Get to know your ESOP statement

Principal®

As a participant in the Employee Stock Ownership Plan (ESOP), you receive an annual statement showing changes to your account for each plan year. This is a simplified explanation of the statement.

Please note: your individual statement will show the activity that is applicable to your account. It may vary from this sample.

[Company] Employee Stock Ownership Plan
Statement of Participation
SAMPLE PARTICIPANT

YOUR TOTAL ACCOUNT BALANCE as of [date] is $X,XXX.XX

1 Years of Vested Service: x Participant Status: ACTIVE Date of Participation: xx/xx/xxxx

	Cash	Shares	Dollar Value of Shares	Total Value
2 Your Account Balance as of [date]:	$xx.xx	xxx.xxxx	$x,xxx.xx	$x,xxx.xx
3 Your Share of the Contributions:	$xxx.xx		-	$xxx.xx
4 Investment Income and Change in Stock Value:	$xx.xx	-	$xxx.xx	$xxx.xx
5 Dividends:		–	-	-
6 Forfeitures:	-	x.xxxx	$xxx.xx	$xxx.xx
7 Shares Purchased:	($xxx.xx)	xx.xxxx	$xxx.xx	$xxx.xx
8 Shares Sold/Repurchased:	-	-	-	-
9 Withdrawals:	-	-	-	-
10 Your Total Account Balance as of [date]:	**$xx.xx**	**xxx.xxxx**	**$x,xxx.xx**	**$x,xxx.xx**

11 Current Market Value Per Share: $xx.xx
12 Your Total Vested Account Value: $x,xxx.xx

for illustrative purposes only

1 Your information

Near the top, you'll see your personal information, including your years of vested service. This determines your vested percentage, which is how much of your account balance you can take with you after you leave the company.

2 Last year's balance

What's in your account as of the end of the last plan year—cash, shares, and/or the value of the shares.

3 Company contribution

What was added to your account from the company's contribution.

4 Investment income & change in stock value

The cash column includes earnings on cash in your account and/or any expenses that are paid for by the plan. The dollar value of shares column reflects the increase/(decrease) in the value of the shares in your account, based on the current market value per share.

5 Dividends

If the company declares dividends, the ESOP receives its portion. Here's what was added to your account.

6 Forfeitures

If you leave the company and aren't fully vested, the unvested part of your account is lost (forfeited). This shows the part of your account that was lost. If you're an employee, this shows your portion of the additional shares and/or cash from the accounts of those who left before being fully vested.

7 Shares purchased

Cash in your account is used to purchase shares. This shows the exchange of cash for shares.

8 Shares sold/repurchased

Cash in your account is used to buy back shares after people leave, or if you elect diversification, shares are exchanged for the cash value. If you're no longer an employee, the shares in your account may be exchanged for the cash value if your account is segregated or if you receive a distribution.

9 Withdrawals

If eligible, amounts paid from your account after you leave and/or from diversifying some of the company stock in your account.

10 Total account balance

What's in your account at the end of the plan year—cash, shares, and/or the value of the shares.

11 Current market value

The per share value of the company stock as of the end of the plan year, as determined by the ESOP trustee with the help of an independent appraiser (valuation firm).

12 Total vested account value

This is the current value of your account that you could take with you if you leave—based on your vested percentage. The amount you'll be paid will be based on the current value of your account (stock value and/or cash value) when you take a distribution.

This is a simplified explanation of the ESOP statement. This information is intended to be educational in nature and is not intended to be taken as a recommendation. Insurance products and plan administrative services provided through Principal Life Insurance Company®, a member of the Principal Financial Group®, Des Moines, IA 50392. Principal®, Principal Financial Group® and the Principal logo design are registered trademarks of Principal Financial Services, Inc., a Principal Financial Group company, in the United States and are trademarks and service marks of Principal Financial Services, Inc., in various countries around the world.

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