

Principal℠

Principal Term life insurance

Affordable protection to help drive sales

Sales guide

Term insurance offers many advantages

Target market

Term insurance is ideal for individuals who need:

- To provide money for their loved ones or business partner so they can meet cash and income replacement needs.
- Life insurance coverage for a limited amount of time (proof of credit, business start-up, buy-sell agreement funding, key person).
- The highest death benefit protection for the lowest rates.
- To preserve their insurability now, with conversion options to permanent policies in the future (no new underwriting as long as the face amount remains the same).

Competitive sweet spots

Our Term policy is known to be most competitive for:

- Ages 35-55
- Non-Tobacco rates
- $1 million or greater death benefit

We're also competitive for clients who are:

- Qualified at Standard and Super Standard rates
- Ages 65-75 for 10- and 15-year contracts
- Looking for $2 million or greater death benefit

Get rates 24/7 on the go
Principal Term quotes are available anytime, anywhere on your mobile device using Principal Life Quote Edge℠.[1]

Benefit from the speed and convenience of Principal Accelerated Underwriting℠

- Streamlined underwriting provides decisions in as little as 48 hours
- Use with Preferred and Super Preferred classes
- Eliminates lab testing and paramed exams[2]
- Policies paid and issued in 10 days or less

Key features

- Lower-cost protection that can meet current business owner and individual insurance needs.
- Two conversion options for changing short- and long-term needs.
- Fast and easy underwriting programs, including Principal Accelerated Underwriting, Healthy Lifestyle Credits and more.
- Flexible policy riders,[3] including Accelerated Benefit, Children's Term, Conversion Extension and Waiver of Premium.

Basics

Products available	10-, 15-, 20- and 30-Year Term
Issue ages/ underwriting classes	<table><tr><th></th><th>Non-Tobacco</th><th>Tobacco</th></tr><tr><td>10-Year Term</td><td>20-80</td><td>20-75</td></tr><tr><td>15-Year Term</td><td>20-75</td><td>20-70</td></tr><tr><td>20-Year Term</td><td colspan="2">20-65</td></tr><tr><td>30-Year Term</td><td>20-55</td><td>20-50</td></tr></table> • Non-Tobacco: Super Preferred, Preferred, Super Standard and Standard class, Tables 2-6 plus flat extras • Tobacco: Preferred and Standard • Age nearest birthday rates
Minimum face amount	$200,000
Death benefit options	1 — Level (face amount)
Risk classes	• Super Preferred Non-Tobacco • Preferred Non-Tobacco/Tobacco • Super Standard Non-Tobacco • Standard Non-Tobacco/Tobacco
Principal UnderRight℠	• Principal Accelerated Underwriting • Healthy Lifestyle Credits (HLCs)
Available riders	• Accelerated Benefit • Children's Term • Conversion Extension • Waiver of Premium

Two outstanding conversion options

The need

Term insurance can be the first step in helping your clients protect their financial futures. Offering protection they can afford today locks in their insurability, allowing them to potentially convert to a permanent policy in the future.

This is beneficial because once they purchase a Term policy, their health may change (e.g., hypertension, heart disease, cancer, diabetes). Even 10 or 20 years later, they can still qualify for a Standard or better rate without additional underwriting requirements.

How it works

Our Term products can be converted to a variety of permanent products without additional evidence of insurability. Conversion is available up to the earlier of the end of the policy conversion period or attained age 70.[4] The Conversion Extension Rider is available to add to the policy to extend the conversion period.

Minimum policy amounts at the time of conversion apply.

- The underwriting class of the permanent policy will be issued at the same or most comparable risk class of the original Term policy.
- Partial Term conversions are allowed, provided the remaining Term policy and the new policy both meet their respective minimum face amount guidelines.
- Two Term policies can be converted to one Survivorship Universal Life (SUL) policy.[4]

See how we stack up against the competition

10-Year Term | Preferred Non-Tobacco/$1 million face amount

Company	Male age 55	Company	Female age 55
Principal®	$1,775	Principal	$1,410
Lincoln National	$1,775	Banner Life	$1,415
John Hancock	$1,779	American National	$1,460
Banner Life	$1,790	AXA Equitable	$1,485
Pruco Life	$1,855	Pruco Life	$1,495
Protective	$1,859	Transamerica	$1,520

15-Year Term | Super Standard Non-Tobacco/$1 million face amount

Company	Male age 55	Company	Female age 55
Principal	$3,290	Principal	$2,445
Transamerica	$3,290	Transamerica	$2,450
American General	$3,294	AXA Equitable	$2,485
John Hancock	$3,299	American National	$2,490
American National	$3,500	John Hancock	$2,527
Pacific Life	$3,545	Pruco Life	$2,585

20-Year Term | Preferred Non-Tobacco/$1 million face amount

Company	Male age 35	Company	Female age 35
Principal	$594	Principal	$495
American General	$594	Protective	$511
Protective	$595	Transamerica	$530
John Hancock	$599	United of Omaha	$543
Pacific Life	$615	Pacific Life	$560
American National	$640	American National	$565

30-Year Term | Super Standard Non-Tobacco/$1 million face amount

Company	Male age 45	Company	Female age 45
Principal	$3,122	Principal	$2,210
American General	$3,124	Pacific Life	$2,245
American National	$3,140	American National	$2,260
Pacific Life	$3,175	Transamerica	$2,270
Pruco Life	$3,265	Brighthouse Life	$2,319
United of Omaha	$3,403	Pruco Life	$2,365

Information is current as of March 2017.

