

Rollover IRA Agreement for Mandatory Distributions for Active Plans

A. General Information

This Rollover IRA Agreement for Mandatory Distributions for Active Plans (this "Agreement") is between the undersigned Plan Fiduciary ("you", "your") and Principal Bank, a federal savings association ("we", "us", "our"). You and we are the "Parties" to this Agreement. Each of the Parties may be referred to separately as a "Party". This Agreement is effective on the date you sign it and return it to us.

The Economic Growth and Tax Relief Reconciliation Act of 2001 ("EGTRRA") requires that mandatory distributions to participants of more than \$1,000 but not exceeding \$5,000 described in section 401(a)(31)(B) of the Internal Revenue Code of 1986, as amended (the "Code"), be automatically rolled to an individual retirement plan, including an individual retirement account described in section 408(a) of the Code (an "IRA"), unless the participant elects otherwise. The final Department of Labor ("DOL") regulations issued in September 2004 under 29 C.F.R. §2550.404a-2 (the "safe harbor regulations") require Plan fiduciaries to establish a written agreement with an individual retirement plan provider to receive the rollover funds for such mandatory distributions. With this written agreement you select Principal Bank as the IRA provider for the retirement plan named below (the "Plan") with respect to each mandatory distribution to participants of more than \$1,000 but not exceeding \$5,000 made by the Plan and automatically rolled over in accordance with the provisions of section 401(a)(31)(B) of the Code during the term of this Agreement (each a "Mandatory Distribution"). We may agree to accept mandatory distributions of less than \$1,000 or such other distributions that you have determined are permitted by applicable law and the Plan upon your request, but such decision shall be at our sole discretion and must be evidenced in writing. For purpose of this Agreement, such rollovers shall also be considered Mandatory Distributions.

B. Investment of Rollover Funds

Each Mandatory Distribution shall be invested by us in a Principal Bank IRA savings account that (a) is held in an IRA, (b) is designed to preserve principal and provide a reasonable rate of return consistent with liquidity and (c) seeks to maintain, over the term of the investment, the dollar value that is equal to the amount invested. The deposit investment we offer pursuant to this Agreement is a savings account. The IRA (each a "Rollover IRA") is not, and cannot be, a self-directed IRA. All Mandatory Distributions must be transferred to us in the form of cash only. Mandatory Distributions in the form of non-deposit investments such as property, annuities, stocks, bonds and government, municipal or United States Treasury securities will not be accepted. Upon the transfer of the funds for a Mandatory Distribution to us on behalf of any Plan participant, the Plan participant will become the owner of the Rollover IRA in which such funds are invested (the "Principal Bank IRA Owner") and all rights and privileges of said Principal Bank IRA Owner will be governed by (a) the applicable Individual Retirement Custodial Account Booklet (i.e., Traditional or Roth), the Terms and Conditions, the Schedule of Fees and the Truth-In-Savings Disclosure for the Rollover IRA, all which may be amended by us from time to time in a manner consistent with the terms of this Agreement and the safe harbor regulations (collectively, the "Account Documents"), and (b) the terms of this Agreement. In addition, the participant on whose behalf you make a Mandatory Distribution pursuant to this Agreement shall have the right to enforce the terms of the Account Documents against us with respect to his or her rolled-over funds.

C. Fees and Expenses of Rollover Funds

All fees and expenses attendant to a Rollover IRA established pursuant to this Agreement, including investments of such IRA, (e.g. establishment charges, maintenance fees, investment expenses, termination costs and surrender charges) shall not exceed the fees and expenses charged by us for comparable IRAs established with us for reasons other than automatic rollovers of distributions subject to the provisions of section 401(a)(31)(B) of the Code. Each Principal Bank IRA Owner will be charged fees as described in the Account Documents. Additional expenses, if any, are outlined in the Account Documents.

D. Designation of IRA Provider

You hereby designate Principal Bank as the IRA provider for Mandatory Distributions for the Plan. We hereby represent and warrant to you that we are a federally regulated financial institution as that term is described in the safe harbor regulations. You acknowledge and agree that we shall have no responsibility to determine whether the rollovers contemplated by this Agreement are permitted by the Plan or applicable law.

You hereby authorize the release to us of any and all information necessary to establish and maintain Rollover IRAs for your former Plan participants. You acknowledge that the transfer to us of any assets of the Plan is dependent on information provided by you. You hereby represent and warrant to us that the information you provide to us regarding participants on whose behalf you make Mandatory Distributions or establish Rollover IRAs is, to the best of your knowledge, complete and accurate. You acknowledge and agree that we shall be entitled to rely on the information you provide to us and have no obligation to verify its completeness and accuracy. You further acknowledge and agree that we retain the right to reject any proposed Mandatory Distribution for any reason.

by returning the amount of the Mandatory Distribution to you or to the person or entity that sent us the funds on your behalf (such person or entity, or the successor of such person or entity, your "recordkeeper"). For example, if you fail to provide us complete and accurate information we request with respect to a Mandatory Distribution, we may reject the Mandatory Distribution and return the funds to you or your recordkeeper. In the event that we do set up a Rollover IRA in such a situation, we shall not be liable or responsible for our improper performance or failure to perform, in whole or in part, any service required to be performed by us under this Agreement to the extent such improper performance or failure to perform is caused by your failure to provide us the information we so requested.

