



Principal UnderRight<sup>SM</sup>

# Business Underwriting Guidelines

Tired of by-passing smaller business clients because of underwriting constraints? Get ready to jump-start sales. We've dramatically reduced the number of lives required through our Guaranteed Issue (GI) and Simplified Issue (SI) programs!

## Five great reasons to send us your business cases

- 1. Guaranteed Issue** – The minimum number of lives is now **10** (formerly 25) with increased face amount up to \$5 million.
- 2. Simplified Issue** – The minimum number of lives is now **5** (formerly 20) with increased face amount up to \$5 million.
- 3. Competitive products** – GI/SI is approved for use with Principal Universal Life Protector IIS<sup>SM</sup>, Principal Universal Life Flex<sup>SM</sup> and Principal Variable Universal Life Income II<sup>SM</sup>. Most carriers do not offer GI/SI on secondary guarantee products.
- 4. Advanced Support** – The Principal Financial Group<sup>®</sup> has underwriters who understand the business market, and we offer an advanced solutions team that works well with our underwriting team.
- 5. Full underwriting available** – If your case falls outside of GI/SI program parameters, ask about our Healthy Lifestyle Credits and Table 3 to Standard underwriting programs.

## Key marketing niches

- Executive Bonus
- Entity Purchase
- Buy-Sell

*See inside for complete program parameters and guidelines.*

# Business Underwriting Guidelines for Fixed/Variable Universal Life

## Guaranteed Issue

### General program parameters:

- Pre-approval from the home office is required.
- A census of the group is required.
- An employer/employee relationship must exist (i.e. employer-sponsored or employer paid).
- Participants must be:
  - Executive, owner, non-clerical, or white collar or management positions
  - Earning a minimum of \$75,000 annually
  - Actively employed on a full-time basis (at least 30 hours per week)
- Complete (100 percent) participation is required of the eligible class.
- Any known uninsurable or highly substandard risk should be identified.
- Standard is the best risk class available for all programs.
- Average age should be less than or equal to age 55.
- Face amount is determined by:
  - A formula
  - A set face amount for the job position or by percentage of ownership
  - No more than 10 percent of the total face for individuals over age 60
  - No individual over 2.5 times the average face amount of the group
- Total line with all companies is issued on a guaranteed issue basis with no more than three times our multiples.
- Issue ages are 18-65, except for ages 66-70 if working at least 30 hours per week.
- The Salary Increase Rider is available subject to home office approval.
- Subsequent entrants eligible for the plan must be enrolled using the same guidelines.

### Program Guidelines:

MINIMUM NUMBER OF LIVES	MAXIMUM FACE AMOUNT PER # OF LIVES IN INSURED GROUP	ISSUE AGES	AVAILABLE RATE CLASSES	APPLICATION TYPE	ADDITIONAL UNDERWRITING DETAILS
10	<p><b>Employer Owned</b></p> <p>10-19: \$25,000 x no. of lives            20-29: \$30,000 x no. of lives            30-49: \$40,000 x no. of lives            50+: \$50,000 x no. of lives</p> <p><b>Employee Owned</b></p> <p>10-19: \$15,000 x no. of lives            20-29: \$20,000 x no. of lives            30-49: \$25,000 x no. of lives            50+: \$30,000 x no. of lives</p> <p>Maximum face allowed – \$5 million</p>	18-65; 66-70 if working at least 30 hrs/week	Standard Tobacco, Standard Non-Tobacco	Short form app (AA648) or Master app (AA3406) plus census if corporate or trust owned	Underwrite actively at work and tobacco status

# Simplified Issue – Standard/Decline

## General Program Parameters:

- Pre-approval from the home office is required.
- An employer/employee relationship must exist (i.e., employer-sponsored or employer-paid).
- Participants must be:
  - Executive, owner, non-clerical, white collar, or management positions
  - Earning minimum of \$75,000 annually
  - Actively employed on a full-time basis (at least 30 hours per week)
- At least 75 percent participation is required of the eligible class.
- Standard is the best risk class available for all programs.
- Average age should be less than or equal to age 55.
- Face amount is determined by:
  - A formula
  - A set face amount for job position or by percentage of ownership
  - No more than 10 percent of the total face for individuals over age 60
  - No individual over 2.5 times the average face amount of the group
- Total line with all companies is issued on a simplified issue basis with no more than three times our multiples.
- Issue ages are 18-65, except for ages 66-70 if working at least 30 hours per week.
- The Salary Increase Rider is available subject to home office approval.
- Subsequent entrants eligible for the plan are enrolled using the same guidelines.

## Program Guidelines:

MINIMUM NUMBER OF LIVES	MAXIMUM FACE AMOUNT PER # OF LIVES IN INSURED GROUP	ISSUE AGES	AVAILABLE RATE CLASSES	APPLICATION TYPE	ADDITIONAL UNDERWRITING DETAILS
5	<p><b>100% Participation</b>            5-10: \$20,000 x no. of lives            11-20: \$40,000 x no. of lives            21+: \$50,000 x no. of lives</p> <p><b>75% Participation</b>            5-10: \$10,000 x no. of lives            11-20: \$20,000 x no. of lives            21+: \$30,000 x no. of lives            Maximum face allowed – \$5 million</p>	18-65; 66-70 if working at least 30 hrs/week	Standard Tobacco, Standard Non-Tobacco	Short form app (AA648)	Underwrite actively at work and tobacco status

# Simplified Issue – Teleapp

## Program Guidelines:

MINIMUM NUMBER OF LIVES	MAXIMUM FACE AMOUNT PER # OF LIVES IN INSURED GROUP	ISSUE AGES	AVAILABLE RATE CLASSES	APPLICATION TYPE	ADDITIONAL UNDERWRITING DETAILS
5*	<p><b>100% Participation</b>                      5-10: \$40,000 x no. of lives                      11-20: \$50,000 x no. of lives                      21+: \$60,000 x no. of lives</p> <p><b>75% Participation</b>                      5-10: \$20,000 x no. of lives                      11-20: \$30,000 x no. of lives                      21+: \$40,000 x no. of lives                      Maximum face allowed – \$5 million</p>	18-65; 66-70 if working at least 30 hrs/week	Standard Tobacco, Standard Non-Tobacco, Substandard	Teleapp (AA2000)	Teleapp, MIB, oral fluid, APS ordered for cause; MVR for cause

\*Principal Career and Privileged Partner offices can have four lives with 100 percent participation.

*Look no further than Principal UnderRight for underwriting that's fast, easy and just right.*

<b>FOR MORE INFORMATION</b>
Contact your home office underwriter.



WE'LL GIVE YOU AN EDGE®

Principal National Life Insurance Company and Principal Life Insurance Company, Des Moines, Iowa 50392-0001, [www.principal.com](http://www.principal.com)

Insurance products from the Principal Financial Group® (The Principal®) are issued by Principal National Life Insurance Company (except in New York) and Principal Life Insurance Company, Des Moines, IA 50392.

<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

For producer and registered representative information only. Not for use in sales situations.