

Anti-Money Laundering (AML) frequently asked questions

What is the Anti-Money Laundering (AML) program?

Principal Life Insurance Company® and Principal National Life have an Anti-Money Laundering (AML) program to comply with federal laws and regulations and prevent money laundering and terrorist financing.

Which products fall under the AML course requirement?

- The AML program covers permanent individual cash value life insurance policies and individual annuity contracts (collectively, covered products).
- AML programs required for SEC registered broker-dealers already address variable annuity contracts and variable life insurance policies, so they don't need to complete this training.
- Other products, including individual term life policies, group life policies, individual or group disability income policies and group annuity contracts, aren't included in this training.

Are producers who aren't registered with FINRA required to complete AML training?

Yes. All producers selling fixed insurance products are required to keep their AML training up-to-date.

Is completion of an AML course required for registered representatives?

Yes. Completing an AML course is required for the sale of fixed insurance products, regardless of the producer's broker-dealer affiliation.

Principal Securities Registered Representatives don't need to take this course in addition to what they take for Principal Securities as their broker-dealer.

Why is Principal delaying the issuance of new business and/or commissions if we don't have a producer's proof of AML training completion?

Consistent with federal regulations, our AML program requires that we don't issue products sold by producers who haven't received the required AML training.

How long has Principal had an AML program?

Since 2006, when federal regulations went into effect. All insurance companies are required to ensure producers doing business with them have completed the appropriate AML courses.

How often is training required?

Federal regulations require ongoing training. Principal, as well as many of our competitors in the insurance industry, require training to be completed every two years. Producers registered with a broker-dealer will need to complete AML training annually to comply with differing requirements for broker-dealers.

Who's responsible for making sure producers complete their AML certification?

- Field development will make sure all **career agents** have access to, and have completed, the appropriate AML training.
- Sales Compensation Administration will make sure **brokers** have the appropriate AML certification when new brokers are contracted to start working with us, and on an ongoing basis.

How will producers be notified if they need to complete or update their AML certification?

The BGA offices that submit new business paperwork on behalf of the producer will receive an email notification from Sales Compensation Administration when a producer doesn't have current proof of completion on file with Principal. It's then up to the BGA office to notify the producer.

Where can producers complete an AML course?

Principal Life and Principal National have contracted with LIMRA to provide web-based AML courses. This is our preferred method for course completion.

How do producers log in to LIMRA's website?

Producers must access the LIMRA website and log in with a username, which is their National Producer Number (NPN). If you do not know your (NPN) you may visit <http://nipr.com>.

- If it's the producer's first time accessing the LIMRA AML course, their password will be their last name entered all in lower case letters.
- If they've taken the LIMRA course in the past, they'll need to use the password they created when they first accessed the course. If they don't know their password, they can hit the "Forgot Password" link to create a new one. They can call 866.364.2380 or email support@cfmpartners.com for technical assistance.
- Their username and password must be entered in lowercase.

How long does LIMRA's course take to complete?

About 30 minutes.

Which LIMRA course should producers take?

Producers must first complete the AML base course. Refresher courses are available on an ongoing basis to keep the certification current. Producers will need to be sure they've selected the most current refresher course.

Do producers need to notify Principal once they've completed the AML course through LIMRA?

No. Principal has access to this information through LIMRA and can obtain up-to-date information when applicable

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