Is the highest initial income always the best income solution?

**Allianz increasing income opportunity**

- Gives your client the opportunity for an income increase every year
- Can help address the effects of inflation
- Could produce higher income than a level payout over your client’s lifetime

Many Allianz Life Insurance Company of North America (Allianz) annuities offer clients the opportunity for income increases – even after your client begins taking distributions. This financial professional use only tool is designed to show the benefits of guaranteed lifetime income benefits from Allianz (some of which are optional and may have fees associated) with increasing income potential and how they can be a valuable complement to a client’s overall retirement plan.

Annuities are designed to meet long-term needs for retirement income. They provide guarantees against the loss of principal and credited interest, and the reassurance of a death benefit for beneficiaries.

**Looking at income riders from a new perspective**

Many financial professionals look for a fixed index annuity (FIA) to provide lifetime income withdrawal benefits that are available either at an additional cost or included at no extra charge. However, not all income riders are alike. The fact is, the total value received from lifetime income withdrawals can vary substantially.

It’s important to understand what type of income fits an individual client’s needs when deciding which income solution is the suitable choice. The table on the next page illustrates how much total income throughout a client’s life expectancy the contract could provide if the client waited until the specified period before starting income withdrawals and lived to their life expectancy.¹

¹ Life expectancy table, Treasury Reg 1.401(a)(9)-9, For financial professional use only – not for use with the public.
The table illustrates the Allianz contract using current caps, rates, interest rate bonuses, and rider charges in four different scenarios (minimum income, average index interest credits, above-average index interest credits and an estimated, hypothetical index interest credit provided solely by the representative). Keep in mind that these values are hypothetical in nature and your client’s actual results will vary.

### Total estimated income over life expectancy

<table>
<thead>
<tr>
<th>Allianz 222 Annuity</th>
<th>Hypothetical comparison fixed index annuity</th>
</tr>
</thead>
<tbody>
<tr>
<td>3.38% annual interest -- per your input</td>
<td>$1,697,204</td>
</tr>
<tr>
<td>0.00% minimum income</td>
<td>$603,750</td>
</tr>
<tr>
<td>2.52% average index interest¹</td>
<td>$1,300,278</td>
</tr>
<tr>
<td>3.25% above-average interest¹</td>
<td>$1,630,001</td>
</tr>
</tbody>
</table>

The table also shows a hypothetical comparison to a fixed index annuity with an income rider. The values for the hypothetical comparison fixed index annuity were provided by you and have not been verified by Allianz.

<table>
<thead>
<tr>
<th></th>
<th>Initial premium</th>
<th>$500,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Age provided</td>
<td>55</td>
<td></td>
</tr>
<tr>
<td>Years before income</td>
<td>10</td>
<td></td>
</tr>
<tr>
<td>Life expectancy</td>
<td>21</td>
<td></td>
</tr>
<tr>
<td>Comparison bonus</td>
<td>0.00%</td>
<td></td>
</tr>
<tr>
<td>Comparison roll-up</td>
<td>7.00%</td>
<td></td>
</tr>
<tr>
<td>Comparison payout</td>
<td>5.00%</td>
<td></td>
</tr>
</tbody>
</table>

The average and above-average index information reflects past performance only and should not be used to predict or project future performance. The trade-off for potentially higher income over life expectancy with the Allianz annuity may be a lower initial income.

¹Past index performance illustrations assume the contract had been available on 1/1/1985, using actual historical S&P 500® Index data with a current monthly sum cap of 1.70%. This data is hypothetical only and assumes a contract was issued on every business day from 1/1/1985 through 12/31/2012; an interest credit over all possible 10-year periods was calculated. The average is the 50th percentile annualized interest credit for these periods (half of the index interest credits were higher and half the index interest credits were lower). The above-average example is the 75th percentile annualized index interest credits for these periods (25% of the index interest credits were higher and 75% of the index interest credits were lower). Other crediting methods may be available and may deliver different results. No one crediting method will deliver the best performance in all

Bonus annuities may include higher surrender charges, longer surrender charge periods, lower interest rates, lower caps, higher spreads, or other restrictions that are not included in similar annuities that don’t offer a bonus feature.

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market conditions. Please see the Statement of Understanding to get an explanation of the different crediting methods and how they perform in different market conditions.

These hypothetical examples assume that no withdrawals or additional premium payments are made. The minimum income assumes no interest was credited. These examples show life expectancy based on the IRS Uniform Life Expectancy Table (Life expectancy table, Treas Reg 1.401(a)(9)-9), individual life expectancy will vary.

This table is designed to highlight the income feature only. In particular, it focuses on total potential income over life expectancy. We appreciate that you always make product recommendations to your clients based on a thorough comparison of all features and benefits that individual annuity products offer. Please obtain and carefully review detailed product information, such as a Statement of Understanding, for any other product you are considering.

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Distributions are subject to ordinary income tax and, if taken prior to 59½, a 10% federal additional tax may apply.

For Allianz 360SM Annuity: Even though accumulation value may decrease due to annual rider charges, the income would be based on the premium paid (which represents the contract guarantee of income withdrawals being based on the greater of the accumulation value or the net premium).

Guarantees are backed by the financial strength and claims-paying ability of Allianz Life Insurance Company of North America.

Products are issued by Allianz Life Insurance Company of North America, 5701 Golden Hills Drive, Minneapolis, MN 55416-1297. 800-950-7372 www.allianzlife.com

Product and feature availability may vary by state and broker/dealer.

Must be used with an Allianz product illustration, consumer brochure, and corresponding Statement of Understanding for the following product: Allianz 222 C54370, R95352

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