Allianz Life Insurance Company of North America

LIFE INSURANCE AS A FINANCIAL ENGINE℠

Flexibility and control in future tax environments

Fixed index universal life (FIUL) insurance can benefit your financial strategy regardless of the tax environment.

FIUL provides a generally income-tax-free death benefit for beneficiaries and the potential to build accumulation value. It can also help supplement a financial strategy through policy loans and withdrawals. Here are two possible tax scenarios that could occur when you're making contributions or taking distributions from your retirement assets.

Lower-tax environment

Contribution phase
If you want to make contributions to your retirement vehicles, you may consider placing additional funds into a tax-free source such as FIUL. Contributions are made with after-tax dollars.

Placing additional funds into tax-free sources →

Distribution phase
If the tax rate is lower when you retire than it was while your policy's accumulation value was building, you may consider accessing more from sources that create taxable distributions.

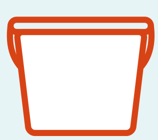
→ Accessing from taxable sources

→ Accessing from FIUL (or other income-tax-free sources) as needed

Higher-tax environment

Contribution phase
If you want to make contributions to your retirement vehicles, you may consider placing additional funds into financial vehicles where contributions are made with pre-tax dollars.

Making pre-tax contributions →



Distribution phase
If the tax rate is higher when you retire than it was while your policy's accumulation value was building, you may consider accessing more from sources that have non-taxable distributions, such as an FIUL policy (assuming there is cash value available).

→ Accessing from FIUL (or other income-tax-free sources)

→ Accessing from other taxable sources

Keep in mind that policy loans will reduce your death benefit and cash value. Please monitor your values closely to avoid a policy lapse or adverse tax consequence. If the policy lapses, outstanding policy loans in excess of unrecovered cost basis will be subject to ordinary income tax, which can be a substantial amount of taxable income.

How can an FIUL policy provide tax diversification? See other side.

Must be accompanied by the Understanding fixed index universal life insurance brochure (M-3959) or the appropriate consumer product brochure.

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

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Taxation can have a big impact on your retirement assets

Your current retirement income sources may include Social Security benefits, nonqualified savings and CDs, and/or traditional IRAs/401(k)s. Each of these financial vehicles is taxed differently and has advantages and disadvantages depending on the tax environment.

Income source	Taxation
Social Security	Taxable distributions[1]
Nonqualified savings and CDs	Taxable interest and tax-free distributions
Traditional IRAs/401(k)s	Tax-deferred accumulation and taxable distributions[2]

Fixed index universal life (FIUL) insurance offers multiple tax advantages

If you're in need of life insurance protection, FIUL can help supplement your other sources of retirement income and provide more tax diversification to your overall strategy.

It offers you a combination of all three tax advantages that no other financial vehicle offers:

- **Tax advantage #1: Income-tax-free death benefit**
- **Tax advantage #2: Tax-deferred potential accumulation value**
- **Tax advantage #3: Income-tax-free loans and withdrawals[3]**

Adding FIUL to your retirement strategy can help provide more flexibility and control in your retirement years. **CONTACT YOUR FINANCIAL PROFESSIONAL** to find out how it can play a role in your overall financial strategy.

[1] Under current Social Security income tax rules, either 0%, up to 50%, or up to 85% of Social Security benefits is included in taxable income and then the tax rate is applied. See your tax advisor for specifics on your situation. The taxable amount could significantly reduce what is available for retirement income.

[2] Assumes no nondeductible contributions were made to the traditional IRA.

[3] Policy loans and withdrawals will reduce the available cash value and death benefit and may cause the policy to lapse, or affect guarantees against lapse. Withdrawals in excess of premiums paid will be subject to ordinary income tax. Additional premium payments may be required to keep the policy in force. In the event of a lapse, outstanding policy loans in excess of unrecovered cost basis will be subject to ordinary income tax. If a policy is a modified endowment contract (MEC), policy loans and withdrawals will be taxable as ordinary income to the extent there are earnings in the policy. If any of these features are exercised prior to age 59½ on a MEC, a 10% federal additional tax may be imposed. Tax laws are subject to change and you should consult a tax professional.

FIUL is not a source for guaranteed income in retirement. There is no guarantee that a policy will earn sufficient interest to support a loan strategy.

Products are issued by Allianz Life Insurance Company of North America, PO Box 59060, Minneapolis, MN 55459-0060. 800.950.1962. www.allianzlife.com