

A wise plan...rain or shine.



AS THIS FINANCIAL STORM rages on, it may be hard to see a sunny future. But history shows that the American economy is resilient; it's not a matter of if the sun will shine, but when.

So today, it's a good idea to proceed cautiously – prepare for the worst and plan for the best. At The Principal® we offer this guidance:

TAKE A LONG-TERM VIEW. For most investors we believe it's important to have a long-term approach to investing that focuses on performance over the long haul. As experienced retirement professionals, we think in years and decades, not days and weeks. There will always be stormy times. But a good plan can help you get through them with more confidence.

THINK DIVERSIFICATION. Take this opportunity to visit your financial professional and review your portfolio. One suggestion for long-term investing, say the experts, is including a variety of investment types in a portfolio. By diversifying among options such as stock, bonds and money market investments, you can help control the amount of risk you face and potentially increase the odds of meeting your investment goals.

PICK A STRONG PARTNER. When the going gets tough, you need a solid, experienced company you can trust. For nearly 130 years, The Principal has been helping businesses and people map out their financial futures in

all kinds of markets. Our fundamentals remain strong during these difficult conditions. Our existing clients stick with us and new clients entrust us with their hard-earned dollars. We offer a high-quality and well-diversified investment portfolio. And we continue to earn top-tier financial strength ratings from all the major rating agencies.* We were solid before the storm. We're solid today.

TAKE CARE OF YOUR EMPLOYEES. If you're a business, we offer the stability of a big company and the personal attention of a neighborhood shop. We have local support in offices nationwide. So you and your financial professional can bring all our resources to bear – from helping ensure you're meeting the fiduciary responsibilities of your qualified retirement plan to assessing your group life and health benefits.

TAKE CARE OF YOURSELF. For individuals, our asset allocation strategy – including target-risk and target-date solutions – can help reduce portfolio risk during times like these. And, because diversification is so important, we also have a broad array of fixed annuities and other income solutions to round out your long-term plan.

Through all of this, The Principal remains committed to helping you. No matter how cloudy the outlook, we'll help you find the silver lining.



WE'LL GIVE YOU AN EDGE®

For more information about how to weather these markets, contact your financial professional or visit principal.com/silverlining

*Third-party ratings relate only to Principal Life Insurance Company, the largest member company of the Principal Financial Group, and do not reflect any ratings, actions or notices relating to the U.S. Life Insurance Sector generally. Source: Fitch Rating – 'AA' Very Strong – third highest of 21 rating levels; Standard & Poor's Rating Group – 'AA' Very Strong – third highest of 21 rating designations; A.M. Best – 'A+' Superior – second highest of 16 rating levels; Moody's Investors Service – 'Aa2' Excellent – third highest of 21 rating levels. Ratings as of October 30, 2008. The four rating agencies referenced have placed negative outlooks on the U.S. Life Insurance Sector. A negative outlook means that the rating of many U.S. Life Insurance Companies may be downgraded due to impact of negative market conditions.

Asset allocation/diversification does not guarantee a profit or protect against a loss.

Information is current as of the creation of this piece. Keep in mind that portfolio holdings are subject to risk.

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