

Principal Universal Life Protector IVSM
Product Guide





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Insurance products from the Principal Financial Group® (The Principal®) are issued by Principal National Life Insurance Company (except in New York) and Principal Life Insurance Company, Des Moines, Iowa 50392.

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Principal National Policy Form SN 46 / Rider Forms SN 47, 49, 50, 51, 52, 53, and 54
Principal Life Policy Form SF 889 / Rider Forms SF 890, 892, 893, 895, 896, 897, and 898



Introduction

The Principal Financial Group® proudly offers Principal Universal Life Protector IVSM (UL Protector IV), a flexible premium universal life policy that helps ensure future obligations are met by providing guaranteed death benefit protection on a single life. With UL Protector IV, The Principal® has your clients covered with a competitive product that offers guaranteed death benefit protection.

UL Protector IV is ideal for clients who seek:

- **Guaranteed death benefit.** The Lapse Protection rider (LPR) provides lapse protection guarantees on your clients' UL Protector IV policies.
 - The LPR can provide guaranteed death benefit protection up to age 121, regardless of the policy's current and guaranteed interest crediting rates, policy charges and cost of insurance rates.
 - The LPR offers the opportunity to fund guaranteed coverage on a limited-pay basis (premium payment periods that are less than paying to age 121).
 - After the first year, clients may increase or decrease their coverage amount (subject to policy and underwriting guidelines).
 - As client objectives change over time, the length of guaranteed coverage can fluctuate.
 - If premium payments are skipped or delayed, the originally quoted Lapse Protection Guarantee period can generally be "caught up" if the policy and the LPR are in force and the client can afford the future increased premium. Please note that the catch-up may be expensive for the client and becomes more onerous over time.
- **Affordable, competitive premiums.** UL Protector IV offers your clients affordable, competitive premiums.
- **Flexibility and choice.** UL Protector IV puts your clients in the driver's seat to:
 - Select the length of the Lapse Protection Guarantee period up to lifetime coverage.
 - Select the level and frequency of premium payments made into the contract.
 - Increase or decrease (subject to underwriting rules in effect at the time) the policy's death benefit.
- **Security.** Consider the financial strength and reputation of The Principal.

Key features

UL Protector IV offers:

- Competitive level-pay premiums with lifetime guarantees
- Strong internal rates of return
- Choice of three death benefit options (DBO)
- Premium flexibility for unscheduled and 1035 exchange payments in the first policy year
- Banded Cost of Insurance rates, with best rates starting at \$1 million in face amount
- Extended maturity age to the date of death with the Extended Coverage Rider

Target market

Consider positioning UL Protector IV with your clients for:

Personal Needs – Assist your clients in meeting a variety of individual protection needs.

- Provides immediate funds for the beneficiary at the insured's death to meet cash and income replacement needs
- Creates estate liquidity to help minimize the impact of potential federal estate taxes and/or state death taxes
- Helps clients in or near retirement reposition assets to potentially increase wealth transfer to the next generation with:
 - Principal IRA ExchangeSM (helps reposition pre-tax financial vehicles)
 - Principal Annuity LegacySM (helps reposition post-tax financial vehicles)

Business Planning – UL Protector IV can provide a solution to help your clients plan a safer landing for their business planning needs, when implementing:

- Buy-Sell (Exit Planning)
 - Entity Purchase
 - Cross Purchase
 - Business Continuation General Partnership
 - Stay Bonus
- Key Person

Executive Benefits – Use survivor income solutions for business owners to help them achieve specific financial objectives using:

- Split Dollar (endorsement method with bonus-out)
- Executive Bonus (focus on death benefit protection as opposed to accumulation)

General policy information

This is a summary of policy terms only. Please refer to the policy for actual terms and conditions including defined terms, which are capitalized throughout this summary.

