

# Corporate-Owned Life Insurance (for Nonqualified Deferred Compensation)

Nonqualified deferred compensation (NQDC) plans can help business owners attract and keep high-performing employees. And corporate-owned life insurance (COLI), including Principal Executive Variable Universal Life III (Executive VUL III), offers an attractive way to informally finance these plans. It features a valuable death benefit that can be used by the employer to recover plan costs or to provide survivor benefits. And it also offers tax-deferred cash-value buildup.

Executive VUL III insurance can help businesses finance plans of all sizes, with benefits including:

- Priced and designed specifically for deferred comp plans
- Quality investment options
- Full and business underwriting
- Comprehensive plan administration platform

Executive VUL III is approved in all states.

## Key Features

- High early cash surrender values through Enhanced Cash Surrender Value rider that provides options for defined enhanced cash values in early policy
- Large selection of proprietary and outside investment divisions and financial professionals
- Three death benefit options
- Preferred partial surrenders
- Death Benefit Guarantee rider to age 85
- Complete policy and plan administrative services

## Target Market

- Designed to finance nonqualified deferred compensation plans for corporate-owned life insurance cases, including
  - Corporations
  - Employers
  - Trusts
  - Associations or similar entities

## Investment Choices

Executive VUL III offers an array of underlying investment options for clients, managed by industry-leading investment financial professionals. These diversified offerings can help your clients find the right mix of risk tolerance and investment objectives.

For the most current investment options, see [Rates & Values](#) on [www.principal.com](http://www.principal.com).

- View [prospectus for all states except New York](#) (PDF) (LV924WEB)
- View [prospectus for New York](#) (PDF) (LV925WEB)

## Consumer Materials

Key materials listed below.

### **Financing with COLI Consumer Brochure (BB12001)**

Help clients understand how they can finance their COLI plan with life insurance.

[View](#) (PDF) • [Order](#)

### **NQDC Underwriting Process for Clients (NQ60)**

Provide to clients to help them prepare for the underwriting call.

[View](#) (PDF) • [Order](#)

### **Full Underwriting vs Guaranteed Issue Flyer (LV304)**

Outlines the pros and cons of two different ways to design corporate-owned life insurance financing.

[View](#) (PDF) • [Order](#)

### **Producer Materials**

Key materials listed below.

#### **Product Profile (BB12403)**

Learn what makes Executive VUL III ideal for deferred comp cases and what sets it apart in the market.

[View](#) (PDF) • [Order](#)

#### **Product Guide (BB12229)**

Get detailed product information, including features, how it works, riders, investment options, and more.

[View](#) (PDF) • [Order](#)

#### **COLI Underwriting Guide (BB12006)**

Learn how to get your Guaranteed Issue or Simplified Issue case started, and review the program guidelines and who's eligible.

[View](#) (PDF) • [Order](#)

### **Investment Materials**

Materials approved for use with consumers. Key materials listed below.

#### **Prospectus for all states except New York (LV924A)**

Required book that must precede or accompany Executive VUL III sales.

[View](#)

#### **Prospectus for New York (LV925A)**

Required book that must precede or accompany Executive VUL III sales.

[View](#)

### **Principal LifeTime Accounts for NQDC Plans Brochure (BB12075)**

Show plan participants how Principal LifeTime Portfolios can help with asset allocation and diversification decisions.

[View](#) (PDF) • [Order](#)

### **Principal SAM Portfolios for NQDC Plans Brochure (BB12076)**

Show plan participants the simplicity of selecting investments with Strategic Asset Management (SAM) Portfolios.

[View](#) (PDF) • [Order](#)

### **Fixed Account Consumer Flyer (LV369)**

Help COLI consumers understand the advantages of selecting the Fixed Account as an investment option.

[View](#) (PDF) • [Order](#)

### **[Next Steps](#)**

- Contact Us: [RVP-NQP](#), [Life Sales Support](#)

## **Important Information**

**Before investing in variable life insurance, investors should carefully consider the investment objectives, risks, charges and expenses of the policy and the underlying investment options or online at [www.principal.com](http://www.principal.com). This and other information is contained in the free prospectus and, if available, the summary prospectus that can be obtained from your local representative or online at [www.principal.com](http://www.principal.com). Please read the prospectus and, if available, the summary prospectus carefully before investing.**

Variable life insurance is subject to market risk, including the potential loss of the principal invested.

No investment strategy such as asset allocation or diversification can guarantee a profit or protect against loss in periods of declining value.

In exchange for the death benefit, life insurance products charge fees such as mortality and expense risk charges and surrender fees.

All guarantees are subject to the claims-paying ability of the issuing insurance company.

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