



Eligibility and Entry

You are eligible to join the plan once you become an employee of Federal Management Systems, Inc.

You may enter the plan on the next quarterly date.

Pay

In general, pay is total pay from Federal Management Systems, Inc. including salary deferral contributions.

Your employer can provide more detailed information.

Salary Deferral Contributions

You may choose to contribute up to 100% of your pay each pay period.

Your taxable income is reduced by the amount you contribute through salary deferral. This lets you reduce your current income taxes. Your total salary deferral in 2004 may not be more than \$13,000. Your maximum deferral percentage and/or dollar amount may also be limited by IRS regulations.

If you are 50 years old or older during the plan year, have met the annual IRS Deferral Limit, or the specified plan limit for deferrals you may contribute a catch-up deferral of up to \$3,000 in 2004. If you think you qualify and are interested in contributing catch-up deferrals contact your Plan Administrator for more details. Catch-up deferrals can be made to the plan beginning 12/31/2001.

Salary Deferral Changes

You may stop making salary deferral contributions at any time. You may change your salary deferral amount quarterly.

Employer Contributions

Your employer may match part of the pay you contribute to the plan through salary deferral.

Matching contributions are made at the end of the plan year.

Your employer may make a discretionary contribution at the end of the plan year.

Employer contributions may change in the future.

Rollover Contributions

You may be allowed to rollover into this plan all or a portion of the retirement funds you have outside this plan. You may then withdraw all or a portion of your rollover contributions. The number of withdrawals may be limited. To receive additional information, contact your Plan Administrator or visit us at www.principal.com or call us at 1-800-547-7754.

Vesting

You are always 100% vested in the contributions YOU choose to defer and in the qualified nonelective contributions. You can't forfeit these contributions.

You are vested in Federal Management Systems, Inc. contributions based on years of vesting service in which you worked at least 1,000 hours as shown below.

Vesting service before age 18 shall not be counted.

Years	Less than 2	2	3	4 or more
Vesting %	0%	33	66	100

Investments

Your retirement benefit plan intends to qualify as an ERISA §404(c) plan. This means that the Plan Fiduciary has transferred some responsibility for investing the retirement account to you. You are able to direct the investment of the retirement account balance by choosing among several fund options.

For the plan to qualify as an ERISA §404(c), you must be given:

- the opportunity to diversify your investment, and
- the ability to make an informed decision

In order for you to make informed investment decisions, it is important that you attend the periodic educational meetings scheduled for your benefit and read the material (including prospectuses) available from your employer. You may also obtain this information by calling our Client Contact Center at 1-800-547-7754.

Contributions will be automatically directed to the plan's investment default if you do not choose any investment options(s). Please see your employer for more details.

You may invest your contributions and employer contributions in any of the investment options offered by the plan. For detailed information about your investment options, please visit us at www.principal.com or contact us at 1-800-547-7754.

Please review the §404(c) information included in your enrollment kit. If you have questions about the investment options under the Plan your 404(c) contact can assist you. The contact is:

Aubrey Stephenson
4303 IOWA AVE. N.W.
WASHINGTON, DC 20011

Investment Mix Changes

You may change your investment mix anytime. A charge will apply to all paper requests.

Account Information

Quarterly you will receive account information through your Benefit Plan Report.

Expenses

Federal Management Systems, Inc. is paying plan administrative expenses.

When You Receive Benefits

Benefits are payable at:

- Retirement (age 65)
- Age 59½ and still working
- Death
- Disability
- Termination of employment.

12/01/2004

Financial Hardship

You may withdraw all or part of your vested account (not earnings), if you can prove financial hardship and are unable to meet your financial needs another way. Portions of your employer contributions may not be eligible for withdrawal.

The plan defines hardship as an "immediate and severe financial need" and includes only College Education, Purchase of a Primary Residence, Prevention of Eviction or Foreclosure, and Medical Expenses. Salary deferral contributions will be suspended for six months after your withdrawal.

Other Information

Your salary deferral contributions do not affect your Social Security taxes or any of your other group benefits.

This summary includes a brief description of your employer's retirement plan. If there are any discrepancies between this summary and the plan document, the plan document will govern. Contact your employer if you would like to see the plan document.

*Most withdrawals/distributions are subject to taxation and required withholding. Check with your financial/tax advisor on how this may affect you.

The Principal is required by the IRS to withhold 20% of any distribution eligible for rollover if it is not directly rolled over to another qualified retirement plan, an IRA, or used to purchase an annuity to be paid over a minimum period of the lesser of 10 years or the participant's life expectancy. This withholding will offset a portion of federal income taxes you owe on the distribution.

The retirement account may be affected differently by individual state taxation rules. Contact your tax advisor with questions.

The Retirement and Investor Services - Client Contact Center at the Principal is available to answer questions about the retirement plan, too. Please call 1-800-547-7754 Monday through Friday, 7 am - 9 pm and Saturday 8 am - 2 pm (Central Time), to speak with a counselor.

To find out more information about the Principal Financial Group®, visit our home page at www.principal.com.

Before investing in mutual funds, investors should carefully consider the investment objectives, risks, charges and expenses of the funds. This and other information is contained in the free prospectus, which can be obtained from your local representative. Please read the prospectus carefully before investing.

Insurance products and plan administrative services are provided by Principal Life Insurance Company. Principal Investors Fund is distributed by and securities are offered through Princor Financial Services Corporation, 1-800-547-7754, member SIPC. Princor and Principal Life are members of the Principal Financial Group, Des Moines, IA 50392.



FEDERAL MANAGEMENT
SYSTEMS, INC. 401(K) PLAN

Start saving for a secure retirement today!

Principal Life
Insurance Company

P O Box 2000
Mason City, IA 50402-2000

Enrollment Form

Plan ID 6-11487

Location Number _____

CTD01321

Instructions - Follow the five steps below to complete the form. (Please print)

Step 1 - Personal Information

Name (Last)		(First)	(Middle Initial)		<input type="checkbox"/> Male
					<input type="checkbox"/> Female
Address (Street)			(City, State, Zip)		Phone Number
Email Address			If you have been rehired, complete these dates:		
Social Security Number	Date of Birth	Date of Original Employment	Date of Termination	Date of Rehire	
- - -	/ /	/ /	/ /	/ /	

Step 2 - Percentage Contributions

Defer ____% (0% to 100%) of my current and future salary per pay period (enter 0 here if you choose not to defer).

Step Ahead: I recognize the long-term benefit of automatically increasing my savings rate. Increase my deferral by ____% per pay period each year for the next ____ years effective on the annual increase date effective 01/01 each year.

This agreement applies to amounts earned until changed by me in writing. I understand my plan sponsor may reduce my deferral only when required to meet certain plan limits.

