

CARRIER: PRINCIPAL LIFE
PACKET CURRENT AS OF: 02-08-05

**CARRIERS REQUIRE ALL
PAGES OF THE
LICENSING PACKET BE
SUBMITTED IN ORDER TO
COMPLETE YOUR
CONTRACTING – THEY NEED
THE ENTIRE
CONTRACT/AGREEMENT AND
ALL RELATED DOCUMENTS.**

**EVERY PAGE NEEDS TO BE
REVIEWED, COMPLETED, OR
SIGNED – THANK YOU FOR
MAKING SURE TO RETURN
EVERY PAGE OF THE PACKET
WE SEND TO YOU, BACK TO
US AT CPS.**

Date: _____

Insurance Company:	CPS INSURANCE SERVICES	
Submitting Office Name and Number:	9 Corporate Park Dr. #100	15048
Office Contact Person:	Irvine, CA 92606	

Producer Information Form

Contract is for (please check only one):

☐ Individual ☐ Partnership ☐ Corporation ☐ LLC

(Name) SSN or TIN _____

DBA (if applicable): _____
(Name)

Home Address (if an individual): _____
(Street/City/State/Zip)

Number of Years at Current Address: _____ (please provide prior address if less than three years)

Prior Address: _____
(Street/City/State/Zip)

Business Address: _____
(Street/City/State/Zip)

E-mail Address: _____ Website Address (if any): _____

Business Phone: () _____ Date of Birth (if an individual): _____

Fax Number: () _____ Cell Phone Number: () _____

Place of Birth (if an individual): _____
(City/State/Country)

Country of Citizenship: _____

If you are not a US citizen, you may be asked to provide documentation evidencing your US immigration status and authority to seek employment in the US.

Please identify any prior names, aliases, or business names used by the applicant in the past 10 years:

State Insurance License(s): Please provide the following information for the state(s) in which you would like to be appointed with the Insurance Company. (Attach additional sheets if necessary).

State	Line(s) of Authority	License Number	Resident (R) or Non-Resident (NR)
	<input type="checkbox"/> Life <input type="checkbox"/> Health <input type="checkbox"/> Variable Annuity <input type="checkbox"/> Variable Life		<input type="checkbox"/> R <input type="checkbox"/> NR
	<input type="checkbox"/> Life <input type="checkbox"/> Health <input type="checkbox"/> Variable Annuity <input type="checkbox"/> Variable Life		<input type="checkbox"/> R <input type="checkbox"/> NR
	<input type="checkbox"/> Life <input type="checkbox"/> Health <input type="checkbox"/> Variable Annuity <input type="checkbox"/> Variable Life		<input type="checkbox"/> R <input type="checkbox"/> NR
	<input type="checkbox"/> Life <input type="checkbox"/> Health <input type="checkbox"/> Variable Annuity <input type="checkbox"/> Variable Life		<input type="checkbox"/> R <input type="checkbox"/> NR
	<input type="checkbox"/> Life <input type="checkbox"/> Health <input type="checkbox"/> Variable Annuity <input type="checkbox"/> Variable Life		<input type="checkbox"/> R <input type="checkbox"/> NR

Errors and Omissions Insurance (Complete below or attach a copy of certificate of insurance or declarations page)

Limits of Liability	Policy Number	Carrier	Policy Expiration Date	Products/ Services Covered

Broker-Dealer Affiliation:

_____ (name) _____ (city) _____ (state) _____ (zip)

NASD Registration (You are required to complete this section only if you wish to be appointed with the Insurance Company to sell variable life or variable annuities.):

CRD Number: _____

Series	Date Received	Series	Date Received

Regulatory and Background Questions

Please answer the following questions on behalf of the individual or entity (partnership, corporation or LLC) applying for the contract. In the following questions "you" means the individual or entity applying for the contract. If you answer "yes" to any question, please explain.

1. Have you ever had an insurance or securities license denied, suspended, canceled or revoked? ☐ Yes ☐ No
2. Has any regulatory or self-regulatory organization ever sanctioned, censured, penalized or otherwise disciplined you? ☐ Yes ☐ No
3. Have you ever been charged with, convicted of or pled no contest to any violation of federal or state securities, insurance or investment related laws or regulations? ☐ Yes ☐ No
4. Has a bonding or surety company ever denied, paid out on, or revoked a bond for you? ☐ Yes ☐ No
5. Have you ever been the subject of an insurance or securities-related customer complaint for action or inaction on your part? ☐ Yes ☐ No
6. Has any E&O carrier ever denied, paid claims on, or canceled your coverage? ☐ Yes ☐ No
7. Have you personally ever filed a bankruptcy petition or been declared bankrupt? ☐ Yes ☐ No
8. Do you currently have any unsatisfied judgments, liens, collection items or accounts more than 120 days late? ☐ Yes ☐ No
9. Are you indebted to any insurance company, its management, or general agent for an unpaid balance? ☐ Yes ☐ No
10. Have you ever been convicted, pled guilty or "nolo contendere" to any of the following crimes: (This includes disclosing any records which you believe have been expunged or sealed.)
 - Any felony? ☐ Yes ☐ No
 - Any misdemeanor other than a minor traffic offense? ☐ Yes ☐ No
11. Are you now subject of any complaint, investigation or proceeding which could result in a yes answer to any of the above questions? ☐ Yes ☐ No

If you answered "yes" to any of the questions above, please explain in detail. Attach additional sheets if necessary.

Mailing Address:
Des Moines, IA 50392-0470**Principal Life
Insurance Company****Applicant Oaths and
Authorization****Which Products Are You Interested In Selling?**☐ Variable Life☐ Flexible Variable Annuity (FVA)☐ Fixed Life and Annuities, and DI Products

I understand that nothing in this application or granting of an interview is intended to or does create a contractual relationship between Principal Life Insurance Company (the "Insurance Company") or its affiliates or subsidiaries and the applicant. No promises of an offer of a broker contract has been made to me, and I understand that no such promise is binding on the Insurance Company unless made in writing by a duly authorized representative. If the Insurance Company does enter a broker contract with me, I understand that I will be an independent contractor and that both the Insurance Company and I may terminate my contract at any time for any reason.

In connection with this application for a broker contract with the Insurance Company, I understand that the Insurance Company, its subsidiaries and affiliates may now, or at any time while the applicant is under contract with the Insurance Company, conduct any necessary investigation, including, but not limited to, obtaining a consumer credit report, or any other reports, containing information about the applicant's employment and work history, character, general reputation, personal characteristics and mode of living, and may include information obtained from the NASD. I understand a Central Registration Depository (CRD) report may be ordered and reviewed. Any such information obtained can be shared among the Insurance Company's subsidiaries and affiliates. I hereby authorize and request any present or former employer, school, police department, financial institution or other persons having information in their possession regarding the applicant to release such information without restriction or qualification. Photocopies of this authorization may be accepted with the same authority as the original, and I specifically waive any notice from any present or former employer who may provide information based on this authorized request.

I have been given the Notice of Background Investigation and Summary of Consumer Rights upon signing this document.

I release the Insurance Company from any liability which may result from this investigation and also release from liability any person or entity that provides information to the Insurance Company for this investigation.

To the best of my knowledge and belief, all the information which I have given to the Insurance Company in connection with this application for contracting is complete and correct. I understand that any false information in this application or other documents required by the Insurance Company may result in this application for a broker contract being denied or the broker contract being terminated.

Signature_____
Title (if applicable)_____
Printed Name_____
Date

Sign and return pages 1, 2 and 3. Keep pages 4, 5 and 6 for your records.

Mailing Address:
Des Moines, IA 50392-0470**Principal Life
Insurance Company*****Notification Of
Background Investigation***

NOTIFICATION OF BACKGROUND INVESTIGATION

This notification is to make you aware that one or more consumer reports or investigative reports are being obtained from a consumer reporting agency for the purpose of evaluating you for a contract and/or appointment as a marketer with Principal Life Insurance Company.

Such report may contain information bearing on your credit worthiness, credit standing, credit capacity, character, general reputation, personal characteristics, or mode of living from public record sources, through personal interviews with your neighbors, friends, and former employers. School, police department, the National Insurance Producer Registry (NIPR), the NASD's Central Registration Depository (CRD), and financial institution records may also be accessed. You have the right to request additional disclosures regarding the nature and scope of the investigation.

Producer's Copy

A SUMMARY OF YOUR RIGHTS UNDER THE FAIR CREDIT REPORTING ACT

The Fair Credit Reporting Act (FCRA) is designed to promote accuracy, fairness, and privacy of information in the files of every "consumer reporting agency" (CRA). Most CRAs are credit bureaus that gather and sell information about you – such as where you work and live, if you pay your bills on time, and whether you've been sued, arrested, or filed for bankruptcy – to creditors, employers, and other businesses. The FCRA gives you specific rights in dealing with CRAs, and requires them to provide you with a summary of these rights as listed below. You can find the complete text of the FCRA, 15 U.S.C. 1681 et seq., at the Federal Trade Commission's web site (<http://www.ftc.gov>).

