



DIVISION OF  
CORPORATION FINANCE

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549-4561

January 24, 2011

Patrick A. Kirchner  
Assistant General Counsel  
Principal Financial Group, Inc.  
711 High Street  
Des Moines, IA 50392-0100

Re: Principal Financial Group, Inc.  
Incoming letter dated December 22, 2010

Dear Mr. Kirchner:

This is in response to your letter dated December 22, 2010 concerning the shareholder proposal submitted to Principal Financial by Thomas Strobhar. Our response is attached to the enclosed photocopy of your correspondence. By doing this, we avoid having to recite or summarize the facts set forth in the correspondence. Copies of all of the correspondence also will be provided to the proponent.

In connection with this matter, your attention is directed to the enclosure, which sets forth a brief discussion of the Division's informal procedures regarding shareholder proposals.

Sincerely,

Gregory S. Belliston  
Special Counsel

Enclosures

cc: Thomas Strobhar

January 24, 2011

**Response of the Office of Chief Counsel**  
**Division of Corporation Finance**

Re: Principal Financial Group, Inc.  
Incoming letter dated December 22, 2010

The proposal relates to charitable contributions.

There appears to be some basis for your view that Principal Financial may exclude the proposal under rule 14a-8(f) because Principal Financial received it after the 120-day deadline for submitting proposals in rule 14a-8(e)(2). Accordingly, we will not recommend enforcement action to the Commission if Principal Financial omits the proposal from its proxy materials in reliance on rules 14a-8(e)(2) and 14a-8(f).

Sincerely,

Reid S. Hooper  
Attorney-Adviser

**DIVISION OF CORPORATION FINANCE  
INFORMAL PROCEDURES REGARDING SHAREHOLDER PROPOSALS**

The Division of Corporation Finance believes that its responsibility with respect to matters arising under Rule 14a-8 [17 CFR 240.14a-8], as with other matters under the proxy rules, is to aid those who must comply with the rule by offering informal advice and suggestions and to determine, initially, whether or not it may be appropriate in a particular matter to recommend enforcement action to the Commission. In connection with a shareholder proposal under Rule 14a-8, the Division's staff considers the information furnished to it by the Company in support of its intention to exclude the proposals from the Company's proxy materials, as well as any information furnished by the proponent or the proponent's representative.

Although Rule 14a-8(k) does not require any communications from shareholders to the Commission's staff, the staff will always consider information concerning alleged violations of the statutes administered by the Commission, including argument as to whether or not activities proposed to be taken would be violative of the statute or rule involved. The receipt by the staff of such information, however, should not be construed as changing the staff's informal procedures and proxy review into a formal or adversary procedure.

It is important to note that the staff's and Commission's no-action responses to Rule 14a-8(j) submissions reflect only informal views. The determinations reached in these no-action letters do not and cannot adjudicate the merits of a company's position with respect to the proposal. Only a court such as a U.S. District Court can decide whether a company is obligated to include shareholder proposals in its proxy materials. Accordingly a discretionary determination not to recommend or take Commission enforcement action, does not preclude a proponent, or any shareholder of a company, from pursuing any rights he or she may have against the company in court, should the management omit the proposal from the company's proxy material.

December 22, 2010

U.S. Securities and Exchange Commission  
Division of Corporation Finance  
Office of the Chief Counsel  
100 F Street, N.E.  
Washington, DC 20549

**Re: *Principal Financial Group, Inc.***  
***Commission File No. 1-16725***  
***Intention to Omit Shareholder Proposal of Thomas Strobhar***

Ladies and Gentlemen:

Pursuant to Rule 14a-8(j) under the Securities Exchange Act of 1934, as amended, Principal Financial Group, Inc. (the "Company") hereby notifies the U.S. Securities and Exchange Commission (the "Commission") of its intention to exclude from its proxy statement and form of proxy (the "Proxy Materials") for the Company's 2011 annual meeting of shareholders (the "2011 Annual Meeting") the shareholder proposal and supporting statement (the "Shareholder Proposal") submitted to the Company by Thomas Strobhar (the "Proponent"), on the grounds that the Shareholder Proposal was not timely under Rule 14a-8(e). A copy of the Shareholder Proposal is attached and marked as **Exhibit A**.