Step 3 - Rollover Funds (Complete if you would like to consolidate your retirement funds)

____ Yes! Tell me how The Principal® can help me benefit from rolling over my retirement investments. Please call me at (____)-____-____ to discuss my options. The best time to call is ____am ____pm. If I want to learn about rollover opportunities now, I will call The Principal at 1-800-547-7754, then press 1, then 4, then 6.

Step 4 - Investment Options

- If you enter information in only one column, all of the contributions made to the account, including rollover contributions, will be invested using the percentages from the completed column.
- If you enter information in both the employer contributions column and your contributions column, any rollover contributions will be invested using the percentages you enter in your contributions column.
- Your investment election will be effective when it is received in our Corporate Center.
- **If no investment election is received, or contributions are received prior to your investment election, contributions will be deposited per the direction of your employer. You may transfer your contributions or change investment election as allowed by the plan.**
- For a complete listing of investment advisors, please see the insert labeled "Investment Option Summary".

Professionally Managed Asset Allocation Portfolio

Option 1: Principal LifeTime Funds

Please read the Principal Lifetime article (PJ443) to learn more about Principal Lifetime Portfolios. Principal LifeTime portfolios are designed with the idea that you invest solely in one investment option that most closely matches your approximate retirement timeline. If you choose to also invest in other options listed in Option 2, the total of all percentages must equal 100%.

Principal Investors LifeTime 2010 Adv Sel Fund	<input type="checkbox"/> 100%	<input type="checkbox"/> ____%
Principal Investors LifeTime 2020 Adv Sel Fund	<input type="checkbox"/> 100%	<input type="checkbox"/> ____%
Principal Investors LifeTime 2030 Adv Sel Fund	<input type="checkbox"/> 100%	<input type="checkbox"/> ____%
Principal Investors LifeTime 2040 Adv Sel Fund	<input type="checkbox"/> 100%	<input type="checkbox"/> ____%
Principal Investors LifeTime 2050 Adv Sel Fund	<input type="checkbox"/> 100%	<input type="checkbox"/> ____%
Principal Investors LifeTime Strat Income Adv Sel Fund	<input type="checkbox"/> 100%	<input type="checkbox"/> ____%

Please complete and sign form on reverse.

Option 2: Customized Choices

	Employer	Elective Deferral
Principal Fixed Income Option 401(a)/401(k)	_____ %	_____ %
Principal Investors Bond & Mortgage Secs Adv Sel Fund	_____ %	_____ %
American Funds Washington Mutual R2 Fund	_____ %	_____ %
Principal Investors Partners LargeCap Blend Adv Sel Fund	_____ %	_____ %
Principal Investors Partners LargeCap Value Adv Sel Fund	_____ %	_____ %
Principal Investors Partners MidCap Value Adv Sel Fund	_____ %	_____ %
Principal Investors LargeCap S&P 500 Index Adv Sel Fund	_____ %	_____ %
American Funds Growth Fund of America R2 Fund	_____ %	_____ %
Principal Investors Partners LgCap Growth II Adv Sel Fund	_____ %	_____ %
Principal Investors Partners SmCap Growth II Adv Sel	_____ %	_____ %
Principal Investors Partners MidCap Growth Adv Sel Fund	_____ %	_____ %
Principal Investors Partners SmCap Value I Adv Sel Fund	_____ %	_____ %
Principal Investors Real Estate Securities Adv Sel Fund	_____ %	_____ %
American Funds EuroPacific Growth R2 Fund	_____ %	_____ %
Principal Investors Partners International AdvSel Fund	_____ %	_____ %
TOTAL	100%	100%

Step 5 - Signature (Please sign below after you have completed this form)

NOTE: To help ensure you receive accurate reports that reflect the correct investment of the contributions made to the plan on your behalf, please review all reports regularly and report any discrepancy to us immediately.

Participant Signature	Date
X	

Before investing in mutual funds, investors should carefully consider the investment objectives, risks, charges and expenses of the funds. This and other information is contained in the free prospectus, which can be obtained from your local representative. Please read the prospectus carefully before investing.

Insurance products and plan administrative services are provided by Principal Life Insurance Company. Principal Investors Fund is distributed by and securities are offered through Princor Financial Services Corporation, 1-800-547-7754, member SIPC. Princor and Principal Life are members of the Principal Financial Group, Des Moines, IA 50392.



Principal Life Insurance Company
 Des Moines, IA 50392-0001
 1-800-986-3343
 www.principal.com
 A member of the Principal Financial Group®

Retirement Plan Beneficiary Designation

CTD 01304

Personal Information (Please Print or Type)	
Company Name	Contract/Plan I.D. Number
Participant Name	Social Security Number
Phone Number or E-mail (if clarification is needed)	
Phone Number: ()	E-mail:

Name Change	
Change my name: From _____ To _____	Date Changed: ____ / ____ / ____
Reason: <input type="checkbox"/> Married <input type="checkbox"/> Divorce-Will need to attach divorce decree. <input type="checkbox"/> Other (reason): _____	

Beneficiary Designation Choices (1, 2, or 3) (MUST CHOOSE ONE OPTION)

MUST CHECK ONE BOX	<input type="checkbox"/> 1. Married with Spouse as Sole Beneficiary (Spouse's signature is not required) I am Married and designate my spouse named below to receive all death benefits from the plan.
	<input type="checkbox"/> 2. Single Participants (including widowed, divorced, or legally separated) I am Not Married and designate the individual(s) named below to receive death benefits from the plan. I understand if I marry, this designation is void one year after my marriage (some plans specify a shorter period). Note: If legally separated or divorced, attach a copy of the court decree.
	<input type="checkbox"/> 3. Married with Spouse NOT as Sole Beneficiary (Spouse's signature REQUIRED – Review QPSA consent on the back of this form.) I am Married and designate the individual(s) named below to receive death benefits in accordance with the plan provisions. Note: If you are married and do not name your spouse as the Sole beneficiary, your spouse must sign the consent. The signature must be witnessed by a Plan Representative or Notary Public. If you are younger than age 35, your spouse must again consent to this in writing at the start of the plan year in which you reach age 35 for this designation to remain in effect. <input type="checkbox"/> (Check if applicable) I certify that my spouse cannot be located to sign this consent. I will notify the plan sponsor if my spouse is located. Note: If your spouse cannot be located, check this box and have it witnessed by the Plan Representative. It must be established to the satisfaction of the Plan Representative that your spouse cannot be located.
I certify that it has been established to my satisfaction that spousal consent cannot be obtained because your spouse cannot be located.	
Plan Representative's Signature _____ Date ____ / ____ / ____	
Notice to Spouse: In signing you are also verifying that you have read the QPSA notice and consent on the back of this form. <input type="checkbox"/> By checking this box, I agree only to the beneficiary designation on this form. My spouse cannot change the beneficiary without my consent.	
Spouse's Signature (must be witnessed by Plan Representative or Notary Public) _____ Date ____ / ____ / ____	
The spouse appeared before me and signed the consent on ____ / ____ / ____.	
Plan Representative or Notary Public Signature _____ Date ____ / ____ / ____	

Before completing, please read the information on the back of this form for direction and examples.