You must be told if information in your file has been used against you. Anyone who uses information from a CRA to take action against you – such as denying an application for credit, insurance, or employment – must give you the name, address, and phone number of the CRA that provided the report.

You can find out what is in your file. A CRA must give you all the information in your file, and a list of everyone who has requested it recently. However, you are not entitled to a "risk score" or a "credit score" that is based on information in your file. There is no charge for the report if your application was denied because of information supplied by the CRA, and if you request the report within 60 days of receiving the denial notice. You are also entitled to one free report a year if you certify that (1) you are unemployed and plan to seek employment within 60 days, (2) you are on welfare, or (3) your report is inaccurate due to fraud. Otherwise, a CRA may charge you a fee of up to eight dollars.

You can dispute inaccurate information with the CRA. If you tell a CRA that your file contains inaccurate information, the CRA must reinvestigate the items (usually within 30 days) unless your dispute is frivolous. The CRA must pass along to its source all relevant information you provided. The CRA also must supply you with written results of the investigation and a copy of your report, if it has changed. If an item is altered or deleted because you dispute it, the CRA cannot place it back in your file unless the source of the information verifies its accuracy and completeness, and the CRA provides you a written notice that includes the name, address and phone number of the source.

Inaccurate information must be deleted. A CRA must remove inaccurate information from its files, usually within 30 days after you dispute its accuracy. The largest credit bureaus must notify other national CRAs if items are altered or deleted. However, the CRA is not required to remove data from your file that is accurate unless it is outdated or cannot be verified.

You can dispute inaccurate items with the source of the information. If you tell anyone – such as a creditor who reports to a CRA – that you dispute an item, they may not then report the information to a CRA without including a notice of your dispute. In addition, once you've notified the source of the error in writing, they may not continue to report it if it is in fact an error.

Outdated information may not be reported. In most cases, a CRA may not report negative information that is more than seven years old; ten years for bankruptcies.

Access to your file is limited. A CRA may provide information about you only to those who have a need recognized by the FCRA – usually to consider an application you have submitted to a creditor, insurer, employer, landlord, or other business.

Your consent is required for reports that are provided to employers or that contain medical information. A CRA may not report to your employer, or prospective employer, about you without your written consent. A CRA may not divulge medical information about you without your permission.

You can stop a CRA from including you on lists for unsolicited credit and insurance offers. Creditors and insurers may use file information as the basis for sending you unsolicited offers of credit or insurance. Such offers must include a toll-free number for you to call and tell the CRA if you want your name and address excluded from future lists or offers. If you notify the CRA through the toll-free number, it must keep you off the lists for two years. If you request and complete the CRA form provided for this purpose, you can have your name and address removed indefinitely.

You may seek damages from violators. You may sue a CRA or other party in state or federal court for violations of the FCRA. If you win, the defendant may have to pay damages and reimburse you for attorney's fees. If you lose and the court specifically finds you sued in bad faith, you or your attorney may have to pay the defendant's fees.

You may have additional rights under state law. You may wish to contact a state or local consumer protection agency or a state attorney general to learn those rights.

If you have questions or believe your file contains errors, call the toll-free number; 1(800) 388-4793, option 2, then 3. Or you can write to us at the Principal Financial Group, SMB Distribution Support, 711 High Street, Des Moines, IA 50392-0470.

The FCRA gives several different federal agencies authority to enforce the FCRA

FOR QUESTIONS OR CONCERNS REGARDING:	PLEASE CONTACT:
CRAs, creditors and others not listed below	Federal Trade Commission Consumer Response Center – FCRA Washington, DC 20580 202-326-3761
National banks, federal branches/agencies of foreign banks (word “National” or initials “N.A.” appear in or after bank’s name)	Office of the Comptroller of the Currency Compliance Management, Mail Stop 6-6 Washington, DC 20219 800-613-6743
Federal Reserve System member banks (except national banks, and federal branches/agencies of foreign banks)	Federal Reserve Board Division of Consumer & Community Affairs Washington, DC 20551 202-452-3693
Savings associations and federally chartered savings banks (word “Federal” or initials “F.S.B.” appear in federal institution’s name)	Office of Thrift Supervision Consumer Programs Washington, DC 20552 800-842-6929
Federal credit unions (words “Federal Credit Union” appear in institution’s name)	National Credit Union Administration 1775 Duke Street Alexandria, VA 22314 703-518-6360
State-chartered banks that are not members of the Federal Reserve System	Federal Deposit Insurance Corporation Division of Compliance & Consumer Affairs Washington, DC 20429 800-934-FDIC
Air, surface, or rail common carriers regulated by former Civil Aeronautics Board or Interstate Commerce Commission	Department of Transportation Office of Financial Management Washington, DC 20590 202-366-1306
Activities subject to the Packers and Stockyards Act, 1921	Department of Agriculture Office of Deputy Administrator – GIPSA Washington, DC 20250 202-720-7051

Producer’s Copy

Mailing Address:
Des Moines, IA 50392-0001**Principal Life
Insurance Company****Broker's
Contract DD 715**

This contract for Principal Life Insurance Company with _____ of _____, for the policy applications written by you through the _____ Agency, is effective _____, and is subject to the following terms and conditions.

CONTRACT LANGUAGE

- a. Throughout this contract, the terms "we," "our," "us," and "company" mean Principal Life Insurance Company. The terms "you" and "your" mean the person signing this contract.
- b. "Calendar year" is a period beginning January first and ending December thirty-first.
- c. "Commission" means first year commission, renewal commission, service fee, and bonuses identified in the commission schedule.
- d. "Commission schedule" means the commission schedule in effect at the time you sell a policy or an addition to a policy.
- e. "Policy" means any insurance policy or annuity contract included in the commission schedule.
- f. "Policy year" is a period of one year beginning with the policy date (except as modified in the policy).
- g. "Premium" means the payment amount to us stated or defined in a policy.
- c. Qualify for and obtain any licenses and bonds as required by us or the law, provide us with evidence of such licenses and bonds, and inform us of any changes in writing.
- d. Limit solicitation of applications for our policies to states in which you are licensed and appointed to by us.
- e. Deliver promptly all money you receive on behalf of us, an applicant, a policyowner, or a beneficiary. You hold all moneys in trust until delivery.
- f. Return any policies to us that we request, or that are not delivered within the time allowed. You will be asked to give an account for these policies.
- g. Help keep our policies in force.
- h. Return all moneys and other property of ours to us on demand or if this contract terminates.
- i. Refrain from interfering with any other producer's relationship with us.
- j. Comply with our instructions regarding the marketing and servicing of policies.
- k. Provide assistance in resolving customer complaints as requested.
- l. Maintain professional errors and omissions insurance to cover your proposed activities pursuant to this contract.

RELATIONSHIP

Under this contract:

- a. Your relationship with us is that of an independent contractor, not an employee.
- b. You will be free to exercise your own reasonable judgment in marketing our policies, including the choice of time, place and manner of sale, but you are to conform to all of our rules, requirements and instructions not inconsistent with this relationship.
- c. We reserve the right to revoke your authority to sell any product or product line at any time, upon notice to you.

DUTIES AND RESPONSIBILITIES

Under this contract:

- a. Conform to and comply with all laws pertaining to insurance and insurance brokers and agents.
- b. Conform to and comply with all of our policies and procedures regarding the marketing of our policies.

LIMITATIONS

Your authority will extend no further than is stated in this contract, including, without limitation, the following:

- a. Incur any liability or debt against us.
- b. Accept risks of any kind, determine insurability, or bind us in any way.
- c. Promise the reinstatement of policies.
- d. Make, change, or discharge any contract.
- e. Allow more time for paying a premium or waive any premium payment.
- f. Accept premium payments other than the first payment, except with our written approval.
- g. Give credit to applicants.
- h. Initiate legal proceedings or actions in insurance departments and other administrative agencies in our name.

- i. Waive any provision of any policy, or waive any of our rights relating to policies, including, but not limited to, the right to correct and complete information on applications.
- j. Use any sales material, software, sales concepts, supplies or advertising other than supplied or approved by us, except with our written approval.
- k. Use your own personal or business checks or funds for the payment of an applicant's or policyowner's premiums.
- l. Pay, allow or offer any rebate.
- m. You may not use the Company's name in connection with any bank account or account with any other financial institution.

COMMISSIONS WHILE UNDER CONTRACT

- a. Commissions will be based on the gross premiums we receive from the policyowner. However, we will not advance commissions on future premium deposits.
- b. We will pay you commissions on policies sold according to the commission schedule and your financing plan, if any.
- c. We may, by written announcement or notice, change the commission schedule. However, this would not affect commissions payable on policies applied for before the new schedule became effective, unless required by law.

