

Principal Select Series Annuity<sup>SM</sup>

# Secure your retirement savings



**No matter your life stage,** a market downturn can make a big impact on your savings. But once you're in retirement, it becomes even riskier. Because a fixed annuity has a guaranteed interest rate protected from fluctuating markets, it can be an important part of any retirement income plan.

### Why a fixed annuity may work for you

Whether you're in or near retirement, Principal Select Series Annuity can help you prepare for the life you want. It's a long-term savings vehicle that adds stability to your retirement income. And it comes with some significant advantages:



**Tax deferral**  
on earnings  
until withdrawal



**Guaranteed interest rate**  
with no market  
exposure



**Flexibility**  
to choose from a variety  
of benefit options

### Market value adjustment

Principal Select Series is a market value adjustment (MVA) annuity. That means it works a little differently than a fixed annuity without an MVA.

- With a traditional fixed annuity, the insurance company assumes the interest rate risk. With a market value adjusted annuity, the company passes on some of the risk to you, the annuity owner.
- Because you take on more risk, you receive a higher interest rate.
- If you take more than your free surrender amount, or if you surrender your contract before the end of the guarantee period, the amount you receive will be adjusted based on what interest rates have done since you purchased the contract. The MVA may increase, decrease or have no impact on your surrender value. (See the next page for details.)
- If interest rates decrease, you could actually benefit if you surrendered your annuity early. That's because the cash surrender value of your annuity has increased. Once you're outside of the surrender charge period, you're not affected by the MVA. (See your contract for more details about the MVA calculation.)

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

Keep in mind the MVA does **not** apply for:

- ✘ **Withdrawals** (made up to the free surrender amount)
- ✘ **Death benefits**
- ✘ **Benefit options**

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## More features at no additional cost

### Free surrender amount

- Each contract year, you can withdraw a portion of your accumulated value — up to 10% of the contract year's accumulated value or required minimum distribution (whichever is higher) without a surrender charge or MVA

### Flexible access to your money

- Schedule partial withdrawals annually, semiannually, quarterly or monthly with our Flexible Withdrawal Option
- Withdraw any amount up to your free surrender amount

### Waiver of surrender charges

- Get emergency access to your money one year after your contract's effective date if:
  - You're diagnosed as terminally ill (with a life expectancy less than 12 months)
  - You become totally or partially disabled
  - You enter a medical care facility and stay for 60 consecutive days



## Why does tax deferral matter?

When you invest your money in a tax-deferred account, you can experience tax-deferred growth. Put simply, you don't pay taxes on any gains associated with your account until the time you withdraw it. Any gains made on that money are reinvested, earning you even more.