Note: Unless otherwise provided, if two or more beneficiaries are named, the proceeds shall be paid to the named beneficiaries, or to the survivor or survivors, in equal shares.

Name [Primary Beneficiary(s)]	Date of Birth	Relationship	Soc. Sec. No.	Address	Percent

If Primary Beneficiary is not living, pay death benefits to:

Name [Contingent Beneficiary(s)]	Date of Birth	Relationship	Soc. Sec. No.	Address	Percent

Participant Signature		
This designation revokes all prior designations made under the plan.		
Participant's Signature (Required) X	Date ____ / ____ / ____	Received and filed by Principal Life Ins. Co. Date Received
UNDER THE PENALTIES OF PERJURY, I certify by my signature that all of the information on this Beneficiary Designation form is true, current, and complete.		

Beneficiary Designation Direction

Read carefully before completing this form

To be sure death benefits are paid as you want them, follow these guidelines:

- Use choice (1)** if you are married and want all death benefits from the Plan paid to your spouse. Your spouse does not have to sign the form.
- Use choice (2)** if you are not married.
- Use choice (3)** if you are married and want death benefits paid to someone other than your spouse or in addition to your spouse. **Your spouse must sign the spouse's consent on this form.** That signature must be witnessed by a Plan Representative or Notary Public.

You may name one or more contingent beneficiaries. In most circumstances, your contingent beneficiary(ies) will only receive a death benefit if the primary beneficiary predeceases you and the death benefit has not been paid in full.

Be sure you sign and date the form. Keep a copy of this form for your records. Return the original to your plan sponsor. If you do not date the form, the designation will become effective the date received by your plan sponsor or Principal Life Insurance Company, depending upon plan provisions.

If your marital status changes, review your beneficiary designation to be sure it meets these requirements. If your name changes, complete the name change sections of this form.

Sample Beneficiary Designations

Be sure to use given names such as "Mary M. Doe", not "Mrs. John Doe" and include the address and relationship of the beneficiary or beneficiaries to the participant. The following designations may be helpful to you:

	Name	Relationship	Soc. Sec. No.	Address	Amount or Percent
One Primary Beneficiary	Mary M. Doe	Sister	XXX-XX-XXXX	XXXXXXXXXXXX	100%
Two Primary Beneficiaries	Jane J. Doe	Mother	XXX-XX-XXXX	XXXXXXXXXXXX	50%
	John J. Doe or to the survivor	Father	XXX-XX-XXXX	XXXXXXXXXXXX	50%
One Primary Beneficiary and One Contingent	Jane J. Doe if living; otherwise to John J. Doe	Wife	XXX-XX-XXXX	XXXXXXXXXXXX	100%
Estate	My Estate		XXX-XX-XXXX	XXXXXXXXXXXX	100%
Trust	ABC Bank and Trust Co.	Trustee or successor in trust under (Trust Name) established (Date of Trust Agreement)		XXXXXXXXXXXX	100%
Testamentary Trust (Trust established within the participant's will)	John J. Doe/ ABC Bank	Trust created by the Last Will and Testament of the participant		XXXXXXXXXXXX	100%
Children and Grandchildren (If Beneficiary is a minor, use sample wording shown below.)	John J. Doe	Son	XXX-XX-XXXX	XXXXXXXXXXXX	33.3%
	Jane J. Doe	Daughter	XXX-XX-XXXX	XXXXXXXXXXXX	33.3%
	William J. Doe	Son	XXX-XX-XXXX	XXXXXXXXXXXX	33.4%
Provided that if any of my children predeceases me, the surviving children of any such child shall receive in equal portions the share their parent would have received, if living. If no child of a deceased child survives, the share of that child of mine shall go to the survivor or survivors of my children, equally.					
Minor Children (Custodian for Minor)	John J. Doe, son and Jane J. Doe, daughter, equally, or to the survivor. However, if any proceeds become payable to a beneficiary who is a minor as defined in the Iowa Uniform Transfers to Minors Act (UTMA), such proceeds shall be paid to Frank Doe, as custodian for John Doe under the Iowa UTMA and Frank Doe, as custodian for Jane Doe under the Iowa UTMA.				

Qualified Preretirement Survivor Annuity (QPSA) Notice

If your spouse has a vested account in a retirement plan, federal law requires that you receive a special death benefit if your spouse dies before beginning to receive retirement benefits (or, if earlier, before the beginning of the period for which the retirement benefits are paid).

If you have been married to your spouse for at least one year (some plans may specify a shorter time period), you have the right to receive this payment for your life beginning after your spouse dies. The special death benefit is often called a qualified preretirement survivor annuity (QPSA). This death benefit will automatically be paid in a lump sum rather than as a QPSA if the value of the death benefit is \$5,000* or less.

If the lump sum value of the death benefit is greater than \$5,000, the death benefit will be paid in the form of a QPSA. Other options may be available. The actual amount of the QPSA benefit will vary depending on the vested account balance, your age, and the cost to purchase the benefit.

Your right to the QPSA benefit provided by federal law cannot be taken away unless you agree to give up that benefit. If you agree, your spouse can choose to have all or part of the death benefits paid to someone else. The person your spouse chooses to receive the death benefits is usually called the beneficiary. As an example, if you agree, your spouse can have the death benefits paid to his or her children instead of you.

Example:

Pat and Robin Doe agree that Robin will not receive the QPSA benefit. Pat and Robin also decide that 1/2 of the death benefits that are paid from Pat's vested account will be paid to Robin and 1/2 of the death benefits will be paid to Pat and Robin's child, Chris. The total death benefits are \$200 per month. After Pat dies, the plan will pay \$100 a month to Robin for the rest of Robin's life. Chris will also receive payments from the plan as long as

Chris lives. Chris will receive less than \$100 a month because Chris, being younger than Robin, is expected to receive payments over a longer period.

Your choice to give up the QPSA benefit must be voluntary. It is your personal decision whether you want to give up that right. If you sign this agreement, your spouse can choose the beneficiary who will receive the death benefits without telling you and without getting your agreement. Your spouse can change the beneficiary at any time before he or she begins receiving benefits or dies. You have the right to agree to allow your spouse to select only a particular beneficiary. If you want to allow your spouse to select only a particular beneficiary, check the appropriate box in the spousal signature section that will limit the beneficiary choice to the one designated on this form.

You can agree to give up all or part of the QPSA benefit. If you do so, the plan will pay you the part of the benefit you did not give up, and pay the remaining part of the benefit to the person or persons selected by your spouse.

You can change your mind with respect to giving up your right to the QPSA benefit until the date your spouse dies. After that date, you cannot change this agreement. If you change your mind, you must notify the plan administrator in writing that you want to revoke the consent you give on this form.