COMMISSIONS AFTER TERMINATION

- a. If your contract terminated for reasons other than any of the reasons in Part b of this section, you will receive the following commissions:
 - 1. First year commissions not yet paid on deferred first year premiums.
 - 2. Renewal commissions as stated in your commission schedule.
 - 3. Persistency-Production Bonuses as described in the commission schedule, only if your contract terminated by your death or because this contract is replaced by another producer contract with us.
- b. Future commissions (first year and renewal) will not be paid if we reasonably believe you have committed or caused to be committed any fraudulent, dishonest or illegal act arising out of or connected with our business or otherwise acted in violation of your contract or company policy.
- c. We may commute renewal commissions and pay in a lump sum after this contract has been terminated for at least two years.

PRIOR CONTRACT

Any prior or existing contracts, whether oral or written, and any such amendments that you have with us are terminated as of the date immediately before the effective date of this contract. Your rights to receive commissions and service fees earned on any business issued under a previous contract will continue to be paid in accordance with its terms and commission schedule(s).

COMPLIANCE

Any lenience in enforcing strict compliance with contract provisions or forbearance by us in enforcing them will not be interpreted as a present waiver of those provisions nor as a waiver of our rights to enforce the same in the future.

INDEBTEDNESS

Indebtedness means any debt, liability, or debit balance resulting from our reversal of commissions incurred under any contract you have had with us. It also means any amount paid by us to settle a complaint or satisfy any judgment entered by any court, administrative agency or arbitrator related to any policy sold by you, or breach of your duties and responsibilities contained in this contract, whether or not the liability for settlement or satisfaction of judgment arose after the termination of this contract. We may offset any amount you owe us, or any of our subsidiaries or affiliates, against any amounts we owe you. We reserve the right to use any remedies under the law to collect any debt you owe us and you agree to pay any reasonable attorney's fees and actual costs of collection incurred as a result of such action.

ASSIGNMENT

This contract is not assignable. Except as provided under "Indebtedness," no commissions payable under this contract may be transferred, assigned or made payable to anyone other than you without our written consent.

CONFIDENTIAL INFORMATION

Confidentiality. You acknowledge that, in the course of performing your duties under this agreement or otherwise, you may receive or learn information about individuals who have applied for or purchased financial products or financial services from us, including, but not limited to, personal, financial and/or health information ("Confidential Information"). You agree to keep all confidential information strictly confidential; and, that you will not use or disclose to any affiliate or third party, either orally or in writing, any confidential information for any purpose other than the purpose for which the confidential information was provided to you. Without limiting any of the foregoing, you agree to take all precautions that are reasonably necessary to protect the security of the confidential information. You agree to restrict access to the confidential information to those employees who need to know that information to perform your duties under this agreement. You further agree that, upon our request you will return to us all tangible items containing any confidential information you received or learned from us, including all copies, abstractions and compilations thereof, without retaining any copies of the items required to be returned. This provision does not apply to confidential information provided to you by the customer. The obligations of this paragraph extend to all of your employees, agents, affiliates and contractors and you shall inform such persons of their obligations hereunder.

Notification obligation. Upon learning of any unauthorized disclosure or use of any confidential information, you shall notify us promptly and cooperate fully with us to protect such confidential information.

Disclosure required by law. If you believe it is required by law or by a subpoena or court order to disclose any confidential information, then you, prior to any disclosure, shall promptly notify us in writing attaching a copy of the subpoena, court order or other demand and shall make all reasonable efforts to allow us an opportunity to seek a protective order or other judicial relief. This provision does not apply to audits and inquiries from state or federal regulatory agencies if you are legally required to provide them with access to your records.

Compliance with law. In connection with your performance under this agreement, you agree to comply with all applicable laws, including but not limited to laws protecting the privacy of non-public personal information about individuals.

Survival. The provisions of this agreement relating to confidentiality shall survive termination or expiration of this agreement.

GOVERNING LAW

This is an Iowa contract and will be construed in accordance with the laws of the state of Iowa.

TERMINATION

- a. We or you can terminate this contract at any time for any reason. Notice of termination must be in writing and specify the date of termination. Notice will be effective on the earlier of mailing to the addressee's last known address or delivery to the addressee.
- b. We may terminate your contract without giving prior written notice if we reasonably believe that you have committed any fraudulent, dishonest or illegal act arising out of or related to this contract or to our business or violated any provision of this contract or company policy, and the date of such termination shall coincide with the date of the violation or act giving rise to termination.

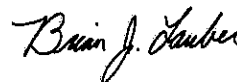
- c. The contract will terminate immediately in the event of expiration, cancellation or revocation of your license to sell insurance or your death.

ENTIRE AGREEMENT

This contract, including the relevant commission schedule(s), represents the entire contract between you and us. No promise, agreement, understanding or representation will be binding on us unless it is made in this contract, or by a written instrument signed by you and a vice president or higher officer level of the Company except as provided herein.

By signing below, I am indicating that I have read, understand, and agree to the terms and conditions of this contract.

Principal Life Insurance Company



Vice President – Independent Distribution

Broker

Countersigned for Principal Life Insurance Company

By _____

Not effective unless countersigned

Date MM/DD/YYYY

After completing this form, make a copy. Send original and copy to SMB Distribution Support.



Mailing Address:
Des Moines, IA 50392-0001

Principal Life Insurance Company | Commission Assignment

_____, Assigns and transfers to _____
("Assignor") _____, all right, title and interest in and to all
_____, ("Assignee")
first year and renewal commissions and other compensation which accrue to the Assignor with respect to
commissions earned under a _____, effective _____,

and entered into between Assignor and Principal Life Insurance Company, ("Company").

This Assignment is made for the purpose of vesting in the Assignee absolute title to said commissions. Notwithstanding this Assignment, the Company, its successors and assigns, has the right to offset against Assignor's commissions, any indebtedness of the Assignor which the Company, its successors and assigns, would have been authorized to deduct from or offset against if this assignment had not been made.

The Company, its successors and assigns, is authorized and directed to pay any and all assigned commissions directly to the Assignee.

The Company, its successors and assigns, may rely upon any receipt, release or waiver or any transfer or other instrument executed by the Assignee alone, purporting to affect this Assignment or any rights hereunder.

Executed _____ By _____
Date MM/DD/YYYY Assignor

Assignee Information

Name _____
Address _____ Tax ID # _____

Commission Assignment Acknowledged (TO BE COMPLETED BY HOME OFFICE ONLY)

We are honoring this assignment as a service to you. You need to be aware the enforceability of this agreement in a court of law is between you and the party to whom commissions have been assigned. Principal Life Insurance Company, therefore, assumes no responsibility for the validity or effect of any such assignment.

Signature Date MM/DD/YYYY

After completing this form make two copies. Send original and two copies to SMB Sales Support.

Principal®**Financial
Group**Mailing Address:
Des Moines, IA 50392-0470**Principal Life
Insurance Company****Producer Appointment
Information**

Submitting Office Name and Number: _____

This is a statement of qualifications to become appointed as a producer and is not an application for employment. If you fail to answer any of the following information, it will delay processing. PLEASE PRINT LEGIBLY.

Applicant Name	SS/TID Number	Date of Birth
Home Address (Street and Number, City, State, Zip)	Fax Number ()	
Business Address (Street and Number, City, State, Zip)	Business Phone Number ()	

State Insurance License(s): Please provide the following information for the state(s) in which you would like to be appointed with the Insurance Company. (Attach additional sheets if necessary).

State	Line(s) of Authority	License Number	Resident (R) or Non-Resident (NR)
	<input type="checkbox"/> Life <input type="checkbox"/> Health <input type="checkbox"/> Variable Annuity <input type="checkbox"/> Variable Life		<input type="checkbox"/> R <input type="checkbox"/> NR
	<input type="checkbox"/> Life <input type="checkbox"/> Health <input type="checkbox"/> Variable Annuity <input type="checkbox"/> Variable Life		<input type="checkbox"/> R <input type="checkbox"/> NR
	<input type="checkbox"/> Life <input type="checkbox"/> Health <input type="checkbox"/> Variable Annuity <input type="checkbox"/> Variable Life		<input type="checkbox"/> R <input type="checkbox"/> NR
	<input type="checkbox"/> Life <input type="checkbox"/> Health <input type="checkbox"/> Variable Annuity <input type="checkbox"/> Variable Life		<input type="checkbox"/> R <input type="checkbox"/> NR
	<input type="checkbox"/> Life <input type="checkbox"/> Health <input type="checkbox"/> Variable Annuity <input type="checkbox"/> Variable Life		<input type="checkbox"/> R <input type="checkbox"/> NR

NASD Registered Representative's CRD Number: _____

Broker-Dealer Affiliation / or Bank: _____

(name)

(city)

(state)

(zip)

Which Products Are You Interested In Selling?
☐ Variable Life
 ☐ Flexible Variable Annuity (FVA)
 ☐ Group Annuity
 ☐ Fixed Life and Annuities
 ☐ DI Products
Authorization By Individual To Be Appointed

In connection with my proposed appointment under another person or entity's current or proposed relationship with Principal Life Insurance Company (the "Insurance Company"), I understand that the Insurance Company may now, or at any time while I remain appointed with the Insurance Company, conduct any necessary investigation, including, but not limited to, obtaining a consumer credit report, or any other reports, containing information about my employment and work history, character, general reputation, personal characteristics and mode of living, and may include information obtained from the NASD. I understand a Central Registration Depository (CRD) report may be ordered and reviewed. Any such information obtained can be shared among the Insurance Company's subsidiaries and affiliates. I hereby authorize and request any present or former employer, school, police department, financial institution or other persons having information in their possession regarding me in connection with my proposed appointment, to release such information without restriction or qualification. Photocopies of this authorization may be accepted with the same authority as the original, and I specifically waive any notice from any present or former employer who may provide information based on this authorized request.

