Pricing Supplement Dated 10/07/05 (To Prospectus dated March 5, 2004, and Prospectus Supplement dated March 5, 2004)

CUSIP: 74254PJE3



Principal Life Insurance Company Principal[®] Life CoreNotes[®] (Callable) Issued Through Principal Life Income Fundings Trust 2005-102 (the "Trust")

The description of this pricing supplement of the particular terms of the Principal[®] Life CoreNotes[®] offered hereby, and the Funding Agreement (specified below) sold by Principal Life Insurance Company to the Trust (specified herein), 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:	\$1,095,000.0	Purchasing Ag	gent Discount:	1.000%
Issue Price:	100.0%	Original Issue	Date:	10/13/05
Net Proceeds to the Trust:	\$1,084,050.0	Stated Maturit	y Date:	10/15/10
Interest Payment Dates:	The 15th day of ev	very sixth month con	nmencing on 04/15/2006.	
Initial Interest Payment Date:	04/15/06			
Regular Record Date:	The 1st day of eve	ery sixth month comr	nencing on 04/01/2006.	
Type of Interest Rate:	⊠ Fixed Rate	o Floating Rate		
Fixed Rate Notes:	🗵 Yes	o No.	If, Yes,	
Interest Rate:	4.85%			
Floating Rate Notes:	o Yes	⊠ No.	If, Yes,	
Regular Floating Rate Notes: Interest Rate: Interest Rate Basis(es):	o Yes	o No.	If, Yes,	
Floating Rate/Fixed Rate Note: Floating Interest Rate: Interest Rate Basis(es): Fixed Interest Rate: Fixed Rate Commencement Date:	o Yes	o No.	If, Yes,	
Initial Interest Rate, if any:	N/A			
Initial Interest Reset Date:	N/A			

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Interest Rate Basis(es). Check all that apply:	o CD Rate o Commercial Paper Rate o Treasury Rate o Other (See Attached)	N/A o CMT Rate o LIBOR o Prime Rate	
If LIBOR:	o LIBOR Reuters Page LIBOR Currency:	o LIBOR Moneyline Tele	erate Page
If CMT Rate: Designated CMT Telerate Page: If 7052: Designated CMT Maturity Index:	o Weekly Average	o Monthly Average	
Index Maturity:	N/A		
Spread (+/-):	N/A		
Spread Multiplier:	N/A		
Interest Reset Date(s):	N/A		
Interest Rate Determination Date(s):	N/A		
Maximum Interest Rate, if any:	N/A		
Minimum Interest Rate, if any:	N/A		
Calculation Agent:	Citibank, N.A.		
Computation of Interest: (not applicable unless different than as specified in t Day Count Convention: (not applicable unless different than as specified in t Discount Note:	N/A		If, Yes,
Total Amount of Discount: Initial Accrual Period of Discount: Additional/Other Terms:	0 165	△ 110.	II, 1es,
Terms of Survivor's Option:		⊠ ¢2,000,000 or 20/ · or	
Annual Put Limitation:		⊠ \$2,000,000 or 2%; or o \$or_%	
Individual Put Limitation:		⊠ \$250,000; or o \$ ⊠ 2%; or \$	
Trust Put Limitation:		⊠ 2%; or \$	
Redemption Provisions: Initial Redemption Date: Redemption:	 ☑ Yes 10/15/06 ☑ In whole only and not i o May be in whole or in particular 		If, Yes,
Additional Other Terms:			te falling on or after the Initial Redemption Date
Repayment: Repayment Date(s): Repayment Price: Repayment:	o Yes o In whole only and not in		If, Yes,
Additional/Other Terms:	o May be in whole or in pa	art	
Sinking Fund (not applicable unless specified):	N/A		
Securities Exchange Listing:	o Yes	⊠ No.	If, Yes, Name of Exchange:
Authorized Denominations:	\$1,000		
	2		

Ratings:

The Notes issued under the Program are rated AA by Standard & Poor's ("S&P"). Principal Life expects the Notes to be rated Aa2 by Moody's Investors Service, Inc. ("Moody's").

