

INDEXED UNIVERSAL LIFE INSURANCE

# 10 reasons to be confident about working with Allianz

What to look for in a policy and carrier

With its combination of protection, flexibility, and tax advantages, indexed universal life insurance (IUL) can be a powerful asset for diversifying your overall financial strategy.

But because there are so many different products and carriers available, make sure that you work with a carrier that's here for the long run and offers products that help meet your specific needs. Here's why you should consider us:

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## HIGH FINANCIAL RATINGS

Allianz Life Insurance Company of North America (Allianz) is proud of our **high ratings from independent rating agencies** – reflecting our stability, integrity, and strong balance sheet.

Ask how competitive carriers stack up to Allianz.

Standard & Poor's	A.M. Best	Moody's
AA (Very strong)	A+ (Superior)	Aa3

Standard & Poor's rating is the third highest of 21 possible ratings and was affirmed March 2023; A.M. Best rating is the second highest of 16 possible ratings and was affirmed March 2024; Moody's rating is the fifth highest of 21 possible ratings and was affirmed September 2023.

These independent agency ratings are based on an analysis of financial results and an evaluation of management objectives, strategies, and risk management programs. The ratings do not indicate approval by the analysts and are subject to change.

**Must be accompanied by the Understanding IUL consumer brochure (M-3959) or appropriate product consumer brochure.**

Keep in mind that most life insurance policies require health and financial underwriting. Diversification does not ensure a profit or protect against loss.

Life insurance guarantees are backed solely 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. 800.950.1962 [www.allianzlife.com](http://www.allianzlife.com)

This content does not apply in the state of New York.

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

• 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

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## GLOBAL STRENGTH

**We're part of a worldwide financial powerhouse.** Our parent company, Allianz SE, serves over 122 million customers in more than 70 countries, and is the world's:

- 67<sup>th</sup> largest company<sup>1</sup>
- 7<sup>th</sup> largest asset manager<sup>2</sup>
- 3<sup>rd</sup> highest ranked insurance company, based on a composite score of four metrics: sales, profits, assets, and market value<sup>3</sup>

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## EXPERIENCE AND EXCELLENCE

As an industry pioneer in indexed universal life insurance, Allianz **introduced our first IUL product in 2006** – which means our experienced and knowledgeable underwriters have been issuing accumulation IUL policies for over a decade.

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## INDEXING EXPERIENCE AND INNOVATIVE INDEX OPTIONS

Our experience and dynamic hedging platform<sup>4</sup> allow us to create innovative indexes that use a **balanced approach to control volatility**. This can provide the potential to build higher accumulation values.

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## POWER OF INTEREST CREDITS

The interest credits you receive can be an excellent indicator of the value that is being passed on to you. Allianz offers both **indexed interest and fixed interest** options. Here are the average fixed and indexed interest credits for our Allianz® IUL policyholders:

	Indexed interest	Fixed interest
Average interest credited <sup>5</sup>	6.15%	3.73%

Past interest crediting is not a guarantee of future results. Caps and interest rates have changed over time, so future credits may be different than shown even in similar market environments.

<sup>1</sup> Fortune Global 500, August 2023. Ranking based on revenue.

<sup>2</sup> Allianz SE: TAI/P&I 500, October 2023. Ranked by total AUM.

<sup>3</sup> Forbes Global 2000: The World's Largest Insurance Companies in 2023

<sup>4</sup> Allianz Investment Management U.S. LLC, a wholly owned subsidiary of Allianz Life Insurance Company of North America, provides investment management and hedging services for the broader Allianz Group.

<sup>5</sup> The average crediting history of Allianz® IUL policies is from 3/1/2006 through 12/31/2023. Credits are based on actual caps, participation rates, and interest rates that have been applied to inforce policies. All products have not been available during the entire duration of the example shown. This is only one aspect of an IUL insurance policy, which does not take into account policy fees and charges and does not describe any other features. Please note that many factors, including the current market environment, may affect the interest credited to the policy. You should consider all product features before purchasing a policy.

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### TAX-FREE LOAN FLEXIBILITY

You have the ability to take out policy loans and withdrawals against any available cash value accumulation in your policy – and these amounts may be **income-tax-free**.<sup>1</sup> Allianz® IUL policies offer **flexible loan options**, including a **net cost of 0% option**:

- Indexed loan: guaranteed 5% annual indexed loan charge
- Fixed interest loan:
  - low net cost of up to 1% for policy years 1-10
  - low net cost of 0% for policy years 11+
- Ability to blend loan types (e.g., 50% indexed loan and 50% fixed loan)
- Ability to allocate indexed loaned and unloaned amounts differently

Guaranteed loan interest rates are set at issue for the life of the policy.

Because loans and withdrawals will reduce your policy's cash value, you'll want to carefully monitor your policy's values and make sure your policy is properly funded so it doesn't lapse.

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### CUSTOMIZABLE POLICIES FOR YOUR NEEDS

Using optional riders, you can customize your policy for your specific needs.<sup>2</sup> Riders include:

- **Loan Protection Rider** that provides protection from your policy lapsing due to an outstanding policy loan.
- **Accelerated benefit riders** that allow you to access the death benefit if you are experiencing a **qualifying chronic or terminal illness**. You can use the monetary benefits for any expense you choose, such as home health care, assisted living, or outstanding bills.

<sup>1</sup> 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.

<sup>2</sup> Some riders are available at an additional cost and with some restrictions, including underwriting, and some benefits which may be taxable.

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## LEVERAGE THE POTENTIAL OF DAILY SWEEPS

One advantage of our in-house hedging platform is that we are able to **allocate (“sweep”) on a daily basis**, meaning your money has immediate accumulation potential. Any credited interest received will be based on the chosen crediting method and index allocation option performance on the date your money was received – rather than waiting for a monthly, quarterly, or annual sweep date.

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## TWO WAYS TO LOCK IN INDEX GAINS

We are an industry leader by being one of the first life insurance carriers to offer **Index Lock capabilities with an Auto Lock feature**. Index Lock allows you to lock in any gain you're satisfied with, at any point during the current crediting period. Auto Lock allows you to set an index interest rate percentage that you want to target. If your allocation reaches that target (or higher), Auto Lock will automatically lock in that value until the end of the crediting period (disclosure referenced below).<sup>1</sup>

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## COMPETITIVE VALUES FOR COMPETITIVE CHARGES

Some IUL policies – particularly those launched over the last several years – show competitive values for death benefits, accumulation value, and cash values. These products may come with higher charges, particularly in the later years. Allianz® IUL policies are designed so the charges and fees **typically decrease over time** – meaning the financial burden for your policy may decrease as you near retirement and have fewer working years ahead.



**TALK TO YOUR FINANCIAL PROFESSIONAL** about how IUL could complement **your overall retirement strategy**.

<sup>1</sup> Setting targets authorizes Allianz to automatically activate an Index Lock once the target is reached, based on the index interest rate percentage at the end of the business day. Targets need to be renewed after each crediting period unless auto-renewal is active.