Issue Ages	0–85, age nearest birthday (ANB) rates. The Principal reserves the right to change the available issue ages at any time in the future.
Maturity Age	Age 121 <ul style="list-style-type: none"> • Premiums payable to attained age 121 are allowed and may be required to guarantee lifetime coverage. • Charges continue to be deducted to attained age 121. • The maturity age is extended to the date of death with the Extended Coverage Rider.
Surrender Charge Duration	19 years for all issue ages
Interest Crediting Methodology	Portfolio
Guaranteed Minimum Interest Crediting Rate	2%
Policy Loans	<ul style="list-style-type: none"> • There is no minimum Loan Amount. • The maximum Loan Amount is formula driven (state variations may apply). See the sample policy on our financial professional website for more details. • Fixed loan maximum charge rates: <ul style="list-style-type: none"> – In policy years to attained age 121: 4% – In the extended coverage period: 2% • Loaned funds minimum crediting rate: 2% in all years
Partial Surrenders	<ul style="list-style-type: none"> • Available after first Policy Year • \$500 minimum • Up to two partial surrenders allowed per year. The sum of the two partial surrenders is limited to 75% of the net surrender value at the time of the first partial surrender.
Internal Revenue Code (IRC) Section 7702 Testing	<ul style="list-style-type: none"> • Cash Value Accumulation Test (CVAT) is the quotation default. CVAT is available with Death Benefit Options 1, 2 or 3. • Guideline Premium Test (GPT) is also available. GPT is available with Death Benefit Options 1, 2 or 3.

Planned Premium	<p>Planned Premium Frequency Options</p> <ul style="list-style-type: none"> • Annual • Semiannual • Quarterly • Monthly pre-authorized withdrawal – The draw date is the same as the Policy Date. Flex draws are not available. <p>Planned Premium Duration</p> <ul style="list-style-type: none"> • We will capture your client’s Planned Premium Duration from the quotation at issue. This Planned Premium Duration will be reflected on annual statements so that your clients can manage their Lapse Protection Guarantee period to fit their needs.
Key Underwriting and Policy Issue Information	<ul style="list-style-type: none"> • Gender distinct and unisex rates available • Maximum issue amount: \$999,999,999 (subject to reinsurance and underwriting approval by The Principal) • Term conversion minimum face of \$1,000 (conversions from Principal Life Term) • Policy dating <ul style="list-style-type: none"> – Follows underwriting approval in the home office – If received on the 29th, 30th or 31st, then date on the 28th – Backdating allowed for up to six months prior to the application date or the exam date, whichever is later. Policies may not be backdated beyond the state approval date. State variations apply. – COD allowed

MINIMUM FULLY UNDERWRITTEN ISSUE AMOUNTS		
Issue Age	Underwriting Classification	Minimum Face Amount
0 – 15	Standard Non-tobacco	\$25,000
16 – 19	Standard Tobacco & Non-tobacco	\$25,000
20 – 85	Super Standard Non-tobacco	\$50,000
20 – 85	Preferred/Standard Tobacco & Non-tobacco	\$50,000
20 – 80	Super Preferred Non-tobacco	\$50,000

MINIMUM BUSINESS UNDERWRITTEN ISSUE AMOUNT: \$100,000 FOR ALL PROGRAMS*		
Issue Age	Business Underwriting Program	Minimum # of Lives
18 – 65**	Simplified Issue	5
18 – 65**	Guaranteed Issue	10

SUBSTANDARD RATINGS FROM TABLE 2-16 (AVAILABLE SEGMENTED BY AGE)	
Issue Age	Substandard Rating Available
0 – 75	Table 2–16, Plus Flat Extras
76 – 80	Table 2–6, Plus Flat Extras
81 – 85	Table 2–3, Plus Flat Extras

* Business underwriting programs do not use surcharges. Cost of Insurance (COI) rates will reflect the full mortality for a case. There will not be any compensation reductions associated with business underwriting programs. All business underwriting programs require pre-approval.

** Can go to age 70 on an exception basis.

Principal UnderRightSM

Our innovative team approach provides large-case and business-case expertise, competitive underwriting and top-notch service.

- Accessible and knowledgeable underwriters who specialize in personal service for each case
- Automatic Standard Approval Program (ASAP) – Table 3 to Standard
- A balanced approach to Preferred
 - Favorable factors may offset adverse factors
- Tobacco/Non-tobacco rates
 - Cigar use of 12 or fewer cigars in prior 12 months and a negative nicotine test will qualify at Non-tobacco rates
- TeleApp convenience
- Business underwriting programs
 - Guaranteed Issue – \$100,000 minimum
 - Simplified Underwriting, Standard Decline and TeleApp



Death benefit options

Death Benefit Option 1 (DBO 1)

