

Offer clients simple protection designed to meet many needs.

Have you talked to your clients about the benefits a Term policy offers? Term insurance can be used in a variety of ways, including to provide protection for families, as funding for business solutions, and as a key employee benefit offering. Our Term product offers cost-effective coverage for a specified period of time, and the option to convert to a permanent life insurance policy can be included.

Term life insurance can be a good fit for clients who seek the following:

- Basic coverage to start meeting their life insurance needs
- Contingent coverage for a limited time (e.g., proof of credit, business start-up, buy-sell agreement funding)
- Cost-effective protection for the coverage needs

Principal Term offers clients advantages, including:

- Lower-cost alternative to permanent insurance to help meet current business owner or individual insurance needs
- Options to convert to any currently sold permanent product with no new underwriting (as long as the face amount is the same), including conversion to products offering the Chronic Illness Rider, when conversion occurs within the first five years of the Term policy
- Fast and easy underwriting programs that provide top-notch service and support, as well as competitive turnaround times
- Two optional riders designed specifically for business use that can help coverage keep pace with the growth of the value of the business or increases in an employee's salary.
- Attractive solution for key person insurance, buy-sell agreements, executive benefits, income replacement, and estate planning



Term conversion options

Your clients have differing needs for term conversion and we offer options.

No conversion. The nonconvertible policy has no conversion rights and offers the lowest-cost premium.

Limited conversion period. The convertible policy offers conversion for a portion of the level term 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.

Full level term conversion. The convertible policy with Conversion Extension Rider extends the option to convert to the earlier of completion of the level term period or the insured's attained age 70.

Fast facts | 10-, 15-, 20- and 30-Year Term

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

N = Nonconvertible policy, C = Convertible policy

Non-Tobacco: Super Preferred, Preferred, Super Standard, and Standard class

Tobacco: Preferred and Standard

Minimum face amount: \$200,000; \$1 million for issue ages 66+

Premium bands: \$200,000, \$1,000,000, and \$3,000,000

Annual policy fee: \$75 (non commissionable)

Face decreases:

- Allowed after policy year 1
- Policy years 2–5: up to cumulative 35% of the original face amount
- Policy years 6+: no restrictions; must meet \$200,000 face amount minimum

Face increases:

- Allowed on or after first policy anniversary
- Not allowed beginning at the earlier of the end of the Initial Level Premium Period or the maximum issue age for the Term duration

Competitive sweet spots

- Ages 35–55, Non-Tobacco rates
- \$3 million or greater death benefit
- Standard and better rates
- Ages 60–75, nonconvertible policies over \$1 million (ages 60–65 for 20-year contracts)

Key underwriting programs and services

- Principal Accelerated UnderwritingSM provides up to \$3 million of coverage (maximum depends on age) for Standard and better classes, without the need for labs or exams.*1
- Healthy Lifestyle Credits help offset one negative risk factor/knockout if the individual has enough favorable credits.
- Risk Upgrade Program can potentially improve ratings of Table 2 or a flat extra of \$2.50 per \$1,000 to Standard on select impairments and non-medical risks.

Riders*2

Accelerated Benefit pays up to 75% of the death benefit (max. \$1 million) early when the insured is diagnosed with a terminal illness.

Business Value Increase Rider provides face amount increases based on growth in the value of a business, without requiring evidence of insurability. Works on three-year increase cycles.

Salary Increase Rider provides face amount increases based on salary adjustments, without requiring evidence of insurability. Policies are eligible for increases on or after policy year 1.

Waiver of Premium waives the premium as long as the insured is totally disabled, subject to rider limitations.

Conversion Extension allows conversion to the earlier of the full level premium period and policy anniversary nearest 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.



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*1 Accelerated Underwriting is an expedited program applicants may qualify for based on age, product, face amount, and personal history. Insureds cannot use any special underwriting program or reinsurance to qualify for their underwriting classification.

*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.