



## Notification of Source of Distributions

Pursuant to Rule 19a-1 of the Investment Company Act of 1940

As noted in the table provided below, certain of the Principal Funds made distributions for the month of December 2019 for which a portion is estimated to be in excess of the fund's current and accumulated net income. As of December 31, 2019, the estimated sources of these distributions were as follows:

December 2019			
Fund	Net Income	Realized Gain	Capital Sources
Bond Market Index Fund	97.12%	0.00%	2.88%
California Municipal Fund	36.03	0.00	63.97
Core Fixed Income Fund	18.23	0.00	81.77
Diversified International Fund	55.04	0.00	44.96
Diversified Real Asset Fund	89.51	0.00	10.49
Finisterre Unconstrained Emerging Markets Bond Fund	45.89	13.69	40.42
Global Diversified Income Fund	52.94	0.00	47.06
Global Real Estate Securities Fund	0.00	100.00	0.00
Government & High Quality Bond Fund	0.00	0.00	100.00
High Income Fund	65.39	0.00	34.61
High Yield Fund	7.93	0.00	92.07
International Equity Index Fund	77.45	0.00	22.55
International Fund I	89.47	0.00	10.53
International Small Company Fund	21.57	56.32	22.11
LargeCap Value Fund III	98.82	0.00	1.18
Origin Emerging Markets Fund	88.81	0.00	11.19
Overseas Fund	95.94	0.00	4.06
Principal LifeTime 2010 Fund	99.75	0.25	0.00
Principal LifeTime 2015 Fund	99.73	0.27	0.00
Principal LifeTime 2025 Fund	99.70	0.30	0.00
Principal LifeTime 2030 Fund	99.62	0.38	0.00
Principal LifeTime 2035 Fund	99.99	0.01	0.00
Principal LifeTime 2040 Fund	99.97	0.03	0.00
Principal LifeTime 2045 Fund	99.95	0.05	0.00
Principal LifeTime 2050 Fund	99.97	0.03	0.00
Principal LifeTime 2055 Fund	99.96	0.04	0.00
Principal LifeTime 2060 Fund	99.95	0.05	0.00
Principal LifeTime 2065 Fund	99.91	0.09	0.00
Principal LifeTime Hybrid 2015 Fund	99.58	0.42	0.00
Principal LifeTime Hybrid 2020 Fund	99.55	0.45	0.00
Principal LifeTime Hybrid 2025 Fund	99.51	0.49	0.00
Principal LifeTime Hybrid 2030 Fund	99.51	0.49	0.00
Principal LifeTime Hybrid 2035 Fund	99.52	0.48	0.00
Principal LifeTime Hybrid 2040 Fund	99.86	0.14	0.00
Principal LifeTime Hybrid 2045 Fund	99.87	0.13	0.00
Principal LifeTime Hybrid 2050 Fund	99.88	0.12	0.00
Principal LifeTime Hybrid 2055 Fund	99.85	0.15	0.00
Principal LifeTime Hybrid 2060 Fund	98.18	1.82	0.00
Principal LifeTime Hybrid 2065 Fund	98.63	0.00	1.37
Principal LifeTime Hybrid Income Fund	99.61	0.39	0.00
Principal LifeTime Strategic Income Fund	99.75	0.25	0.00

SAM Balanced Portfolio	99.86	0.14	0.00
SAM Flexible Income Portfolio	97.54	0.00	2.46
SAM Strategic Growth Portfolio	99.39	0.61	0.00
SystematEx International Fund	74.12	25.88	0.00
Tax-Exempt Bond Fund	90.35	0.00	9.65

The ultimate composition of these distributions may vary from the estimates provided above due to a variety of factors including future income and expenses, and realized gains and losses from the purchase and sale of securities.

Please note that this information is being provided to satisfy certain notice requirements under the Investment Company Act of 1940. Tax reporting information for shareholders of the funds will not be available until the end of the funds' fiscal year.

**As a result, shareholders should not use the information provided in this notice for tax reporting purposes.**