

Principal Life Income Fundings Trust 20
\$50,000,000
5yr Callable Fixed Rate Notes due June 9, 2011

Final Terms and Conditions

Issuer:	Principal Life Income Fundings Trust 20
Rating:	Aa2/AA/AA
Type:	Public
Principal Amount:	\$50,000,000
Trade Date:	June 2, 2006
Settlement Date (T + 5):	June 9, 2006
First Pay Date:	December 9, 2006
Interest Payment Dates:	Semi-Annually on the 9 th of June and December
Call Date:	June 9, 2009
Maturity Date:	June 9, 2011
Coupon Rate:	5.70%
Pricing Benchmark:	4.875% May 31, 2011
Benchmark Yield:	4.90%
Market/Reoffer Spread:	0.84%
Market/Reoffer Yield:	5.74%
Market/Reoffer Price:	99.828
Day Count:	30/360
Business Day Convention:	Following Unadjusted
Denominations:	\$1,000 x \$1,000
Cusip:	74254PMH2
Bookrunners:	Lehman Brothers

** Please note that the above terms apply as of the time of pricing*

Principal Life Insurance Company ("PLIC"), as statutory issuer and depositor, and Principal Financial Group, Inc. ("PFG") have filed a registration statement (including a prospectus) with the Securities and Exchange Commission ("SEC") for the offering to which this communication relates. Before you invest, you should read the prospectus in that registration statement and other documents PLIC and PFG have filed with the SEC for more complete information about PLIC, PFG, and this offering. You may get these documents for free by visiting EDGAR on the SEC website at www.sec.gov. Alternatively, PLIC, PFG, any underwriter or any dealer participating in the offering will arrange to send you the prospectus if you request it by calling toll-free 1-866-375-2526.