Purchasing Agent(s) Purch	nasing Notes as Principal:	🗵 Yes	o No.	If, Yes,
	Purchasing Agent(s)			Principal Amount
	Merrill Lynch Total:			\$ <u>1,095,000.0</u> \$1,095,000.0
State of Organization of th	ne Trust:	New York		
Additional/Other Terms:		None		
Special Tax Consideration	s:	None		
2. The Funding Agreeme	ent			
Funding Agreement Issue	r:	Principal Life Insurar	nce Company	7
Funding Agreement No.:		7-07181		
Deposit:		\$1,095,015.0		
Net Deposit:		\$1,084,050.0		
Effective Date:		10/13/05		
Stated Maturity Date:		10/15/10		
Interest Payment Dates:		The 15th day of every	y sixth month	commencing on 04/15/2006.
Initial Interest Payment Da	ate:	04/15/06		
Type of Interest Rate:		x Fixed Rate	o Floating I	Rate
Fixed Rate Funding A	greement:	x Yes	o No.	If, Yes,
Interest Rate:		4.85%		
Floating Rate Funding	Agreement:	o Yes	x No.	If, Yes,
Regular Floating R Interest Rate: Interest Rate B	ate Funding Agreement: asis(es):	o Yes	o No.	If, Yes,
Floating Interes Interest Rate B Fixed Interest I	asis(es):	o Yes	o No.	If, Yes,
Initial Interest Rate	e, if any:	N/A		
Initial Interest Reso	et Date:	N/A		
Interest Rate Basis	(es). Check all that apply:	o CD Rate o Commercial Paper Rate o Treasury Rate o Other (See Attached)	N/A	o CMT Rate o LIBOR o Prime Rate
If LIBOR:		o LIBOR Reuters Page LIBOR Currency:		o LIBOR Moneyline Telerate Page
If 7052	CMT Telerate Page: : CMT Maturity Index:	o Weekly Average		o Monthly Average

