



Mailing Address:
Des Moines, IA 50392-0002

Principal Life
Insurance Company

Electronic Service
Agreement for Booklet-
Certificates, Policies and
Standard Accounting
Administration of Group
Insurance

Legal name of company (include dba):

Plan Administrator name:

Account Number:

I. Establishment

- A. Principal Life Insurance Company has issued one or more group insurance policies ("Policies") to _____ ("Policyholder").
- B. Policyholder desires that certain Administrative Functions, as defined and specified, related to the Policies, be performed electronically. Policyholder desires that records and information relating to the Policies be sent and received by electronic transactions ("Electronic Records"), consistent with applicable law. Both Policyholder and Principal Life are prepared to administer various policy terms and provisions via Electronic Transactions.

II Administrative Functions (Select one or both option(s))

Booklet – Certificates and Policies (Employer Use Only)

Yes
No Reason: _____

- A. The Policyholder will:
 - 1. At the insured employees work site, provide electronic media (desktop Internet access, kiosk, public PC) by which to allow the insured access to the Principal Life web site for viewing their booklet-certificate.
 - 2. Furnish paper copies of the booklet-certificate to all participants who do not have access to electronic media.
 - 3. If plan documents are available to multiple classes of participants, ensure that each participant knows and is aware of what plan documents cover each participant.
 - 4. If the Policyholder terminates its insurance agreement with Principal Life, the Policyholder will inform all participants and beneficiaries of this termination. The Policyholder will inform all participants and beneficiaries that the booklet-certificate will remain on-line for a limited period of time (3-months) following termination. The policyholder will inform all participants and beneficiaries of the need to obtain paper copies of the booklet for the terminated policy.

Eligibility Changes

Yes
No Reason: _____

- A. The Policyholder will:
 - 1. Obtain a completed group enrollment form (with a valid signature) from each eligible person applying for coverage, or for a coverage increase or decrease and provide Principal Life with such information via electronic means whenever possible.
 - 2. Maintain the enrollment forms and other necessary records to enable Principal Life to determine the current classification, benefits, and current beneficiary designation data for each insured person.

3. Make all enrollment forms and data related to this group insurance available to Principal Life for audit upon request.
4. Obtain Principal Life prior approval of any decision to delegate the Policyholder's responsibilities under this Agreement to a third-party administrator or to make any change in the delegation of responsibilities.
5. Ensure that the system Policyholder uses to furnish documents to participants results in actual receipt by participants. Policyholder can fulfill this requirement by a return-receipt electronic mail feature, or periodic reviews or surveys to confirm receipt of transmitted information.
6. Provide each participant notice, apprising the participant of the document(s) to be furnished electronically, the significance of the documents (i.e. that the document describes benefits provided by the plan), and the participant's right to request and receive, free of charge, a paper copy of each such document.
7. Furnish paper copies of documents to all participants who do not have access to electronic media.
8. Retain all paper copies of employee enrollment forms, employee change forms, and benefit waiver forms.
9. Ensure that employees fill out all paper forms and that Policyholder will enter that information to be sent to Principal Life by electronic means.

III. General Provisions

- A. Policyholder shall perform this Agreement consistent with all Federal and State law, including, but not limited to, ERISA.
- B. There is no employer-employee or agency relationship between the Policyholder and Principal Life.
- C. Principal Life will send all notices required by law electronically, unless such notices are required to be sent by paper.
- D. Policyholder acknowledges and agrees that Principal Life has special concerns about maintaining the strictest confidentiality of information, both Principal Life proprietary information and all information about the Policies and those covered by them, including but not limited to information about their claims or medical conditions. Policyholder agrees to hold all information strictly confidential, meeting not only the duties imposed by law but those fulfilling the intent of the law, and to use such information only for the purposes of this Agreement. Policyholder agrees to indemnify Principal Life for any and all damages, losses or liability arising in anyway from the Policyholder's disclosure of such information to any unauthorized third party.
- E. Policyholder and Principal Life acknowledge and agree that whenever electronic transactions are not possible, transactions will be conducted in a manner that is consistent with insurance industry standards or another mutually agreed upon method.
- F. This Agreement shall be governed by and construed in accordance with the laws of the State of [Iowa].
- G. The duties and obligations of this Agreement are neither assignable nor alienable by either Party without the consent, in writing, of the other Party.
- H. This Agreement may be amended by mutual consent, in writing, by the Parties. This Agreement may be terminated upon notice by either one of the Parties. Absent any such termination, this Agreement shall renew automatically and annually on the anniversary of its effective date.

Signature – Plan Administrator

Date