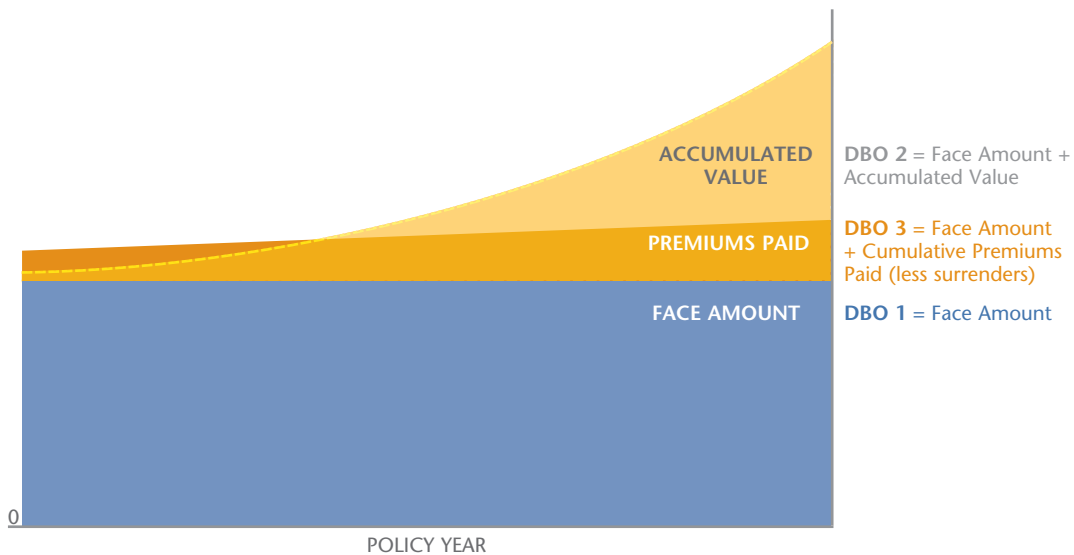
The death benefit is equal to the face amount. The accumulated value increases while the amount of pure insurance decreases, keeping the death benefit level. The death benefit will never be less than the accumulated value multiplied by the percentage the IRC specifies as necessary to qualify the policy as life insurance. Partial surrenders and policy loans will decrease the accumulated value and death benefit.

Death Benefit Option 2 (DBO 2)

The death benefit is equal to the face amount plus the accumulated value. Policy owners have a variable death benefit, which will increase or decrease as accumulated values change. The death benefit will never be less than the face amount. It will also be adjusted upward as necessary to comply with the IRC requirements to qualify the policy as life insurance. Partial surrenders and policy loans will decrease the accumulated value and death benefit.

Death Benefit Option 3 (DBO 3)

The death benefit is equal to the face amount plus the premiums paid less partial surrenders. Policy owners have a variable death benefit, which will increase as premiums are paid and decrease as partial surrenders are taken. Partial surrenders and policy loans will decrease the accumulated value and death benefit.



Death benefit option changes and face amount adjustments

Death benefit option (DBO) changes

- Changes are allowed on or after the first policy anniversary.
- Changes are available on Guideline Premium Test or Cash Value Accumulation Test.
- DBO 3 can only be elected at the time of issue. Changes to DBO 3 are not permitted.
- DBO changes are limited to two per Policy Year.
- DBO changes will result in a face amount adjustment so that the net amount at risk is the same immediately before and after the change.
- Face amount after any reduction must be at least the minimum face amount as shown on the current policy data pages.
- A change in DBO requires new data pages to be provided to the client.
- DBO changes may require proof of insurability.

DEATH BENEFIT OPTION CHANGE*	RESULTING FACE AMOUNT ADJUSTMENT
DBO 1 to DBO 2	The face amount decrease will equal the accumulated value on the effective date of the change.
DBO 1 to DBO 3	Not permitted.
DBO 2 to DBO 1	The face amount increase will equal the accumulated value on the effective date of the change.
DBO 2 to DBO 3	Not permitted.
DBO 3 to DBO 1	The face amount increase will equal the amount by which the total premiums paid exceed partial surrenders up to the date of the change.
DBO 3 to DBO 2	The face amount will be adjusted by an amount determined by subtracting the accumulated value from the greater of a) total premiums paid less partial surrenders and b) zero.

* A DBO change is subject to the limits as defined in the IRC 7702 as amended. An additional increase in face amount may be required in order to maintain compliance with the limits.