Principal Term is competitive at the mid-band rates, too

10-Year Term | Preferred Non-Tobacco/$500,000 face amount

Company	Male age 55	Company	Female age 55
Principal	$994	Principal	$780
Banner Life	$995	American National	$790
American National	$1,045	AXA Equitable	$795
American General	$1,069	American General	$824
Transamerica	$1,070	United of Omaha	$828
AXA Equitable	$1,075	Transamerica	$840

15-Year Term | Super Standard Non-Tobacco/$500,000 face amount

Company	Male age 55	Company	Female age 55
Principal	$1,745	Principal	$1,280
Banner Life	$1,745	John Hancock	$1,303
John Hancock	$1,747	AXA Equitable	$1,305
Transamerica	$1,750	American National	$1,320
American General	$1,759	Pruco Life	$1,365
American National	$1,790	Pacific Life	$1,430

20-Year Term | Preferred Non-Tobacco/$500,000 face amount

Company	Male age 45	Company	Female age 45
Principal	$708	Principal	$544
John Hancock	$709	Lincoln National	$548
American General	$709	American General	$564
Lincoln National	$710	Transamerica	$585
AXA Equitable	$710	United of Omaha	$593
Pacific Life	$720	American National	$600

30-Year Term | Preferred Non-Tobacco/$500,000 face amount

Company	Male age 45	Company	Female age 45
Principal	$1,228	Principal	$905
Lincoln National	$1,229	American General	$909
Protective	$1,232	American National	$910
Pacific Life	$1,235	Pacific Life	$930
Transamerica	$1,250	Pruco Life	$960
American National	$1,275	United of Omaha	$978

Information is current as of March 2017.

Solutions that sell

What does a policy from Principal offer your clients? See how it can be an ideal fit for personal and business protection needs in the following scenarios.

Protecting future insurability

Objective: Provide financial security today while ensuring coverage for the future.

Challenge: Find affordable coverage today with the flexibility to adjust to changing client needs in the future — without the worry of insurability.

Why term insurance? It can be the first step in helping your clients and their families secure their financial future.

- Provides a death benefit to meet their current needs.
- Allows them to qualify for life insurance based on their current health (before any health changes occur as they age).
- Gives your client future flexibility so that they can convert the Term policy to a permanent plan in the future without requiring insurability.

Take action: Find the Principal Term life insurance policy that's right for your client. We offer face amounts as low as $200,000 and guaranteed periods of 10, 15, 20 and 30 years.

Layering diversification strategy

Objective: Manage the cost of insurance while adding flexibility to match the product to the total death benefit needed.

Challenge: Diversify clients' insurance portfolios by using a combination of products to layer permanent policies with term insurance. Also, help offset costs while tailoring coverage to the clients' specific death benefit needs.

Why term insurance? Low premium outlay provides cost-effective funding and offers the following benefits:

- Flexibility to choose term period coverage based on current, more short-term needs.
- Cash-value accumulation potential with the permanent policy.
- Conversion privileges if needs change and additional death benefit coverage is needed beyond initial term period.[4]

Take action: Review the Term and UL Flex II combination sales idea (BB12005).

Key person

Objective: Protect businesses if a key person/ employee were to leave or pass away, allowing the company to continue operating despite possible loss of revenue and increased expenses from recruiting and training new employees.

Challenge: Obtaining a policy that can provide low-cost death benefit protection and provide peace of mind to the business owner.

Why term insurance? Can effectively cover loss of revenue and increased expenses with a low-cost, tax-free death benefit.

- Allows the business owner to tailor the length of coverage based on the employee's estimated employment time.
- Offers a low-cost insurance solution for situations that may and will change in the future.
- Provides streamlined underwriting and a higher level of convenience to all.

Take action: Find what you need to help you turn this idea into results at principal.com/keyperson. Or review the Term key person sales idea (BB11997).

Agriculture business coverage

Objective: Plan for the future of the family farm or ranch and ensure the continuation of the business.

Challenge: Farmers and ranchers put a tremendous amount of planning into every aspect of their operations, but many fail to plan for their own financial future.

Why term insurance? It can play a critical role in the smooth transition of a farm or ranch, helping clients:

- Gain immediate coverage to not only protect their families, but to cover short- and long-term debts.
- Solidify their estate plan and enjoy the peace of mind of knowing they can convert to a permanent policy to better meet their long-term estate needs.

Take action: Help your agribusiness clients find coverage to fit their needs today with Principal Term.

Let's connect

Call the National Sales Desk today at 800-654-4278, or your Life RVP.
Visit us at **advisors.principal.com**.

Principal℠

advisors.principal.com

Principal National Life Insurance Company and Principal Life Insurance Company, Des Moines, Iowa 50392-0002

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The data shown in product comparisons is taken from various company illustrations. Competitor information is current and accurate to the best of our knowledge as of March 2017. The comparisons in this communication are of different products which vary in fees, expenses, features and benefits.

The comparisons cannot be used with the public.

Principal National Life Insurance Company Policy Form: ICC17 SN 104, Rider Forms: SN 2, SN 3, SN 4, SN 5, SN 42 and SN 105

Principal Life Insurance Company Policy Form: SF 946 NY and SF 946 NY U, Rider Forms: SF 686 NY, SF 807 NY and SF 880 NY

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[1] This tool does not provide a full policy quotation and is only intended to be used to show an initial quote. It is only available for quoting Principal Term products.

[2] For 40-50% of applicants who qualify. Based on age, product, face amount and personal history.

[3] Policy rider descriptions are not intended to cover all restrictions, conditions or limitations. See policy for full rider details. Product and riders are subject to state availability. Additional costs may apply to some riders.

[4] We currently offer the conversion of two Term policies to one SUL policy. Conversion is allowed up to twice the face amount of the smaller of the two term policies. This conversion option to a SUL is only valid provided Principal offers an SUL at the time of conversion.