You may lose your right to the QPSA benefit if your spouse and you become legally separated or divorced even if you do not sign this agreement. However, if you become legally separated or divorced, you might be able to get a special court order (called a qualified domestic relations order, QDRO) that specifically protects your rights to receive the QPSA benefit or that gives you other benefits under this plan. If you are thinking about separating or getting a divorce, you should get legal advice on your rights to benefits from the plan.

QPSA Spousal Consent and Agreement

I understand that I have a right to a QPSA benefit from my spouse's retirement account (see prior section for explanation of QPSA benefit) if my spouse dies prior to receiving retirement benefits -- or if earlier, before the beginning of the period for which the retirement benefits are paid. I also understand that if the value of the QPSA benefit is \$5,000* or less, the plan will pay the benefit to me in one lump sum payment.

I agree to give up my right to the QPSA death benefit and to allow my spouse to choose another beneficiary to receive some or all of that benefit. I understand that by signing this agreement, my spouse can choose any beneficiary without telling me and without getting my agreement unless I limit my spouse's choice to a particular beneficiary by checking the appropriate box in the Beneficiary Designation section on the front of this page.

I also understand that my spouse can change the beneficiary at any time before retirement benefits begin without telling me and without getting my approval.

I understand that by signing this agreement, I may receive less money than I would have received under the QPSA payment form and I may receive nothing from the plan after my spouse dies.

I understand I do not have to sign this agreement. I am signing this agreement voluntarily. If I do not sign this agreement, I will receive the QPSA benefit if my spouse dies before beginning to receive retirement benefits -- or, if earlier, before the beginning of the period for which the retirement benefits are paid. I understand that if the value of the QPSA benefit is \$5,000* or less, the plan will pay the benefit to me in one lump sum payment.

* Your plan can specify a lower dollar amount.



Principal Life Insurance Company

404(c) NOTICE TO ALL PLAN PARTICIPANTS

12/01/2004

**FEDERAL MANAGEMENT SYSTEMS, INC.
401(K) PLAN
Plan ID 6-11487**

Important

The plan sponsor chose to qualify the Plan as an ERISA 404(c) plan. This means the plan fiduciary should not be liable for any investment losses that result from a participant's investment control. Please read on for more information.

The enclosed materials use these defined words and phrases:

Plan means **FEDERAL MANAGEMENT SYSTEMS, INC. 401(K) PLAN.**

Plan Fiduciary means the individual(s) holding authority over the operation and administration of the Plan and its retirement funds. The Plan Sponsor is the Plan Fiduciary.

Plan Sponsor means **Federal Management Systems, Inc.**

You means the plan participant or beneficiary.

Plan's 404(c) Contact means the individual(s) you should contact if you have any questions about the investment options under the Plan. The Plan's 404(c) Contact is:

Aubrey Stephenson
4303 IOWA AVE. N.W.
WASHINGTON, DC 20011

The Plan's 404(c) Contact can provide the following additional information, if asked.

General Fund Expenses

- A copy of the most recent prospectus is available from the Plan Fiduciary.

Financial Statements provided to the Plan Sponsor by the investment manager(s)

- Annual reports of the investment manager
- Plan investment performance
- Prospectus made available by the Plan Sponsor.

Portfolio Assets

- List of the assets and their values in the portfolio

Investment Performance

- Past, current, and specific investment performance of each fund. (Note: This is already provided in the Investment Option Summary.)

Values of Shares

- Values of shares in your account. (Note: You can find the values of your various accounts in your retirement plan statement)



GENERAL INFORMATION

Investment Responsibility

The Employee Retirement Income Security Act (ERISA) provides rules about the investment of retirement funds. ERISA §404(c) lets a Plan Fiduciary transfer some responsibility for the investment of retirement funds to plan participants. The Plan Sponsor intends to comply with ERISA §404(c) requirements by providing information for you to make informed investment decisions and by letting you:

- direct the investment of individual retirement accounts
- choose from at least three diverse investment options, and
- change investment choices at least quarterly.

How Does This Affect You?

To help you make informed investment choices and for more information about the investment options available to you, including investment objectives, performance, and fees, please review the enclosed materials or visit us at www.principal.com. (Note: The 404(c) Contact will provide information about any other investments choices available under the Plan and not previously mentioned in these materials.)

The Plan Fiduciary makes certain investment options available under the Plan. You decide which of those options works best for you according to your age and circumstances. This means that you are responsible for directing the investment in the accounts. It also may relieve the Plan Fiduciary of liability for any losses that result from your investment choices.

TRANSFERRING INVESTMENTS

You can transfer funds between the different investment options at least quarterly. The Plan may allow for more frequent transfers. To transfer funds, you need to use TeleTouch® or the Internet.

You choose from a variety of investment options. For detailed information about the investment options, see the enclosed descriptions or visit us at www.principal.com.

Before investing in mutual funds, investors should carefully consider the investment objectives, risks, charges and expenses of the funds. This and other information is contained in the free prospectus, which can be obtained from your local representative. Please read the prospectus carefully before investing.

Insurance products and plan administrative services are provided by Principal Life Insurance Company. Principal Investors Fund is distributed by and securities are offered through Princor Financial Services Corporation, 1-800-547-7754, member SIPC. Princor and Principal Life are members of the Principal Financial Group, Des Moines, IA 50392.



Principal Life Insurance Company
 Des Moines, IA 50392-0001
 1-800-986-3343
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**Principal AdvantageSM
 Rollover Declaration**
 CTD 01314

THE PLAN PARTICIPANT AND PLAN SPONSOR MUST COMPLETE THIS FORM.

Participant Information (Please Print or Type)

Plan Sponsor Name		Plan ID	Location Number	
Participant Name	<input type="checkbox"/> Male <input type="checkbox"/> Female	Social Security Number	Date of Birth	Date of Employment

Investment Election (List your investment option mix)

Show the percentage of rollover contribution you want directed to each investment option. The column must add up to 100%. This investment direction applies only to your rollover contribution.

