

Individual Disability Income Insurance



The Value of Paycheck Protection

You probably don't think twice about insuring your car. After all, it's an important asset. But, have you thought about protecting the asset that pays for that car, the insurance for it and all of life's other necessities – your income?

One way to protect your income is with Individual Disability Income (DI) insurance. If you become too sick or hurt to work, it provides a monthly benefit to help you cover everyday living expenses and help maintain your lifestyle.

Affordable coverage

Let's look at a hypothetical example that illustrates the affordability of income protection compared to common monthly car expenses:

 CAR INSURANCE <i>Car – a depreciating asset</i>	 INCOME PROTECTION³ <i>Income – an appreciating asset</i>
<ul style="list-style-type: none">• 2014 Chevrolet Equinox LS: \$17,000 trade-in value¹• \$75 per month premium for car insurance – 19% of the car's trade-in value²	<ul style="list-style-type: none">• \$150,000 annual income; \$6,900 monthly Individual DI benefit• \$230 per month premium for an Individual DI insurance policy – 1.8% of annual income

Comparing the cost of Individual DI insurance to the cost of car insurance is for illustrative purposes only. Disability insurance and car insurance serve distinct coverage purposes and have different risk profiles. No company of the Principal Financial Group® offers car insurance.

Protecting an appreciating asset and all it provides

When you compare the cost to the value of what's being insured, Individual DI insurance could be one of the least expensive coverages you could purchase. Thought of another way, for less than what you may spend on gas and car maintenance each month,⁴ you could protect your most valuable asset – your income.

Get coverage faster and easier

Principal Life Insurance Company offers streamlined underwriting with Simplified DI. With up to \$4,000 a month in benefits available, Simplified DI lets you receive an accelerated underwriting decision once we obtain your insurance application and telephone medical interview (TeleApp).⁵ The process is more streamlined because we don't need:

- Routine medical requirements⁵
- Financial verification (if your annual income is less than \$150,000)⁶

And of course, you still receive the same high-quality, individually owned policy as if you underwent a more thorough underwriting process.

FOR MORE INFORMATION

Contact your local representative.

¹ 20,000 miles, excellent condition, as seen on www.kbb.com, July 2015.

² "Average Car Insurance Rates," www.dmv.org, July 2015.

³ Principal Life Insurance Company policy for a non-tobacco, Colorado resident, 40-year-old male, 5A occupation class, 90-day elimination period, to Age 65 Your Occupation and Benefit Periods, Residual Disability and Recovery Benefit rider, 10% Select Occupation Discount.

⁴ Average monthly cost for gas and maintenance for an average sedan driven 15,000 miles annually is \$233. AAA, *Your Driving Costs*, 2012 edition.

⁵ No blood, urine, exams, EKGs or APs required, unless a significant and undisclosed medical condition is reported by MIB, significant medical information is derived from the TeleApp, or any other disability coverage has been issued or applied for on a non-medical basis. Urine/HIV test is required in Maine. This is not a guaranteed issue program; applications could be rated, ridered or declined. Subject to Issue & Participation limits and minimum premium requirement. Simplified DI is available for ages 18 to 50.

⁶ Financial documentation is required for the following occupations (regardless of income): real estate agent/broker, mortgage originator/broker, real estate attorney, residential construction contractor and real estate developers.



WE'LL GIVE YOU AN EDGE®

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Disability insurance has limitations and exclusions. For costs and coverage details contact your Principal Life financial representative.