the fees and expenses of this share class. For time periods prior to inception date of the fund, predecessor performance is reflected. Please see the fund's prospectus for more information on specific expenses, and the fund's most recent shareholder report for actual date of first sale. Expenses are deducted from income earned by the fund. As a result, dividends and investment results will differ for each share class.
- ⁷ Principal® Fixed Income Guaranteed Option is the Group Annuity Contract - Custodial Guaranteed Interest Contract available through Principal Life Insurance Company, a member of the Principal Financial Group®, Des Moines Iowa 50392. May not be available in all states.
- ⁸ 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.
- ⁹ 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.
- ¹¹ The Fixed Income Guaranteed Option is a guarantee backed by the general account of Principal Life Insurance Company(Principal Life). As a guarantee, it does not have an investment management fee or expense ratio; those are concepts unique to investment products. The Rate Level Service Fee illustrated here represents the part of the overall fee arrangement that the plan pays for services from Principal Life as a provider of administrative services to the plan, as agreed to in the Service and Expense Agreement for the plan.
- ¹⁶ Fixed-income and asset allocation investment options that invest in mortgage securities are subject to increased risk due to real estate exposure.
- ¹⁷ On March 28, 2008, the Excelsior Value & Restructuring Z Fund merged into the Columbia Value & Restructuring Z Fund. Performance results shown are of the Columbia Value & Restructuring Z Fund.
- ¹⁸ Principal Management Corporation may voluntarily limit a certain portion of the fund's expenses collected from the Money Market Fund on a temporary basis.
- ¹⁹ This investment option maintains a voluntary waiver which is reflected in the value displayed for Total Investment Expense - Net. This waiver may be discontinued at any time.
- ²⁰ 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. Additionally there is no guarantee this investment option will provide adequate income at or through retirement.
- ²¹ The Investment Advisor will display "Multiple Sub-Advisors" for certain target-date, target-risk and specialty 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.
- ²² For Mutual Fund Network investment options, returns for all time periods, except the Since Inception time frame, may include the historical performance of the oldest share class of the fund, adjusted to reflect a portion of the fees and expenses of this share class. Since Inception returns display the actual return of this share class and do not reflect the adjusted returns of the oldest share class. Please see the fund's prospectus for more information on specific expenses, and the fund's most recent shareholder report for actual date of first sale. Expenses are deducted from income earned by the fund. As a result, dividends and investment results will differ for each share class.