I have been given the Notice of Background Investigation and Summary of Consumer Rights upon signing this document. I release the Insurance Company from any liability which may result from this investigation and also release from liability any person or entity that provides information to the Insurance Company for this investigation.

Signature _____

Printed Name _____

Date _____

Email Address _____

My position with the firm writing business with the Insurance Company is as follows (check all that apply):

☐ Partner
 ☐ Solicitor
 ☐ Corporate Officer
 ☐ Member
 ☐ Other (describe here _____)
Sign and return this page. Keep pages 2, 3 and 4 for your records.

Mailing Address:
Des Moines, IA 50392-0470**Principal Life
Insurance Company****Notification Of
Background Investigation**

NOTIFICATION OF BACKGROUND INVESTIGATION

This notification is to make you aware that one or more consumer reports or investigative reports are being obtained from a consumer reporting agency for the purpose of evaluating you for a contract and/or appointment as a marketer with Principal Life Insurance Company.

Such report may contain information bearing on your credit worthiness, credit standing, credit capacity, character, general reputation, personal characteristics, or mode of living from public record sources, through personal interviews with your neighbors, friends, and former employers. School, police department, the National Insurance Producer Registry (NIPR), the NASD's Central Registration Depository (CRD), and financial institution records may also be accessed. You have the right to request additional disclosures regarding the nature and scope of the investigation.

Producer's Copy

A SUMMARY OF YOUR RIGHTS UNDER THE FAIR CREDIT REPORTING ACT

The Fair Credit Reporting Act (FCRA) is designed to promote accuracy, fairness, and privacy of information in the files of every "consumer reporting agency" (CRA). Most CRAs are credit bureaus that gather and sell information about you – such as where you work and live, if you pay your bills on time, and whether you've been sued, arrested, or filed for bankruptcy – to creditors, employers, and other businesses. The FCRA gives you specific rights in dealing with CRAs, and requires them to provide you with a summary of these rights as listed below. You can find the complete text of the FCRA, 15 U.S.C. 1681 et seq., at the Federal Trade Commission's web site (<http://www.ftc.gov>).

You must be told if information in your file has been used against you. Anyone who uses information from a CRA to take action against you – such as denying an application for credit, insurance, or employment – must give you the name, address, and phone number of the CRA that provided the report.

You can find out what is in your file. A CRA must give you all the information in your file, and a list of everyone who has requested it recently. However, you are not entitled to a "risk score" or a "credit score" that is based on information in your file. There is no charge for the report if your application was denied because of information supplied by the CRA, and if you request the report within 60 days of receiving the denial notice. You are also entitled to one free report a year if you certify that (1) you are unemployed and plan to seek employment within 60 days, (2) you are on welfare, or (3) your report is inaccurate due to fraud. Otherwise, a CRA may charge you a fee of up to eight dollars.

You can dispute inaccurate information with the CRA. If you tell a CRA that your file contains inaccurate information, the CRA must reinvestigate the items (usually within 30 days) unless your dispute is frivolous. The CRA must pass along to its source all relevant information you provided. The CRA also must supply you with written results of the investigation and a copy of your report, if it has changed. If an item is altered or deleted because you dispute it, the CRA cannot place it back in your file unless the source of the information verifies its accuracy and completeness, and the CRA provides you a written notice that includes the name, address and phone number of the source.

Inaccurate information must be deleted. A CRA must remove inaccurate information from its files, usually within 30 days after you dispute its accuracy. The largest credit bureaus must notify other national CRAs if items are altered or deleted. However, the CRA is not required to remove data from your file that is accurate unless it is outdated or cannot be verified.

You can dispute inaccurate items with the source of the information. If you tell anyone – such as a creditor who reports to a CRA – that you dispute an item, they may not then report the information to a CRA without including a notice of your dispute. In addition, once you've notified the source of the error in writing, they may not continue to report it if it is in fact an error.

Outdated information may not be reported. In most cases, a CRA may not report negative information that is more than seven years old; ten years for bankruptcies.

Access to your file is limited. A CRA may provide information about you only to those who have a need recognized by the FCRA – usually to consider an application you have submitted to a creditor, insurer, employer, landlord, or other business.

Your consent is required for reports that are provided to employers or that contain medical information. A CRA may not report to your employer, or prospective employer, about you without your written consent. A CRA may not divulge medical information about you without your permission.

You can stop a CRA from including you on lists for unsolicited credit and insurance offers. Creditors and insurers may use file information as the basis for sending you unsolicited offers of credit or insurance. Such offers must include a toll-free number for you to call and tell the CRA if you want your name and address excluded from future lists or offers. If you notify the CRA through the toll-free number, it must keep you off the lists for two years. If you request and complete the CRA form provided for this purpose, you can have your name and address removed indefinitely.

You may seek damages from violators. You may sue a CRA or other party in state or federal court for violations of the FCRA. If you win, the defendant may have to pay damages and reimburse you for attorney's fees. If you lose and the court specifically finds you sued in bad faith, you or your attorney may have to pay the defendant's fees.

You may have additional rights under state law. You may wish to contact a state or local consumer protection agency or a state attorney general to learn those rights.

If you have questions or believe your file contains errors, call the toll-free number; 1(800) 388-4793, option 2, then 3. Or you can write to us at the Principal Financial Group, Marketer Services, 711 High Street, Des Moines, IA 50392-0470.

The FCRA gives several different federal agencies authority to enforce the FCRA

FOR QUESTIONS OR CONCERNS REGARDING:	PLEASE CONTACT:
CRAs, creditors and others not listed below	Federal Trade Commission Consumer Response Center – FCRA Washington, DC 20580 202-326-3761
National banks, federal branches/agencies of foreign banks (word “National” or initials “N.A.” appear in or after bank’s name)	Office of the Comptroller of the Currency Compliance Management, Mail Stop 6-6 Washington, DC 20219 800-613-6743
Federal Reserve System member banks (except national banks, and federal branches/agencies of foreign banks)	Federal Reserve Board Division of Consumer & Community Affairs Washington, DC 20551 202-452-3693
Savings associations and federally chartered savings banks (word “Federal” or initials “F.S.B.” appear in federal institution’s name)	Office of Thrift Supervision Consumer Programs Washington, DC 20552 800-842-6929
Federal credit unions (words “Federal Credit Union” appear in institution’s name)	National Credit Union Administration 1775 Duke Street Alexandria, VA 22314 703-518-6360
State-chartered banks that are not members of the Federal Reserve System	Federal Deposit Insurance Corporation Division of Compliance & Consumer Affairs Washington, DC 20429 800-934-FDIC
Air, surface, or rail common carriers regulated by former Civil Aeronautics Board or Interstate Commerce Commission	Department of Transportation Office of Financial Management Washington, DC 20590 202-366-1306
Activities subject to the Packers and Stockyards Act, 1921	Department of Agriculture Office of Deputy Administrator – GIPSA Washington, DC 20250 202-720-7051

Producer’s Copy

Principal**Financial
Group****Principal Life | Princor Financial
Insurance Company | Services Corporation**
Mailing Address: Des Moines, IA 50392-0470**Authorization Agreement
for Direct Deposit**

Please complete this form to authorize us to deposit your net compensation earnings directly into your financial institution account ("Bank"). Investment brokerage accounts not accepted if a debit cannot be processed.

This represents: ☐ New Enrollment ☐ Change of Account ☐ Change of Bank

Producer's Name

Tax ID Number (SSN or EIN)

Statement Code(s)

Account Information☐ **Principal Bank**Routing Number for Principal Bank 073922623(Contact (800) 986-3343 for an
application to open a New Account)

Account Number _____

OR

Bank Name _____

Bank Phone Number (____) _____

Street _____

City _____

State _____

Zip _____

☐ Checking Account

Bank's Routing & Transit Number _____

*Account Number _____

OR

☐ Savings Account

Bank's Routing & Transit Number _____

*Account Number _____

*(Example of bank information on attached sheet)

Authorization Agreement for Direct Deposit

I hereby authorize Principal Life Insurance Company (or Princor Financial Services Corporation if a registered representative) to:

- deposit or credit my compensation earnings for amounts as it applies to your minimum requirements. Contact the phone number below for current minimum requirements. Amounts less than the minimum will accumulate until the minimum is reached and will be deposited or credited at the next pay date.
- it is understood that the deposit(s) will not begin until my bank has completed its prenotification, which can take a minimum of two weeks. (Prenotification does not apply to Group or Pension business.)
- if necessary, initiate adjustments to correct any credit entries made in *error* to my account.

