Pricing Supplement Dated December 7, 2007 (To Prospectus dated November 21, 2007, and Prospectus Supplement dated November 21, 2007)

Filed Pursuant to Rule 424(b)(2) Registration Statement Nos. 333-147181 and 333-147181-01 CUSIP: 74254PVP4



Principal Life Insurance Company Secured Medium-Term Notes (that are also Asset-Backed Securities) Issued Through and Obligations of Principal Life Income Fundings Trust 34 (the "Trust" and the "Issuing Entity")

The description of this pricing supplement of the particular terms of the Secured Medium-Term Notes offered hereby, and the Funding Agreement (specified below) issued by Principal Life Insurance Company ("Principal Life") to the Trust, the payment obligations of which are fully and unconditionally guaranteed by the Guarantee (specified below) issued by Principal Financial Group, Inc. to the Trust, supplements the description of the general terms and provisions of the notes, the funding agreements and the guarantees set forth in the accompanying prospectus and prospectus supplement, to which reference is hereby made.

1. The Notes

Principal Amount: \$500,000,000 Purchasing Agent(s) Discount: 0.35%

Issue Price: 99.572% Original Issue Date: December 14, 2007

Net Proceeds to the Trust: \$497,860,000 Stated Maturity Date: December 14, 2012

Specified Currency: U.S. Dollars

Interest Payment Dates: June 14 and December 14 of each year

Initial Interest Payment Date: June 14, 2008

Regular Record Date: 15 calendar days prior to the Interest Payment Date

Type of Interest Rate: $\ensuremath{\mathbb{I}}$ Fixed Rate $\ensuremath{\square}$ Floating Rate

Fixed Rate Notes: ☐ Yes ☐ No. If, Yes,

Interest Rate: 5.300%

Floating Rate Notes:

Yes
No. If, Yes,

Regular Floating Rate Notes: ☐ Yes ☐ No. If, Yes,

Interest Rate:

Interest Rate Basis(es):

Floating Rate/Fixed Rate Note: ☐ Yes ☐ No. If, Yes,

Floating Interest Rate: Interest Rate Basis(es): Fixed Interest Rate:

Fixed Rate Commencement Date:

Inverse Flo	Fixed Interest Floating Int	lote: ☐ Yes ☐No. If, Yes, est Rate: erest Rate: te Basis(es):			
Initial Inter	est Rate, if a	ny:			
Initial Inter	est Reset Da	te:			
Interest Rate Basis(es). Check all that apply: CD Rate CMT Rate Constant Maturity Swap Rate LIBOR EURIBOR Prime Rate		te te t Maturity Swap Rate PR	☐ Commercial Paper Rate ☐ Eleventh District Cost of Funds Rate ☐ Federal Fund Open Rate ☐ Federal Funds Rate ☐ Treasury Rate ☐ Other		
	If LIBOR:	☐ LIBOR Reuters LIBOR Currency:			
	If CMT Rate	Designated Reuters Page:	rly Average □ Monthly Average ndex:		
Index Matu	urity:				
Spread (+/	-):				
Spread Mu	ıltiplier:				
Interest Re	eset Date(s):				
Interest Ra	ate Determina	ation Date(s):			
Maximum	Interest Rate	, if any:			
Minimum I	nterest Rate,	if any:			
Calculation A	gent: Citibanl	k, N.A.			
Exchange Ra	te Agent: Not	t applicable			
Computation	of Interest (no	ot applicable unless different	than as specified in the prospectus and prospectus supplement):		
Day Count Co	onvention (no	t applicable unless different	than as specified in the prospectus and prospectus supplement):		
Amortizing No	Amortizing				
Discount Note	Total Amou Initial Accru	o. If, Yes, unt of Discount: ual Period of Discount: Other Terms:			
Redemption F	Initial Rede Initial Rede Annual Red Redemption	I Yes □ No. If, Yes, emption Date: emption Percentage: demption Percentage Reduct n □ In whole only an □ May be in whole	nd not in part		
Repayment: [