- ²³ This Principal LifeTime Fund indirectly bears its pro rata share of the management fees incurred by the underlying Principal Funds in which this fund invests. Based on the asset allocation of the Principal LifeTime Funds outlined in the prospectus dated February 29, 2012, the weighted average operating expenses of the underlying funds are: Principal LifeTime Strategic Income, 0.58%; Principal LifeTime 2010, 0.65%; Principal LifeTime 2015, 0.67%; Principal LifeTime 2020, 0.70%; Principal LifeTime 2025, 0.71%; Principal LifeTime 2030, 0.72%; Principal LifeTime 2035, 0.73%; Principal LifeTime 2040, 0.74%; Principal LifeTime 2045, 0.75%; Principal LifeTime 2050, 0.75%; Principal LifeTime 2055, 0.75%. While the operating expenses of the underlying mutual funds are not part of the Principal LifeTime Fund's operating expenses they are included in the Total Investment Expense. Performance results shown for the Principal LifeTime Fund reflect the application of these expenses.
- ²⁴ Derivatives may increase volatility, cause the liquidation of portfolios positions when not advantageous to do so and produce disproportionate losses.
- ^E Investment option limits the number of transfers allowed into the investment option. All participant investment transfers and non-scheduled rebalancing activity are counted toward the number of transfers allowed. When the number of allowed transfers into the investment option is met, no additional investment transfers into the investment option will be allowed until the holding period elapses. Contributions into the investment option are not impacted.
- ^F Investment option limits transfer activity. Once the number of allowed transfers is met, participants are not allowed to transfer back into an investment option which they have transferred out of until the holding period elapses. All participant investment transfers and non-scheduled rebalancing activity are counted toward the number of transfers allowed. Contributions into the investment option are not impacted. Participants may still transfer out to different investment options or to money market or Guaranteed options.
- ^G Investment option limits transfer activity. Once the number of allowed transfers is met, participants are not allowed to transfer amounts valued at the threshold amount or more back into the investment option which they have transferred out of until the holding period elapses. All participant investment transfers and non-scheduled rebalancing activity valued at the threshold amount or more are counted toward the number of transfers allowed. Contributions into the investment option are not impacted. Participant transfers made for less than the threshold amount do not count and are not limited.
- ^H Investment option limits transfer activity. Once the number of allowed transfers is met, participants are not allowed to transfer back into an investment option which they have transferred out more than the threshold amount until the holding period elapses. All participant investment transfers and non-scheduled rebalancing activity more than the threshold amount are counted toward the number of transfers allowed. Contributions into the investment option are not impacted. Participants may still transfer out to different investment options, money market, or Guaranteed options.
- ^L Redemption fees are applied on investment transfers, including non-scheduled rebalances into and out of the investment option that occur within the holding period (duration) specified. Only transfer activity is used in the calculation of the fee.
- ^M Redemption fees are applied to withdrawals from the funds, including, but not limited to, all investment transfers and rebalancing, lump sum withdrawals at termination, retirement, or rollovers. Certain withdrawals are not subject to redemption fees, including loans, deaths, disabilities, hardship withdrawals, minimum required distributions, expenses and installment benefit payments. All additions to these investment options except dividend reinvestment and capital gains are used in the calculation of the fee.
- Frequent trading policies applied to Mutual Fund Network investment options may not exactly match the mutual fund's Prospectus. Principal Life works with each fund family to implement appropriate policies and guidelines. Mutual Fund Network fund families may also monitor for excessive trading and enforce limitations in addition to or in lieu of policy implemented by Principal Life Insurance Company. Please refer to the prospectus for details. See the offering documents for details on transfer limitations for investment options that are not classified as mutual funds.

Benchmark Descriptions

Russell Midcap Growth Index is a market-weighted total return index that measures the performance of companies within the Russell Midcap Index having higher price-to-book ratios and higher forecasted growth values.

Russell 2000 Index consists of the smallest 2000 companies in the Russell 3000 Index, representing approximately 10% of the Russell 3000 total market capitalization.

Russell Midcap Value Index is a market-weighted total return index that measures the performance of companies within the Russell Midcap index having lower price-to-book ratios and lower forecasted growth values.

MSCI ACWI Ex USA Index is a free float-adjusted market capitalization index that is designed to measure the combined equity market performance of developed and emerging market countries excluding the US.

Standard & Poor's 400 MidCap Stock Index includes approximately 10% of the capitalization of U.S. equity securities. These are comprised of stocks in the middle capitalization range.

Standard & Poor's 500 Index is a market capitalization-weighted index of 500 widely held stocks often used as a proxy for the stock market.

Barclays Capital U.S. Government/Credit 5-10 Year Index tracks the return of the U.S. Government/Credit with a maturity window of 5-10 years.

Morningstar Lifetime Moderate Income Index represents a portfolio of global equities, bonds and traditional inflation hedges such as commodities and TIPS. This portfolio is held in proportions appropriate for a U.S. investor who is at least ten years into retirement.

Principal LifeTime 2010 Blended Index is composed of underlying indexes that represent the target asset allocation weights of the Principal LifeTime 2010 portfolio. The index weightings adjust over time as the portfolio changes to become gradually more conservative. The weightings as of March 31, 2012 are 32.40% Russell 3000 Index, 11.60% MSCI EAFE Index, and 56.00% Barclays Capital Aggregate Index.

