



June 19, 2018

**Conditional Approval #1198**  
**July 2018**

Greg Lyons, Esq.  
Partner  
Debevoise & Plimpton, LLP  
919 3<sup>rd</sup> St.  
New York, NY 10022

Re: Application to establish Principal Advised Services, LLC  
Principal Bank, Des Moines, IA  
OCC Control No. 2018 WE Subs&Equities 302419

Dear Mr. Lyons:

The Office of the Comptroller of the Currency (OCC) hereby approves the application filed by Principal Bank, Des Moines, IA (Bank) on March 16, 2018 to establish Principal Advised Services, LLC, Des Moines, IA (Subsidiary). Subsidiary will provide automated, algorithm-driven investment advice for a fee.

A federal savings association “may conduct in an operating subsidiary activities that are permissible for a federal savings association to engage in directly.” 12 CFR 5.38(e). Based on a thorough review of all information available, including the representations and commitments made in the application and by the Bank's representatives, the OCC concludes that the activities of Subsidiary are legally permissible for federal savings associations and their operating subsidiaries. Subsidiary qualifies as an operating subsidiary as the operating subsidiary meets the requirements set forth in 12 CFR 5.38(e)(2).

We conclude that, subject to the following conditions, Bank may proceed with its plan:

- Within 60 days of approval, the bank shall enter into a revised Operating Agreement

This condition of approval is a condition "imposed in writing by a Federal banking agency in connection with any action on any application, notice, or other request" within the meaning of 12 U.S.C. § 1818. As such, the condition is enforceable under 12 U.S.C. § 1818.

Also, prior to commencing activity in Subsidiary, the Bank shall:

- 1) Obtain approval as a Registered Investment Advisor from the Securities and Exchange Commission

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- 2) At least 30 days prior to engaging in the activity of a registered investment advisor, Bank shall provide a copy of all policies and procedures related to the operation of Subsidiary to the Omaha Supervisory Office for its prior no objection.

The operating subsidiary may engage only in activities that the federal savings association may engage in directly.

This approval and the activities and communications by OCC employees in connection with the filing do not constitute a contract, express or implied, or any other obligation binding upon the OCC, the United States, any agency or entity of the United States, or any officer or employee of the United States, and do not affect the ability of the OCC to exercise its supervisory, regulatory and examination authorities under applicable law and regulations. Our approval is based on the bank's representations, submissions, and information available to the OCC as of this date. The OCC may modify, suspend or rescind this approval if a material change in the information on which the OCC relied occurs prior to the date of the transaction to which this decision pertains. The foregoing may not be waived or modified by any employee or agent of the OCC or the United States.

If you have any questions, contact me at (720) 475-7652 or email [louis.gittleman@occ.treas.gov](mailto:louis.gittleman@occ.treas.gov).

Sincerely,

*signed*

Louis T. Gittleman  
Director for District Licensing