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September 6, 2019

Technical Director, File Reference No. 2019-760  
Financial Accounting Standards Board  
401 Merritt 7  
P.O. Box 5116  
Norwalk, CT 06856-5116

Re: Proposed Accounting Standards Update – Financial Services -Insurance (Topic 944)  
Effective Date

The Principal Financial Group (“Principal”) appreciates the opportunity to offer our views on the Financial Accounting Standards Board’s (“FASB”) recent decision regarding the effective date of the Targeted Improvements to the Accounting for Long-Duration Contracts. Principal helps people and companies around the world to build, protect and advance their financial well-being with our retirement, insurance and asset management expertise. With innovative ideas and real-life solutions, we make financial progress possible for clients of all income and portfolio sizes. A member of the FORTUNE 500®, the Principal Financial Group has \$696.2<sup>1</sup> billion in assets under management and serves 24 million customers with offices in 25 countries throughout Asia, Australia, Europe, Latin America and North America. Principal Financial Group, Inc. is traded on the Nasdaq under the ticker symbol PFG.

We thank the FASB for the outreach efforts made to visit stakeholders in order to understand the implementation considerations and concerns with meeting the effective date. We also commend the FASB for their efforts to revise the proposed guidance over the years to incorporate input from a wide variety of stakeholders. We strongly support the proposal in the Exposure Draft issued August 21, 2019 to defer the effective date for larger public companies to fiscal years, and interim periods within those fiscal years, beginning after December 15, 2021. We will provide additional detail in our responses to the questions.

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<sup>1</sup> As of June 30, 2019

**Principal's Responses to FASB Questions for Respondents**

**Question 1—Effective date for larger public companies.** Should the amendments in Update 2018-12 be effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2021, for larger public companies (that is, SEC filers other than entities eligible to be SRCs as defined by the SEC)? If not, please explain why not.

**Response:** Yes, we strongly support the proposal to defer the effective date for larger public companies to fiscal years, and interim periods within those fiscal years, beginning after December 15, 2021.

We believe the additional year will allow us time to implement the extensive changes this standard requires in an appropriate risk environment. The delay of the effective date will significantly decrease our reliance on temporary solutions and reduce future rework, allowing us to focus on robust long-term solutions that make sense for our business, provide quality information to financial statement users and are more cost-effective for our customers and investors. The deferral will also provide additional time to develop and validate internal controls, perform dry runs, and educate management and external users.

**Questions 2-4 - Principal does not have a position on these questions.**

We appreciate your consideration of our comments. If you would like to discuss this letter, please contact Deanna at (515) 247-5514 or Strable.Deanna@principal.com or Angie at (515) 248-2292 or Sanders.Angie@principal.com.

Sincerely,



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