Face Amount adjustments

Face increases are approved at a risk class determined by The Principal if:

- On or after the first Policy Year.
- Attained age is 85 or less.
- The increase meets minimum face increase requirements shown on current data pages.
 - Non-Guaranteed issue minimum face increase = \$50,000
 - Guaranteed issue minimum face increase = \$10,000
- Evidence of insurability is provided by client and approved by underwriting subject to underwriting guidelines currently in effect.
- Net amount at risk does not exceed maximum limits currently in effect.

Face decreases:

- Allowed after the first Policy Year
- Limited in years 2–5 to a cumulative 35% of original face amount at issue
 - 35% limitation does not apply to DBO changes that reduce the face or face decreases resulting from partial surrenders.
- May not cause the face amount to fall below the required minimum face at issue

Grace period

When the net surrender value is insufficient to cover the monthly policy charge and the Lapse Protection Guarantee is not in effect, the policy will enter a 61-day grace period. The grace period begins when The Principal mails a notice of impending policy termination to the policy holder. If by the end of the grace period the minimum payment has not been received, the policy terminates.

During the first policy year, the minimum payment is equal to three Lapse Protection Guarantee monthly premiums. After the first policy year, the minimum payment is equal to the lesser of the shortfall for the Monthly Policy Charge test or the shortfall for the Lapse Protection test. If the insured dies during a grace period, The Principal will pay the death proceeds to the beneficiary(ies) subject to the death benefit of the policy.

Reinstatement

If the policy ends as described in the grace period provision, the policy may be reinstated provided:

1. The reinstatement is prior to the maturity date.
2. The policy has not been surrendered.
3. No more than three years have elapsed since the policy terminated (state variations may apply).
4. Evidence of insurability is provided by client and approved by underwriting subject to current underwriting guidelines.
5. Loan balance that existed at termination is either repaid or reinstated.
6. The client makes the minimum payment as set out in the contract.
7. If the policy is terminated longer than 60 days (subject to state variations) and is later reinstated, the Lapse Protection rider will be permanently lost. Premiums required to keep the policy in force without the Lapse Protection rider will likely be significantly higher.

The policy date remains the original policy date. Reinstatement is effective on the next monthly date following approval of the reinstatement request. In the first policy year, the policy must be reinstated at the same risk class as at policy issue. Some riders, including the Lapse Protection rider, may not be reinstated even if the policy is approved for reinstatement. The Lapse Protection rider can only be reinstated at the time of the policy reinstatement and, in most states, if application for policy reinstatement is received in the home office within 60 days from the termination date.

Policy and surrender charges

Premium loads	<ul style="list-style-type: none"> • Current: 16% of premium in all years • Guaranteed: 18% of premium in all years
Monthly administrative charges	<ul style="list-style-type: none"> • Current: <ul style="list-style-type: none"> – \$10.00 per month in all years – Non-tobacco – \$0.35 per \$1,000 of face amount per month in policy years to attained age 121 – Tobacco – \$0.50 per \$1,000 of face amount per month in policy years to attained age 121 • Guaranteed: <ul style="list-style-type: none"> – \$12.50 per month in all years – Non-tobacco – \$0.35 per \$1,000 of face amount per month in policy years to attained age 121 – Tobacco – \$0.50 per \$1,000 of face amount per month in policy years to attained age 121
Rider charges	<ul style="list-style-type: none"> • Children Term Insurance, Salary Increase and Waiver of Monthly Policy Charge riders (only if above maximum annual increase of \$30,000.)
Cost of insurance rates	<ul style="list-style-type: none"> • Current: <ul style="list-style-type: none"> – Low Band: up to and including \$100,000 – Middle Band: \$100,001 through \$1 million – High Band: \$1,000,001 and higher • Guaranteed: <ul style="list-style-type: none"> – 2001 CSO Smoker/Non-smoker distinct, age nearest birthday
Surrender charges (19-year duration)	<ul style="list-style-type: none"> • Surrender charges vary based on face amount, age at issue or adjustment, tobacco status and gender. • Table of maximum surrender charges is listed per Policy Year in the policy data pages. • Applied to accumulated value upon full surrender or policy termination as described in the policy's grace period provision. • Any face amount increase carries its own surrender charge and surrender charge period.

Lapse Protection Rider

One of the key features of this product is the guaranteed death benefit coverage provided at competitive premium levels. This type of coverage is achieved through the Lapse Protection rider, which is automatically added to all policies.

