



Mailing Address
Des Moines, IA 50392-0002

Principal Life
Insurance Company

Legislative Update

June 16, 2008

WAYNE COUNTY COMMUNITY
COLLEGE DISTRICT
ATTN LINDA AZZAM-HARMON
801 WEST FORT STREET
DETROIT MI 48226

**RE: Account Number: H03900
Group Life And Health Policyholders In
Michigan**

**Short Term Disability -
Policy Interpretation Provision**

Michigan has enacted regulations regarding the use of a policy interpretation provision (or discretionary clause) in group insurance contracts. The state of Michigan is requiring that Principal Life remove any such provision from our group insurance products issued to Group Policyholders in the state.

Effective as of March 23, 2008, your Group Life and/or Health Insurance Policy(ies) have been changed to comply with the above referenced regulations.

Please refer to the attached amendment for a description of this change.

Your group policy(ies) and booklet-certificates will be updated at some time in the future to include the revisions. In the meantime, this letter and the attached amendment should be placed with your group policy(ies). In addition, please photocopy the enclosed booklet-certificate rider and distribute a copy to your covered employees. You should also insert a copy of the rider in each booklet-certificate given to newly-enrolled employees until your booklet-certificates are updated. If you have any employees on state or federal continuation, please make sure they receive a copy of the rider as well. NOTE: If you have elected to receive your policy(ies) and booklet-certificates electronically, a copy of the booklet-certificate rider has been placed with your on-line booklet-certificates for your covered employees to access at www.principal.com. Please notify your employees that the rider has been added to their on-line booklet information. You do not need to make and distribute a paper copy of the rider as instructed above.

If you have any other questions regarding this Legislative Update, please contact your sales representative or the individual shown below. For other types of questions regarding your account (additions, terminations, etc.), please contact us at the phone number shown on your billing statement.

Beth Eikstadt
Group Life & Health Compliance
Principal Life Insurance Company
Des Moines, IA 50392-0002
Phone: (515) 246-7500

Attachments



AMENDMENT

Your Group Short Term Disability Insurance Policy is amended as of the applicable Effective Date shown below:

Subject: Michigan - R 500.2201 - Policy Interpretation Provision

If your Group Short Term Disability Insurance Policy includes the following provision in PART II, POLICY ADMINISTRATION, Section A, it will be removed from your group policy effective as of the date shown below. If your Group Short Term Disability Insurance Policy does not contain the following provision, there is no change for your group policy.

Article - Policy Interpretation

The Principal has complete discretion to construe or interpret the provisions of this group insurance policy, to determine eligibility for benefits, and to determine the type and extent of benefits, if any, to be provided. The decisions of The Principal in such matters shall be controlling, binding, and final as between The Principal and persons covered by this Group Policy, subject to the Claims Procedures section.

Effective Date: March 23, 2008

All other benefits and provisions of your Group Short Term Disability Insurance Policy remain in effect.

Nothing in this amendment will vary, alter, or extend any provision or condition of the Group Short Term Disability Insurance Policy other than as stated in this amendment.

PRINCIPAL LIFE INSURANCE COMPANY

SENIOR VICE PRESIDENT AND
CORPORATE SECRETARY

PRESIDENT AND CHIEF OPERATING OFFICER