

PRINCIPAL LIFE INCOME FUNDINGS TRUST 6

Form 424B2

August 11, 2004

Pricing Supplement August 9, 2004

Filed pursuant to Rule 424(b)(2)

Dated

(To Prospectus dated March 5, 2004, and  
Prospectus Supplement dated March 5, 2004)

Registration Statement Nos. 333-110499 and  
333-110499-01

CUSIP: 74254PBU5

**Principal Life Insurance Company  
Secured Medium-Term Notes  
Issued Through  
Principal Life Income Fundings Trust 6 (the Trust )**

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**

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|                            |               |                               |                      |
|----------------------------|---------------|-------------------------------|----------------------|
| Principal Amount:          | \$200,000,000 | Purchasing Agent(s) Discount: | 0.000%               |
| Issue Price:               | 100%          | Original Issue Date:          | August 16, 2004      |
| Net Proceeds to the Trust: | \$200,000,000 | Stated Maturity Date:         | February 15,<br>2006 |

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|                                |   |                                     |         |
|--------------------------------|---|-------------------------------------|---------|
| Specified Currency:            | U.S. Dollars  |                                     |         |
| Interest Payment Dates:        | The fifteenth day of February, May, August and November of each year            |                                     |         |
| Initial Interest Payment Date: | November 15, 2004   |                                     |         |
| Regular Record Date:           | 15 calendar days prior to the Interest Payment Date                             |                                     |         |
| Type of Interest Rate:         | <input type="radio"/> Fixed Rate <input checked="" type="radio"/> Floating Rate |                                     |         |
| Fixed Rate Notes:              | <input type="radio"/> Yes   | <input checked="" type="radio"/> No | If Yes, |
| Interest Rate:                 |   |                                     |         |
| Floating Rate Notes:           | <input checked="" type="radio"/> Yes  | <input type="radio"/> No            | If Yes, |
| Regular Floating Rate Notes:   | <input checked="" type="radio"/> Yes  | <input type="radio"/> No            | If Yes, |

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Interest Rate: 3 Month LIBOR-.02%  
Interest Rate Basis(es): See below

Floating Rate/Fixed Rate Note:  Yes  No If Yes,  
Floating Interest Rate:  
Interest Rate Basis(es):  
Fixed Interest Rate:  
Fixed Rate Commencement Date:

Inverse Floating Rate Note:  Yes  No If Yes,  
Fixed Interest Rate:  
Floating Interest Rate:  
Interest Rate Basis(es):

Initial Interest Rate, if any: The Interest Rate as of the Original Issue Date, determined on August 12, 2004, the second London Banking Day preceding the Original Issue Date.

Initial Interest Reset Date: November 15, 2004

Interest Rate Basis(es). Check all that apply:

- |  |  |
|--|--|
| <input type="radio"/> CD Rate          | <input type="radio"/> Commercial Paper Rate                |
| <input type="radio"/> CMT Rate         | <input type="radio"/> Eleventh District Cost of Funds Rate |
| <input checked="" type="radio"/> LIBOR | <input type="radio"/> Federal Funds Rate                   |
| <input type="radio"/> EURIBOR          | <input type="radio"/> Treasury Rate                        |
| <input type="radio"/> Prime Rate       | <input type="radio"/> Other (See Attached)                 |

If LIBOR:                       LIBOR Reuters Page                       LIBOR Moneyline Telerate Page 3750  
    LIBOR Currency:                      U.S. Dollars

If CMT Rate:

Designated CMT Telerate Page:

If 7052:                       Weekly Average                       Monthly Average

Designated CMT Maturity Index:

Index Maturity:              Three Month

Spread:                      -0.02%

Spread Multiplier:        Not applicable

Interest Reset              Each Interest Payment Date  
 Date(s):

Interest Rate              The second London Banking Day preceding the related Interest Reset Date  
 Determination  
 Date(s):

Maximum Interest        Not applicable  
 Rate, if any:

Minimum Interest        Not applicable  
 Rate, if any:

Calculation Agent:                      Citibank, N.A.

Exchange Rate Agent:                      Not applicable

Computation of Interest:

(not applicable unless different than as specified in the prospectus and prospectus supplement):

Day Count Convention:

(not applicable unless different than as specified in the prospectus and prospectus supplement):

Amortizing Note:                       Yes                       No                      If Yes,

Amortizing Schedule:

Additional/Other Terms:

Discount Note:                       Yes                       No                      If Yes,

Total Amount of Discount:  
Initial Accrual Period of  
Discount:  
Additional/Other Terms:

Redemption Provisions:             Yes             No            If Yes,  
Initial Redemption Date:  
Initial Redemption Percentage:  
Annual Redemption Percentage  
Reduction (if any):  
Redemption:                         In whole only and not in part  
    May be in whole or in part

Additional/Other Terms:

Repayment:                          Yes             No            If Yes,  
Repayment Date(s):  
Repayment Price:  
Repayment:                          In whole only and not in part  
    May be in whole or in part

Additional/Other Terms:

Sinking Fund (not applicable unless specified):

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

Securities Exchange Listing:     Yes             No            If Yes, Name of Exchange:

Authorized Denominations:      \$100,000

Ratings:

The Notes issued under the Program are rated AA by Standard & Poor's Ratings Services, a division of The McGraw-Hill Companies, Inc. ( S&P ).