	Index Maturity:	N/A		
	Spread (+/-):	N/A		
	Spread Multiplier:	N/A		
	Interest Reset Date(s):	N/A		
		N/A		
	Interest Rate Determination Date(s):			
	Maximum Interest Rate, if any:	N/A		
	Minimum Interest Rate, if any:	N/A		
(not ar Day C	utation of Interest: oplicable unless different than as specified in the prospectus ount Convention: oplicable unless different than as specified in the prospectus	N/A		
Discou	int Funding Agreement: Total Amount of Discount: Initial Accrual Period of Discount: Additional/Other Terms:	o Yes	⊠ No.	If, Yes,
Terms	of Survivor's Option: Annual Put Limitation:		⊠ \$2,000,000 or 2%; or	
	Individual Put Limitation:		o \$0r_% ⊠ \$250,000; or	
	Trust Put Limitation:		o \$ ⊠ 2%; or \$	
Deles				16 37.
Reden		⊠ Yes 10/15/06	o No.	If, Yes,
	Initial Redemption Date: Redemption: Additional Other Terms:	☑ In whole only and no o May be in whole or in Any redemption date w	ı part	Date falling on or after the Initial
	Redemption:	☑ In whole only and no o May be in whole or ir	ı part	Date falling on or after the Initial
Repay	Redemption: Additional Other Terms: ment: Repayment Date(s):	☑ In whole only and no o May be in whole or in Any redemption date w	ı part	Date falling on or after the Initial If, Yes,
Repay	Redemption: Additional Other Terms: ment:	⊠ In whole only and no o May be in whole or ir Any redemption date w Redemption Date	n part ill be an Interest Paymen ⊠ No. in part	
	Redemption: Additional Other Terms: ment: Repayment Date(s): Repayment Price: Repayment:	 In whole only and not o May be in whole or in Any redemption date w Redemption Date o Yes o In whole only and not 	n part ill be an Interest Paymen ⊠ No. in part	
	Redemption: Additional Other Terms: ment: Repayment Date(s): Repayment Price: Repayment: Additional/Other Terms: g Fund (not applicable unless specified):	 In whole only and no o May be in whole or ir Any redemption date w Redemption Date o Yes o In whole only and not o May be in whole or ir 	n part ill be an Interest Paymen ⊠ No. in part	
Sinkin Rating T	Redemption: Additional Other Terms: ment: Repayment Date(s): Repayment Price: Repayment: Additional/Other Terms: g Fund (not applicable unless specified):	 In whole only and no o May be in whole or ir Any redemption date w Redemption Date o Yes o In whole only and not o May be in whole or ir N/A A by S&P. 	n part ill be an Interest Paymen ⊠ No. in part	
Sinkin Rating T Pi	Redemption: Additional Other Terms: ment: Repayment Date(s): Repayment Price: Repayment: Additional/Other Terms: g Fund (not applicable unless specified): s: he Funding Agreement issued under the Program is rated A	 In whole only and no o May be in whole or ir Any redemption date w Redemption Date o Yes o In whole only and not o May be in whole or ir N/A A by S&P. 	n part ill be an Interest Paymen ⊠ No. in part	
Sinkin Rating T P Additi	Redemption: Additional Other Terms: ment: Repayment Date(s): Repayment Price: Repayment: Additional/Other Terms: g Fund (not applicable unless specified): s: he Funding Agreement issued under the Program is rated A rincipal Life expects the Funding Agreement to be rated Aa	 In whole only and not o May be in whole or ir Any redemption date w Redemption Date o Yes o In whole only and not o May be in whole or ir N/A A by S&P. by Moody's. 	n part ill be an Interest Paymen ⊠ No. in part	
Sinkin Rating T P Additi Specia	Redemption: Additional Other Terms: ment: Repayment Date(s): Repayment Price: Repayment: Additional/Other Terms: g Fund (not applicable unless specified): s: he Funding Agreement issued under the Program is rated A tincipal Life expects the Funding Agreement to be rated Aa onal/Other Terms:	 In whole only and no o May be in whole or ir Any redemption date w Redemption Date o Yes o In whole only and not o May be in whole or ir N/A A by S&P. by Moody's. None 	n part ill be an Interest Paymen ⊠ No. in part	
Sinkin Rating T Pr Additi Specia 3. The	Redemption: Additional Other Terms: ment: Repayment Date(s): Repayment Price: Repayment: Additional/Other Terms: g Fund (not applicable unless specified): s: the Funding Agreement issued under the Program is rated A trincipal Life expects the Funding Agreement to be rated Aa onal/Other Terms: 1 Tax Considerations:	 In whole only and no o May be in whole or ir Any redemption date w Redemption Date o Yes o In whole only and not o May be in whole or ir N/A A by S&P. by Moody's. None 	n part ill be an Interest Paymen ⊠ No. in part a part	
Sinkin Rating T Pr Additi Specia 3. The Guarat	Redemption: Additional Other Terms: ment: Repayment Date(s): Repayment Price: Repayment: Additional/Other Terms: g Fund (not applicable unless specified): s: the Funding Agreement issued under the Program is rated A trincipal Life expects the Funding Agreement to be rated Aa onal/Other Terms: 1 Tax Considerations: Guarantee	 In whole only and no o May be in whole or ir Any redemption date w Redemption Date o Yes o In whole only and not o May be in whole or ir N/A A by S&P. a2 by Moody's. None None 	n part ill be an Interest Paymen ⊠ No. in part a part	
Sinkin Rating T P Additi Specia 3. The Guarat Effecti	Redemption: Additional Other Terms: Ment: Repayment Date(s): Repayment Price: Repayment: Additional/Other Terms: g Fund (not applicable unless specified): s: the Funding Agreement issued under the Program is rated A trincipal Life expects the Funding Agreement to be rated Aa onal/Other Terms: 1 Tax Considerations: Guarantee thee Issuer:	 In whole only and no o May be in whole or ir Any redemption date w Redemption Date o Yes o In whole only and not o May be in whole or ir N/A A by S&P. by Moody's. None None Principal Financial Group 	n part ill be an Interest Paymen ⊠ No. in part a part	