Lapse Protection Rider Feature

With the Lapse Protection rider, clients can guarantee their policies will not lapse for specified periods of time up to their lifetimes. They control how long their policies remain in force without lapsing by the amount of premium they pay into their policies.*

- A Lapse Protection Value accumulates as a client pays premiums into the policy. As long as a policy's Lapse Protection Value is greater than the loan balance, the policy is guaranteed not to lapse.
- You can help determine the premium that provides for the amount and length of death benefit protection a client desires.
- This protection feature is not affected by changes in the interest crediting rate and the policy charges used to determine the surrender value of the policy, nor is the Lapse Protection Value available in cash at time of surrender. However, this feature is affected by any changes made to the policy (loans, surrenders, etc.), and these changes will affect the Lapse Protection Guarantee.
- If the policy is terminated for longer than 60 days (subject to state variation) and is later reinstated, the Lapse Protection rider will be permanently lost. Premiums requested to keep the policy in force without the Lapse Protection rider premium will likely be significantly higher.

Surrender Value Feature

The policy's net surrender value serves two purposes:

1. To determine the amount of cash available for surrender or loan throughout the life of the contract
2. To determine if a policy is still actively in force

Even if the Lapse Protection Guarantee is not in effect, the policy is guaranteed to remain in force as long as the net surrender value is sufficient to cover policy charges.

* The policy's Lapse Protection rider, and its underlying protection, will be affected by any changes in premium payment amounts, premium payment frequency, loans, partial surrenders, face amount adjustments, death benefit option changes, risk class changes and addition/deletion of any attached rider. Please see the policy for more information.

Scenarios that can impact the Lapse Protection Guarantee

1. Changes are made in the amount, frequency, duration, and/or timing of premium payments.
2. A loan or partial surrender is taken from the policy.
3. Changes are made in the face amount, death benefit option, insured or risk class(es). This includes any cost of living increases under the Cost of Living Increase rider.
4. A rider with a cost is added, deleted or modified.
5. The policy and/or Lapse Protection rider is reinstated.

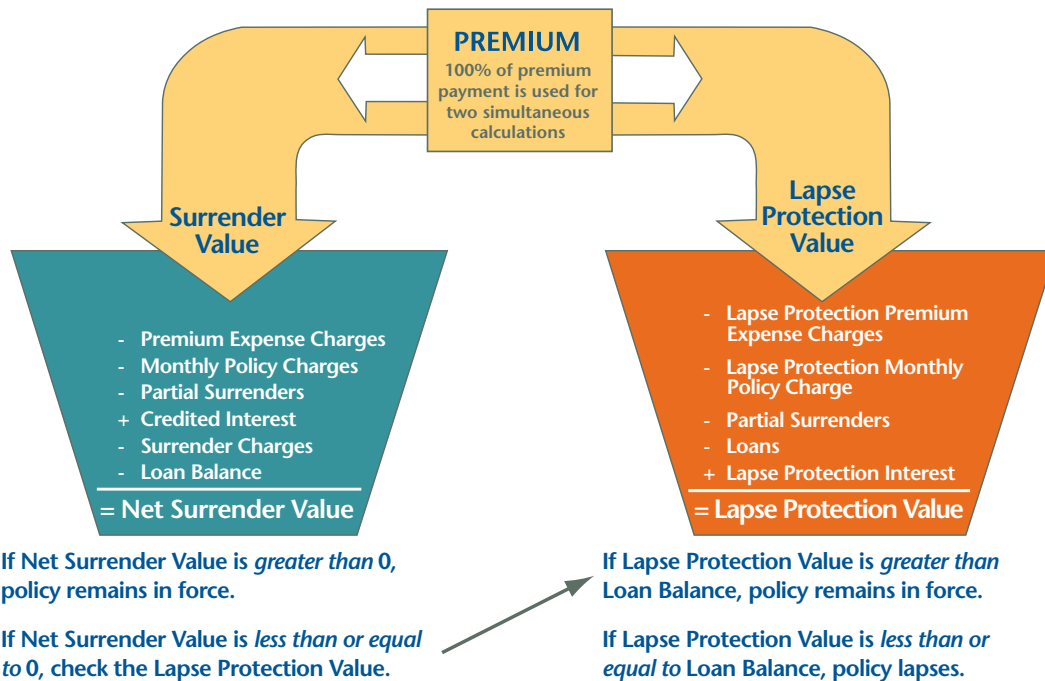
The occurrence of any of the policy activity listed above can alter the Lapse Protection Guarantee.