Pursuant to Question C of Staff Legal Bulletin No. 14D (November 7, 2008), we are transmitting this letter via electronic mail to the Staff at [shareholderproposals@sec.gov](mailto:shareholderproposals@sec.gov) in lieu of mailing paper copies. Pursuant to Rule 14a-8(j), this letter is being submitted not less than 80 days before the Company intends to file its definitive 2011 Proxy Materials with the Commission.

Rule 14a-8(f) requires that a company notify the proposing shareholder of any deficiencies in the proposal within 14 days of receipt. However, this requirement does not apply to a deficiency that cannot be remedied, such as when the proponent fails "to submit a proposal by the company's properly determined deadline." We are simultaneously providing the Proponent with a copy of this letter in accordance with Rule 14a-8(j).

Rule 14a-8(e)(1) states that the deadline for submitting shareholder proposals for an annual meeting may be found in the company's proxy statement for the prior year. The Company's proxy statement, dated April 6, 2010, included the following question and answer on page 3:

## How do I submit a shareholder proposal for the 2011 Annual Meeting?

The Company's next annual meeting is scheduled for May 17, 2011. In order to have a shareholder proposal considered for inclusion for the 2011 annual meeting, it must be received by December 7, 2010. In addition, a shareholder proposal may not be presented at the 2011 annual meeting and no one may be nominated for election to the Board by a shareholder at that meeting unless the Company receives notice of the proposal or nomination between January 18, 2011 and February 17, 2011. Proposals should be addressed to the Corporate Secretary. Your notice must comply with certain other requirements set forth in the Company's By-Laws, which are on the Company's website, [www.principal.com](http://www.principal.com).

Thus, in order to comply with the Company's deadline for inclusion in the Proxy Materials, a proposal must have been received, at the latest, on December 7, 2010. The Proponent sent the Shareholder Proposal to the Company in Des Moines, Iowa via United States Postal Service Express Mail on December 8, 2010 from Xenia, Ohio (USPS Express Mail Receipt No. EG 535235535 US). A copy of the mailing envelope is attached and marked as **Exhibit B**. In addition, entering Express Mail Receipt No. EG 535235535 US into the "Track and Confirm" function of the United States Postal Service's web site confirms conclusively that the Shareholder Proposal was not delivered to the Company until December 9, 2010, two days after the Company's published deadline of December 7, 2010 (see **Exhibit C**). As such, the Shareholder Proposal was not received in time, and may be excluded pursuant to Rule 14a-8(e)(1).

Under Rule 14a-8(e)(2), a shareholder proposal pursuant to Rule 14a-8 must be received at the company's principal executive offices not less than 120 calendar days before the date of the company's proxy statement released to shareholders in connection with the previous year's annual meeting. The release date for the Company's 2010 proxy statement was April 6, 2010. For a shareholder proposal to be received not less than 120 days prior to this date in 2010, it would have to be received on or before December 7, 2010. Thus, the deadline for the Company's 2011 proxy statement that was disclosed in the proxy statement for the 2010 annual meeting of shareholders was calculated in accordance with the requirements of Rule 14a-8(e)(2). In addition, pursuant to clause (c)(iii) of Section 1.13, "Notice of Stockholder Business and Nominations," of the Company's Amended and Restated By-Laws, a stockholder must "... comply with all applicable requirements of the Exchange Act and the rules and regulations thereunder with respect to the matters set forth in this section 1.13," which includes Rule 14a-8.

In no-action letters, the Commission Staff has strictly construed the deadline for receipt of shareholder proposals under Rule 14a-8, permitting companies to omit from proxy materials those proposals received after the deadline, even if by only one or two days. See, e.g., *Johnson & Johnson* (January 13, 2010) (permitting the exclusion of a proposal received one day after the deadline, even though the deadline fell on a federal holiday); *City National Corp.* (January 17, 2008) (permitting the exclusion of a proposal

when it was received one day after the deadline, even though it was mailed one week earlier), *International Business Machines Corporation* (December 5, 2006) and *Smithfield Foods, Inc.* (June 4, 2007). Furthermore, the Commission Staff has recommended that shareholders submit proposals “well in advance of the deadline.” See Division of Corporation Finance, Staff Legal Bulletin No. 14 (July 13, 2001). Consistent with the foregoing, we believe that it is appropriate to exclude the Shareholder Proposal from the Proxy Materials as untimely under Rule 14a-8(e).

