

THE PRINCIPAL FINANCIAL GROUP INDIVIDUAL ANNUITY INTEREST RATES EFFECTIVE 03/01/2010.

Guaranteed Minimum Interest Rate (GMIR) for NEW Fixed Deferred Contracts (except Select Series) = 1.50%

(effective 1/1/2010)

Guaranteed Minimum Interest Rate (GMIR) for NEW Select Series Contracts = 1.50%

(effective 9/15/2009)

Fixed Deferred Annuity Products with no MVA	Effective February 15			Effective March 01		
	Initial Base Rate	Year 1 Premium Credit	1st Yr. Annual Yield on Initial Premium	Initial Base Rate	Year 1 Premium Credit	1st Yr. Annual Yield on Initial Premium
Principal Guaranteed Annuity 1-year guarantee** (<\$100k premium)	2.15%	1.00%	3.17%	2.15%	1.00%	3.17%
Principal Guaranteed Annuity 1-year guarantee** (>\$100k premium)	2.15%	2.00%	4.19%	2.15%	2.00%	4.19%
Principal Guaranteed Annuity 3-year guarantee*	2.10%	NA	2.10%	2.10%	NA	2.10%
Principal Guaranteed Annuity 5-year guarantee*	2.20%	NA	2.20%	2.20%	NA	2.20%
FPDA+ 1-year guarantee (<\$100k premium)	2.00%	1.00%	3.02%	2.00%	1.00%	3.02%
FPDA+ 1-year guarantee (>\$100k premium)	2.00%	2.00%	4.04%	2.00%	2.00%	4.04%
FPDA+ 5-year guarantee*	2.25%	NA	2.25%	2.25%	NA	2.25%
FPDA+ 7-year guarantee*	2.15%	NA	2.15%	2.15%	NA	2.15%
Principal Secure Fixed Annuity 4-year guarantee*	2.45%	NA	2.45%	2.45%	NA	2.45%
Principal Secure Fixed Annuity 6-year guarantee*	2.50%	NA	2.50%	2.50%	NA	2.50%
FPDA (no longer available for new sales)	4.00%	NA	4.00%	4.00%	NA	4.00%

*If no additional premiums are made after contract issue, the initial base rate is guaranteed until the end of the initial guaranteed period.

**Principal Guaranteed Annuity 1-year guarantee Includes an Interest Rate Bail-Out rider, which is approved in all states except: NY. Gives clients the ability to surrender the entire accumulated value without surrender charges if their current renewal rate is less than the Bail-Out Rate stated in their contract.

****Bail-Out Rate is 1.90% effective March 1, 2010.**

Note: for products with a premium credit, the 1st year annual yield on initial premium is used instead of the initial base interest rate.

Fixed Deferred Annuity Products with MVA	Effective February 15	Effective March 01
	Initial Base Rate	Initial Base Rate
Select Series 3-year guarantee (<\$100k premium)*	1.80%	1.90%
Select Series 3-year guarantee (>\$100k premium)*	1.80%	1.90%
Select Series 6-year guarantee (<\$100k premium)*	2.45%	2.45%
Select Series 6-year guarantee (>\$100k premium)*	2.65%	2.65%
Select Series 9-year guarantee (<\$100k premium)**	2.25%	2.25%
Select Series 9-year guarantee (>\$100k premium)**	2.45%	2.45%

*change
change*

*Approved in all states except: DE, MN, MO, and PA.

**Approved in all states except: DE, MN, MO, NY, PA and WA.

Income Annuity Payouts (SPIA)	Effective February 15	Effective March 01
10 Year Fixed Period	\$465.02	\$465.02
Male, Life w/10 Year Certain, Age 65	\$289.46	\$293.50
Female, Life w/10 Year Certain, Age 65	\$275.51	\$279.57

*change
change*

Based on \$50,000 nonqualified premium, issued to an Iowa resident; payments are assumed to be monthly and deferred one period.

Fixed Deferred Annuity Interest Rate Procedures	
Interest Rate Lock-In Procedures for Initial Premium	Interest Rate Lock-In will be the greater of: 1) the initial base interest rate in effect on the date the client signs the application, or 2) the initial base interest rate in effect on the date the funds arrive in the Principal home office (h.o.) Applications and funds must be received in the h.o. within 14 calendar days following the client's signature date on the application or the client will receive the current initial base interest rate in effect at the time the funds are received in the h.o.
Interest Rate Lock-In Procedures for Initial Premium - 1035 Exchanges/Rollovers/Direct Transfers	Interest Rate Lock-In will be the greater of: 1) the initial base interest rate in effect on the date the client signs the application, or 2) the initial base interest rate in effect on the date the funds arrive in the Principal home office (h.o.) Applications must be received in the h.o. within 14 calendar days following the client's signature date on the application and funds must be received in the h.o. within 60 calendar days following the application signature date or the client will receive the current initial base interest rate in effect at the time the funds are received.
Interest Rate Procedures for Additional Premiums	If additional premiums are allowed, the interest rate for the additional premium will be based on the rate in effect on the date the premium is received in the home office.

NOTE: All products may not be available to all distribution channels.

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