

Principal Survivorship Universal Life Protector IISM

Protection for Your Estate





Is your legacy protected?

You've built your estate through hard work and smart decisions. Yet, without one final step, estate taxes could erase much of what you worked so hard to build. Current federal tax law allows the full proceeds of an estate to pass to a surviving spouse. However, at the death of the second spouse, the entire estate is subject to taxes.

Protect your estate through wealth transfer

An estate plan can be used to help protect your legacy by making sure funds are available to pay federal estate taxes and other settlement costs. Taking care of these costs can help maximize the transfer of wealth to your heirs. A well-designed estate plan can help achieve a few key objectives:

- Decrease or eliminate estate tax by reducing the estate through gifting, trust arrangements and other redistribution methods.
- Ensure that assets are passed to recipients in the manner intended.
- Provide cash to pay estate taxes and final expenses without forcing the sale of assets or creating a burden for heirs.

Principal Survivorship Universal Life Protector II (Principal SUL Protector II) insurance offers an efficient way to pay estate costs and enable the transfer of wealth to future generations. Principal SUL Protector II insures two people and pays a benefit at the death of the second. Estate protection is provided when it's needed most.



What do you want to achieve?

With careful planning, you can share with your loved ones the benefits of all you have accomplished. Principal SUL Protector II can help you reach your estate goals.

Maximize your estate assets.

Pay for estate costs and preserve the assets you've accumulated for your heirs.

Equalize the inheritance.

Establish the means for a child not involved with the family business or with other valuable family assets to receive a share equal to a child who received a business interest.

Fulfill a charitable dream.

Leverage the low cost of survivorship life insurance into a substantial charitable gift to support a cause that you are passionate about.

Provide for a child with special care needs.

Feel assured that a child or grandchild with special care needs will be taken care of after your death.

Secure an education.

Help ensure a child's or grandchild's education needs are met even if you are no longer alive to fund the education.

Protect a business.

Provide funds to help a business continue to operate in the event of the death of the insured business owners.

Set your financial future

Realize the vision you have for your financial future. Principal SUL Protector II offers guarantees,¹ flexibility, choice and stability you can count on to help meet your estate planning needs.

- **Guaranteed protection.** Gain peace of mind from the ability to guarantee a death benefit for a period of time that fits your needs, up to lifetime coverage.¹
- **Flexible payments.** You select the length of the Lapse Protection Guarantee period and the level of premium paid into the contract.²
- **Coverage that fits.** Choose a death benefit amount to meet your protection needs. As those needs change, you can increase or decrease the coverage amount to fit your situation.
- **The Principal Financial Group® edge.** Experience the security that comes from relying on protection provided by a leader in America's life insurance industry.³

Principal SUL Protector II riders and features^{4,5}

Couples and business partners can benefit from policy features and riders that can enhance coverage and offer additional flexibility.

Lapse Protection rider

One of the key features of this policy is the guaranteed death benefit coverage provided at a low cost. This coverage is provided by the Lapse Protection rider. This rider is automatically added to all policies at issue. With this rider, you can guarantee your policy will not lapse for a specified period of time up to your full lifetime. You control how long your policy remains in force without lapsing by the amount of premium you pay into the policy.

- **Lapse Protection premium.** You can select a payment pattern that meets your particular needs. A Lapse Protection Value accumulates as you pay premiums into the policy. As long as the policy's Lapse Protection Value is greater than the loan balance, your policy's coverage is guaranteed not to lapse.² Your financial professional can help you determine the payment amount and duration necessary to accomplish this. In the first year, payment of a minimum premium is required.
- **Changes that can affect Lapse Protection.** The Lapse Protection Guarantee is not affected by changes in the policy interest crediting rate or charges that are used to determine the Surrender Value. However, the Lapse Protection Guarantee period for your policy may shorten if one or more of the following events occur:
 - You change the amount and/or frequency of your premium payments.
 - You take a loan or a partial surrender of Surrender Value.
 - You change the death benefit option.
 - The face amount increases (including increases resulting from policy riders).
 - You decrease the face amount.
 - You add, change or delete a rider that has a charge.
 - Your underwriting risk class changes.

Before making any premium or policy change listed above, contact your financial professional or our home office. Additional information can be provided to help you understand the effect these changes can have on your Lapse Protection premium and/or your Lapse Protection Guarantee period.



Four-Year Term Insurance rider

This rider provides a level death benefit equal to 122 percent of the base policy face amount payable upon the death of the second insured if both deaths occur within the first four policy years. This low-cost rider is designed to help pay for increased estate tax costs (under IRC Section 2035) if the policy is issued with the insureds as owners, is later transferred to ownership by a trust and both insureds die within three years of transfer and four years of issue. This rider provides no cash value. It may not be available at all issue ages and risk classes.