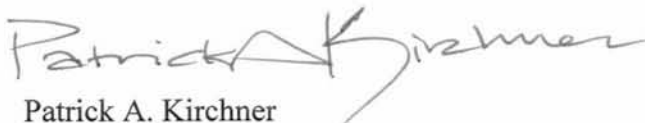
Rule 14a-8(e)(2) provides for alternative methods of calculating the deadline for shareholder proposal submissions if the company did not hold an annual meeting the previous year or if the date of the current year's annual meeting has been changed by more than 30 days from the date of the previous year's meeting. The Company's previous annual meeting of shareholders was held on May 18, 2010. The date for the 2011 Annual Meeting is May 17, 2011. Thus, as the 2011 Annual Meeting will be held within 30 days of the anniversary of the previous year's annual meeting, the alternative methods of calculation set out in Rule 14a-8(e)(2) are not applicable.

For the reasons outlined above, the Company believes that the Shareholder Proposal does not meet the timeliness requirements of Rule 14a-8(e), and intends to omit the Shareholder Proposal from the Proxy Materials pursuant to Rule 14a-8(f)(1). We request the assurance of the Commission Staff that it would not recommend enforcement action if the Company omits the Proponent's Shareholder Proposal.

We appreciate your assistance in this matter. If you have any questions or require any additional information, please call me at (515) 235-9417 or by return e-mail.

We request that you transmit your response by e-mail to me at [Kirchner.Patrick@principal.com](mailto:Kirchner.Patrick@principal.com). We understand that you can transmit your response to the Proponent at [Principal@principal.com](mailto:Principal@principal.com).

Sincerely,



Patrick A. Kirchner  
Assistant General Counsel

(Attachment)

cc: Thomas Strobhar

[APPENDIX]

**Exhibit A**

December 6, 2010

Ms. Joyce Hoffman  
Senior Vice President and Corporate Secretary  
Principal Financial Group  
Des Moines, Iowa 50392-0300

Dear Ms. Hoffman:

I am the current owner of 150 shares of Principal Financial Group common stock. I have continuously held these shares (proof enclosed) for over one year, and intend to hold them through the time of the next annual meeting. At that meeting, I will present the following resolution:

**Proposal:**

Whereas, charitable contributions should enhance the image of our company in the eyes of the public.

Whereas, making known the recipients of our company's charitable gifts to as many people as possible should promote the company's interests.

Whereas, charitable contributions come from the fruit of all our employees' labor and belong to all of the shareholders.

Resolved, it is requested that our company list the recipients of corporate charitable contributions of \$2,000 or more on the company website.

**Supporting Statement:**

The more people know of our support of philanthropic activity the better it is for our company. For example, if we should decide to give money to the American Cancer Society we might garner good will from the millions all people touched by cancer. Similarly, should we decide to give money to Planned Parenthood, the nation's largest abortion provider, we might expect to win approval from many who support the choice of abortion. Possible contributions to organizations like the Human Rights Campaign (where

our company received a 100% approval rating), the Gay and Lesbian Alliance Against Defamation or other organizations that focus on the interests of people who choose to define themselves by their interest in homosexual sex would likely engender positive feelings among many people who enjoy engaging in homosexual sex or simply those who support same sex marriage. This last point might generate some negative feelings in Iowa, where our company is headquartered, since same sex marriage was brought about in this state without a vote of the people. Three judges who voted to legalize gay marriage were voted out of their positions by the people of Iowa.

Feedback of the negative variety can be useful in planning future contributions. Interestingly, our company supported the Capital City (Gay) Pride parade in Des Moines which included the Principal mascot and was coordinated at the local Planned Parenthood office. Many of the participants in this parade, some of them in drag, were celebrating the availability of same sex marriage in Iowa.

There are thousands of worthy charities. Proper disclosure of charitable contributions would cost us little and should only serve to enhance our corporate image. For these reasons and others we urge your support for the above resolution.

Sincerely,

Thomas Strobhar



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FROM: (PLEASE PRINT) \*\*\* FISMA & OMB Memorandum M-07-16 \*\*\*

THOMAS STROBHAR

\*\*\* FISMA & OMB Memorandum M-07-16 \*\*\*

MS. JOYCE HOFFMAN  
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EP1

Exhibit B