This authority is to remain in effect until revoked by me in writing and received by Principal Life Insurance Company or by Princor Financial Services Corporation at its home office at 711 High Street, Des Moines, IA 50392-0470. I understand either Company reserves the right to amend or terminate this agreement at any time.

Producer (Registered Rep) Signature _____

Date _____

Business Address _____

Business Phone No. (____) _____

Home No. (____) _____

Fax No. (____) _____

Questions: 1-800-388-4793, SMB Distribution Support

FAX (For Home Office Use)TO: _____
Current Manager Date Fax NumberFROM: _____
Contractor – SMB Distribution Support**Please complete the following:**I (Print name) _____ am currently affiliated with the
_____ agency and am requesting the option below.*(Please check the appropriate box.)*☐ **Request For Agency Transfer**

I am requesting to transfer my affiliation to the _____ agency.

1. All personally written business will be transferred to the new agency.

- If the marketer wishes to rescind the request to transfer, a letter signed by the marketer on his/her letterhead stationery must be received in SMB Distribution Support before the business has been transferred.
- Prior agreements between The Principal and your broker-dealer may prevent your variable life business from being transferred or placed with another agency.

2. The statement codes in the current agency will terminate the date of transfer.

- Any current Broker Expense Allowances (BEA) terminates the date of the transfer. Remaining BEA payments will be discontinued unless approved in the new agency.
- The new manager must request and will be charged for any future BEA payments.

3. Only one transfer will be allowed in a six month period or from the original date of contract with The Principal.

☐ **Request For Additional (Dual) Agency Affiliation**

I am requesting to also be affiliated with the _____ agency.

(If you hold a DD 715 Broker's Contract, please complete new broker contracting paperwork.)

- Please complete, sign and send Broker Request For Transfer/Additional Agency Affiliation (DD 780 A) to SMB Distribution Support.
- A copy will be faxed to the current manager, advising of the transfer or additional affiliation.
- Copies will also be sent to your new manager and their respective field officers.
- The agency transfer or the dual agency affiliation will become effective ten working days from the date the current manager receives notification.

My business reason for this request is: _____

Broker's Signature_____
Date_____
New Manager's Signature_____
Date_____
Social Security Number

SELECT BROKER

**COMMISSION
SCHEDULE**

DD 715 B-19

Effective January 1, 2004

We will pay you commissions on policies issued on applications written under your contract. Commissions will be paid according to this schedule on premiums we receive.

We may, by written notice to you, change this commission schedule. Any changes will affect only commissions payable on policies applied for after the effective date of the change, or policies dated after the effective date for the Quality Business Bonus Plans. We may discontinue the issuance of any form of policy and fix the amount of commissions on policies issued in exchange for previously issued policies.



Principal Life Insurance Company
Mailing Address: Des Moines, Iowa 50392-0001

Select Broker Commission Schedule

Table of Contents

Section	Page
1. Life	3-21
2. Disability Income	22-25
3. Annuity.....	26-39
4. Commission Modifications	40

Changes & Additions

January 1, 2004

- Added Universal Life Protector (SF725)
- Added Interest Sensitive Whole Life (ISWL)
- Added commission chargebacks on large face decreases (page 14)
- Changed Disability Insurance renewal rate scale (page 22)
- Added Flexible Premium Deferred Annuity Plus (FPDA Plus)

I. FIRST YEAR AND RENEWAL COMMISSIONS

A. Traditional Life Policies Issued By Principal Life Insurance Company

1. First Year and Renewal Commissions

POLICY PLAN	First Year Percentage of Premium	Renewals Percentage of Premium	
	Policy Year	Policy Year	
	1 st	2 nd Thru 4 th	5 th Thru 10 th
Term – 2002**			
(ART, 10yr, 20yr)	50	3	3
Annually Renewable Term-1997	N/A	3	3
10 Year Term-1997	N/A	3	3
20 Year Term-1997	N/A	3	3
Nonconvertible Annually Renewable 5 Year Term	3	3	3*

* 2nd through 5th year only; 3%.

** \$75.00 policy fee is non-commissionable

B. Adjustable Life Policies Issued By Principal Life Insurance Company

1. Adjustable Life 3

First Year Commissions of 50% of the total base policy premium up to the target premium listed below. Total base policy premium in excess of target receives first year commission of 7%. The target premium varies according to the insured's age at the time the first year commission is earned:

<u>Issue Age</u>	<u>Target Premium</u>	<u>Issue Age</u>	<u>Target Premium</u>
0 – 15	\$ 6	51 – 55	\$40
16 – 25	10	56 – 60	51
26 – 35	14	61 – 65	66
36 – 45	20	66 – 85	86
46 – 50	31		

Note: a. 3½% of any "unscheduled" single premium payment.

b. 50% of the first year premium for additional term insurance agreements attached to the Adjustable Life policy.

2. Adjustable Life 4

First Year Commissions of 50% of the total base policy premium up to the target premium listed below. Total base policy premium in excess of target receives first year commission of 7%. The target premium varies according to the insured's age (male or female and smoker status) at the time the first year commission is earned.

Issue Age	MNS	FNS	UNS	MS	FS	US
0-15	6	6	6	6	6	6
16-25	9	9	9	10	10	10
26-35	12	12	12	14	13	14
36-45	20	19	19	20	20	20
46-50	25	23	24	31	26	30
51-55	33	30	32	40	34	38
56-60	47	41	45	51	46	50
61-65	55	49	53	66	55	63
66-85	65	57	63	86	64	81

- Note:** a. 3% of any "unscheduled" single premium payment.
b. 50% of the first year premium for child term insurance agreement attached to the Adjustable Life policy.

3. Renewal Commissions for AL3 and AL4 will be paid as follows:

Percent of Premium Policy Year			
2	3	4	5-8
6%	6%	6%	6%

- Note:** a. Renewal commissions will not be paid on "unscheduled" single premium payments.
b. Renewal commissions on premiums for additional term insurance agreements attached to the Adjustable Life policy are at the same rate as for the basic policy.

4. Other

Each new premium increment to the Adjustable Life policy is treated separately for commission purposes as if it were written under a new policy.

We will compare the current annual mode equivalent of the base policy premium payment with the annual mode equivalent of each base policy premium paid since issue to determine the commissions payable to you, if any.

If the annual mode equivalent of the current base policy premium payment is greater than the largest annual mode equivalent paid since issue, first year commissions will be paid on the increase.

If the annual mode equivalent of the current base policy premium payment is greater than the annual mode equivalent of the immediately preceding payment, but less than the annual mode equivalent of the highest premium paid since issue, commissions on the premium increment will be resumed for the unexpired portion of the commission period.

If the annual mode equivalent of the current base policy payment is less than the annual mode equivalent of the immediately preceding payment, the premium decrease would be determined from the last premium increment or increments added to the policy, as necessary.

If a premium increase adjustment is made to an Adjustable Life policy that became paid up due to natural terms of the policy, full first year commissions will be paid on that adjustment. If the Adjustable Life policy became paid up due to use of the non-forfeiture provision in the contract, the lifetime look back will be followed.

Initial target premium is based on the age and face amount at issue. Target premium for subsequent adjustments is based on the age and face amount for each respective adjustment at the time of the adjustment. If there has been a decrease in face amount, a subsequent adjustment that increases the face amount will first reinstate the decrease at the effective age and target of that decrease. Any remaining amount will increase the target premium at the age and target at the time of the adjustment.

Commissions payable on **new** Limited-Pay Adjustable Life plans in which the policy becomes paid-up in less than five years or where there are new premium increments and there are less than five years before the policy becomes paid-up, the commissions payable on the new premium increment will be paid according to the following:

AL3 Life Plan
Years to Pay Up

4

3

2

1

AL4 Life Plan
Years to Pay Up

3

2

1

First Year Commissions

20%

15

10

3.5

First Year Commissions

11%

7

3

If a Cost of Living or Increase Option rider is exercised on a paid-up policy, the commission payable will be 3.5% for AL3 and 3.0% for AL4.

Cost of Living or Increase Option rider increases are not paid after a contract terminates. Cost of Living or Increase Option rider increases will be paid to the last active servicing agent.

C. Universal Life (SF163/164)/Universal Life II (SF641)/Universal Life 3 (SF712)/ Universal Life Protector (SF725)/Interest Sensitive Whole Life/ Survivorship Universal Life/Survivorship Variable Universal Life*/PrinFlex®*/Principal Variable Universal Life Accumulator I and II*/Benefit Variable Universal Life*)/ Executive Variable Universal Life* issued by Principal Life Insurance Company.

*May only be sold by Registered Representatives and will continue to be paid only as long as you are properly registered.

1. First Year commissions

Universal Life (SF163/164)/Universal Life II (SF641)/Universal Life 3 (SF712)/Survivorship Universal Life/Survivorship Variable Universal Life/PrinFlex®*/Benefit Variable Universal Life*/Universal Life Protector (SF725)***/Interest Sensitive Whole Life*****

Percentage of premium in the 1st Policy Year

- a. 50%** of premium received up to the target* premium.
- b. 3% of premium received above the target premium.