You agree to provide all information we require to establish Rollover IRAs with respect to the Plan participants on whose behalf you are making Mandatory Distributions no later than two (2) calendar days after you provide us funds belonging to such participants. If we have not received the information within such time period, we may return the funds, without interest, to you or your recordkeeper.

If after setting up a Rollover IRA it is discovered that the Principal Bank IRA Owner died prior to the establishment of such IRA, the parties hereto recognize and agree that the funds supplied for such Mandatory Distribution remain assets of the Plan. We will return the amount of the original Mandatory Distribution, without interest, to you or your recordkeeper.

As of each Mandatory Distribution made under this Agreement, you represent and warrant to us that neither you, your recordkeeper nor any of the Plan participants for whom you intend to make a Mandatory Distribution is on any list maintained by the United States Treasury Department's Office of Foreign Assets Control of persons, entities or prohibited or restricted jurisdictions.

You hereby agree to indemnify, defend and hold us (and our directors, officers, employees, affiliates and agents) harmless against any losses, claims, damages, awards, actions, penalties, fines and expenses (including reasonable attorneys' fees) resulting from (i) the making of any Mandatory Distribution, (ii) your failure to provide us complete and accurate information, (iii) your violation of any terms of the Plan, applicable law or this Agreement, (iv) any actions we take, or any actions we fail to take, in reliance upon information or directions provided by you or your recordkeeper or (v) any actions or omissions by you, your recordkeeper, your agents or any fiduciary under the Plan. You acknowledge and agree that we shall not be liable or responsible for any action we take with respect to the establishment of Rollover IRAs in good faith in accordance with your direction or the direction of your recordkeeper.

In the event that we return funds to you or your recordkeeper for any reason, we reserve the right to pass along any expenses we reasonably incur in doing so (i.e., wire fees), and you agree to reimburse us for such expenses.

E. Status

Nothing in this Agreement, nor in the establishment or maintenance of Rollover IRAs as contemplated by this Agreement, makes us a party to, or a fiduciary or administrator regarding, the Plan.

F. Termination of This Agreement

This Agreement may be terminated by either Party upon 30 days' written notice. Any such termination shall have no effect on any Rollover IRAs established prior to the effective date of such termination. Your indemnification obligations under this Agreement shall survive the termination of this Agreement.


If the Parties have a dispute regarding this Agreement, any rights, duties or obligations granted or arising under this Agreement, or any transaction made under this Agreement, they will try in good faith to resolve all such disputes through negotiation or mediation.

G. Miscellaneous

This Agreement sets out the entire understanding of the Parties with respect to the matters described herein. It replaces, supersedes and cancels any and all prior agreements, understandings and representations between the Parties, whether written or oral, relating to these matters. Neither this Agreement nor any right, title, interest or performance with regard to this Agreement may be assigned without the prior written consent of the other Party. This Agreement may be amended only by the written agreement of both of the Parties; provided, however, that we may amend this Agreement, with notice to you but without your written consent, in the event that such amendment is required to comply with any law or regulation. Notices provided under this Agreement must be in writing and may be provided via mail, overnight courier or facsimile to the addresses set forth below or such other addresses provided from time to time by the Parties. This Agreement shall be governed by the internal laws of the State of Iowa.

H. Signatures

IN WITNESS WHEREOF, the Parties hereby execute this Agreement as of the date first written below.

Plan Name		Contract Number/Plan ID Number (required)	
Plan Fiduciary Printed Name	Plan Fiduciary Title	EIN (Employer Identification #)	
Plan Fiduciary Signature X		Date (mm/dd/yyyy)	
Contact Information/Mailing Address			
Attention		Telephone Number	Facsimile Number
On behalf of Principal Bank:			
X 			
President & CEO			

I. Mailing Instructions

If you have not executed this Agreement electronically, please mail or fax the executed Agreement to:	<u>Regular:</u>	<u>Overnight:</u>	<u>FAX:</u>
	Principal Bank	Principal Bank	1-866-673-8828
	PO Box 9351	711 High Street	
	Des Moines, IA 50306-9351	Des Moines, IA 50392	

Phone: 1-800-672-3343 (7am-7pm CT; M-F)

Fax: 1-866-673-8828

Member FDIC

www.principalbank.com