New Lapse Protection charges, target premiums, rates, and factors will be determined if any of the policy activity specified in items 3-5 above occurs. The Principal will send the owner of the policy revised data pages that reflect any of these changes.

The best way to understand the impact these scenarios can have on the policy holder's Lapse Protection Guarantee is to run a quotation reflecting desired client changes. Additional premium may be required on the date of the change in order to maintain the Lapse Protection Guarantee period desired by the client.

How UL Protector IV keeps your clients covered

The following diagram illustrates how the Net Surrender Value and the Lapse Protection Value work together to keep a policy in force.

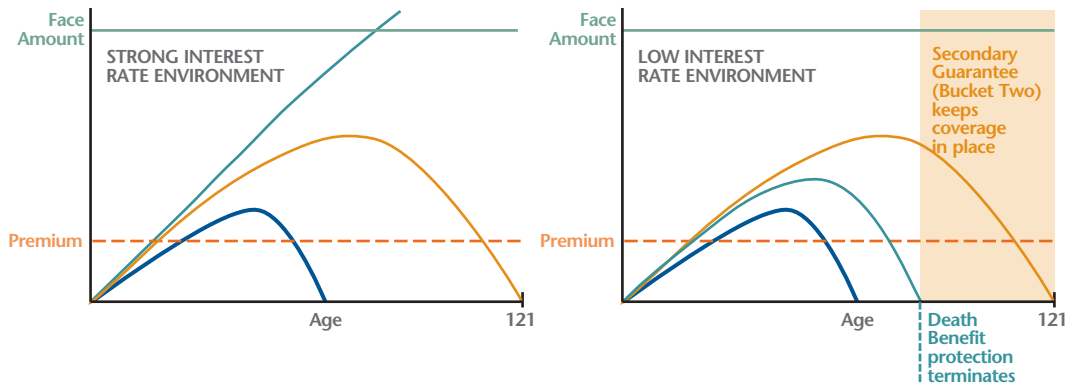


The policy will stay in force as long as either the Net Surrender Value is greater than 0 or the Lapse Protection Value is greater than the loan balance.

Note: Net Surrender Value and Lapse Protection Value are both impacted by changes in the amount, frequency, duration and/or timing of premium payments, as well as death benefit changes (face amount changes), death benefit option changes, risk class changes, addition/subtraction of a rider, partial surrenders, loans and loan repayments.

Lapse Protection Guarantee Period provided by Lapse Protection Value

Current surrender values are affected by many factors including but not limited to a company's mortality experience, expenses and the interest rate environment. The following visual shows how the policy's surrender value and Lapse Protection Value may perform in two different interest rate environments, demonstrating the value of the Lapse Protection Guarantee. For purposes of the graphs, death benefit protection means the face amount of the policy.



In a strong interest rate environment, the current surrender value may be sufficient to keep the death benefit protection in place to age 121.

In a low interest rate environment, the current surrender value does not do as well over time. Without the security provided by the Lapse Protection Value, the death benefit protection may have ended earlier than desired. The shaded area shows that the death benefit protection was extended by the Lapse Protection Value.

LEGEND

- Current Surrender Value (Bucket One)
- Lapse Protection Value - secondary guarantee (Bucket Two)
- Guaranteed Surrender Value (Bucket One)

In Summary:

- Interest rate fluctuations over time do not impact the Lapse Protection Value and guaranteed surrender value.
- Current surrender value is impacted by interest rate fluctuations over time.

Marketing Implications:

- The Lapse Protection Guarantee provided in UL Protector IV may be a fit for clients who are concerned about the potential of their death benefit protection being impacted by future interest rate fluctuations.
- For clients who can tolerate the risk of future interest rate changes or desire a policy with more potential for cash value accumulation, UL Protector IV may not be an appropriate product choice.

Lapse Protection Rider Value formula

Description

During the first policy year, the Lapse Protection Guarantee will be in effect on each monthly date if the sum of premiums paid less any loan indebtedness is equal to or greater than the sum of the Lapse Protection Guarantee monthly premiums since the policy date up to and including the current monthly date. The Lapse Protection Guarantee monthly premium is shown on the policy quotation and data pages. After the first policy year, the Lapse Protection Guarantee will be in effect on each monthly date if the Lapse Protection Value is greater than any loan balance on the policy.