Estate Tax Repeal rider

This rider permits the policyowner to terminate the policy without charge if the federal estate tax imposed under the Internal Revenue Code or any similar body of law is repealed. Full repeal must be in effect at the time of the surrender request. To use this rider, the policy must be in force for a minimum of five years from issue or from a policy face amount increase, whichever is later. This rider provides a benefit only upon full surrender. There is no charge to have this rider.

Extended Coverage rider

The policy matures when the younger of the two insureds reaches age 121. This rider automatically extends the policy's Lapse Protection Guarantee period beyond the maturity date to the date of the death of the second insured. There is no charge to have this rider.

Policy split option provision

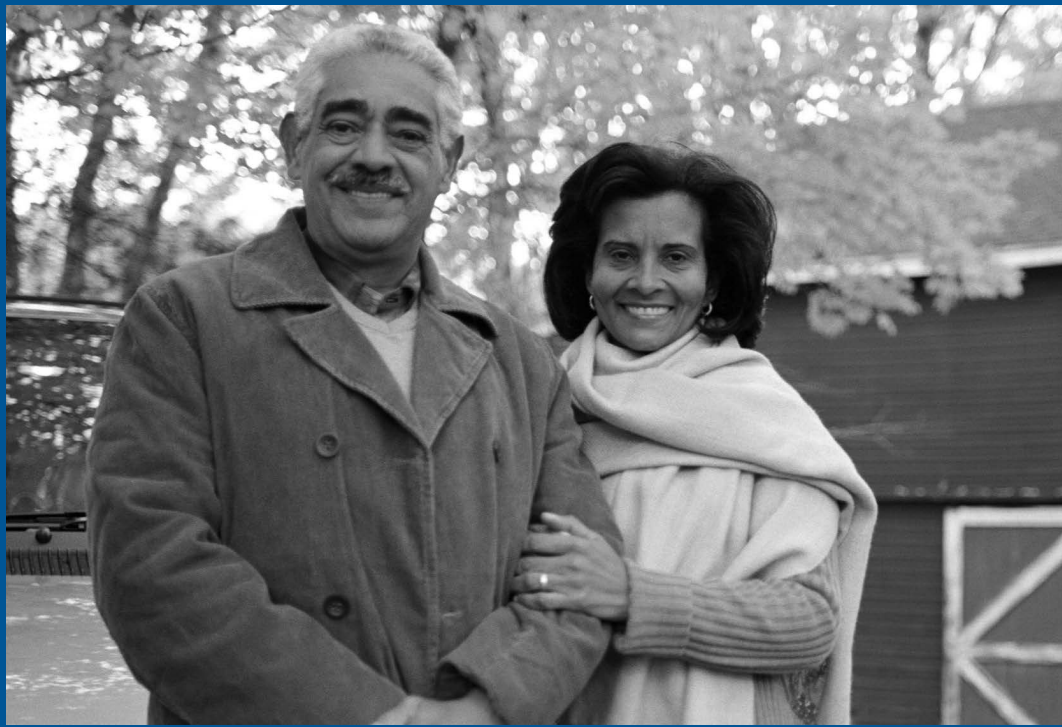
When used, this option allows the owner to split the Principal SUL Protector II policy into two individual policies of equal amount. The policy split is permitted in the event of dissolution of marriage or civil union, a substantial change in the unlimited marital deduction or reduction in the maximum federal estate tax bracket below 15 percent. Insureds at certain ages and risk classes may not be eligible to use this provision. An administrative fee may be charged at the time of the policy split.

Death benefit options

Two options are available, offering choice to meet your specific needs.

- Option 1 – The death benefit is equal to the policy face amount.
- Option 2 – The death benefit is equal to the policy face amount plus the accumulated cash value.

Principal SUL Protector II is designed to help protect what you have worked so hard to build. With affordable premiums, flexible coverage amounts and the security offered by a leading life insurance carrier, we have the product to help ensure your estate planning needs are covered.



- ¹ Guarantees are based on the claims-paying ability of Principal Life Insurance Company.
- ² As long as you pay the planned periodic premium at the planned frequency and duration and no changes are made to your policy, coverage will be guaranteed to the Lapse Protection Coverage Date. If you choose to pay the minimum lapse protection premium, you may be foregoing the advantage of building a significant Accumulated Value. This means that the minimum premium will cover a specified death benefit protection period and keep your policy in force provided no loans, partial surrenders or policy changes occur. However, beyond this death benefit protection period, your policy coverage may lapse.
- ³ 17th largest provider of life insurance based on 2013 LIMRA data on total life new sales premium, April 2014.
- ⁴ Policy rider descriptions are not intended to cover all restrictions, conditions or limitations that may apply. See the policy and rider for full details. Riders are subject to state variations and may not be available in all states. Some riders may require additional premium.
- ⁵ Benefits may be limited during the first two years of your policy under the Suicide and Contestability provisions. Please refer to your policy for details



WE'LL GIVE YOU AN EDGE®

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Principal National Policy Form SN 73 / Rider Forms SN 19, 20, 21 and 74
Principal Life Policy Form SF 910 / Rider Forms SF 763, 764, 765 and 911