Principal Life expects the Notes to be rated Aa3 by Moody's Investors Service, Inc. ( Moody's ).

Purchasing Agents Purchasing Notes as  Yes  No If Yes,  
Principal:

| <u>Purchasing Agent(s)</u> | <u>Principal Amount</u> |
|----------------------------|-------------------------|
| Lehman Brothers Inc.       | \$ 200,000,000          |
| Total:                     | \$ 200,000,000          |

Purchasing Agents Acting as Agent:  Yes  No If Yes,

| <u>Purchasing Agent(s)</u> | <u>Principal Amount</u> |
|----------------------------|-------------------------|
|                            | _____                   |

Total:

State of Organization of the Trust: New York

Additional/Other Terms: Not applicable

Special Tax Considerations: Interest payable on the Notes will be treated as qualified stated interest for United States federal income tax purposes, as it meets the specified criteria referenced in the prospectus supplement under the heading Material United States Federal Income Tax Considerations U.S. Holders *Interest and Original Issue Discount* .

**2. The Funding Agreement**

Funding Agreement Issuer: Principal Life Insurance Company

Funding Agreement No.: 5-16309

Deposit: \$200,000,015

Net Deposit: \$200,000,000

Effective Date: August 16, 2004

Stated Maturity Date: February 15, 2006

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Specified Currency: U.S. Dollars  
 Interest Payment Dates: The fifteenth day of February, May, August and November of each year

Initial Interest Payment Date: November 15, 2004

Type of Interest Rate:  Fixed Rate  Floating Rate

Fixed Rate Funding Agreement:  Yes  No If Yes,

Interest Rate:

Floating Rate Funding Agreement:  Yes  No If Yes,

Regular Floating Rate Funding Agreement:  Yes  No If Yes,

Interest Rate: 3 Month LIBOR-.02%

Interest Rate Basis(es): See below

Floating Rate/Fixed Rate Funding Agreement:  Yes  No If Yes,

Floating Interest Rate:

Interest Rate Basis(es):

Fixed Interest Rate:

Fixed Rate Commencement Date:

Inverse Floating Rate Funding Agreement:  Yes  No If Yes,

Fixed Interest Rate:

Floating Interest Rate:

Interest Rate Basis(es):

Initial Interest Rate, if any: The Interest Rate as of the Original Issue Date, determined on August 12, 2004, the second London Banking Day preceding the Original Issue Date.

Initial Interest Reset Date: November 15, 2004

Interest Rate Basis(es). Check all that apply:

- CD Rate
- CMT Rate
- LIBOR
- EURIBOR
- Prime Rate
- Commercial Paper Rate
- Eleventh District Cost of Funds Rate
- Federal Funds Rate
- Treasury Rate
- Other (See Attached)

If LIBOR:  LIBOR Reuters Page LIBOR Currency:  LIBOR Moneyline Telerate Page 3750 U.S. Dollars

If CMT Rate:

Designated CMT Telerate Page:

If 7052:  Weekly Average  Monthly Average

Designated CMT Maturity Index:

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Index Maturity: Three Month

Spread: -0.02%

Spread Multiplier: Not applicable

Interest Reset Date(s): Each Interest Payment Date

Interest Rate Determination Date(s): The second London Banking Day preceding the related Interest Reset Date

Maximum Interest Rate, if any: Not applicable

Minimum Interest Rate, if any: Not applicable

Computation of Interest:  
 (not applicable unless different than as specified in the prospectus and prospectus supplement):  
 Day Count Convention:  
 (not applicable unless different than 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 Provisions:  Yes  No If Yes,  
 Initial Redemption Date:  
 Initial Redemption Percentage:  
 Annual Redemption Percentage  
 Reduction (if any):  
 Redemption:  In whole only and not in part  
 May be in whole or in part  
 Additional/Other Terms:

Repayment:  Yes  No If Yes,  
 Repayment Date(s):  
 Repayment Price:  
 Repayment:  In whole only and not in part  
 May be in whole or in part  
 Additional/Other Terms:

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 Aa3 by Moody's.

Additional/Other Terms: Not applicable

Special Tax Considerations: Not applicable

### **3. The Guarantee**

Guarantee Issuer: Principal Financial Group, Inc.

Effective Date: August 16, 2004

Additional/Other Terms: Not applicable