Calculation

The Lapse Protection Value on the first policy anniversary is $A + B - C - D + E + F$, where:

- **A** is the total of any premiums received since the later of the policy date or reinstatement date, and before the first policy anniversary, net of the Lapse Protection premium expense charge;
- **B** is the total of any loan repayments received since the policy date and before the first policy anniversary, up to a maximum of C below;
- **C** is the total of any loans since the policy date and before the first policy anniversary;
- **D** is the total of the Lapse Protection monthly policy charges since the policy date;
- **E** is the Lapse Protection interest; and
- **F** is the loan account.

Reinstatement

If the policy is reinstated during the first policy year, the reinstatement date will replace the policy date for purposes of determining the Lapse Protection monthly policy charges and Lapse Protection interest in D and E above.

The Lapse Protection Value on any monthly date after the first policy anniversary is $A + B + C - D - E - F + G + H$, where:

- **A** is the Lapse Protection Value on the previous monthly date, less the loan account on the previous monthly date;
- **B** is the total of any premiums received since the previous monthly date and before the current monthly date net of the Lapse Protection premium expense charge;
- **C** is the total of any loan repayments received since the previous monthly date and before the current monthly date;
- **D** is the total of any partial surrenders since the previous monthly date and before the current monthly date;
- **E** is the total of any loans since the previous monthly date and before the current monthly date;
- **F** is the Lapse Protection monthly policy charge;
- **G** is the Lapse Protection interest; and
- **H** is the loan account.

For purposes of determining the Lapse Protection premium expense charge only, the first policy year will be considered to begin on the policy date and end 20 days before the first policy anniversary. Subsequent policy years will be considered to be the one-year period beginning 20 days before a policy anniversary and ending 20 days before the following policy anniversary.

Additional policy riders

The following riders may not all be available in your state, and the terms of each rider may differ by state. Please refer to our financial professional website for state-specific sample rider forms for more details.

ACCELERATED BENEFITS RIDER	
Issue Ages	0–85
Expiry Age	Maturity
Cost	There is no cost to have the rider on the policy. A one-time administrative charge of up to \$150 may be imposed when the rider is exercised.
Availability	Rider is available to all policy owners and covers the Insured. There are no special underwriting requirements, and it may be added at any time.
Benefit Provided	Pays an accelerated benefit upon Insured showing proof of a terminal illness as defined in the policy rider form. The benefit that may be received is the lesser of the accelerated benefits cap shown on the current data pages or 75 percent of the eligible face amount less any outstanding policy loans, unpaid loan interest and previously paid accelerated benefit, not to exceed \$1 million. The accelerated benefit is considered a lien against the policy and accrues with interest. At the time of death, the beneficiary receives the policy death benefit less the benefit advance and applicable interest. The minimum payment amount is \$500.

CHILDREN TERM INSURANCE RIDER	
Issue Ages	Available for base Insured ages 15–55. Available for an insured child aged 15 days to 17 years, with coverage provided for a maximum duration of the policy anniversary following the insured child’s 25th birthday.
Expiry Age	Earliest of termination of the owner’s policy, insured’s attained age 65 or receipt of the owner’s notice to cancel the rider.
Cost	There is a cost deducted on each monthly date. There is an additional charge if the Waiver of Monthly Policy Charges rider is also present.
Availability	Rider is available at issue.
Benefit Provided	Provides death benefit protection on any child who meets the definition of Insured child. Children who meet the definition of insured child subsequent to the inclusion of this rider on an insured are also covered. Death benefit protection is offered in units, with one unit equal to \$1,000. The minimum death benefit protection is \$5,000 (5 units), with a maximum of \$25,000 (25 units). This rider provides the flexibility that if the base Insured dies while the policy is in force, the Children Term Insurance rider will continue as long as a qualifying insured child remains. Additionally, this rider gives children the future option of increasing their coverage by purchasing permanent protection of up to three times their original death benefit without showing evidence of insurability. Please talk with your clients when their children reach age 25 to discuss benefits under the policy.
Exchange Provision	Additional flexibility is afforded each insured child through an exchange provision that works as follows: <ul style="list-style-type: none"> • Each insured child can exchange coverage for any type of life policy, except term, in effect at the time. The new policy will be issued at the standard risk class that is published at the time of the exchange. • No evidence of insurability is required provided: <ul style="list-style-type: none"> – The exchange is commenced no earlier than 90 days before or later than 31 days after the date the exchange can be made as described below. – The face amount is not less than \$1,000 per unit and is not more than \$3,000 per unit of this rider. • The rider can be exchanged no later than the earlier of: <ul style="list-style-type: none"> – Policy anniversary following the insured child’s 25th birthday – The insured’s attained age 65 – The death of the Insured