		nly and not in part whole or in part	
Sinking Fun	d (not applicable unless specified	1):	
Additional A	mounts to be Paid for Withholdin	g Tax (not applicable unless specified):	
Securities E	xchange Listing: ☐ Yes ☐ No. If Y	es, Name of Exchange:	
Authorized [Denominations: \$1,000		
		n are rated AA by Standard & Poor's Ratings Services, a div e rated Aa2 by Moody's Investors Service, Inc. ("Moody's").	ision of The McGraw-Hill Companies,
Purchasing	Agent(s) Purchasing Notes as Pr	incipal: □ Yes □ No. If Yes,	
	Purchasing Agent(s)		Principal Amount
	Deutsche Bank Securities Inc Lehman Brothers Inc.		\$ 250,000,000 \$ 250,000,000
	Total:		\$ 500,000,000
urchasing	Agent(s) Acting as Agent: ☐ Yes	₃	
	Purchasing Agent(s)		Principal Amount
State of Oro	Total: ganization of Trust: New York		
_	Other Terms:		
	Considerations:		
•	ding Agreement		
<u>IIIC I UII</u>	reement Issuer:	Principal Life Insurance Company	
- Lundina Aar		· ····o.pai =::o ···oararioo oo····pai··y	
		6-15051	
Funding Agı	reement No.:	6-15051 \$500,000,015	
	reement No.: ount:		
Funding Agr	reement No.: ount:	\$500,000,015	
Funding Agr Deposit Amo	reement No.: ount: : tte:	\$500,000,015 \$497,860,000	
Funding Agr Deposit Amo Net Deposit Effective Da	reement No.: ount: : ate: urity Date:	\$500,000,015 \$497,860,000 December 14, 2007	
Funding Agr Deposit Amo Net Deposit Effective Da Stated Matu Specified Cu	reement No.: ount: : ate: urity Date:	\$500,000,015 \$497,860,000 December 14, 2007 December 14, 2012	
Funding Agr Deposit Amo Net Deposit Effective Da Stated Matu Specified Cu Interest Pay	reement No.: ount: : ite: urity Date: urrency:	\$500,000,015 \$497,860,000 December 14, 2007 December 14, 2012 U.S. Dollars	

Interest Rate: 5.300%				
Floating Rate Funding Agreement: ☐ Yes ☐ No. If, Yes,				
Regular Floating Rate Funding Agreement: □ Yes □ No. If Yes, Interest Rate: Interest Rate Basis(es):				
Floating Rate/Fixed Rate Funding Agreement: Yes No. If, Yes,				
Inverse Floating Rate Funding Agreement: ☐ Yes ☐ No. If, Yes, Fixed Interest Rate: Floating Interest Rate: Interest Rate Basis(es):				
Initial Interest Rate, if any:				
Initial Interest Reset Date:				
☐ CMT Rate ☐ Constant Maturity Swap Rate ☐ LIBOR ☐ EURIBOR	□ Commercial Paper Rate □ Eleventh District Cost of Funds Rate □ Federal Funds Open Rate □ Federal Funds Rate □ Treasury Rate □ Other (See Attached)			
If LIBOR: ☐ LIBOR Reuters LIBOR Currency: If CMT Rate: Designated Reuters Page: If FEDCMT: ☐ Weekl Designated CMT Maturity In	y Average □ Monthly Average dex:			
Index Maturity:				
Spread (+/-):				
Spread Multiplier:				
Interest Reset Date(s):				
Interest Rate Determination Date(s):				
Maximum Interest Rate, if any:				
Minimum Interest Rate, if any:				
Calculation of Interest (not applicable unless different that	in as specified in the prospectus and prospectus supplement):			
Day Count Convention (not applicable unless different th	an as specified in the prospectus and prospectus supplement):			
Amortizing Funding Agreement: ☐ Yes ☐ No. If Yes, Amortizing Schedule Additional/Other Terms				
Discount Funding Agreement: Yes No. If, Yes, Total Amount of Discount: Initial Accrual Period of Discount: Additional/Other Terms:				

Redemption Pr	ovisions: ☐ Yes ☐ Initial Redemption Initial Redemption Annual Redemption Redemption:	Da Pe on P	te:
	Additional/Other T	erm	ns:
Repayment: □	Yes I No. If, Yes, Repayment Date(Repayment Price: Repayment: Additional/Other T	s):	In whole only and not in part May be in whole or in part ns:

Sinking Fund (not applicable unless specified):

Additional Amounts to be Paid For Withholding Tax (not applicable unless specified):

Ratings: The Funding Agreement issued under the Program is rated AA by S&P. Principal Life expects the Funding Agreement to be rated Aa2 by Moody's.

Additional/Other Terms if any:

Special Tax Considerations:

3. The Guarantee

Guarantee Issuer: Principal Financial Group, Inc.

Effective Date: December 14, 2007

Additional/Other Terms if any: