

PRODUCT DESCRIPTION

Flexibility at Your Fingertips

The Principal Preferred Series Annuity is a fixed annuity that helps you save whether you are in or near retirement. **You have the flexibility to choose between a higher interest rate or guaranteed return of premium to help meet your specific needs.** It also offers a fixed rate of return with strong guarantee¹ features. You can take advantage of five guaranteed interest rate periods with a matching surrender charge period.

Choose from a three-year, four-year, five-year, six-year or seven-year guaranteed interest rate period.

Product Description	Details
Guarantee Periods²	<ul style="list-style-type: none"> ▶ 3, 4, 5, 6 and 7-year
Premiums	<ul style="list-style-type: none"> ▶ Initial Premium Minimum: \$5,000³ ▶ Subsequent Premiums (<i>first contract year only</i>): \$2,000 ▶ Maximum Premium: \$2 million (<i>up to \$5 million with home office approval</i>)
Issue Age	<ul style="list-style-type: none"> ▶ 0 to 90
Interest Rate Guarantee & Renewals⁴	<ul style="list-style-type: none"> ▶ Initial interest rate guaranteed for 3, 4, 5, 6 or 7 years ▶ Renewal window during the last 30 days of the guarantee period ▶ Automatically renews into the same guarantee period (<i>unless you elect another guarantee period</i>); surrender charges restart ▶ Receive the best rate between beginning and end of the renewal window ▶ During the renewal window you can withdraw the value of your account without paying any surrender charges
Guaranteed Minimum Interest Rate (GMIR)	<ul style="list-style-type: none"> ▶ Set at contract issue and then redetermined/reset at renewal/re-up
Premium Credit	<ul style="list-style-type: none"> ▶ Credited to each premium payment made in contract year 1 only (<i>if available</i>) ▶ You may be eligible for a higher Premium Credit percentage by increasing your initial premium payment ▶ May not be available with all guarantee periods
Guaranteed Return of Premium⁵	<ul style="list-style-type: none"> ▶ Option to choose between "Return of Premium" (<i>in all years</i>) or "No Return of Premium" (<i>in all years</i>) on the application at contract issue ▶ Once elected, it cannot be changed (<i>i.e., cannot be changed at automatic renewal</i>) ▶ The contract defaults to "No Return of Premium" (<i>in all years</i>) ▶ If "No Return of Premium" is elected, you will receive a higher base rate
Annual Charges	<ul style="list-style-type: none"> ▶ No annual or up-front charges
Income Benefits	<ul style="list-style-type: none"> ▶ A full range of life, joint life and fixed period income options are available.
Reporting	<ul style="list-style-type: none"> ▶ Annual statements are provided at the beginning of each new contract year.

The surrender charge period does not start over for new premium contributions. Surrender charges are based on the contract issue date. There are no surrender charges for amounts used to purchase an income benefit or for single-sum payments made at death. For other surrenders, the charges are as follows:

CONTRACT YEAR	3-Year Guarantee	4-Year Guarantee	5-Year Guarantee	6-Year Guarantee	7-Year Guarantee
1	8%	8%	8%	8%	8%
2	7%	7%	7%	7%	7%
3	6%	6%	6%	6%	6%
4		6%	6%	6%	6%
5			5%	5%	5%
6				4%	4%
7					3%

Product Description	Details
Waiver of Surrender Charge	<p>You may receive all or a portion of your accumulated value without any surrender charge if one year after the effective date you:</p> <ul style="list-style-type: none"> ▶ Are diagnosed as terminally ill, with a life expectancy of less than 12 months ▶ Become totally and permanently disabled and are unable to engage in any occupation for pay or profit due to sickness or injury ▶ Enter a medical care facility and are confined there for 60 consecutive days or more
Free Surrender Amount	<ul style="list-style-type: none"> ▶ 15% of beginning of contract year account value or Required Minimum Distribution, whichever is higher
Flexible Withdrawal Option (FWO)	<ul style="list-style-type: none"> ▶ Scheduled partial surrenders on an annual, semiannual, quarterly or monthly basis for no additional fee ▶ Withdraw (without surrender charge) any amount up to your free surrender amount ▶ Withdrawals may be paid directly to another account (checking, savings, mutual fund, etc.) of your choice

¹ Guarantees are based on the claims-paying ability of Principal Life Insurance Company.

² All guarantee periods may not be available at all times and in all states.

³ State variations may apply.

⁴ 30-day renewal feature is not available in Florida. Florida contracts will renew into a one-year guarantee period at the end of the initial guarantee period and surrender charges will not restart.

⁵ Return of Premium option may not be available on all guarantee periods and in all states at all times.

Not FDIC or NCUA insured
 May lose value • Not a deposit • No bank or credit union guarantee
 Not insured by any Federal government agency



WE'LL GIVE YOU AN EDGE®

Withdrawals prior to age 59½ may be subject to a 10% IRS penalty tax.

Contract rider descriptions are not intended to cover all restrictions, conditions or limitations.
 Refer to rider for full details. Riders are subject to state availability.

Annuities are issued by Principal Life Insurance Company, a member of the Principal Financial Group®, Des Moines, IA 50392.