COST OF LIVING INCREASE RIDER	
Issue Ages	0–52
Expiry Age	Earliest of attained age 55, any decrease in face amount, failure to accept an increase or policy termination. No cost of living increase offers will be made after attained age 55.
Cost	There is no cost to have the rider on the policy. However, when an increase is exercised, the monthly policy charge and surrender charges will be increased to cover the costs of the charges for any increase in face amount made under the rider.
Availability	Available at issue with increases offered in three-year increments from the Policy Date.
Benefit Provided	Provides an opportunity to increase the face amount without evidence of insurability based on increases in the Consumer Price Index (CPI) for all urban consumers. The amount of the increase will be the lesser of the calculated increase determined from the CPI or the maximum cost of living increase shown on current data pages (30 percent of base plan face or \$100,000) less the sum of any face amount increases made during the prior year at a standard or better risk class. An increase in premium will be necessary after accepting a cost of living increase offer in order to maintain the Lapse Protection Guarantee period. Acceptance of a cost of living increase offer will have a direct impact on the cost and benefits of any attached Waiver of Monthly Policy Charge rider, and will impact the Lapse Protection Value.

EXTENDED COVERAGE RIDER	
Issue Ages	0–85
Expiry Age	None
Cost	There is no cost to have the rider on the policy.
Availability	Rider is automatically added at issue to policies in states where approved.
Benefit Provided	With the increase in life expectancies, there is a chance your client may live beyond the policy's stated maturity age of 121. This rider extends the client's maturity date to the date of death, if later than attained age 121. The full death benefit is payable during the extended coverage period.

SALARY INCREASE RIDER

Issue Ages	20–64
Expiry Age	65
Cost	There is a charge for the rider if the policy is rated, or the rider benefit amount exceeds \$30,000.
Availability	Business cases only
Maximum Annual Increase	\$30,000 (may be increased to \$100,000 for a monthly policy charge)
Maximum Lifetime Increase	\$1 million
Benefit Provided	Allows the client to purchase additional insurance on the insured’s life without evidence of insurability as long as the policy and rider are in force and not in the grace period. Increases are available on an annual basis while the insured is actively at work according to the rider terms. Increases are only offered if the insured’s salary has increased during the policy year. The amount of the increase is a function of the insured’s salary subject to the rider’s maximum increase.

WAIVER OF MONTHLY POLICY CHARGE RIDER

Issue Ages	0–59
Expiry Age	65 (unless on waiver claim)
Cost	There is a charge to have the rider on the policy. Cost of the rider is deducted on each monthly date.
Availability	Rider is available at issue or as an underwritten adjustment. The policy must be rated Table 6 or better. The rider is not allowed if flat extras per \$1,000 equal or exceed \$5 for more than two years. A separate, distinct rating may apply to the rider itself.
Benefit Provided	If the Insured is disabled and meets the requirements as stated in the rider policy form, monthly policy charges for the policy benefits will be waived (or credited to the accumulated value if already deducted). Benefits are limited for disability occurring after age 59. Note that a policy loan has the potential to lapse a policy during the waiver period (even when monthly policy charges are being waived).

UNDERWRITING RIDERS

- Aviation Exclusion rider
- Hazardous Sports Exclusion rider



Customer service

We make it easy for policy owners to stay informed about their policies and make simple policy adjustments.

Communications sent from the home office include:

- Annual statements that show the current Lapse Protection duration compared to the previous year's Lapse Protection duration
- Planned periodic premium notices

Principal.com access

Customers have access to their policy information 24 hours a day, seven days a week through www.principal.com. Via their personal login, they can:

- Update their mailing address
- View balances, cash value or benefit amounts in their contracts and policies

The site is updated daily and confidential policy information is accessible only to the customer. A personal identification number (PIN) is required to access personal information. If a customer does not have one, he or she can obtain a PIN immediately by calling 1-800-247-9988.

Telephone access

Customers may also access routine policy information via our automated telephone system by calling 1-800-247-9988. The system is available from 7 a.m. to midnight (Central Time) Sunday through Friday, and 7 a.m. to 9 p.m. on Saturday.





WE'LL GIVE YOU AN EDGE®

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Principal National Policy Form SN 46 / Rider Forms SN 42, 47, 49, 50, 51, 52, 53, and 54
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