

Principal™

**Management
Corporation**

A Member of the Principal
Financial Group

April 12, 2011

Mr. David A. Stawick
Secretary
Commodity Futures Trading Commission
Three Lafayette Centre
1155 21st Street, NW
Washington, DC 20581

RE: Commodity Pool Operators and Commodity Trading Advisors: Amendments to
Compliance Obligations (RIN No. 3038-AD30).

Dear Mr. Stawick:

Principal Management Corporation (“PMC”) submits this letter in response to the request of the Commodity Futures Trading Commission (“CFTC”) to comment on proposed amendments to Rule 4.5¹. PMC, a member of the Principal Financial Group (“Principal”), serves as investment adviser to the Principal Funds (“Funds”), with aggregate assets of approximately 70 billion as of March 31, 2011.

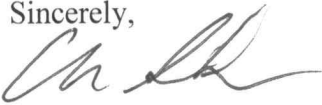
As a member of the Investment Company Institute, PMC participated in the preparation of the comment letter submitted by the Investment Company Institute relating to the proposed rule and PMC would like to emphasize its concurrence with the views expressed in the letter. In particular, we would like to reiterate our concern that the rule, as proposed, does not appear to reflect thorough consideration by the CFTC of many critical issues, including how registered investment companies participate in the commodity futures and derivatives markets, the extensive regulation to which they are already subject under the Investment Company Act of 1940 and other federal securities laws, the overlapping and conflicting nature of many regulatory requirements that registered investment companies would face if they were regulated by both Securities and Exchange Commission and the CFTC, and the potential costs and benefits of dual regulation.

¹ *Commodity Pool Operators and Commodity Trading Advisors: Amendments to Compliance Obligations*, 76 Fed. Reg. 7976 (Feb. 11, 2011)

We strongly urge the CFTC not to move forward with the proposed rule changes. If the CFTC feels changes to Rule 4.5 are necessary, we suggest that the CFTC re-propose the amendment after taking into consideration the multitude of concerns expressed.

We appreciate the CFTC's consideration of our comments. If you have any questions or need additional information, please contact the undersigned at 515-235-9328.

Sincerely,



Adam U. Shaikh
Counsel
Principal Management Corporation