Investment Option(s)	Percentage	Investment Option(s)	Percentage
1. _____	_____ %	11. _____	_____ %
2. _____	_____ %	12. _____	_____ %
3. _____	_____ %	13. _____	_____ %
4. _____	_____ %	14. _____	_____ %
5. _____	_____ %	15. _____	_____ %
6. _____	_____ %	16. _____	_____ %
7. _____	_____ %	17. _____	_____ %
8. _____	_____ %	18. _____	_____ %
9. _____	_____ %	19. _____	_____ %
10. _____	_____ %	20. _____	_____ %
Total			100 %

Rollover Information

The assets rolled over into this plan result from a distribution from a: (please check one)

<input type="checkbox"/> 401(a) Qualified Plan (pre-tax contributions)	<input type="checkbox"/> SIMPLE IRA	<input type="checkbox"/> 401(a) Qualified Plan (after tax contributions)**
<input type="checkbox"/> IRA* (pre-tax contributions)	<input type="checkbox"/> Simplified Employee Pension Plan (SEP)	
<input type="checkbox"/> Governmental 457 Plan	<input type="checkbox"/> 403(b) Plan	

Amount of Pre Tax Distribution \$ _____	Amount of After Tax Distribution** \$ _____
--	--

*After tax contributions from an IRA may not be rolled to an employer-sponsored retirement plan
 **After tax contributions can only be rolled over as a direct Trustee to Trustee transfer

Checks must be made payable to: Delaware Charter Guarantee & Trust Company (d.b.a. Principal Trust Company) as Trustee for Retirement Plan Clients. FBO (Your Name, SSN)

Please mail this completed form with your check to: The Principal Financial Group, P.O. Box 9394, Des Moines, IA 50306-9394

This form's investment direction applies only to your rollover contribution. If you haven't named a plan beneficiary, please submit a Retirement Plan Beneficiary Designation form GP 24488.

Participant Signature/Declaration

I may deposit only retirement funds that are allowed under my current employer's plan. I have verified with my current employer that these funds can be deposited according to plan provisions.

By signing below you declare this information is correct.

Participant Signature X	Date
-----------------------------------	------

Plan Sponsor Signature

Based on the information above, this rollover contribution is acceptable according to the plan provisions and directs Delaware Charter Guarantee & Trust as Trustee for Principal AdvantageSM clients to accept the enclosed amount as a rollover contribution and Principal Life Insurance Company to keep the appropriate records and accounts.

Plan Sponsor or Trustee Signature X	Date
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Insurance products and plan administrative services are provided by Principal Life Insurance Company. Principal Investors Fund is distributed by and securities offered through Princor Financial Services Corporation, 1-800-547-7754, member SIPC. Princor and Principal Life are members of the Principal Financial Group, Des Moines, Iowa 50392. For more complete information about the funds offered, including changes and expenses, contact a representative of The Principal® for a free prospectus. Be sure to read the prospectus carefully before you invest or send money.

To make the rollover process as easy and convenient as possible, here's a checklist of the steps to follow. If you have questions along the way, the retirement specialists in our Client Contact Center will be glad to help you. Just call 1-800-547-7754 Monday through Friday, 7:00 a.m. to 9:00 p.m. and Saturday 8:00 a.m. to 2:00 p.m. (Central Time).

HOW TO COMPLETE THE ROLLOVER DECLARATION FORM

Participant Information

Complete the Participant Information section.

Investment Election

Select your investment option mix by completing this section.

***Please note:** If we receive the retirement funds before we receive this completed form, the retirement funds may be placed into the plan's default investment option. You may transfer these retirement funds to another available investment option within the plan by using The Principal Retirement Service Center® on the Internet at www.principal.com, if available under the plan. You may also call TeleTouch®, our toll-free, interactive voice response system at 1-800-547-7754. See your current plan sponsor for more information about the electronic services available through the plan.*

Rollover Information

Complete this section to the best of your knowledge. This information will help ensure the accuracy in the processing of your request.

Participant Signature/Declaration

Sign and date the form.

Plan Sponsor Signature

Give the completed form to your current plan sponsor (employer) to sign and date.

RETURNING THE ROLLOVER DECLARATION FORM

You or your current plan sponsor can return your completed form. You can return this form in one of two easy ways:

By Mail:

The Principal Financial Group
P.O. Box 9394
Des Moines, IA 50306-9394

By Fax:

Fax the Completed form to 515-248-3194

It is not necessary that the check accompany the Rollover Declaration Form.

CHECK INFORMATION



Contact the financial institution that currently holds your retirement funds to request a rollover. Instruct them that the rollover check should be completed as follows:



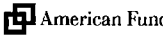


Delaware Charter Guarantee & Trust (d.b.a. Principal Trust Company) as Trustee for Retirement Plan Clients (*include no other information on this line.*)
FBO Your Name, Social Security Number, Plan Number





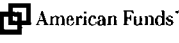

If you have any questions, please don't hesitate to call our Client Contact Center at 1-800-547-7754.

Investment results shown represent historical performance and do not guarantee future results. Investment returns and principal values fluctuate with changes in interest rates and other market conditions so the value, when redeemed may be worth more or less than original costs. Current performance may be lower or higher than the performance data shown. For more performance information, including most recent month-end performance, visit the Principal Retirement Service Center® at www.principal.com, contact your representative of The Principal, or call our Client Contact Center at 1-800-547-7754.

Investment Advisor	Risk Category	Investment Option Name and Description	Average Annualized Return as of 09/30/2004							Total Investment Expense
			YTD Ret.	1-Year	3-Year	5-Year	10-Year	Since Incept*	Incept Date	
Bonds										
Intermediate-Term Bond										
Principal <i>Global Investors</i>	Conservative	Principal Investors Bond & Mortgage Secs Adv Sel Fund⁹ Principal Investors Fund Bond & Mortgage Securities Fund seeks current income. The fund invests primarily in intermediate fixed-income or debt securities rated BBB or higher. It normally invests at least 80% of assets in U.S. government debt, U.S. dollar-denominated Canadian or British government debt, mortgage-backed securities, and taxable municipal obligations and other debt rated BBB or higher. The average portfolio duration of the fund normally varies between three to six years.	2.89	3.22	4.57	-	-	5.86	12/2000	1.30
Balanced/Asset Allocation										
Conservative Allocation										
Principal <i>Global Investors</i>	Moderate	Principal Investors LifeTime Strat Income Adv Sel Fund¹³ Principal Investors Fund LifeTime Strategic Income Fund seeks current income. The fund primarily invests in shares of other Principal Investors Funds. It normally invests approximately 85% of assets in debt and 15% of assets in equities. In deciding how to allocate the funds assets among the underlying funds, the subadvisor considers long-term asset class returns and volatility assumptions. There are no minimum or maximum percentages in which the fund must invest in any underlying fund.	4.74	10.50	6.36	-	-	4.79	3/2001	1.43
Principal <i>Global Investors</i>	Moderate	Principal Investors LifeTime 2010 Adv Sel Fund¹³ Principal Investors Fund LifeTime 2010 Fund seeks long-term growth of capital and current income. The fund primarily invests in shares of other Principal Investors Funds. It normally invests approximately 60% of assets in debt and 40% of assets in equities. Over time, management will shift the allocations to the underlying funds to accommodate investors progressing from asset accumulation years to income-generation years. The subadvisor intends to allocate assets so that approximately five to ten years after the year 2010, the funds assets invested in the underlying funds match the asset allocation of the Principal LifeTime Strategic Income Fund.	3.93	11.13	6.51	-	-	4.38	3/2001	1.44
Moderate Allocation										
Principal <i>Global Investors</i>	Moderate	Principal Investors LifeTime 2020 Adv Sel Fund¹³ Principal Investors Fund LifeTime 2020 Fund seeks long-term growth of capital and current income. The fund primarily invests in shares of other Principal Investors Funds. It normally invests approximately 40% of assets in debt and 60% of assets in equities. Over time, management will shift the allocations to the underlying funds to accommodate investors progressing from asset accumulation years to income-generation years. The sub-advisor intends to allocate assets so that approximately five to ten years after the year 2020, the funds assets invested in the underlying funds match the asset allocation of the Principal LifeTime Strategic Income Fund.	3.31	11.64	6.75	-	-	4.02	3/2001	1.48

