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2001 APR -6 P 12:41

Principal Life Insurance Company Political Action Committee

April 2, 2001

Mr. Scott Walker
Reports Analyst
Reports Analysis Division
Federal Election Commission
999 E Street, NW
Washington, DC 20463

Board of Directors
Executive Committee:

Chair
Monica Kirgan
Vice Chair
Art Filan
Treasurer
Kurt Lettow
Secretary
Karen Halter
Chair Emeritus
Frank Schultz

Re: Year End Report (11/28/2000 - 12/31/2000)
Debt-Reduction Contributions

Director
Dexter Bodm
Stuart J. Brabs
Dorothy Hunkeler
Doug Park
Jennifer Gardner
Merle T. Pederson
Mary Polson
Michael D. Tschern

Dear Mr. Walker

This letter is in response to your letter dated March 21, 2001, regarding candidate contributions reflected on PrinPac's Year End Report that were disbursed after the 2000 General election. The contributions in question were inadvertently designated for the General election, but were actually intended to be debt-reduction contributions.

Jennifer Hauser spoke with you on March 29 to discuss the appropriate corrective action necessary to correct this problem. You informed her that PrinPac could correct these designation errors by submitting a letter to the FEC indicating the correct designations and specifying which election the contributions were meant to reduce. Thus, the following contributions reported on PrinPac's Year End Report (11/28/2000 - 12/31/2000) should be changed to reflect debt-reduction contributions for the purpose of reducing the candidate committee's debt incurred during the General election campaign:

Senator Tom Carper (DE)	\$1,000 contribution disbursed on 12/7/2000
Representative Jim Maloney (CT)	\$1,000 contribution disbursed on 12/7/2000
Senator Rick Santorum (PA)	\$1,000 contribution disbursed on 12/7/2000

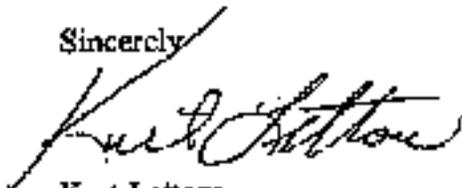
Please update your records to reflect these corrections.

The incorrect designations were an oversight. To prevent future occurrences, we are implementing audit procedures to ensure contributions are designated correctly. Specifically, when entering the information in our database, we will ensure that the contributions are designated correctly. Furthermore, when preparing the FEC reports, we will ensure that the designations import correctly from our database to the FECFile electronic filing software provided by the Federal Election Commission.



We appreciate the Commission's consideration and counsel regarding this matter. Please let us know if you have any additional questions or concerns.

Sincerely,



Kurt Lettow
PrinPac Treasurer



Merle Pederson
Vice President and Counsel - Government Relations
1-800-325-2532, ext. 8-2186
pederson.merle@principal.com

Jlh

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cc Stu Brahs
Jennifer Hauser
Kurt Lettow
Merle Pederson
FEC File

Federal Election Commission

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