

PRINCIPAL FINANCIAL GROUP INC
Form 4
December 05, 2006

FORM 4 UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

| | | | | |
|---|---------|----------|--|---|
| 1. Name and Address of Reporting Person * | | | 2. Issuer Name and Ticker or Trading Symbol | 5. Relationship of Reporting Person(s) to Issuer |
| LAWLER JULIA M | | | PRINCIPAL FINANCIAL GROUP INC [PFG] | (Check all applicable) |
| (Last) | (First) | (Middle) | 3. Date of Earliest Transaction (Month/Day/Year) | ____ Director <input checked="" type="checkbox"/> Officer (give title below) |
| 711 HIGH STREET | | | 12/01/2006 | ____ 10% Owner ____ Other (specify below) Sr VP & Ch Invst Officer |
| (Street) | | | 4. If Amendment, Date Original Filed(Month/Day/Year) | 6. Individual or Joint/Group Filing(Check Applicable Line) <input checked="" type="checkbox"/> Form filed by One Reporting Person <input type="checkbox"/> Form filed by More than One Reporting Person |
| DES MOINES, IA 50392 | | | | |
| (City) | (State) | (Zip) | | |

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

| 1. Title of Security (Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed Execution Date, if any (Month/Day/Year) | 3. Transaction Code (Instr. 8) | 4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) | 5. Amount of Securities Beneficially Owned Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Ownership (Instr. 4) | | |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|-----|-------|
| | | | | (A) or (D) | Code | V | Amount | (D) | Price |

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

SEC 1474
(9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

| 1. Title of Derivative Security | 2. Conversion or Exercise | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any | 4. Transaction Code | 5. Number of | 6. Date Exercisable and Expiration Date (Month/Day/Year) | 7. Title and Amount of Underlying Securities (Instr. 3 and 4) | 8. Price of Derivative Security |
|---------------------------------|---------------------------|--------------------------------------|-----------------------------------|---------------------|--------------|--|---|---------------------------------|
|---------------------------------|---------------------------|--------------------------------------|-----------------------------------|---------------------|--------------|--|---|---------------------------------|

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| (Instr. 3) | Price of Derivative Security | (Month/Day/Year) | (Instr. 8) | Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) | (Instr. 5) | | | | | | |
|---------------------------|------------------------------------|------------------|------------|---|------------|-----|---------------------|--------------------|-----------------|--|----------|
| | | | Code | V | (A) | (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Shares | |
| Phantom Stock Units | (1) | 12/01/2006 | A | | 13 | | (2) | (2) | Common Stock | 13 | \$ 57.42 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|--------------------------|-------|
| | Director | 10% Owner | Officer | Other |
| LAWLER JULIA M 711 HIGH STREET DES MOINES, IA 50392 | | | Sr VP & Ch Invst Officer | |

Signatures

Joyce N. Hoffman, by Power of
Attorney

12/05/2006

**Signature of Reporting Person

Date

Explanation of Responses:

- * If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).
- ** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

(1) Security converts to common stock on a one-for-one basis.

The reported phantom stock units were acquired pursuant to the Principal Select Savings Excess Plan and may be transferred at any time
(2) into another investment alternative under the Plan. Interests under the Plan will be settled upon the reporting person's retirement or other termination of service.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.