Investment Advisor	Risk Category	Investment Option Name and Description	Average Annualized Return as of 09/30/2004							Total Investment Expense
			YTD Ret.	1-Year	3-Year	5-Year	10-Year	Since Incept*	Incept Date	
Principal* <i>Global Investors</i>	Moderate	Principal Investors LifeTime 2030 Adv Sel Fund¹³ Principal Investors Fund LifeTime 2030 Fund seeks long-term growth of capital and current income. The fund primarily invests in shares of other Principal Investors Funds. It normally invests approximately 70% of assets in equities and 30% of assets in debt. Over time, management will shift the allocations to the underlying funds to accommodate investors progressing from asset accumulation years to income-generation years. The sub-advisor intends to allocate assets so that approximately five to ten years after the year 2030, the funds assets invested in the underlying funds match the asset allocation of the Principal LifeTime Strategic Income Fund.	3.10	12.48	6.30	-	-	3.10	3/2001	1.47
Principal* <i>Global Investors</i>	Moderate	Principal Investors LifeTime 2040 Adv Sel Fund¹³ Principal Investors Fund LifeTime 2040 Fund seeks long-term growth of capital and current income. The fund primarily invests in shares of other Principal Investors Funds. It normally invests approximately 80% of assets in equities and 20% of assets in debt. Over time, management will shift the allocations to the underlying funds to accommodate investors progressing from asset accumulation years to income-generation years. The sub-advisor intends to allocate assets so that approximately five to ten years after the year 2040, the funds assets invested in the underlying funds match the asset allocation of the Principal LifeTime Strategic Income Fund.	2.72	13.16	6.22	-	-	3.04	3/2001	1.47
Principal* <i>Global Investors</i>	Moderate	Principal Investors LifeTime 2050 Adv Sel Fund¹³ Principal Investors Fund LifeTime 2050 Fund seeks long-term growth of capital and current income. The fund primarily invests in shares of other Principal Investors Funds. It normally invests approximately 90% of assets in equities and 10% of assets in debt. Over time, management will shift the allocations to the underlying funds to accommodate investors progressing from asset accumulation years to income-generation years. The subadvisor intends to allocate assets so that approximately five to ten years after the year 2050, the funds assets invested in the underlying funds match the asset allocation of the Principal LifeTime Strategic Income Fund.	2.35	13.86	5.69	-	-	1.58	3/2001	1.47
Domestic Stock										
Large Value										
 American Funds	Moderate	American Funds Washington Mutual R2 Fund⁹ American Funds Washington Mutual Fund seeks income and the opportunity for growth of principal. The fund seeks to be at least 95% invested in equity-type securities. The fund invests in stocks that meet strict standards evolving from requirements originally established by the U.S. District Court for the District of Columbia for the investment of trust funds. It may not invest in companies that derive their primary revenues from alcohol or tobacco.	2.67	15.48	4.89	3.68	11.85	-	5/2002	1.45
 ALLIANCE BERNSTEIN	Moderate	Principal Investors Partners LargeCap Value Adv Sel Fund Principal Investors Partners LargeCap Value Fund seeks long-term growth of capital. The fund invests primarily in undervalued equity securities of large-capitalization companies that the subadvisor believes offer above-average potential for growth in future earnings. It normally invests at least 80% of assets in companies with market capitalizations similar to those of companies in the Russell 1000 Value Index. The fund may invest up to 25% of assets in foreign securities.	3.32	16.67	6.57	-	-	5.68	12/2000	1.52

Investment Advisor	Risk Category	Investment Option Name and Description	Average Annualized Return as of 09/30/2004							Total Investment Expense
			YTD Ret.	1-Year	3-Year	5-Year	10-Year	Since Incept*	Incept Date	
Large Blend										
	Moderate	Principal Investors LargeCap S&P 500 Index Adv Sel Fund^{2,6} Principal Investors Fund LargeCap S&P 500 Index Fund seeks capital growth. The fund normally invests at least 80% of assets in common stocks of companies that compose the S&P 500 Index. Management attempts to mirror the investment performance of the index by allocating assets in approximately the same weightings as in the S&P 500 Index. Over the long-term, management seeks a very close correlation between the performance of the fund before expenses and that of the S&P 500 Index.	0.82	12.78	2.93	-	-	-4.33	12/2000	0.90
	Moderate	Principal Investors Partners LargeCap Blend Adv Sel Fund¹² Principal Investors Fund Partners LargeCap Blend Fund seeks long-term growth of capital. The fund normally invests at least 80% of assets in companies with market capitalizations similar to those of companies in the S&P 500 Index. Management looks at stocks with value and or growth characteristics and constructs an investment portfolio that is a blend of stocks with these characteristics. The fund may invest up to 25% of assets in foreign securities.	0.40	12.13	3.66	-	-	-0.89	12/2000	1.50
Large Growth										
	Aggressive	American Funds Growth Fund of America R2 Fund⁹ American Funds Growth Fund of America Fund seeks capital growth. The fund invests primarily in common stocks. Management selects securities that it believes are reasonably priced and represent solid long-term investment opportunities. The fund may invest up to 15% of assets in securities of issuers domiciled outside of the U.S. and Canada, and not included in the S&P 500 Index. It may also invest up to 10% of assets in debt securities rated below investment-grade.	1.53	13.67	6.69	3.74	12.82	-	12/1973	1.49
	Aggressive	Principal Investors Partners LgCap Growth II Adv Sel Fund Principal Investors Fund Partners LargeCap Growth II Fund seeks long-term growth of capital. The fund normally invests at least 80% of assets in companies with market capitalizations similar to those of companies in the Russell 1000 Growth Index. Management selects stocks that it believes will increase in value over time using a growth investment strategy. This strategy looks for companies whose earnings and revenues are not only growing, but growing at an accelerated pace. The fund may invest up to 25% of assets in foreign securities.	-0.13	10.12	1.63	-	-	-8.77	12/2000	1.75
Mid Cap Value										
	Moderate	Principal Investors Partners MidCap Value Adv Sel Fund Principal Investors Fund Partners MidCap Value Fund seeks long-term growth of capital. The fund normally invests at least 80% of assets in companies similar in size to the companies in the Russell MidCap Index. The subadvisor identifies value stocks in several ways: strong fundamentals, consistent cash flow and a sound earnings record. The subadvisor also screens for a strong position relative to competitors, a high level of stock ownership among management, and a recent sharp decline in stock price that appears to be the result of a short-term market overreaction to negative news. The fund may invest up to 25% of assets in foreign securities.	8.53	24.13	12.93	-	-	8.36	12/2000	1.73

