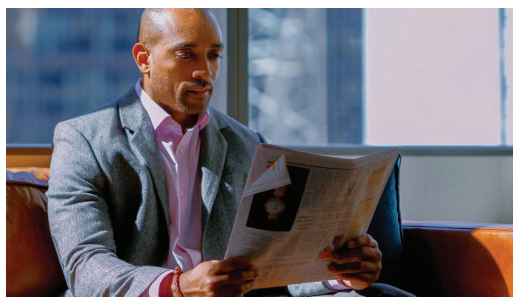


Dollar cost averaging

A strategy that's anything but average

You're already taking the first step in getting your Principal Variable Universal Life Income IVSM policy and determining your investment options. But with the market's ups and downs, you might also want help deciding when to invest your premium payments.



Finding the right time to invest payments can be a challenge. But it doesn't have to be—if you have a system in place that helps take the guesswork out of it. **That's where a Fixed Dollar Cost Averaging (DCA) Account comes in.**

What is dollar cost averaging?

It's a market investment strategy where you invest a specific amount of money on a regular schedule, regardless of the share price, over a period of time. It offers a variety of benefits:



Provides an easy, disciplined way to invest



Helps you avoid the temptation of trying to time when to invest based on price



Takes the emotion out of investing



Smooths the impact of fluctuating share prices

It works like this

Investing at regular intervals, instead of all at once, enables you to buy at a combination of prices. There will be times when you'll buy fewer shares because the price is higher and more shares when the price is lower. Over a period of time this can help you buy shares at an average cost that may be lower than the average price per share over the same time period. Here's an example that explains it more.

Hypothetical dollar cost averaging using \$12,500 for each share purchase

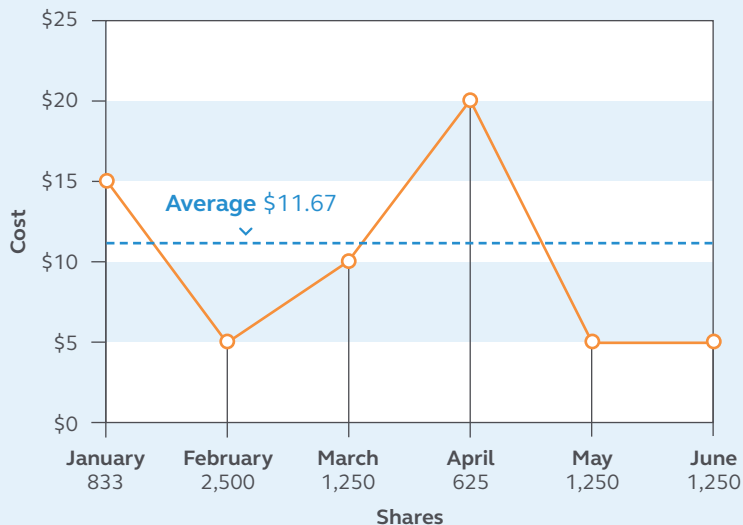
A lump sum investment of \$75,000 in January would have purchased 5,000 shares at a price of \$15 per share. Using the dollar cost averaging strategy resulted in the purchase of more shares at a lower cost per share.

Total investment: **\$75,000**

Total shares purchased: **7,708**

Avg. price per share: **\$11.67**

Avg. cost per share: **\$9.73**



Keep in mind: Dollar cost averaging does not assure a profit or protect against a loss in declining markets. It involves continuous investing in securities regardless of fluctuating price levels. You should consider your financial ability to continue investing through periods of low price levels.

Consider using the dollar cost averaging strategy on your variable universal life insurance policy and get a little more assurance in investing.

Put your payment dollars to work for you

Your Principal Variable Universal Life Income IV policy offers you an easy way to use this strategy with a Fixed DCA Account.

During the purchase of your policy, you may choose to use the 6-month Fixed DCA Account or the 12-month Fixed DCA account. Either of these accounts will drip your money into your selected investments over time rather than all at once. It happens like this:

- 1 | You make your insurance payment.**
After expenses are deducted to cover the cost of your coverage, the remaining amount is allocated to the Fixed DCA Account.
- 2 | Your payment earns interest** at an enhanced interest rate¹ for 6 or 12 months.
- 3 | Money is transferred¹ each month** from your DCA account to the investment options you've selected.
- 4 | At the conclusion of the six- or 12-month period, all of your initial payment has been distributed to the investments of your choice** and you can enjoy the benefits of your smart planning. No further insurance payments may be allocated to the account.
- 5 | If you have future insurance payments allocated to the Fixed DCA Account, that portion will be allocated instead to the money market division²** until you let us know otherwise.



- ¹ The amount transferred from the Fixed DCA Account is determined by a pre-established formula that assumes a declining account balance. The 6- and 12-month interest rates are applied to that declining balance.
- ² The investment divisions are also referred to as “separate account divisions” or “divisions” in the prospectus and policy for VUL Income IV. The return and principal value of an investment in any of the subaccounts will fluctuate so that the value, when redeemed, may be worth more or less than its original cost.



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An investment in the money market division is neither insured nor guaranteed by the Federal Deposit Insurance Corporation (FDIC) or any other government agency. Although this division seeks to preserve the value of an investment at \$1.00 per unit, it is possible to lose money by investing in this division.

Past performance is not a guarantee of future results. Investment return and principal value of the investments will fluctuate so that an investor's shares, when redeemed, may be worth more or less than the original cost.

The Fixed DCA Account is only available for selection at issue and cannot be used in conjunction with Automatic Portfolio Rebalancing (APR). You are allowed either one 6- or one 12-month Fixed DCA Account. New premiums can be added to the existing 6- or 12-month account and earn the interest rate in effect on the date the premium is received for the remainder of the existing 6- or 12-month period.

All guarantees and benefits of the insurance policy are subject to the claims-paying ability of the issuing insurance company. They are not backed by the broker-dealer and/or insurance agency selling the policy, or any affiliates of those entities other than the issuing company affiliates, and none makes any representations or guarantees regarding the claims-paying ability of the issuer.

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