

FIXED INDEX ANNUITIES

Why increasing retirement income is important

Are you wondering whether you'll have enough assets to support your lifestyle and address the rising cost of living during retirement?

You're not alone – 72% of Americans are concerned the rising cost of living will impact their retirement plans.¹

Some people try to address this by withdrawing no more than 4% to 5% of an asset in retirement, and then increasing the withdrawn amount by 3% each year to offset the effects of inflation.

Unfortunately, as the withdrawals grow, they can represent an ever-larger percentage of the asset. Over a long retirement, that means you could find yourself having to choose between living with less income, or increasing your risk of running out of money.

A fixed index annuity (FIA) may be a solution for your retirement income needs.

Fixed index annuities offer a reliable source of predictable income payments, while offering all of the benefits traditionally associated with fixed annuities, such as:

- Ability to earn interest
- Protection of your principal and any credited interest from market downturns
- Income tax deferral
- A death benefit prior to taking annuity payments
- Guaranteed income for life



All FIA income benefits are not the same

A number of fixed index annuity products now offer lifetime income withdrawal benefits that are available either at an additional cost, or with no additional fees.

However, though all can provide lifetime income withdrawals, the amount of value you actually receive can vary substantially depending on the FIA. It's important to understand this when deciding which income solution is a good choice for you.

Inside, we'll show how an Allianz FIA lifetime income withdrawal benefit gives you the opportunity to receive increasing income on a declining asset.

¹Allianz 3Q 2021 Quarterly Market Perceptions Study

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

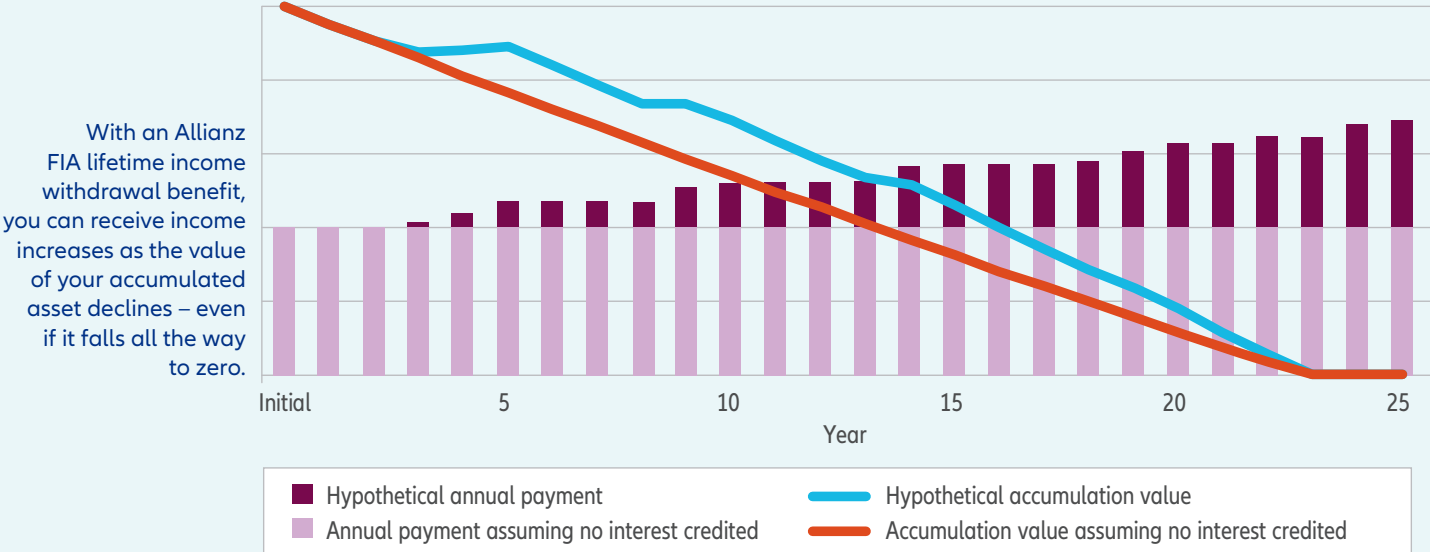
Material must be used with applicable fixed index annuity consumer brochure and income benefit rider brochure, if applicable.

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

We have FIA solutions that can provide a set amount of guaranteed lifetime income and the opportunity for increasing income to help address the effects of inflation.

With many of our FIA lifetime income withdrawal benefits, you can have an option that guarantees income increases following every year the contract earns interest.¹ And you can receive these potential annual increases in your lifetime income withdrawals despite any decline in the contract's remaining value. (The trade-off for this increasing income opportunity is a starting income withdrawal that is lower than the predictable payment option.)

Your annual income can increase, even as your asset declines



This hypothetical example is intended to show how the lifetime income withdrawals offered by select Allianz fixed index annuities would react to general movements in an index. It does not use a specific crediting method, cap, or spread. Although an external index may affect the interest credited, you are not buying shares of an index.

¹ To be eligible for increasing income payments through withdrawals, you must choose the payout option offering increasing income and meet all contract conditions (which may include a deferral period or minimum age requirement), which will vary based on the terms of the specific product selected. Taking withdrawals in excess of the maximum withdrawal amount and any cumulative withdrawal will not increase and may reduce the following year's income withdrawal amount.

This is not a comprehensive overview of all the relevant annuity features and benefits. Be sure to review all material details about these products. Keep in mind that this chart represents hypothetical results only and may not be used to predict or project future results. Actual results will vary by crediting method and index allocation chosen, caps, and spreads, as well as market conditions. No single crediting method consistently delivers the most interest under all market conditions.