Investment Advisor	Risk Category	Investment Option Name and Description	Average Annualized Return as of 09/30/2004							Total Investment Expense
			YTD Ret.	1-Year	3-Year	5-Year	10-Year	Since Incept*	Incept Date	
Mid Cap Growth										
 Turner Investment Partners	Aggressive	Principal Investors Partners MidCap Growth Adv Sel Fund Principal Investors Fund Partners MidCap Growth Fund seeks long-term growth of capital. The fund invests primarily in common stocks and other equity securities of U.S. companies with strong earnings-growth potential. It normally invests at least 80% of assets in companies with market capitalizations similar to those of companies in the Russell MidCap Growth Index. Management attempts to maintain sector concentrations that approximate those of the index, but management does not limit its investments to the securities of the index. The fund may invest up to 25% of assets in foreign securities.	-4.13	7.47	6.10	-	-	-10.39	12/2000	1.74
Small Value										
 JPMorgan Fleming Asset Management	Aggressive	Principal Investors Partners SmCap Value I Adv Sel Fund¹ Principal Investors Fund Partners SmallCap Value I Fund seeks long-term capital appreciation. The fund normally invests at least 80% of assets in a diversified group of equity securities of U.S. companies with small market capitalizations. It may also invest up to 25% of assets in foreign securities.	7.78	26.59	-	-	-	31.68	12/2002	1.75
Small Growth										
 UBS Global Asset Management  EMERALD ADVISORS LLC	Aggressive	Principal Investors Partners SmCap Growth II Adv Sel Fund^{1,7,8} Principal Investors Fund Partners SmallCap Growth II Fund seeks long-term growth of capital. The fund invests primarily in equity securities of companies offering superior prospects for earnings growth. It normally invests at least 80% of assets in companies with median market capitalizations similar to those of companies in the Russell 2000 Index. When selecting securities, management evaluates product positioning, management quality and sustainability of current growth trends. The fund may invest up to 25% of assets in foreign securities.	-3.69	7.24	10.08	-	-	-8.42	12/2000	1.72
International Stock										
Foreign Large Blend										
 American Funds	Dynamic	American Funds EuroPacific Growth R2 Fund⁹ American Funds EuroPacific Growth Fund seeks long-term growth of capital. The fund normally invests at least 80% of assets in equity securities of issuers domiciled in Europe and the Pacific Basin. It may also hold cash or money market instruments.	4.68	19.21	8.93	1.61	7.66	-	5/2002	1.67
 Fidelity Investments	Dynamic	Principal Investors Partners International AdvSel Fund⁴ Principal Investors Partners International Fund seeks long-term growth of capital. The Fund normally invests primarily in non-U.S. securities. The Sub-Advisor, Fidelity Management & Research Company ("FMR"), normally invests the Fund's assets primarily in common stocks. FMR normally diversifies the Fund's investments across different countries and regions. In allocation the investments, FMR will consider the size of the market in each country and region relative to the size of the international market as a whole. The Fund has Institutional, Preferred, Select, Advisor Preferred, and Advisor Select share classes, which differ in fee structure and availability.	-	-	-	-	-	1.84	6/2004	1.85

Investment Advisor	Risk Category	Investment Option Name and Description	Average Annualized Return as of 09/30/2004							Total Investment Expense
			YTD Ret.	1-Year	3-Year	5-Year	10-Year	Since Incept*	Incept Date	
Real Estate										
Specialty-Real Estate										
Principal⁶ Global Investors	Aggressive	Principal Investors Real Estate Securities Adv Sel Fund^{5,11} Principal Investors Fund Real Estate Securities Fund seeks total return. The fund normally invests at least 80% of assets in equity securities of companies principally engaged in the real estate industry. Issuers may include REITs and companies with substantial real estate holdings such as paper, lumber, hotel, and entertainment companies. The fund may invest up to 25% of assets in foreign securities.	13.44	24.98	19.92	-	-	17.57	12/2000	1.60

Returns shown for periods of less than one year are not annualized. All returns displayed here are after Total Investment Expense of the investment option.

Redemption fees and/or transfer restrictions apply to certain transactions.

For a Mutual Fund investment option, Total Investment Expense equals the sum of (a) the total fund operating expenses plus (b) if the mutual fund invests in other mutual funds, the weighted-average management fee of those other mutual funds, as listed in the most recent prospectus. The actual Total Investment Expense may change if the mutual fund investment option's allocation of assets to other mutual funds changes.

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These results are for the investment options selected by your plan, and may be different from the results for other plans. Past performance is not a guarantee of future results. Principal values and investment returns will fluctuate so that values upon redemption may be worth more or less than original costs. Total returns illustrated are net of investment expenses and management fees.

* Since inception returns are only shown for funds/accounts in existence for less than 10 years.

¹This investment option is subject to more fluctuation in value than other investment options with stocks of larger, more stable companies.

²Each index based investment option is invested in the stocks of the index it tracks. Performance of indexes reflects the unmanaged result for the market segment the selected stocks represent. There is no assurance an index based investment option will match the performance of the index tracked.

³While the underlying securities of this investment option may be guaranteed by the U.S. Government as to timely payment of principal and interest, this investment option is not guaranteed.

⁴This investment option is subject to additional risk due to fluctuating exchange rates, foreign accounting and financial policies, and other economic and political environments.

⁵This investment option is subject to some risks inherent in real estate and Real Estate Investment Trusts, such as risks associated with general and local economic conditions.

⁶S&P 500 is a trademark of The McGraw-Hill Companies, Inc. and has been licensed for use by Principal Life Insurance Company and Principal Management Corporation. The product is not sponsored, endorsed, sold or promoted by Standard & Poor's and Standard & Poor's makes no representation regarding the advisability of investing in the product.

⁷Effective May 1, 2002, this portfolio is sub-advised by UBS Global Asset Management. Prior to May 1, 2002, the portfolio was sub-advised by Federated Investment Management Company.

⁸Effective September 1, 2004, Emerald Advisers was added as an additional sub-advisor. While Emerald Advisers will initially manage all new cash flows to this portfolio after September 1, 2004, actual performance results reflect all sub-advisors managing this portfolio since inception of the portfolio.

