



**Principal National Life Insurance Company**  
**Principal Life Insurance Company**  
Members of Principal Financial Group®

P.O. Box 10431  
Des Moines, IA 50306-0431

**Absolute Assignment  
to Effect a Section  
1035(a) Exchange**

Only one company is the issuer and responsible for obligations of any given policy.

In this Absolute Assignment "the Company" is the Company which issues the policy, Principal National Life Insurance Company or Principal Life Insurance Company, respectively. ("Current Contract(s)" means contract(s) to be exchanged. "Assignment" means absolute assignment. "Principal Contract" means the new Principal National Life Insurance Company or Principal Life Insurance Company contract.)

If you are exchanging Current Contract(s) from more than one company, complete a separate Assignment for each company. If you are exchanging Current Contract(s) from the same company, please include all contracts on this Assignment. **NOTE:** The insured and owner of the Principal Contract **must match** the insured and owner of the Current Contract(s) being exchanged.

Current Insurance Company	Insured's Name
Owner's Name (If Company or Trust, provide Company/Trust Name and Date of Trust)	
Owner's SSN/TIN	

A. Current Contract(s) (List policy numbers)	B. Type of Contract(s)	C. Is There a Loan on Existing Policy?	D. Will Loan Amount Be Carried Over? *	E. Current Outstanding Loan Amount *	F. Policy Lost or Destroyed?
		<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	\$	<input type="checkbox"/> Yes <input type="checkbox"/> No
		<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	\$	<input type="checkbox"/> Yes <input type="checkbox"/> No
		<input type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No	\$	<input type="checkbox"/> Yes <input type="checkbox"/> No

\* If column **D** is answered Yes, complete column **E**. Loans can be carried over to a new Principal Contract. Loans cannot be carried over to an existing in force policy issued by Principal National Life Insurance Company or Principal Life Insurance Company.

Will the accrued loan interest be included in the loan(s)? ..... ☐ Yes ☐ No

Will the initial premium be paid from 1035 proceeds?..... ☐ Yes ☐ No

Is the exchanged contract a Modified Endowment Contract (MEC)? ..... ☐ Yes ☐ No

Does the exchanged contract have a gain? ..... ☐ Yes ☐ No

**ABSOLUTE ASSIGNMENT OF CURRENT CONTRACT(S)**

I hereby absolutely assign and transfer all rights, title and interest of every nature and character in and to the Current Contract(s) described above to the Company. I hereby intend this Assignment to be part of an exchange qualifying under Internal Revenue Code Section 1035(a). I understand that upon the acceptance of this Assignment, the Company, at their discretion, will present this Assignment to the current insurer for surrender of the Current Contract(s) and any funds received will be applied to the Principal Contract. I understand the Company will be given the right and power to do all things authorized by this Assignment, including but not limited to: a) surrendering the Current Contract(s); b) obtaining information on the Current Contract(s); c) receiving death proceeds for the Current Contract(s); d) naming/appointing a beneficiary entitled to the Current Contract(s) proceeds. As assignor and beneficiary of the Current Contract(s), the Company can retain any amount received, even if it exceeds the minimum premium due for the Principal Contract.

**CARRYING EXISTING LOAN FROM CURRENT CONTRACT(S)**

I understand that outstanding loans which are extinguished or forgiven upon an exchange may be reportable as taxable income to the extent of any gain within the Current Contract(s). I further understand that, at my request, the Company will carry over a loan to the new Principal Contract and maintain an existing loan as allowed by applicable provisions of the Internal Revenue Code, and in accordance with the Principal Contract provisions. If the exchanged contract has a loan being carried over with a gain, any partial surrender processed in years 2 thru 15 to pay off the loan **may** be taxable. I instruct the Company to transfer the existing outstanding loan balance of each Current Contract(s) I have so designated to the Principal Contract, subject to minimum and maximum guidelines set by the Company. **I have consulted with my tax advisor before contemplating an exchange with an outstanding loan or I have waived my right to do so.**

**WAIVER OF RIGHTS ON CURRENT CONTRACT(S)**

I understand that by executing this Assignment, I irrevocably waive all rights, claims and demands under the Current Contract(s). I hereby revoke all previous beneficiary designations and designate the Company as the sole beneficiary of the Current Contract(s). No insurance will come into force solely as a result of completing this Assignment (except as may be provided under the terms of a conditional receipt that may have been executed as part of the application for the Principal Contract).

### OWNERSHIP OF CURRENT CONTRACT(S)

I further represent that the Current Contract(s) referenced on page 1 are not subject to any absolute or collateral assignment, any irrevocable beneficiary designation, any federal tax levy, or any instituted or pending proceeding in bankruptcy, collection, unpaid assessments, or any other legal or equitable actions of any nature. In addition, no Current Contract(s) listed on page 1 are subject to any of the following: divorce or separation agreement, legal action, attachment, tax lien, and any solvency proceedings.

### PREMIUM PAYMENT ON CURRENT CONTRACT(S)

I will continue to pay the premiums necessary to keep the Current Contract(s) in force until the 1035 exchange proceeds are released from the current insurer. The Company bears no responsibility for payment of any premiums. Failure to pay premiums on the Current Contract(s) prior to surrender may create a loan, reduce coverage, impact surrender proceeds, or create a potential lapse in coverage, as well as affect the value that can be transferred to the Principal Contract.

### ISSUE OF NEW PRINCIPAL CONTRACT

I understand and agree that when the application for the Principal Contract has been approved and the health of the insured has been verified, if required, the Company will forward this Assignment to the current insurer, who will surrender the Current Contract(s) to be exchanged for cash.