Morningstar Lifetime Moderate 2010 Index represents a portfolio of global equities, bonds and traditional inflation hedges such as commodities and TIPS. This portfolio is held in proportions appropriate for a U.S. investor who is near retirement.

Principal LifeTime 2015 Blended Index is composed of underlying indexes that represent the target asset allocation weights of the Principal LifeTime 2015 portfolio. The index weightings adjust over time as the portfolio changes to become gradually more conservative. The weightings as of March 31, 2012 are 39.25% Russell 3000 Index, 14.50% MSCI EAFE Index, and 46.25% Barclays Capital Aggregate Index.

Principal LifeTime 2020 Blended Index is composed of underlying indexes that represent the target asset allocation weights of the Principal LifeTime 2020 portfolio. The index weightings adjust over time as the portfolio changes to become gradually more conservative. The weightings as of March 31, 2012 are 47.45% Russell 3000 Index, 17.55% MSCI EAFE Index, and 35.00% Barclays Capital Aggregate Index.

Russell 1000 Index consists of the 1000 largest companies within the Russell 3000 index. Also known as the Market-Oriented Index, because it represents the group of stocks from which most active money managers choose.

Barclays Capital Treasury Bellwethers 3 Month Index is composed of public obligations of the U. S. Treasury with a maturity of three months.

Barclays Capital US Treas TIPS Index consists of inflation-protected securities issued by the U.S. Treasury.

Morningstar Lifetime Moderate 2020 Index represents a portfolio of global equities, bonds and traditional inflation hedges such as commodities and TIPS. This portfolio is held in proportions appropriate for a U.S. investor who is about ten years away from retirement.

Principal LifeTime 2025 Blended Index is composed of underlying indexes that represent the target asset allocation weights of the Principal LifeTime 2025 portfolio. The index weightings adjust over time as the portfolio changes to become gradually more conservative. The weightings as of March 31, 2012 are 51.65% Russell 3000 Index, 19.25% MSCI EAFE Index, and 29.10% Barclays Capital Aggregate Index.

Morningstar Lifetime Moderate 2030 Index represents a portfolio of global equities, bonds and traditional inflation hedges such as commodities and TIPS. This portfolio is held in proportions appropriate for a U.S. investor who is about 20 years away from retirement.

Principal LifeTime 2030 Blended Index is composed of underlying indexes that represent the target asset allocation weights of the Principal LifeTime 2030 portfolio. The index weightings adjust over time as the portfolio changes to become gradually more conservative. The weightings as of March 31, 2012 are 56.25% Russell 3000 Index, 21.00% MSCI EAFE Index, and 22.75% Barclays Capital Aggregate Index.

Russell 1000 Growth Index is a market-capitalization weighted index of those firms in the Russell 1000 with higher price-to-book ratios and higher forecasted growth values.

Principal LifeTime 2035 Blended Index is composed of underlying indexes that represent the target asset allocation weights of the Principal LifeTime 2035 portfolio. The index weightings adjust over time as the portfolio changes to become gradually more conservative. The weightings as of March 31, 2012 are 59.65% Russell 3000 Index, 23.00% MSCI EAFE Index, and 17.35% Barclays Capital Aggregate Index.

Russell 1000 Value Index is a market-capitalization weighted index of those firms in the Russell 1000 with lower price-to-book ratios and lower forecasted growth values.

Morningstar Lifetime Moderate 2040 Index represents a portfolio of global equities, bonds and traditional inflation hedges such as commodities and TIPS. This portfolio is held in proportions appropriate for a U.S. investor who is about 30 years away from retirement.

Russell 2000 Growth Index is a market-weighted total return index that measures the performance of companies within the Russell 2000 Index having higher price-to-book ratio and higher forecasted growth values.

Morningstar Lifetime Moderate 2050 Index represents a portfolio of global equities, bonds and traditional inflation hedges such as commodities and TIPS. This portfolio is held in proportions appropriate for a U.S. investor who is about 40 years away from retirement.

