



Individual Disability Insurance

Make the Most of Your Employee Benefits

As a business owner, it's important to make your employee benefits program competitive to help attract and retain key talent. Even if you offer Group Long-Term Disability (LTD) coverage, adding Individual Disability Income (DI) insurance from Principal Life Insurance Company can make the difference between a solid benefits program and a stellar one.

A well-planned employee benefits program has many advantages:

For you

- Helps attract and retain quality employees
- Reinforces positive employer-employee relationships
- Helps manage a known risk on a sound basis without an unexpected drain on profits

For your employees

- Helps protect their most valuable personal asset – their ability to work and earn an income
- Helps cover extra expenses associated with a disability
- Is either employer provided or available at a discount

There are a variety of program options available (as shown on the reverse side). Plus, regardless of the benefit program offered, several discounts may be available.

Find out how Principal Life's disability insurance solutions can make *taking care of business* easy for you.

FOR MORE INFORMATION

Contact your Principal Life financial representative.

Integrated Disability Program

In order to enhance your employees' benefit package, you can offer a supplemental Individual Disability Income insurance policy to a Group Long-Term Disability (LTD) insurance program. Working together, these policies help cover a higher percentage of your employees' income in the event of a disability. Plus, you have the option of offering this additional individual benefit at your cost or on a voluntary basis to your employees.

DI Salary Continuation Plan

This plan provides Individual DI insurance to specified categories of employees. By establishing a formal program, benefits paid to a disabled employee or the payment of insurance premiums qualify as "necessary business expenses" and are tax deductible to your business. To qualify, the program must be adopted prior to the disability. Otherwise, any salary paid to a disabled employee is not deductible by the employer.

DI Executive Bonus Plan

This plan allows bonus of cash to highly compensated employees for the purchase of an Individual DI insurance policy, helping fill the gap of Group LTD insurance. The bonus is taxable to the employee, but deductible by the business. Benefits are paid income tax-free to the employee. There is no formal program, no annual administrative cost and you have the flexibility to select which employees receive the benefit.

DI Retirement Security¹

This program helps employees continue saving for retirement in the event of a qualified disability. Upon disability, employees are typically no longer able to contribute to a retirement plan. With DI Retirement Security, Individual DI insurance benefits are automatically paid to an irrevocable trust and then invested on the insured's behalf. At the end of the benefit period, trust assets are distributed.

¹ DI Retirement Security is issued as a non-cancelable, guaranteed renewable, individual disability income insurance policy. It is not a Pension or Retirement Program or a substitute for such a program. Subject to state approval. Not available in CA.



WE'LL GIVE YOU AN EDGESM

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