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Overnight Mail:
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 Canton, MA 02021-2809

SIMPLE IRA Salary Deferral Agreement

- Use this form to establish or amend regular salary deferral contributions to your SIMPLE IRA account only if your employer does not provide you with its own similar form. Submit the completed form to your employer. Do not submit this form to Principal Funds.

1. Employee Information	
Owner's First Name, Middle Initial, Last Name	
Employee Account Number	Social Security Number
Legal Street Address (no P.O. Box Addresses), City, State, Zip	
Date of Birth (MM/DD/YYYY)	Date of Hire (MM/DD/YYYY)

2. Employer Information
Employer and Plan Information
Name of Employer
Street Address (no P.O. Box Addresses), City, State, Zip

3. Authorization and Terms of Agreement
<p>I agree that my pay will be reduced in the manner I have indicated below, and I affirmatively elect to have this amount contributed to my SIMPLE IRA account. This Salary Deferral Agreement will continue to be effective while I am employed and is legally binding; however, either party may terminate this agreement by giving at least _____ days prior written notice of the date of termination.</p> <p>Beginning in 2002, a participant who is age 50 or older by the year end is allowed to make additional catch-up salary deferral contributions. A participant's regular Elective Deferrals may not exceed the amounts indicated within the charts on page 1 of this brochure.</p> <p>I agree that I am solely responsible for determining my maximum allowable deferral amount. I understand that my allowable deferral amount may not exceed any of the applicable limits under the Internal Revenue Code. Principal Shareholder Services, Inc., the Portfolio/Fund, the Custodian as the Agent of the Custodian have no responsibility for determining whether employee deferral amounts are in excess of the above limits.</p> <p><input type="checkbox"/> I, the undersigned employee, wish to set aside, as salary deferrals, _____ % OR \$ _____ each pay period and to have that amount contributed to my SIMPLE IRA account by way of payroll deduction.</p> <p><input type="checkbox"/> I, the undersigned employee, wish to set aside, as catch-up deferrals, _____ % OR \$ _____ (which equals _____ % of my current rate of pay) into my employer's SIMPLE IRA account by way of payroll deduction.</p> <p><input type="checkbox"/> I, the undersigned employee, wish to change my salary deferrals directed to my SIMPLE IRA account by way of payroll deduction to _____ % OR \$ _____ for each pay period.</p> <p>The employer will promptly forward employee salary deferrals to Principal Funds.</p> <p>Employer: Please make check payable to: Principal Funds.</p> <p>Effective Date: _____</p> <p><i>IMPORTANT: Be sure to read all sections of this Salary Deferral Agreement before signing it.</i></p>

4. Signatures	
Signature of Employee	Date (MM/DD/YYYY)
Signature of Employer	Date (MM/DD/YYYY)

DO NOT SUBMIT THIS FORM TO PRINCIPAL FUNDS.