⁹For the Class R-2 share Total Return % displayed for periods prior to the fund inception, Morningstar calculates adjusted historical returns by using the performance of the Class A share and adjusts for the difference in fee structures, which typically ranges from 0.50% to 0.52%. Calendar Year End data is reflective of the Class R-2 share only. Please see the fund's prospectus for more information on specific expenses, and the fund's most recent shareholder report for actual date of first sale. Expenses are deducted from income earned by the fund. As a result, dividends and investment results will differ for each share class.

¹¹Formerly Principal Investors Real Estate Fund.

¹²Effective March 8, 2004, this portfolio is sub-advised by T. Rowe Price Associates, Inc. Prior to March 8, 2004, the portfolio was sub-advised by Federated Investment Management.

¹³This Principal Investors LifeTime Fund indirectly bears its pro rata share of the management fees incurred by the underlying Principal Investors Funds in which this fund invests. Based on the asset allocation of the Principal Investors LifeTime Funds outlined in the prospectus dated March 1, 2004, the weighted average operating expenses of the underlying funds are: Principal LifeTime Strategic Income, 0.56%; Principal LifeTime 2010, 0.57%; Principal LifeTime 2020, 0.61%; Principal LifeTime 2030, 0.60%; Principal LifeTime 2040, 0.60%; Principal LifeTime 2050, 0.60%. While the operating expenses of the underlying mutual funds are not part of the Principal Investors LifeTime Fund's operating expenses they are included in the Total Investment Expense. Performance results shown for the Principal Investors LifeTime Fund reflect the application of these expenses.

12/01/2004
PRIN ADV
6-11487

Before investing in mutual funds, investors should carefully consider the investment objectives, risks, charges and expenses of the funds. This and other information is contained in the free prospectus, which can be obtained from your local representative. Please read the prospectus carefully before investing.

Insurance products and plan administrative services are provided by Principal Life Insurance Company. Principal Investors Fund is distributed by and securities are offered through Princor Financial Services Corporation, 1-800-547-7754, member SIPC. Princor and Principal Life are members of the Principal Financial Group, Des Moines, IA 50392.

Principal Fixed Income Option

401(a)/401(k)

OVERVIEW

The Principal Fixed Income Option 401(a)/401(k) is a general-account backed stable value contract. This group annuity contract has been issued to Principal Trust Company who serves as custodian. Plans cannot offer competing funds such as money market funds or bond funds with an average duration of less than 3.0 years.

RATE OF RETURN

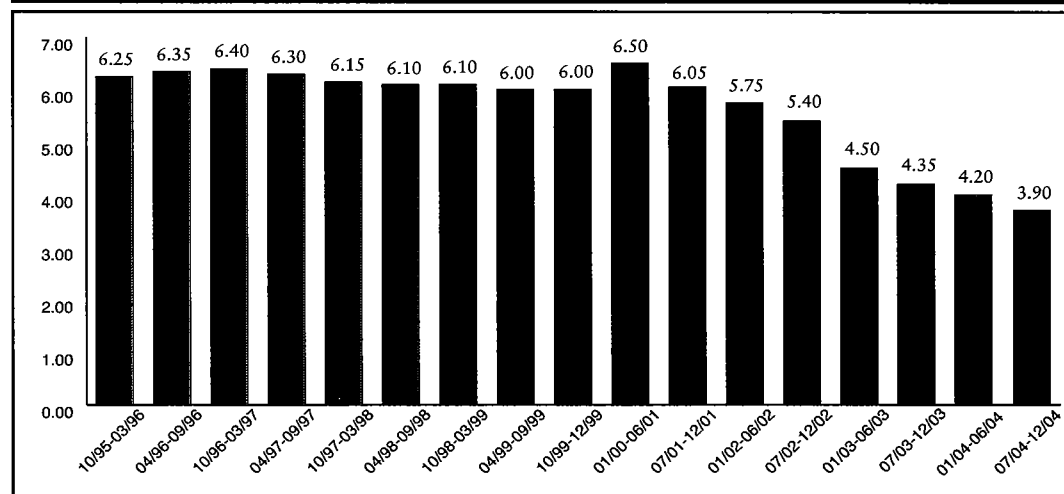
The contract will pay a stated rate of return, which is a 3.90% effective annual rate, until December 31, 2004. The rate will be reset January 1, 2005 and semi-annually thereafter.

STABLE ADVANTAGES

The Principal Fixed Income Option provides the conservative foundation of your retirement program. It offers plan participants three important characteristics:

- Stability of principal – the value does not fluctuate with the stock and bond markets.
- A declared interest rate – participants know in advance what interest will be earned.
- No charges – participants may transfer assets in or out of the Principal Fixed Income Option without fees, surrender penalty or market value adjustment, consistent with the provisions of the plan document.

CREDITING RATE HISTORY



Note: The Custodial Guaranteed Fund group annuity contract was issued on 10/01/99. Crediting rates shown prior to this date are of a similar product, which is no longer available for direct investment.

TRANSFERS & BENEFIT PAYMENTS

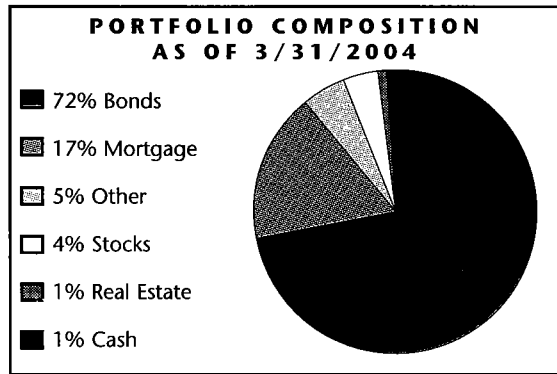
Participant-directed transfers in and out of the Principal Fixed Income Option will be made at book value (i.e. no market value adjustment or surrender charge adjustments) as will benefit payments for all plan benefit events, including:

- Retirement
- Death
- Disability
- Termination of Employment
- Loans

A STABLE GUARANTEE

The Principal Fixed Income Option contract guarantees principal and provides a stated rate of return backed by Principal Life Insurance Company. Principal Life has among the highest ratings from recognized experts such as Moody's Investor Service, Standard & Poor's and Duff & Phelps.

As an insurance contract, this is not an investment but is a guarantee backed by the assets in Principal Life Insurance Company's multi-billion dollar general account. The general account consists of over 7,000 investments which include corporate bonds, treasuries, commercial real estate mortgages, mortgage-backed securities and short-term cash equivalents. The portfolio composition of the general account is illustrated as follows:



Principal Fixed Income Option is the Group Annuity Contract - Custodial Guaranteed Fund Contract available through Principal Life Insurance Company, a member of the Principal Financial Group®, Des Moines, Iowa, 50392.

Principal Trust Company is the trade name of Delaware Charter Guarantee & Trust Company and Trust Consultants, Inc.

WE UNDERSTAND WHAT YOU'RE WORKING FORSM



Insurance products and plan administrative services are provided by Principal Life Insurance Company a member of the Principal Financial Group, Des Moines, IA 50392.