I understand that upon surrender by the current insurer, the Current Contract(s) will no longer be in force or in effect. Any surrender proceeds released from the Current Contract(s) will be applied to the Principal Contract. I understand that the surrender proceeds and the minimum premium required for the Principal Contract may differ from any prior illustration(s)/quotation(s) shown to me. I understand that a revised illustration/quotation will be provided to me at policy delivery.

The Company shall issue the Principal Contract upon receipt of any outstanding requirements and: a) minimum premium due as determined by the Company; or b) the surrender proceeds from the current insurer (if those proceeds are sufficient to pay the minimum premium due as determined by the Company). Should the Insured die before policy coverage begins on the Principal Contract, death benefits, if any, will be paid to the beneficiary designated under the Principal National Life Insurance Company or the Principal Life Insurance Company application and subject to the terms of the 1035 Temporary Insurance Agreement (TIA) only.

In the event I exercise my right to cancel the Principal Contract up to and within the free look period specified by the Principal National Life Insurance Company or the Principal Life Insurance Company Contract provisions, the Company shall return to me all previous payments made with respect to the Principal Contract. I understand if an outstanding loan exists on the Principal Contract at the time of cancellation, any amounts returned to me will be adjusted to pay off the loan. Further, I understand that cancellation of a policy with an outstanding loan may create tax consequences and I have consulted with my tax advisor before contemplating an exchange with an outstanding loan or I have waived my right to do so. Upon surrender of the Current Contract(s), the Company will return any adjusted amount to me and the Company shall be released from all obligations under this Assignment.

**I acknowledge and agree that the Company is participating in this transaction at my specific request and as an accommodation to me. I acknowledge and agree that the Company has made no representations concerning my tax treatment under Internal Revenue Code Section 1035(a) or otherwise.**

I understand and acknowledge that in exchange for executing this Assignment, I have received the 1035 Temporary Insurance Agreement (TIA). If I have submitted cash in addition to this Assignment, I am entitled to and have also received the 1035 Temporary Insurance Agreement (TIA).

Signature and Title of Owner (If owned by a Trust, all Trustees must sign and include 'Trustee' as title.)	State	Date
X		
X		
Signature of Joint Owner (If applicable)		
X		
Signature of Spouse		
X		
Signature of Assignee		
X		

### FOR PRINCIPAL HOME OFFICE USE ONLY:

Principal National Life Insurance Company or Principal Life Insurance Company hereby accepts the assignment of the Current Contract(s) on this date: \_\_\_\_\_

**CURRENT CONTRACT CARRIER: MAKE CHECK(S) PAYABLE TO** ☐ Principal National Life Insurance Company  
☐ Principal Life Insurance Company

Signature of Authorized Officer	Printed Name	Title
X		



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## Individual Life Insurance 1035 Temporary Insurance Agreement (TIA)

In this agreement, "The Company" is Principal National Life Insurance Company or Principal Life Insurance Company, respectively. "Absolute Assignment" is our Absolute Assignment to Effect a Section 1035(a) Exchange form.

### Proposed Insured(s)

#### Life 1

Application Signed Date

#### Life 2 (if applicable)

Amount of Death Benefit Applied For

### TERMS AND CONDITIONS

The Company agrees to pay a death benefit to the beneficiary named in the Application if the Proposed Insured or the surviving Proposed Insured under survivorship life insurance dies while this Temporary Insurance Agreement is in effect, subject to the terms and conditions set out below.

#### Effective Date of Coverage

**Temporary insurance begins upon the last of the following events:**

- This Agreement must be issued at the same time as the Absolute Assignment is signed;
- If the Absolute Assignment is submitted after the initial Application is signed and dated, then updated evidence of insurability may be required;
- The application has been approved by the Company as applied for or if other than applied for, the Owner has accepted the revised underwriting decision; and
- The Company has sent the Absolute Assignment to the Current Insurer, unless the Current Insurer determines that the Absolute Assignment is not in good order.

#### Date Coverage Ends

**Temporary insurance ends upon the earliest of the following events:**

- When policy coverage becomes effective; or
- The date a policy is presented to the proposed owner.

#### Amount of Coverage

The amount of insurance will be the amount of death proceeds paid to the Company under the Absolute Assignment subject to the terms of this Agreement.

This Agreement supersedes any other Conditional Receipts or Temporary Insurance Agreements that may be in effect with Principal Life Insurance Company or Principal National Life Insurance Company.

#### Authority

No agent or licensed representative may waive or change any terms of this Agreement.

If any provision of this Agreement is unenforceable under state law, all other terms and conditions shall continue in full force and effect.

### SIGNATURES

I have read this Temporary Insurance Agreement. To the best of my knowledge, I understand and agree to the terms and conditions of this Agreement.

Signature of Proposed Insured – **Life 1**

X

Date Signed (mm/dd/yyyy)

Signature of Proposed Insured – **Life 2** (if applicable)

X

Date Signed (mm/dd/yyyy)

Signature of Owner (if other than the Proposed Insured)

X

Date Signed (mm/dd/yyyy)

Signature of Owner (if other than the Proposed Insured)

X

Date Signed (mm/dd/yyyy)

Signature of Agent

X

Florida License ID Number

Date Signed (mm/dd/yyyy)



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### SIGNATURES

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Signature of Proposed Insured – **Life 1**

X

Date Signed (mm/dd/yyyy)

Signature of Proposed Insured – **Life 2** (if applicable)

X

Date Signed (mm/dd/yyyy)

Signature of Owner (if other than the Proposed Insured)

X

Date Signed (mm/dd/yyyy)

Signature of Owner (if other than the Proposed Insured)

X

Date Signed (mm/dd/yyyy)

Signature of Agent

X

Florida License ID Number

Date Signed (mm/dd/yyyy)