

Life insurance

Deliver a better solution for protecting key employees

Multi-Life Business
Underwriting Guide



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

Program eligibility

- An employer/employee relationship must exist.
- Employees must be in an executive, owner, white collar or management position working full-time (at least 30 hours per week) and earning a minimum of \$75,000 W-2 compensation annually (\$100,000 W-2 compensation for VUL-Business).
- External directors and board members are eligible as long as they represent no more than one-third of the total coverage or number of participants. External directors and board members must be actively at work on a non-self-employed full-time basis.
- Employees must be U.S. citizens working in the U.S. or in an approved city/country. Non-U.S. citizens working in the U.S. can be considered.
- Issue ages must be between 18 and 70 with a weighted average age less than or equal to age 55. At ages 66-70, face amounts are limited to one-half the stated maximums, for VUL-Business only.
- Premiums must be employer-paid; however, we will allow additional employee contributions.

Three-step review and offer process

(Approval and written offer are required before applications can be submitted.)

1 You submit your request.

- › Complete the Guaranteed Issue/Simplified Issue Underwriting Inquiry (DD 9072) including census.
- › Send completed documents to your National Sales Desk consultant.

2 We review your request.*

- › The Multi-Life Case Design Group will determine if additional information is needed. Copies of client presentation material including illustrations or further discussion with the producer may be requested. We reserve the right to assess the financial strength of a company when determining whether an offer will be made.
- › The Multi-Life Case Design Group is comprised of advanced markets and multi-life professionals and can be a valuable tool in providing case design consultative support.

3 We determine an offer.

- › If approved, a customized written offer will be provided stating a summary of the case, maximum face amounts available and any required stipulations.
- › An offer will be valid for 60 days. We reserve the right to reconsider our offer if the case design is modified in any way.

* If (1) information provided is in good order (2) no exceptions are requested and (3) case fits within our business platform, the Multi-Life Director may quickly approve without additional review.

Program guidelines

- Face amounts must be formula-driven based on salary, position, liability, etc.
- No individual face amount can be more than 2.5 times the average face amount of the group (5.0 times for VUL-Business only). We reserve the right to limit individual face amounts to 2.5 times (5.0 times for VUL-Business only) the lowest face amount of the group.
- Total individual coverage with all carriers issued on a Guaranteed Issue basis can be no more than 3 times our multiples.
- Maximum face amount is \$5 million (\$6 million for Principal Variable Universal Life — BusinessSM only). Minimum face amount is \$100,000.
- Face amount increases are subject to policy/rider provisions and face amount maximum stated in the written offer.

Guaranteed Issue

Applicants will be asked about:

- Whether they're actively at work on a full-time basis.
- Absenteeism in the last 90 days.
- Tobacco usage.

	Participants	Employer-Owned	Participation rate	Employee-Owned	Participation rate
All life products	10-19	\$40,000 x no. of lives	100%	\$25,000 x no. of lives	100%
	20+	\$50,000 x no. of lives	100%	\$35,000 x no. of lives	85%
VUL-Business only	10-19	\$50,000 x no. of lives	85%	\$30,000 x no. of lives	85%
	20+	\$60,000 x no. of lives	75%	\$40,000 x no. of lives	75%

Simplified Issue – Standard Decline up to Table 3

Simplified application with MIB, Rx, MVR and APS for cause.

	Participants	Employer/Employee-Owned: 100% Participation	Employer/Employee-Owned: 75% Participation
All life products	5-9	\$40,000 x no. of lives	\$30,000 x no. of lives
	10-19	\$50,000 x no. of lives	\$40,000 x no. of lives
	20+	\$60,000 x no. of lives	\$50,000 x no. of lives
VUL-Business only	5-9	\$50,000 x no. of lives	\$40,000 x no. of lives
	10-19	\$60,000 x no. of lives	\$50,000 x no. of lives
	20+	\$75,000 x no. of lives	\$60,000 x no. of lives

- For business cases that do not qualify for our business underwriting programs above, we can provide specialized underwriting solutions.

Program conditions

The Multi-Life Underwriting Program isn't available for:

- Premium-financed cases.
- Third-party investment programs.
- Groups formed to obtain insurance only.
- Investment bank-owned life insurance (BOLI).
- Individuals within a group with a known impairment.*
- Contractors, consultants, associations, charities, churches, foundations, fraternal organizations, government entities, unions or professional sports teams.
- Modified Endowment Contract (MEC) policies.
- Single-premium funding.
- Term and survivorship products.

Large cases with 300+ lives:

- Coordination between the client, producer and home office is required.
- An acknowledgment letter will be provided to the client outlining all onboarding, enrollment and ongoing administration requirements.
- The Salary Increase Rider and Change of Insured Rider aren't available.

Reinsurance review is required for:

- Any request that does not fit within our current multi-life guidelines.
- Any request where the concentration of risk per ZIP code exceeds our retention limit.
- All Manhattan business.

Enrollment:

- A 60-day enrollment period is provided for new cases resulting in all policies with the same policy date. Applications received outside this period are subject to full underwriting.
- Subsequent enrollment periods may be required to coincide with the anniversary date of the original policies. A 30-day enrollment period is provided for new policies to existing cases resulting in the same monthly anniversary date. Applications received outside this period are subject to full underwriting.

Products and risk classes:

- Our Multi-Life Business Underwriting Program is approved for use with Principal Universal Life Protector IVSM, Principal Universal Life Provider EdgeSM, Principal Universal Life Flex IISM, Principal Indexed Universal Life AccumulationSM, Principal Universal Life Accumulation IISM, Principal Indexed Universal Life FlexSM, Principal Variable Universal Life Income II/IIISM and Principal Variable Universal Life — Business.
- Available riders are subject to plan design and our approval.
- Separate and distinct Guaranteed Issue and Simplified Issue cost-of-insurance rates (Non-Tobacco and Tobacco) apply. Simplified Issue cost-of-insurance rates are less than Guaranteed Issue rates.

* We have the right to decline insurance coverage if through a previous underwriting review with any carrier, the insured was deemed uninsurable or highly rated.



Get an underwriting advantage for your business cases

Do your clients want a more effective solution for protecting their key employees? Our Multi-Life Underwriting Program delivers. Here's how:

- We offer our Multi-Life Underwriting Program on a very competitive basis, and we're one of few carriers offering business underwriting on our secondary guarantee universal life product.
- Guaranteed Issue is available for cases with a minimum of 10 lives. If there are fewer than 10 lives or if higher face amounts are desired, Simplified Issue may be a viable option.
- Our Multi-Life Business Underwriting Program is only one facet of our complete business solutions platform. Our underwriters understand the business market and work closely with our Advanced Solutions and Business Market Administration teams to help you provide the best solutions to your clients.
- Full underwriting is also available for your multi-life cases, including our proprietary Principal Accelerated UnderwritingSM Program.



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