* This only affects the commission where stipulated premium is less than target premium and the premiums applied are greater than the stipulated premium.

** The commission rate is reduced to 30% if the Accounting Benefit Rider is attached to the policy.

***Target premiums vary by age, gender and substandard ratings

The target premium is determined according to a rate per \$1,000 of face amount. This rate varies by age and sex of the insured, but does not increase due to riders or certain ratings.

Principal Variable Universal Life Accumulator I and II

Percentage of premium in the 1st Policy Year

- a. 50%** of premium received up to the target* premium.
- b. 2.5% of premium received above the target premium.

*This only affects the commission where stipulated premium is less than target premium and the premiums applied are greater than the stipulated premium.

**The commission rate is reduced to 30% if the Accounting Benefit Rider is attached to the policy.

Executive Variable Universal Life

The following provisions shall apply to sales of the Company's Executive Variable Universal Life policies:

- a. 10% up to target premium
- b. 1% excess premium *

The target premiums are usually equal to the 7-pay MEC premium and vary by age, gender and substandard ratings.

*External replacement premiums are compensated at the normal rates, except that there is no excess commission paid.

2. Universal Life (SF163/164)/Universal Life II (SF641)/Universal Life 3 (SF712)/Survivorship Universal Life/Survivorship Variable Universal Life/Universal Life Protector (SF725)/Interest Sensitive Whole Life/Target Premiums (Annual per \$1,000 face amount).

Please refer to your illustration.

8. Renewal Commissions for Universal Life (SF163/164)/Survivorship Universal Life/Survivorship Variable Universal Life*/ PrinFlex®*

- a. Paid to original writing agent **who continues as servicing agent.**
 - 1. Policy Year 2nd and later
2% of all premium received
 - 2. Policy Year 2 through 10 for Survivorship Universal Life and Survivorship Variable Universal Life only
2% of all premium received
 - * Will continue to be paid only as long as you are properly registered.
- b. Paid to servicing agent **who was not the original writing agent.**
 - 1. Policy Year 2nd and later
2% of all premium received that is greater than the average annual premium attributed to the previous agent(s).
 - 2. Policy Year 2 through 10 for Survivorship Universal Life and Survivorship Variable Universal Life only
2% of all premium received that is greater than the average annual premium attributed to the previous agent(s).
 - * Will continue to be paid only as long as you are properly registered.
- c. Paid to original writing agent **who is no longer the servicing agent.**
 - 1. Policy Year 2nd and later
2% of all premiums received up to the average annual premium attributed to the writing agent.
 - 2. Policy Year 2 through 10 for Survivorship Universal Life and Survivorship Variable Universal Life only
2% of all premiums received up to the average annual premium attributed to the writing agent.
 - * Will continue to be paid only as long as you are properly registered.
- d. Average annual premium means the actual premium received on a policy for the three latest policy years (including the current policy year) divided by three.
- e. The date of receipt of premium payments will determine the policy year for the commission.
- f. Servicing agent means the agent appointed by us and accepted by the policyowner as their servicing agent.

9. Renewal Commissions for Universal Life II (SF641)/Universal Life 3 (SF712)/Universal Life Protector (SF725)/Interest Sensitive Whole Life

- a. Policy year 2 through 5
2% of premium received
- b. Policy year 6 through 10
1% of premium received
- c. The date of receipt of premium payments will determine the policy year for commissions.

10. Renewal Commissions for Principal Variable Universal Life Accumulator I and II*

- a. Policy Year 2nd through 5th
2.5% of all premium received
- b. Policy year 6 through 10 **
.15% of Net Policy Value, paid quarterly
- c. Policy year 11 and later **
.10% of Net Policy Value, paid quarterly
* Will continue to be paid only as long as you are properly registered.
** Asset-based trails will be discontinued if the Life Paid-Up Rider is activated.
- d. The date of receipt of premium payments will determine the policy year for the commission.

11. Renewal Commission for Benefit Variable Universal Life*

- a. Years 2 and later
2% up to target premium
2% excess premium
* Will continue to be paid only as long as you are properly registered.
- b. The date of receipt of premium payment will determine the policy year for the commissions.

12. Renewal commissions for Executive Variable Universal Life*

- a. Years 2-5
5% up to target premium
1.5% excess premium
- b. Years 6-10
1.5% up to target premium
0% excess premium
- c. Years 6 and later
.05% of the NPV (Net Policy Value), paid to the original writing agent
Annual trails are paid every quarter based on the end of the policy quarter Net Policy Values as defined in the Executive Variable Universal Life policy. Annual trails are not paid on loan values or during any extended maturity
* Will continue to be paid only as long as you are properly registered
- d. The date of receipt of premium payment will determine the policy year for the commissions.

13. Compensation on Increases for Universal Life (SF163/164)/Universal Life II (SF641)/Universal Life 3 (SF712)/Universal Life Protector (SF725)/Survivorship Universal Life/Survivorship Variable Universal Life/PrinFlex®/Principal Variable Universal Life Accumulator I and II

An increase will be defined as a face amount increase. We will compare the increased face amount of the policy against the highest policy face amount over the latest three-year period to determine if there is a policy face amount increase during the current year.

A 50% commission will be paid on premium received during the first 12 months following the date of a face amount increase that is greater than the premium level on which a high (50%) first year commission rate was previously paid. The maximum premium on which a high (50%) first year commission rate is paid will be the total target premium amount of the policy after a face amount increase has occurred.

Cost of living increases are not paid after a contract terminates. Cost of living increases will be paid to the last active servicing agent.

14. Commission Charge Backs for Universal Life II (SF641)/Universal Life 3 (SF712)/Universal Life Protector (SF725)/Interest Sensitive Whole Life/Survivorship Universal Life/Survivorship Variable Universal Life/PrinFlex®/Principal Variable Universal Life Accumulator I and II

The commission chargeback for policies with face amounts of \$500,000 or greater and include a face-amount reduction of 35% or more is based on a decreasing scale over a period of five years. The first year commissions are reduced if the following occurs:

- The illustration shows face amount decrease(s) greater than 35% of the total face amount or;
- The cumulative face amount decrease(s) are greater than 35% of the total face amount and;
- The total face amount is greater than or equal to \$500,000.

First year commissions will be reduced by taking the difference between the commission paid and the commission that would have been paid had the face been issued at the decreased amount, multiplied by the appropriate percentage of commission reduction listed in the table below:

Issue/Increase Duration	Year 1	Year 2	Year 3	Year 4	Year 5	Year(s) 6+
Percentage of Commission Reduction	N/A**	80%	60%	40%	20%	No Charge

** Face Amount decreases are not allowed in year 1 of the policy.

The face amount at issue and each increase in face amount has its own five year commission chargeback schedule. A face amount decrease, processed in the same year as a face amount increase, large enough to cancel out the increase, automatically reverses the first year commissions paid on the increase.

Face increases or decreases that are a result of partial surrenders or death benefit option charges are not applicable when assessing commission chargebacks.

15. Compensation on Increases for Executive Variable Universal Life and Benefit Variable Universal Life

Only those face amount increases that are underwritten will result in payment of first year commissions for premium attributable to the face amount increase and **will be paid to the original writing agent (of the original policy) only**. We allow up to 12 months from the effective date of an underwritten face amount increase to pay first year commissions.

We will compare the increased total face amount of the policy against the highest total face amount over the lifetime of the policy to determine if there is a policy face amount increase during the current year. If so, a new target premium is based on the total face amount increase above the highest lifetime total face amount which may or may not equal the requested face amount increase. To determine first year commissions versus renewals commissions, premiums paid are split in proportion to the target premium of each underwritten face amount increase.

16. Commission Charge Backs for Executive Variable Universal Life and Benefit Variable Universal Life*

If the policy is terminated in the first three policy years, for any reason other than death of the insured, a portion of first year commissions ("FYC") are charged back according to the following schedule.

<u>Policy Year</u>	<u>Percent of FYC Charged Back</u>
1	100
2	68
3	38

*Only applicable to Benefit Variable Universal Life with the Accounting Benefit Rider.

D. Increase Riders attached to Universal Life (SF163/164)/Universal Life II (SF641)/PrinFlex® /Principal Variable Universal Life Accumulator I and II policies

1. Commissions Payable on Increases Resulting from the SIR, EPSIR and EPIR* riders.

When the rider is exercised, commissions will be paid on the increase in premium, subject to the regular commission rules for such increases, as follows:

<u>Age of Insured</u>	<u>Percentage</u>
Up to Age 50	50%
Age 51 – 54	45
Age 55 – 65	40

***EPIR and EPSIR riders are/were available on Adjustable Life, Century III, and Prinflex®**

2. Regular renewal commissions and service fees will apply to all premiums resulting from these Riders.

II. SERVICE FEES

A. Traditional Life Policies dated 1-1-87 and later

1. On policies **written** by you:

Service fees of 2% will be paid as long as you are the servicing agent on renewal premiums for policy years 9 and later.

2. On policies **assigned** to you for servicing:

Service fees of 2% will be paid to you as servicing agent on each policy assigned to you for servicing on which no renewal commission is currently being paid.

