



**RESOLUTION OF THE
WHITE MOUNTAIN APACHE TRIBE OF THE
FORT APACHE INDIAN RESERVATION**

**(Authorizing Liquidation of Principal Financial Stock and Establishing Segregated
Account for Distribution of Proceeds)**

- WHEREAS**, pursuant to Article IV, Section 1(a) of the Constitution of the White Mountain Apache Tribe, *inter alia*, the Tribal Council has the authority to represent the Tribe and act in all matters that concern the welfare of the Tribe; and
- WHEREAS**, the White Mountain Apache Tribe, as a federally recognized tribal government, with inherent rights of self governance, and pursuant to its Tribal Constitution, exercises rights of self determination through its elected Council, and enjoys a government to government relationship with the federal government of the United States; and
- WHEREAS**, the White Mountain Apache Tribe previously sponsored a defined benefit pension program (the "Prior Pension Plan") which was terminated in 1989; and
- WHEREAS**, when the Prior Pension Plan was terminated in 1989, all pension assets due under the written benefit formula (depending on participant status) were either paid directly to participants, transferred into a single premium annuity contract with Principal Financial Insurance Company, or transferred into a new retirement program established by the White Mountain Apache Tribe in 1989; and
- WHEREAS**, when the Prior Pension Plan was terminated in 1989, all pension assets that exceeded the amount due to participants under the written benefit formula were distributed back to the White Mountain Apache Tribe in the form of a reversion; and
- WHEREAS**, on March 31, 2000, the Board of Directors of the Principal Mutual Holding Company approved a plan to convert itself from a mutual company to a stock company (called a "demutualization"); and
- WHEREAS**, in connection with the demutualization, shares of the new Principal Financial Group Inc. stock were awarded to all policy holders who had an eligible contract in force on March 31, 2000 and who continued to hold the policy through the effective date of the demutualization, March 31, 2001; and
- WHEREAS**, the single premium annuity contract purchased by the White Mountain Apache Tribe in 1989 for the purpose of paying out Prior Pension Plan participants, remained in force through the demutualization process, with eight former retirees still in pay status under that contract as of May, 2006; and

WHEREAS, the United States Department of Labor has issued several opinion letters on whether an employer (under their jurisdiction) who acquired demutualization shares as a result of prior sponsorship of a benefit plan could retain the shares for its own purpose, or whether such shares must be allocated for the benefit of plan participants; and

WHEREAS, the United States Department of Labor has concluded that an employer (under their jurisdiction) may retain demutualization shares for its own purpose when such shares result from a terminated defined benefit pension plan; provided that: (1) all prior plan participants were fully paid all benefits due to them under the terminated plan; (2) the plan provides that the employer is entitled to excess assets upon termination after all benefits have been paid; and (3) the plan termination was properly completed. The Department of Labor has also approved employer decisions to share a portion of demutualization proceeds with employees who had contributed to the cost of investment contracts upon which demutualization shares are awarded; and

WHEREAS, the Tribal Council of the White Mountain Apache Tribe now desires to liquidate its holdings in the demutualization shares in order to guard against future market fluctuations, pending a final decision as to how the proceeds should be allocated, and the identity of Prior Plan participants, if any, who may have contributed to the cost of the investment contract or contracts upon which the demutualization shares were awarded.

BE IT RESOLVED by the Tribal Council of the White Mountain Apache Tribe that:

1. The Chairman, or in his absence the Vice-Chairwoman, is hereby authorized and directed to execute any and all documents necessary to liquidate, on behalf of and for deposit with the White Mountain Apache Tribe, all demutualization share holdings of the White Mountain Apache Tribe, as more fully described below:

A. Company Stock:	Principal Financial Group, Inc. common
B. Number of Shares:	20,474,000
C. Transfer Agent:	Computershare Investor Services LLC
D. Holder Account Number:	C0007702400
E. Registration:	{white} Mountain Apache Tribe
F. Share Value as of last written Inquiry (4/7/06) @ \$49.04 per share):	\$1,004,044.96

2. The Chairman, or in his absence the Vice-Chairwoman, is hereby further authorized and directed to endorse, on behalf of and for deposit with the White Mountain Apache Tribe, and obtain re-issued checks as necessary, all dividend checks issued on the demutualization shares

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from 2002 through today's date, such checks having not previously been cashed, as more fully described below:

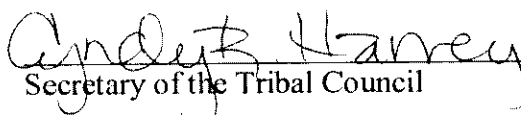
A. 12/09/02	Cheque	000000021594076	\$ 5,118.50	UnissCr USD
B. 12/08/03	Cheque	000000031538548	\$ 9,213.30	UnissCr USD
C. 12/17/04	Cheque	000000041453250	\$11,260.70	UnissCr USD
D. 12/16/05	Cheque	000000000498843	\$13,308.10	Unpres USD

BE IT FURTHER RESOLVED by the Tribal Council of the White Mountain Apache Tribe that:

1. The proceeds from liquidation of the demutualization shares, along with the dividend proceeds, shall be deposited, held and invested, in a segregated account of the White Mountain Apache Tribe until a final decision is made by the Tribal Council regarding the possibility of sharing a portion of the demutualization proceeds with those former Prior Plan participants, if any, who shared in the cost of the investment contract or contracts upon which the demutualization shares were awarded; and
2. The Tribal Treasurer is hereby directed to establish a segregated investment account to receive the proceeds from liquidation of the demutualization shares, and shall maintain such proceeds until such time as the Tribal Council may authorize distribution of funds therefrom; and
3. The Tribal Treasurer shall work with the Tribe's outside pension counsel, Yoder & Langford, P.C., to obtain additional information from Principal Financial with regard to the identity of those Prior Plan participants, if any, who may have contributed to the cost of the investment contract or contracts upon which the demutualization shares were awarded; and
4. The Chairman, or in his absence the Vice-Chairwoman, is hereby authorized and directed to execute such further certifications, applications, or other documents as may be required to carry out the purposes of these resolutions including, without limitations, any documents as may be required by Computer share Investor Services LLC and Principal Financial Group Inc.

The foregoing resolution was on July 20, 2006, duly adopted by a vote of NINE for and ZERO against by the Tribal Council of the White Mountain Apache Tribe, pursuant to the authority vested in it by Article IV, Section 1 (a), (b), (i), (k), (s), (t) and (u) of the Constitution of the Tribe, ratified by the Tribe September 30, 1993, and approved by the Secretary of the Interior on November 12, 1993, pursuant to Section 16 of the Act of June 18, 1934 (48 Stat. 984).


Chairman of the Tribal Council


Secretary of the Tribal Council