



# Principal Income Manager<sup>SM</sup>

*Take control of your income*

WE UNDERSTAND WHAT YOU'RE WORKING FOR®

**Principal**  
Financial  
Group

# Taking Annuity Income Doesn't Have To Be Taxing



## **LIFE CAN CHANGE. HAVE OPTIONS.**

No matter how carefully you plan to receive your qualified annuity income payments from Principal Life, your situation can change and leave you with taxable income you didn't anticipate.

Maybe you decided to return to work. Maybe you came across some extra money.

No matter the reason, your annuity payment may be more than what you need to live on. Unfortunately, instead of just being extra money in your pocket...it's extra money that you pay taxes on.

*Principal Income Manager can help.*

By deferring your qualified annuity payments into a qualified Money Market IRA at Principal Bank, Principal Income Manager helps you:

- Reduce tax-liability by keeping money tax-deferred until a withdrawal is made
- Retain control of your money, managing income as needed
- Earn interest on your money (compounded and paid monthly on accounts with assets over \$2,500)<sup>1</sup>

*Best yet, there's no additional cost for this highly unique feature.*

*No matter how carefully you plan to receive your qualified annuity and leave you with taxable income you didn't anticipate.*



**IS PRINCIPAL INCOME MANAGER  
RIGHT FOR YOU?**

Principal Income Manager is ideal for individuals who want to control the money they receive from their qualified annuity income payments – to help control tax liability during retirement.

Principal Income Manager may be right for you if you:

- Have at least \$10,000 of qualified assets to invest
- Are in-or-near retirement (age 59½ to 70½)
- Want to secure lifetime income but are unsure how often income will be needed to cover retirement expenses
- Want the flexibility to coordinate income payments with current and future income sources

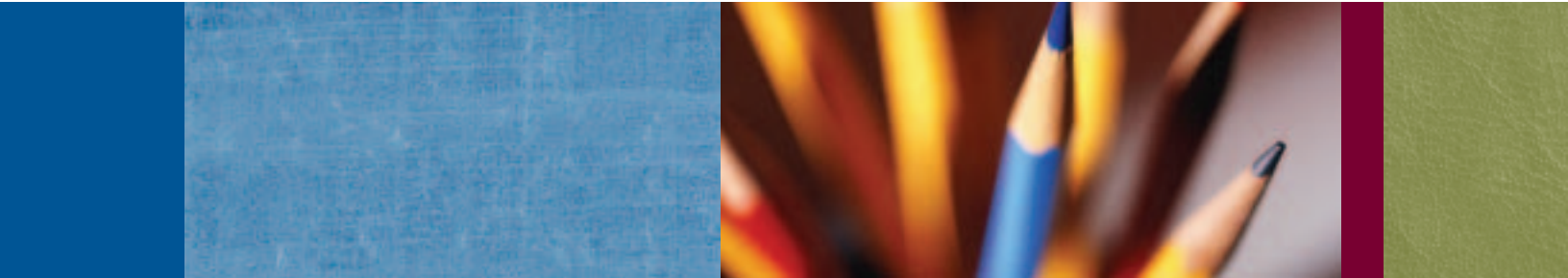
- Are interested in controlling tax liability

Principal Income Manager offers you increased flexibility and investment control. This feature can be elected and stopped based on your changing needs during retirement. It does not need to be elected at purchase.

**GIVE YOURSELF CHOICES**

Sound interesting? Please contact your financial professional today to learn more.

*income payments from Principal Life, your situation can change*



## HOW PRINCIPAL INCOME MANAGER WORKS

You have invested your qualified assets with Principal Life and are currently receiving (or are about to receive) annuity income payments (with a life benefit option elected).



To help manage tax liability, you defer income payments directly to your qualified Money Market IRA at Principal Bank.



You pay no taxes on the payment(s) deferred to Principal Bank, and money in the account remains tax-deferred, until a withdrawal is made. For accounts over \$2,500, additional interest will be compounded and paid monthly.<sup>1</sup>



You can withdraw money as needed from your qualified Money Market IRA.<sup>2</sup> If needs change and you need to receive your annuity income payments directly, Principal Income Manager can be turned off by calling 1-866-321-9648 and talking to a customer service representative.<sup>3</sup>

<sup>1</sup> Tiered interest rates on balances at \$2,500, \$10,000, \$25,000, \$50,000 and \$100,000.

<sup>2</sup> Account limited to six transactions a statement cycle without incurring additional fees. Only three of the six transactions can be by check.

<sup>3</sup> At age 70½ the annuity income payments will be automatically redirected to you to adhere to Required Minimum Distribution (RMD) rules. Any remaining assets in the qualified money market IRA will be subject to its own RMD calculation and distribution.

# About the Principal Bank Qualified Money Market IRA

## ACCOUNT FEATURES

- Can make additional deposits
- Tiered interest rates on balances at \$2,500, \$10,000, \$25,000, \$50,000 and \$100,000
- At age 70½ Principal Bank will automatically redirect the annuity income payment to adhere to Required Minimum Distribution rules
- Free checks available for account (1 book of 25 checks per order)
- Telephone transfer capabilities
- Monthly Money Market IRA statement\*

## FEES AND CHARGES

- Excess Transactions: You can make six debit transactions a month (only three can be with check) before a transaction fee of \$10/per each additional item is charged.

- Early Account Closing: If you elect to close the account within six months of opening, a penalty fee of \$50 is assessed.
- Non-Sufficient Funds (NSF) and Overdrafts: Principal Bank will charge \$30 per item.
- Wire Transfer Fee: Fees will be assessed to both outgoing domestic and foreign wire transfers. The cost is \$20 and \$40 respectively.

*Principal Bank waives the following fees:*

- Annual IRA fee: \$15
- Minimum account balance fee: \$10

\*Current interest rate information is provided on the statement.

Annuity product and services are offered through Principal Life Insurance Company. Annuities are not insured by the FDIC, are not obligations or deposits of any bank nor guaranteed by any bank and involve risk, including the possible loss of principal invested if the issuing insurance company is unable to meet its obligations.

Money Market IRA offered through Principal Bank.



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