B. Century III Policies

1. **Service fees** of 2% will be paid to the servicing agent on renewal premiums for policy years 2 and later.
2. **Service fees** will not be paid for SPUI or excess AIB.

C. Adjustable Life Policies

1. **Service fees** of 2% will be paid to the servicing agent on renewal premiums for policy years 2 and later.
2. **Service fees** will not be paid on "unscheduled" single premium payments.

D. Universal Life/(SF163/164)/Universal Life II (SF641)/Universal Life 3 (SF712)/ Universal Life Protector (SF725)/Interest Sensitive Whole Life/Survivorship Universal Life/Survivorship Variable Universal Life*/Flexible Variable Life*/PrinFlex®*

1. **Service fees** for Universal Life (SF163/164 prior to 4-1-99)/Flex Variable Life/PrinFlex® and Survivorship Variable Universal Life of 2% will be paid to the servicing agent on all premium received beyond the first policy year.
2. **Service fees** for repriced Universal Life (SF163/164) (4-1-99)/Interest Sensitive Whole Life and Survivorship Universal Life of 1% will be paid to the servicing agent on all premiums received beyond the first policy year.
3. **Service fees** for Universal Life II (SF641)/Universal Life 3 (SF712) and Universal Life Protector (SF725) will pay 1% on all premiums received in years 11 and later.

*Will continue only as long as you are properly licensed and registered in the client/owner's state of residence.

E. Principal Variable Universal Life Accumulator I and II*

1. **Service fees** of .10% will be paid quarterly to the servicing agent years 6-10 on the Net Policy Value.**
2. **Service fees** of .05% will be paid quarterly to the servicing agent years 11 and later on the Net Policy Value.**

* Will continue to be paid only as long as you are properly licensed and registered in the client/owner's state of residence.

**Service fees will discontinue when the Life Paid-Up Rider is activated.

F. Annually Renewable Term, 10 Year Term and 20 Year Term

1. **Service fees** will not be paid.

G. Survivorship Whole Life

1. **Service fees** of 2% will be paid to the servicing agent on the base policy renewal premium for policy years 2 and later.
2. **Service fees** of 2% will be paid on the paid-up term rider for policy years 9 and later.

H. First-To-Die Policies

1. **Service Fees** of 2% will be paid to the servicing agent on all premium received beyond the first policy year.

I. Executive Variable Universal Life*

1. .025% of the NPV (Net Policy Value) paid to the active servicing agent in years 6 and later.

Annual trails are paid every quarter based on the end of the policy quarter Net Policy Values as defined in the Executive Variable Universal Life policy. Annual trails are not paid on loan values or during any extended maturity.

* Will continue to be paid only as long as you are properly licensed and registered in the client/owner's state of residence.

J. Benefit Variable Universal Life*

1. **Service fees** for the sale of Benefit Variable Universal Life will be 1% of all premiums received in years 2 and later.

* Will continue to be paid only as long as you are properly licensed and registered in the client/owner's state of residence.

K. Other

1. **Servicing agent means** the agent appointed by us and accepted by the policyowner as their servicing agent.
2. **Service fees may be reassigned by us to another agent** if the policyowner requests a change in the servicing agent or if we decide that a change would be in the best interests of the policyowner.
3. **Service fees** are not paid after a contract terminates. Service fees are paid to the last active servicing agent.

III. QUALITY BUSINESS BONUS PLANS FOR LIFE POLICIES ISSUED BY PRINCIPAL LIFE INSURANCE COMPANY

A. Life Quality Business Bonus Plan

1. Definitions

- a. "Qualification year" means the calendar year in which premium is dated, except for Universal Life (SF163/164)/Survivorship Universal Life/Survivorship Variable Universal Life/Flex Variable Life/PrinFlex® and First-to-Die policies, where it will mean the calendar year in which the policy is dated. All life premiums, excluding replaced premium, dated in a qualification year will be grouped together to determine any bonus on that premium.
- b. "In force" means policies whose premiums have been paid to the current date, or, if unpaid, whose premium due date is no more than 53 days before the current date.
- c. "Adjusted in force" is the total of your initial in force premium, after taking into account subsequent transactions such as term conversions, policies terminated because of death, or adjustments to Adjustable Life policies.
- d. "Life policies" mean policies issued by Principal Life Insurance Company written by the agent.

In addition, life policies will include any policies issued by Principal Life Insurance Company written by the agent while the agent was contracted under another Principal Life Insurance Company contract during the qualification year.

- e. "Policies dated" or "premium dated" in a year means the effective date of the new policy issue or for Adjustable Life, a premium increase.

2. Requirements for Qualification and Payment

To be eligible for a bonus payment, you must have at the time the payment is determined:

- a. A minimum amount of annual premium still in force on life policies dated in a qualification year as shown in Tables L1-L3.
- b. A minimum persistency requirement must be attained on life premium dated in a qualification year as shown in Tables L1-L3.
- c. In addition, in order to be eligible for all payments, the persistency ratio used to determine the first payment as defined under 3(a.) of this section must not be less than 75%.
- d. You must be a Princor registered rep to receive a bonus on variable life business.

3. Payments

The Life Quality Business Bonus will be a percentage of the annual premium in force on life policies dated in the qualification year. In certain situations, such as an increase in premium or an Adjustable Life policy, the premium date will be different from the policy date. In these situations, the premium date will apply.

For each qualification year there may be three payments.

- a. THE FIRST PAYMENT* will be a percentage of the annual premium in force on December 28 of the first calendar year following the qualification year. The percentage is based on:
 1. the annual premium on life policies in force on December 28 of the first calendar year following the qualification year, and
 2. the ratio of this annual premium to the adjusted total annual life written premium on policies dated in the qualification year. See Table L1.
- b. THE SECOND PAYMENT* will be a percentage of the annual premium in force on December 28 of the second calendar year following the qualification year. The percentage is based on:
 1. the annual premium on life policies in force on December 28 of the second calendar year following the qualification year, and
 2. the ratio of this annual premium to the adjusted total annual premium in force at the beginning of that year on all life policies dated in the qualification year. See Table L2.

- c. Similarly, THE THIRD PAYMENT* will be a percentage, determined in the same manner as b. above, of the annual premium in force on December 28 of the third calendar year following the qualification year. See Table L3.

*Principal Variable Universal Life Accumulator I and II/ Universal Life II (SF641)/ Universal Life 3 (SF712)/Universal Life Protector (SF725)/Interest Sensitive Whole Life and Term 2002 premiums are included for determining your Annual Premium Inforce bracket and the resulting bonus rate. However, Principal Variable Universal Life Accumulator I and II, Universal Life II (SF641)/Universal Life 3 (SF712)/Universal Life Protector (SF725)/Interest Sensitive Whole Life and Term 2002 premiums received are NOT eligible for a persistency bonus payment and are NOT included in determining your actual persistency ratio.

Executive Variable Universal Life and Benefit Variable Universal Life policy premiums are not included for **any purpose**, including bonus payments under A. and B. of Part III. "Quality Business Bonus Plans for Life Policies" in the "Life Insurance Policies" section of the Commission Schedule.

Bonuses on Universal Life (SF163/164)/Survivorship Variable Universal Life/Survivorship Universal Life/Flex Variable Life/PrinFlex® and First-to-Die policies are calculated based on the actual amount of premium received in the current year, up to the planned periodic or average whichever is lower, but limited to target.

d. Life Quality Business Bonus Tables

NOTE: For Universal Life (SF163/164)/Survivorship Universal Life/Survivorship Variable Universal Life/Flex Variable Life/PrinFlex® and First-to-Die policies, annual premium in force will mean total premium received divided by the number of fractional policy years.

Percent of Annual Premium in Force After One Year

Table	Annual Premium In Force	95.0 - 96.9%	97.0 - 98.4%	98.5 - 100%
L1	\$120,000 and up	3.25%	3.50%	3.75%
	95,000 - 119,999	3.00	3.25	3.50
	77,000 - 94,999	2.75	3.00	3.25
	60,000 - 76,999	2.50	2.75	3.00
	45,000 - 59,999	2.25	2.50	2.75

Percent of Annual Premium in Force at the Beginning of Year Two that remains in force at the End of Year Two

Table	Annual Premium In Force	95.0 - 97.9%	98.0 - 98.9%	99.0 - 99.4%	99.5 - 100%
L2	\$119,000 and up	3.25%	3.50%	3.75%	4.50%
	94,000 - 118,999	3.00	3.25	3.50	4.00
	76,000 - 93,999	2.75	3.00	3.25	3.50
	59,000 - 75,999	2.50	2.75	3.00	3.25
	44,000 - 58,999	2.25	2.50	2.75	3.00

Percent of Annual Premium in Force at the Beginning of Year Three that remains in force at the End of Year Three

Table	Annual Premium In Force	97.0 - 97.9%	98.0 - 98.4%	98.5-98.9%	99.0 - 99.4%	99.5 - 100%
L3	\$118,000 and up	3.25%	3.50%	3.75%	4.50%	5.75%
	93,000 - 117,999	3.00	3.25	3.50	4.00	4.50
	75,000 - 92,999	2.75	3.00	3.25	3.50	3.75
	58,000 - 74,999	2.50	2.75	3.00	3.25	3.50
	43,000 - 57,999	2.25	2.50	2.75	3.00	3.25

4. Other

Life premium from the replacement of our **existing** policies will not be included for purposes of determining the Life Quality Business Bonus.

