Principal Term life insurance

# Help more clients gain affordable protection

Have you talked to your clients about the benefits a Term policy offers them? Term insurance can be the first step in helping your clients and their families secure their financial future by providing a death benefit in their times of need. Our Term product offers affordable coverage for a specified period of time, with the option to convert to a permanent policy in the future.

**Term insurance can be the right fit for clients who seek:**

- Basic coverage to start meeting their life insurance needs.
- Contingent coverage for a limited amount of time (e.g., proof of credit, business start-up, buy-sell agreement funding).
- Highest death benefit protection with lower rates.
- Conversion options, including a Conversion Extension Rider, to preserve their insurability now for a permanent policy in the future (no new underwriting as long as the face amount remains the same).

**A Term policy from Principal® provides clients many advantages, including:**

- Lower-cost protection to meet current business owner or individual insurance needs compared to permanent insurance.
- Strong conversion privileges that can be used to help shift from short- to long-term protection.[1]
- Fast and easy underwriting programs that provide top-notch service and support, as well as competitive turnaround times.
- Flexible policy riders[2] that offer additional coverage options for clients' specific needs.
- Business solution for owners who want to cover a business loan, protect key employees or fund an executive program.

**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[3]

Policies issued and paid in 10 days or less

Get Principal Term quotes on the go with **Principal Life Quote Edge**[SM]. Rates are available anytime, anywhere on your mobile device.[4]

## Fast facts | Products available: 10-, 15-, 20- and 30-Year Term

| *Issue ages/ underwriting classes:* | Non-Tobacco | Tobacco |
|---|---|---|
| 10-Year Term | 20-80 | 20-75 |
| 15-Year Term | 20-75 | 20-70 |
| 20-Year Term | 20-65 | |
| 30-Year Term | 20-55 | 20-50 |

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

Premium bands: $200,000-999,999; $1,000,000

Face Decreases:

- Not allowed in the first policy year
- Policy years 2 – 5: up to 35% cumulatively of the original face amount
- No restrictions policy years 6+, but the remaining face amount must be at least $200,000.
- If the face drops into the mid-band (under $1M), mid-band rates will apply.

## Competitive sweet spots

- 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

## Key underwriting programs and services

- Principal Accelerated Underwriting[SM] provides up to $1 million of coverage without the need for labs or exams.[3]
- Healthy Lifestyle Credits help offset one negative risk factor/knockout if the individual has enough favorable credits.
- Tobacco/Non-Tobacco rates allow the use of 12 or fewer cigars in previous 12 months and a negative nicotine test will qualify at Non-Tobacco rates.[5]
- TeleApp service lets underwriters gain more medical insight than the traditional application provides.

## Concept fits

- Key person
- Buy-sell agreements
- Income replacement
- Estate planning

## Riders

**Accelerated Benefit** allows the owner to obtain up to 75% of their death benefit (up to $1,000,000) prior to death when the insured is diagnosed with a terminal illness. (No charge is required for this rider.)[2]

**Children Term** allows eligible children to be added to a policy at issue with coverage available between $5,000 and $25,000. (There is a charge to purchase this rider.)[2]

**Conversion Extension** allows the conversion option to extend to the earlier of the full level premium period and the insured's attained age 70. Issue ages for the rider are: 10YT: 20-62; 15YT: 20-57; 20YT: 20-54; 30YT: 20-49. Rider is only available at issue, and there is a charge to purchase it.[2]

**Waiver of Premium** waives the premium as long as the insured is totally disabled, subject to rider limitations. (There is a charge to purchase this rider.)[2]

Let's connect

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

All guarantees and benefits of the insurance policy are backed by the claims-paying ability of the issuing insurance company.

Principal National Life Insurance Company Policy Form: ICC17 SN/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] Policy conversion period (10YT: first seven policy years; 15YT: first 12 policy years; 20YT: first 15 policy years; 30YT: first 20 policy years) or until the policy anniversary nearest the insured's attained age 70, whichever is earlier. The additional charge of the Conversion Extension Rider extends the option to convert to the earlier of the level premium period or attained age 70 without evidence of insurability.

[2] 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 and may have additional costs.

[3] For 50-60% of applicants who qualify. Based on age, product, face amount and personal history.

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

[5] Subject to change.