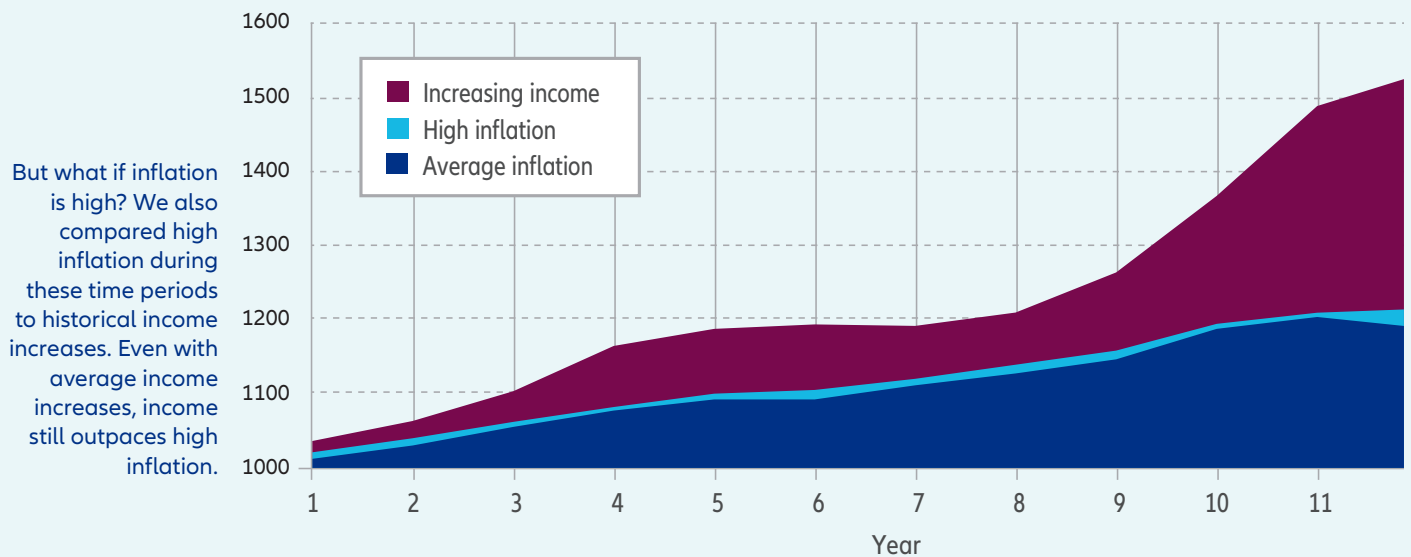
The indexes available within the contract are constructed to keep track of diverse segments of the U.S. or international markets, or specific market sectors. These indexes are benchmarks only. Indexes can have different constituents and weighting methodologies. Some indexes have multiple versions that can weight components or may track the impact of dividends differently. Although an index may affect your interest credited, you cannot buy, directly participate in, or receive dividend payments from any of them through the contract.

Why increasing retirement income is important: the effect of inflation

In considering the value of increasing income, you should also take into account how inflation – a rise in the price of goods and services – can reduce your purchasing power. If your overall income doesn't change, it will buy you less and less over time as inflation increases.

Can increasing income keep up with inflation? The chart below compares the effect of increasing income and inflation on a \$1,000 income withdrawal. This particular chart compares average income increases to an average rise in inflation. You can see that the payments have historically outpaced inflation.

Hypothetical \$1,000 starting payment with total accumulated payment increases and inflation.



As you prepare for retirement, rethink simply looking for guaranteed retirement income – **LOOK FOR INCREASING INCOME POTENTIAL.**

The total number of contracts used for this analysis was 28,981. Contracts that took excess withdrawals were excluded from this because they were not eligible for increases in all years.

This chart displays the crediting and inflation history of the fixed index annuities which elected a withdrawal option using the annual reset increase method from 1/1/08 through 12/31/19, and would have been eligible to receive interest credits from 1/1/09 through 12/28/20. Both interest credit and inflation data displayed were taken from multiple products that were available at that time. The “below-average” credits and inflation were the 25th percentile cumulative interest credit and inflation for this period (75% of the credits/inflation were higher and 25% were lower). The “average” is the 50th percentile cumulative interest credit and inflation for this period (50% of the credits/inflation were higher and 50% were lower). The “above-average” is the 75th percentile cumulative interest credit and inflation for this period (25% of the credits/inflation were higher and 75% were lower).

Note: Past credits are not a guarantee of future results.

True to our promises so you can be true to yours®

Products are issued by:

**Allianz Life Insurance Company
of North America**

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Minneapolis, MN 55459-0060

www.allianzlife.com | 800.950.1962

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. Contract owners have a variety of income options, including lifetime payments.

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

- Not FDIC insured • May lose value • No bank or credit union guarantee
- Not a deposit • Not insured by any federal government agency or NCUA/NCUSIF

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

A leading provider of annuities and life insurance, Allianz Life Insurance Company of North America (Allianz) bases each decision on a philosophy of being true:

True to our strength as an important part of a leading global financial organization.

True to our passion for making wise investment decisions. And **true to the people we serve**, each and every day.

Through a line of innovative products and a network of trusted financial professionals, and with 3.7 million contracts issued, Allianz helps people as they seek to achieve their financial and retirement goals. Founded in 1896, Allianz is proud to play a vital role in the success of our global parent, Allianz SE, one of the world's largest financial services companies.

While we are proud of our financial strength, we are made of much more than our balance sheet. By being true to our commitments and keeping our promises, we believe we make a real difference for our clients. It's why so many people rely on Allianz today and count on us for tomorrow – when they need us most.