IV. COMPENSATION FOR REPLACEMENT OF LIFE POLICIES ISSUED BY PRINCIPAL LIFE INSURANCE COMPANY

A. First year commission is the sum of 1, 2, 3 and 4, which follow.

1. A full first year commission rate as set out in Section I. of the schedule will be applied to all new policy premium in excess of the policy premium of the replaced policy, with the following exception: when a Universal Life II (SF641)/Universal Life 3 (SF712)/Universal Life Protector (SF725)/Interest Sensitive Whole Life /Survivorship Universal Life/Survivorship Variable Universal Life/ PrinFlex®/ Benefit Variable Universal Life or Principal Variable Universal Life Accumulator I and II policy is the replacing policy, only new policy premium in excess of the replaced premium up to target premium will receive a full first year commission.

Prinflex to Executive Variable Universal Life first year commission rate of 3% up to target premium and 1.5% on excess* premium for policy years 1 through 5 will be applied to all new policy premium (does not include the 1035 cash value transfer) in excess of the policy premium of the replaced policy up to the target premium in the full face amount of the Executive Variable Universal Life policy equals that of the Prinflex policy.

* **Excess percentage will be zero on internal exchange/rollover monies.**

2. A **percentage of the first year commission rate** of the new policy determined from the table below according to the number of years since the replaced policy was issued or updated will be applied to the new policy premium up to the amount of the policy premium under the replaced policy. When a fixed interest rate life product is replaced with PrinFlex®/Survivorship Variable Universal Life/Principal Variable Universal Life Accumulator I and II/Benefit Variable Universal Life or when a term product is replaced with another term product, no first year commissions are paid. When Survivorship Universal Life is the replacing policy, no first year commissions are paid on the replaced premium.

Years Since Date of Issue or Update	Percentage of New Policy's First Year Commission Rate* Payable on Replaced Premium**	Years Since Date of Issue or Update	Percentage of New Policy's First Year Commission Rate* Payable on Replaced Premium**
1 – 3	***	12	36
4	20	13	38
5	22	14	40
6	24	15	42
7	26	16	44
8	28	17	46
9	30	18	48
10	32	19 and later	50
11	34		

The resulting commission rate in the table above shall in no event exceed the applicable first year commission rates as set out in Section I. of the commission schedule for the new policy.

* Percentage payable up to target premium for Universal Life II (SF641)/Universal Life 3 (SF712)/ Universal Life Protector (SF725)/Interest Sensitive Whole Life/Survivorship Universal Life/Survivorship Variable Universal Life/ PrinFlex® and Principal Variable Universal Life Accumulator I and II policies

** Replaced premium amounts in regards to Universal Life II (SF641)/Universal Life 3 (SF712)/Survivorship Universal Life/ Universal Life Protector (SF725)/Interest Sensitive Whole Life/Survivorship Variable Universal Life/ PrinFlex® and Principal Variable Universal Life Accumulator I and II policies will be defined as the level of premium on which a first year commission was previously paid.

*** A commission equal to the renewal rate of the new policy will be paid on replaced premium. This excludes Executive Variable Universal Life.

3. Commissions on cash values and transferred into the new policy will be paid as follows:

- 3% of cash values transferred from a non-Updated policy.
- 1% on cash values transferred from an Updated policy or current yield policy.
- 0% on cash values transferred from a fixed interest rate life product to PrinFlex®/ Survivorship Variable Universal Life or Principal Variable Universal Life Accumulator I and II.
- 0% on cash values transferred to Survivorship Universal Life/ Executive Variable Universal Life or Benefit Variable Universal Life.

These commissions will be paid on cash values deposited as unscheduled premiums to an Adjustable Life/Universal Life (SF163/164)/Universal Life II (SF641)/Universal Life 3 (SF712)/ Universal Life Protector (SF725)/Interest Sensitive Whole Life. However, in situations where a policy loan is carried over to the new policy, we will not pay a commission on the unscheduled premium deposit created for the purpose of carrying over the loan.

There will be a limit on the amount of non-Updated cash value transferred to the new policy, which will earn the 3% commission rate. When the commissions on replaced premium (exclusive of any commissions paid as described in 4. below) and cash value transferred reach a level equal to the new policy's first year commission (on the amount of premium being replaced), the commission rate on any remaining cash value transferred to the new policy will be 1%. This only pertains to an Adjustable Life adjustment.

4. An additional 5% commission will be paid on the amount of policy premium being replaced if the total premium in the new policy is at least 25% greater than the premium of the replaced policy. This does not apply to a fixed interest rate or variable life product replaced with PrinFlex® /Survivorship Variable Universal Life/Principal Variable Universal Life Accumulator I and II/ Executive Variable Universal Life/ Benefit Variable Universal Life or when Survivorship Universal Life is the replacing policy.
- B. **Commissions** as described in A. above will be reduced by one-half on any future replacement activity as long as your commissions on all replacements exceed 10% or more of your total commissions on new life policies for a period of 60 consecutive days.
- C. **Renewal commissions** and service fees are determined according to the applicable rates for such commissions and fees as set out in the commission schedule.
- D. **Replaced premium amounts** will not be included in the Life Persistency Production Bonus Plan.
- E. **Commissions** will be paid when **partial surrender amounts** are used to fund premium increases or new business.
- F. **We reserve the right to further modify commissions** payable on replacements.

CPS PRODUCER PROFILE

Please complete this form, and return it to us.
We must have a completed and signed version of this form on file.

Producer Name _____

Company/Corporation Name _____

Fax Number _____ Email Address _____

Business Address _____

City _____ State _____ Zip _____

Home Address _____

City _____ State _____ Zip _____

Mail to (check one): ☐ Home ☐ Business

Preferred method of receiving correspondence (check one):

☐ email ☐ fax ☐ mail

Business Phone _____ Home Phone _____

Social Security # _____ Tax ID # _____

Insurance License Number _____ Date of Birth _____

Designations: CLU CPCU ChFC RHU CFP LUTC CIC (circle applicable)

Do you carry E&O insurance? ☐ No ☐ Yes, name of carrier _____

Do you assign commissions? ☐ No ☐ Yes, to whom _____

Are you securities licensed? ☐ No ☐ Yes (circle applicable) 6 7 22 24 26 63

If NASD registered, what is the name of your broker dealer? _____

Page 1

***** Important, please read and sign other side *****

CPS INSURANCE SERVICES / CA LIC.# 0571612
9 CORPORATE PARK DRIVE, SUITE 100, IRVINE, CA 92606
PHONE 949-863-0700 / PHONE 800-326-5433 / FAX 949-863-9318 / FAX 800-436-8255
LICENSING DEPARTMENT FAX 949-225-7157

IT IS AGREED by and between CPS Insurance Services (hereinafter referred to as MGA), and the producer whose name appears on page 1 (hereinafter referred to as Producer) that in consideration of MGA's continued goodwill and patronage:

- A. MGA agrees that commission payment, if any, made by MGA to Producer shall be vested in Producer to the same extent that commissions on the same transaction are vested in MGA by applicable insurance company, with the exception of group insurance which may be subject to a Broker of Record direction.
- B. In the event that any commission, premium, or fee paid or credited to Producer must be referenced or returned by MGA to the insurer, MGA is authorized, but not obligated, to make payment on Producer's behalf and will be reimbursed for this payment in full by Producer within thirty (30) days of the date of such payment. If such payment is not made by Producer, then MGA is authorized to debit any commissions which may be due Producer until such obligation has been fulfilled. Producer will also reimburse MGA for any and all costs and expenses (including reasonable attorney's fees) incurred by MGA in collection of any such sums from Producer.
- C. Producer agrees to hold MGA harmless and indemnify MGA against any and all liability, loss, damages, judgments, costs or expenses of any nature, type or kind (including reasonable attorney's fees) incurred by MGA or imposed upon MGA as a result of any allegedly wrongful or tortious act or omission on part of the Producer.
- D. The Agent/Company consents to the transmission of information, whether personal, commercial or of an advertising nature, by way of the fax number or email address set forth herein, or other fax numbers or email addresses of the agent/company.

In the event of litigation to determine the respective rights, duties and/or obligations of the parties under this agreement, the prevailing party shall be entitled to reasonable attorney's fees.

Producer

Date

We appreciate your business.

Page 2

CPS INSURANCE SERVICES / CA LIC.# 0571612
9 CORPORATE PARK DRIVE, SUITE 100, IRVINE, CA 92606
PHONE 949-863-0700 / PHONE 800-326-5433 / FAX 949-863-9318 / FAX 800-436-8255
LICENSING DEPARTMENT FAX 949-225-7157