



Individual Disability Insurance

Protect Your Business Loan

As an owner of a small- to medium-sized business, securing a loan is often an important step in reaching your business goals. But, what would happen if you became too sick or hurt to work? How would you continue to make loan payments?

Principal Life Insurance Company offers a solution that helps make those payments and keep your business open during an unexpected total disability. It's called **Business Loan Protection**. It's available on an **Overhead Expense (OE) insurance policy** as a cost rider.¹

About business loan protection

If you have a qualifying disability, this coverage reimburses you for a business-related loan obligation. For easier administration, you can choose to have the benefits go directly to your lender – no reimbursement paperwork is needed.²

The coverage is available for loans taken out for business needs, such as:

- Purchase of a practice or existing business
- Purchase of expensive equipment
- Expansion of the business or practice
- Facility renovations and improvements
- An increase in working capital or build up of inventory
- Purchase of a building or land (for the sole use of the business)



Benefits to your business

Protecting your ability to make loan payments in the event of a total disability helps:

- Keep your business open and operating, helping retain employees and customers
- Create goodwill with your customers, employees, creditors, lenders, shareholders and stakeholders by showing a contingency plan is in place
- Uphold your obligation to the lender and maintain your credit rating

Business Loan Protection rider details

Issue Ages	Benefit Amount	Maximum Aggregate Benefit
18-60	Up to \$20,000/month, based on your loan amount	\$2 million
Types of loans covered: Term, balloon, ³ variable rate, ⁴ commercial mortgage or lease financing		

About Overhead Expense protection

Principal Life's OE insurance helps you keep your business running when you're too sick or hurt to work by reimbursing you each month for fixed overhead expenses. Covered expenses are those that are deductible for federal income tax purposes, such as replacement salary expenses, rent or mortgage (interest and principal), certain insurance premiums and office supplies.

FOR MORE INFORMATION

Contact your local representative.

¹ This rider offers guaranteed premium rates until you reach the Business Loan Protection Termination Date and it cannot be conditionally renewed beyond the age 65 policy anniversary.

² Benefits are sent on the first loan payment date after the elimination period is satisfied and continue during your continuous disability, but not beyond the Business Loan Protection Termination date. Your premiums are waived after you've been disabled for 90 days. Principal Life refunds the premiums paid for coverage after the disability begins and continues to waive all premiums during your continuous disability.

³ Balloon loans are written for a specific number of years, with a balloon payment at the end of the period. These loans may be amortized over a longer period of time. The Business Loan Protection rider covers the amount of the payment for the contractual time period as stated in the loan agreement (minimum of three years) rather than the amortized payment over the longer time period.

⁴ Variable interest rate loans can result in fluctuations in the monthly loan payment. The eligible monthly Business Loan Protection benefit amount is calculated using the lowest interest rate stipulated in the loan agreement.



WE'LL GIVE YOU AN EDGE®

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This is a general description of this rider; it is not the rider and does not modify or change the provisions of any policy or rider.
May not be available in all states.

Disability insurance has limitations and exclusions. For costs and complete details of coverage, contact your Principal Life financial representative.