

Available Jan. 24, 2011, in California

Individual DI Insurance (HH 750)

Principal Life Insurance Company is proud to announce a **NEW** Individual Disability Income (DI) insurance product, HH 750, for California. The new policy replaces the current Individual DI insurance product offering in California (HH 641/HH 643/HH 644). The new policy provides more choice and flexibility to help you structure coverage to meet a variety of client needs – including income and retirement savings protection.

You can begin quoting the HH 750 policy for California on Monday, January 24, 2011. On that date, applications will be available online through Create Application Packet on Principal eFinancial ProfessionalSM (principal.com/financialprofessional).¹

When you sell the HH 750 policy, you earn Series 700 compensation; OE and DBO insurance policies sold in California continue to pay Solutions II compensation.

About the offering

The policy is non-cancelable and guaranteed renewable to age 65, with level premiums for the life of the policy.² The new product offers an unbundled design; providing the flexibility you need to create a customized, affordable solution for your client. The offering boasts:

- A variety of cost and no cost riders, including several that feature competitive definitions of disability and future increase options
- Upgraded occupation classes for many medical and dental professions³
- Benefit periods that can extend coverage To Age 67 or To Age 70
- Two new sales programs – DI Retirement Security and Association (featuring a 10% discount); in addition to sales programs previously offered in California, including Simplified and Multi-Life⁴
- Up to \$20,000/month issue limit and up to \$30,000 participation with other inforce disability coverage (certain guidelines apply)

Transition guidelines – Individual DI insurance

From January 24 through March 18, 2011, you may complete pending sales for the current California Individual DI insurance policy (HH 641/HH 643/HH 644) and applicable provisions, riders, rates and underwriting guidelines. For clients who wish to take advantage of the new HH 750 product, the following transition guidelines have been established:

Pending Applications

If an application is pending in underwriting, you can send an e-mail to your case coordinator or underwriter indicating the HH 750 policy should be issued. The application will be amended with the new information, and the applicant must sign the amendment upon policy delivery. Additional underwriting requirements may be required.

Policies Pending Delivery or Policies Put Inforce Between November 26, 2010, and January 24, 2011

You may send an e-mail to your case coordinator or underwriter to request a policy re-write (to HH 750) until Friday, March 18, 2011. Additional underwriting requirements may be required.

The policy will be re-written and re-dated to January 24, 2011 (the introduction date). A new contestable period will begin. The applicant must sign the new policy upon delivery. The application will be amended with the new information, and the applicant must sign the amendment upon policy delivery. You will not experience a persistency impact if the policy change is made within this timeframe, although compensation may be impacted.

Inforce Policies before November 26, 2010

Inforce policies are not eligible for the HH 750 policy offering. The client must cancel their current policy and apply with underwriting for the HH 750 policy at attained age/rates. There will be no persistency impact since this is an internal replacement, however compensation may be impacted.

For more information

Join us at one of our two **teleconferences on Tuesday, Feb. 1, 2011**, from 10 a.m. to 11 a.m. PST or 1 p.m. to 2 p.m. PST. The call-in number is 866-627-9710.

If you have questions, contact your regional disability wholesaling team or the DI National Sales Desk at 800-654-4278, opt. 2, 2.

1 – Use of the TeleApp Interview is still required for all applications in California. As of January 24, 2011 you will no longer be able to access the Individual DI insurance application for HH 641/HH 643/HH 644.

2 – Principal Life cannot change or cancel the policy (except for nonpayment of premiums) or increase the premiums before age 65, regardless of changes in income, occupation or health. After age 65, the policy is conditionally renewable for life if the insured is working full time.

3–Occupational upgrades can be considered for Individual DI Insurance (HH 750), Overhead Expense and Disability Buy-Out insurance pending applications in California. A policy put inforce before November 26, 2010 can not be rewritten solely for the purpose of an occupational change.

4 – Up to 30% Multi-Life Discount is now available for Guaranteed Standard Issue (GSI) DI cases in California.



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This is a summary of benefits only. Consult your state sample policy for actual terms, limitations and exclusions. Riders subject to state and occupation class availability and may require an additional premium.

For producer education and information only – not for use in sales situations.