# Product details

<b>Premiums</b>	Amount of money (qualified or nonqualified) you use to purchase your annuity <ul style="list-style-type: none"> <li>• Minimum for 3-year guarantee period: \$50,000</li> <li>• Minimum for 4-, 6- or 9-year guarantee period: \$5,000</li> <li>• Maximum: \$2 million (up to \$5 million with approval)</li> </ul>																																																															
<b>Issue age</b>	0–85; contract matures at later of age 95 or 10 years after issue																																																															
<b>Interest rate guarantee</b>	<ul style="list-style-type: none"> <li>• Choose from a 3-, 4-, 6- or 9-year interest rate guarantee period</li> <li>• At the end of your initial guarantee period, your rate is determined annually and the surrender charge period and MVA will end; if you decide at this time not to keep your annuity, there aren't any surrender charges</li> <li>• Rates can change after your guarantee period ends, but they're guaranteed not to be less than the guaranteed minimum interest rate in your contract</li> </ul>																																																															
<b>Guaranteed minimum interest rate (GMIR)</b>	Set at contract issue and doesn't change for the life of the contract <sup>1</sup>																																																															
<b>Premium credit<sup>2</sup></b>	<ul style="list-style-type: none"> <li>• A lump sum premium credit may be made to your accumulated value</li> <li>• In general, the higher your premium payment, the higher premium credit percentage you could receive</li> </ul>																																																															
<b>Guaranteed minimum surrender value</b>	You'll never receive less than your premium (less prior withdrawals – not including MVA amounts) accumulated at the guaranteed minimum interest rate, less applicable surrender charges																																																															
<b>Market value adjustment (MVA)</b>	When you withdraw funds in excess of your free surrender amount before the end of your guarantee period, the amount you receive is adjusted based on the MVA. Keep in mind the MVA does <b>not</b> apply for: <ul style="list-style-type: none"> <li>• Withdrawals (made up to the free surrender amount)</li> <li>• Death benefits</li> <li>• Benefit options</li> </ul>																																																															
<b>Annual charges</b>	No annual or up-front charges																																																															
<b>Income benefits</b>	Life, joint life and fixed period																																																															
<b>Reporting</b>	Receive a statement at the beginning of each new contract year																																																															
<b>Surrender charges<sup>3</sup></b>	Surrender charges are based on the contract issue date. There aren't any surrender charges for amounts used to purchase an income benefit or for single-sum payments made at death.																																																															
	<table border="1"> <thead> <tr> <th colspan="2"></th> <th colspan="9">Contract year</th> </tr> <tr> <th colspan="2"></th> <th>1</th> <th>2</th> <th>3</th> <th>4</th> <th>5</th> <th>6</th> <th>7</th> <th>8</th> <th>9</th> </tr> </thead> <tbody> <tr> <th rowspan="4">Guarantee period</th> <th>3-year guarantee</th> <td>7%</td> <td>7%</td> <td>7%</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <th>4-year guarantee</th> <td>7%</td> <td>7%</td> <td>7%</td> <td>6%</td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <th>6-year guarantee</th> <td>7%</td> <td>7%</td> <td>7%</td> <td>6%</td> <td>5%</td> <td>4%</td> <td></td> <td></td> <td></td> </tr> <tr> <th>9-year guarantee</th> <td>7%</td> <td>7%</td> <td>7%</td> <td>6%</td> <td>5%</td> <td>4%</td> <td>3%</td> <td>2%</td> <td>1%</td> </tr> </tbody> </table>			Contract year											1	2	3	4	5	6	7	8	9	Guarantee period	3-year guarantee	7%	7%	7%							4-year guarantee	7%	7%	7%	6%						6-year guarantee	7%	7%	7%	6%	5%	4%				9-year guarantee	7%	7%	7%	6%	5%	4%	3%	2%	1%
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<b>Free surrender amount/waiver of surrender charges</b>	<ul style="list-style-type: none"> <li>• Each contract year, you can receive 10% of the beginning of your contract year's accumulated value or RMD (whichever is higher).</li> <li>• Also access your money if one year after the effective date you have a qualifying event – terminal illness, disability or enter a medical care facility (see previous page for details).</li> </ul>																																																															
<b>Death benefits</b>	Your beneficiary will receive the accumulated value of the contract as of the date we receive notice, proof of death and all necessary beneficiary payout information.																																																															

<sup>1</sup> State variations may apply.

<sup>2</sup> May not be available with all guarantee periods. If you choose a benefit option and apply your entire accumulated value to it in the first three contract years, any premium credits previously applied through that date will be subtracted from the amount applied to the benefit option.

<sup>3</sup> All guarantee periods may not be available at all times and in all states. For New York, the surrender charges are as follows: 3-year – 7%, 6%, 5%; 4-year – 7%, 6%, 5%, 4%; 6-year – 7%, 6%, 5%, 4%, 3%, 2%; 9-year is not available.

<b>Not FDIC or NCUA Insured</b>
May lose value • Not a deposit • No bank or credit union guarantee Not insured by any federal government agency

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

This is not a recommendation and is not intended to be taken as a recommendation. This material was prepared for general distribution and is not directed to a specific individual.

Taxes are paid at ordinary income tax rate at the time of the withdrawal.

RF1489-09

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.

Annuity products and services are offered through Principal Life Insurance Company, a member company of Principal, Des Moines, Iowa 50392.

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Contract SF 813, SF 918, ICC13 SF 918 | Rider SF 652, ICC12 SF 652, SF 928, SF 787, ICC12 SF 787

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