PRINCIPAL® INCOME PROTECTOR | PROGRAM PROFILE

Individual Disability Income insurance

Want to grow your individual Disability Income (DI) insurance business by learning more about how it can help your clients? Check out this DI product profile to get up-to-speed on its key features.

How it works

An individual DI insurance policy helps your clients protect their most relied-upon asset—their income. An individual DI insurance policy pays a monthly benefit that helps to replace a portion of their income in the event of a disability, so your clients can take comfort in knowing their current lifestyle is better protected from the unexpected.

Target market

- Ages 50 and under
- Occupations with little to no manual duties
- Earns at least $75,000 a year
- Small and medium sized businesses

Policy benefits for your clients

- Non-cancelable (with payment of premiums)
- Guaranteed premium rate to age 65, 67, or 70, depending on benefit period
- Conditionally renewable for life
- Portable coverage that stays with your client if they change jobs

Policy features

- Can be purchased individually
- Can be added to employee benefit packages as stand-alone coverage or as a supplement to group long-term disability insurance
- Can enhance the definition of disability to include Total Disability While Working (also known in the industry as "true own occupation")
- Specialty own occupation is included on all policies for specialists in legal, medical, and dental occupations

Product and underwriting guidelines

- **Issue ages:**
  18-60 (18-64[1] for multi-life cases)
- **Occupation classes[2]:**
  A to 6A+, M to 6M+, D to 6D+
- **Elimination periods:**
  60, 90, 180, or 365 days
- **Benefit periods:**
  2 years, 5 years, to age 65, to age 67, or to age 70
- **DI maximum issue limit:**
  up to $30,000/month*
- **DI participation limit:**
  up to $35,000/month*

* Reference the underwriting guide or quick reference guide to see full breakdown.

Premiums

Individual DI insurance premium rates depend on your clients':

- Age
- Gender
- Occupation
- Tobacco status
- State of residence
- Policy structure
- Selected riders
- Discounts

When individual DI insurance is offered as an employee benefit, premiums can be paid by the employer or employee.

Below are three examples of how coverage can be structured to meet your clients' needs and budgets:

Policy features	Comprehensive coverage		Moderate coverage		Basic coverage	
Monthly benefit	$3,400 (maximum available)		$2,550 (approx. 75% of max.)		$2,040 (approx. 60% of max.)	
Elimination period	90 days		90 days		180 days	
Benefit period	To age 65		To age 65		5 years	
Total Disability covered	Yes		Yes		Yes	
Residual Disability covered	Yes		Yes (12-month duration)		No	
Cost of Living Adjustment rider added	Yes (3%)		No		No	
Total monthly premium	**Male**	**Female**	**Male**	**Female**	**Male**	**Female**
	$80	$139	$44	$78	$34	$61

Assumptions: Michigan resident, Principal® Income Protector policy, $60,000 annual income, 5A occupation class, non-tobacco, age 35.

For illustrative purposes only. A variety of factors impact premium.

Available features

Riders

No cost

- Maximize Your Benefit (MYB) rider
- Annual Increase (AI) rider
- Limitation of Benefits for Mental/Nervous and Substance Abuse Disorders (MNSA)[3]
- Presumptive Disability Benefit

Cost

- Catastrophic Disability Benefit
- Cost of Living Adjustment
- Death Benefit[2]
- Capital Sum Benefit
- Supplemental Health Benefit[2]
- Residual Disability and Recovery Benefit
- Short-Term Residual Disability Benefit

Discounts

- Affiliation: up to 10%[2]
- Association: up to 10%
- MNSA rider: up to 10%[3]
- Multi-Life: 20%[4]

Built-in policy features

- Interrupted Elimination Period
- Military Suspension
- Recurring Disability
- Rehabilitation Benefit
- Transplant Surgery Benefit
- Waiver of Premium Benefit

How to start the conversation with clients.

Chances are, clients insure their car, home, and personal property, but what about their income? Income helps them to pay for the things that are important and do the things they love. Protecting it can help them get back to what really matters.

Get income protection early. Coverage costs less when clients are young and healthy. As they age, buying a policy becomes more expensive and they may risk not getting coverage due to health issues.

Protecting retirement dreams. Adding DI Retirement Security allows them to continue to save for retirement—and protect the investment in their retirement savings.

Add a personal touch.

Everyone has a unique story. Talk to your clients about your own experience, or how protecting their income is a big part of creating memories that shape their story.

Let's connect | Contact your local representative.

[1] Older ages may be available subject to underwriting approval.

[2] Not approved in all states. This rider is not available in VT. For state approval information, visit www.principal.com/distateapprovals.

[3] The MNSA rider and discount is required on the following occupations: emergency-room physicians, anesthesiologists, pain-management physicians, nurse anesthetists, pharmacists, and any resident who has declared one of these as a specialty. It is also required on any single or multi-life case written in or resident state of CA or NY. Up to a 10% discount may be applied.

[4] Available when three or more individuals with a common employer purchase individual Disability Income insurance coverage. For three or more dental or medical residents/fellows/interns/students, use the Multi-Life Resident discount (excludes staff physicians).

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Policy and rider descriptions are not intended to cover all restrictions, conditions or limitations. Refer to policy and riders for full details. Some features, provisions and riders may not be available in all states or with all occupation classes. Some riders are subject to additional premium.

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

DI Retirement Security is issued as a non-cancelable, guaranteed renewable, individual disability income insurance policy. It is not a pension or retirement program or a substitute for such a program. DI Retirement Security is not available for anyone who is over insured based on Principal Life's current Issue and Participation guidelines. It may not be available, or the benefit amount may be reduced for certain occupations if there is existing DI coverage with lifetime benefits. Additional underwriting guidelines may apply.

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