

PRINCIPAL LIFE INSURANCE CO

Form 424B2

November 27, 2006

Pricing Supplement Dated 11/27/2006 (To Prospectus dated February 16, 2006, and Prospectus Supplement dated February 16, 2006) Filed pursuant to  Rule 424(b)(2)  Rule 424(b)(5) Registration Statement No. 333-129763 and 333-129763-01

CUSIP: 74254PPJ5

Principal Life Insurance Company

Principal® Life CoreNotes® (Callable) (That are also Asset-Backed Securities) Issued Through and Obligations of Principal Life Income Fundings Trust 2006-87 (the Trust and Issuing Entity )

The description of this pricing supplement of the particular terms of the Principal® Life CoreNotes® 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**

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Principal Amount:	TBD	Purchasing Agent Discount:	1.000%
Issue Price:	100.0%	Original Issue Date:	12/26/2006
Net Proceeds to the Trust:	TBD	Stated Maturity Date:	12/15/2011

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Interest Payment Dates: The 15th day of every sixth month commencing on 06/15/2007

Initial Interest Payment Date: 6/15/2007

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

Type of Interest Rate:  Fixed Rate  Floating Rate

Interest Rate: 5.10%

Discount Note:  Yes  No

Terms of Survivor's Option:

Annual Put Limitation:  \$2,000,000 or 2%; or  \$ \_\_\_\_\_ or \_%

Individual Put Limitation:  \$250,000; or  \$ \_\_\_\_\_

Trust Put Limitation:

BCIP TCV, LLC  X  
 JOHN HANCOCK TOWER  
 200 CLARENDON STREET

BOSTON, MA 02116  
 Bain Capital Hercules  
 Investors, LLC  
 JOHN HANCOCK TOWER X  
 200 CLARENDON STREET  
 BOSTON, MA 02116

## Signatures

/s/ Christopher  
 Gordon

10/31/2013

Signature of  
 Reporting Person

Date

## Explanation of Responses:

\* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

\*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

- The shares of HCA Holdings, Inc. ("HCA") reported on this Form 4 are held of record by Hercules Holding II, LLC ("Hercules II").
- (1) Hercules II is held by a private investor group, including affiliates of Bain Capital Investors, LLC ("BCI"), Kohlberg Kravis & Roberts & Co. LLC and Merrill Lynch Global Private Equity, and affiliates of HCA founder Dr. Thomas F. Frist, Jr. Affiliates of BCI indirectly own 49,912,261 shares of Common Stock of HCA.
  - (2) BCI is the administrative member Bain Capital Integral Investors 2006, LLC ("Integral 2006"). BCI may be deemed to share voting and dispositive power with respect to the 46,353,984 shares of Common Stock of HCA indirectly owned by Integral 2006 by virtue of its membership in Hercules II. BCI disclaims beneficial ownership of such securities except to the extent of its pecuniary interest therein.
  - (3) BCI is the administrative member of BCIP TCV, LLC ("BCIP TCV"). BCI may be deemed to share voting and dispositive power with respect to the 337,368 shares of Common Stock of HCA indirectly owned by BCIP TCV by virtue of its membership in Hercules II. BCI disclaims beneficial ownership of such securities except to the extent of its pecuniary interest therein.
  - (4) BCI is the administrative member of Bain Capital Hercules Investors, LLC ("Hercules Investors" together with BCI, Integral 2006 and BCIP TCV, the "Bain Entities"). BCI may be deemed to share voting and dispositive power with respect to the 3,220,909 shares of Common Stock of HCA indirectly owned by Hercules Investors by virtue of its membership in Hercules II. BCI disclaims beneficial ownership of such securities except to the extent of its pecuniary interest therein.
  - (5) As a result of the relationships described in the foregoing footnotes, the Bain Entities may be deemed to share voting and dispositive power with respect to the 174,275,052 shares of Common Stock of HCA held by Hercules II. Each of the Bain Entities disclaims beneficial ownership of such securities, except to the extent of its pecuniary interest therein.
  - (6) On October 29, 2013, Hercules II distributed 419,113 shares of HCA Common Stock to Integral 2006, which made a further distribution of shares to certain partners and other employees of the Bain Entities in connection with certain charitable gifts made by such partners and other employees on October 29, 2013.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.

nder="0" cellpadding="0" width="65%"> **Purchasing Agent(s)**

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### Principal Amount

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Merrill Lynch  
 TBD

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Total:  
TBD

State of Organization of the Trust: New York

Additional/Other Terms: None

**2. The Funding Agreement**

Funding Agreement Issuer: Principal Life Insurance Company

Funding Agreement No.: 7-08360

Deposit: TBD

Net Deposit: TBD

Effective Date: 12/6/2006

Stated Maturity Date: 12/15/2011

Interest Payment Dates: The 15th day of every sixth month commencing on 06/15/2007

Initial Interest Payment Date: 6/15/2007

Type of Interest Rate:  Fixed Rate  Floating Rate

Interest Rate: 5.10%

Discount Funding Agreement:  Yes  No

Terms of Survivor's Option:

Annual Put Limitation:  \$2,000,000 or 2%; or  
 \$\_\_\_\_\_or\_%

Individual Put Limitation:  \$250,000; or  
 \$\_\_\_\_\_

Trust Put Limitation:  2%; or  
 \$\_\_\_\_\_

Redemption:  Yes  No. If, Yes,

Initial Redemption Date: 12/15/2007

Redemption:  In whole only and not in part  
 May be in whole or in part

Additional Other Terms: Any redemption date will be an Interest Payment Date falling on or after the Initial Redemption Date

Explanation of Responses:

Repayment:                       Yes                       No

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:                      None

**3. The Guarantee**

Guarantee Issuer:                      Principal Financial Group, Inc.

Effective Date:                      12/6/2006

Additional/Other Terms:                      None