STATEMENT OF ADDITIONAL INFORMATION

ALLIANZ INDEX ADVANTAGE® NEW YORK VARIABLE ANNUITY CONTRACT ISSUED ON OR AFTER JANUARY 1, 2023

INDIVIDUAL FLEXIBLE PURCHASE PAYMENT VARIABLE AND INDEX-LINKED DEFERRED ANNUITY CONTRACT

Issued by

ALLIANZ LIFE OF NY VARIABLE ACCOUNT C the Separate Account and

ALLIANZ LIFE INSURANCE COMPANY OF NEW YORK (Allianz Life of New York, we, us, our)

This Statement of Additional Information (SAI) is not a prospectus. It should be read in conjunction with the Contract's prospectus, dated May 1, 2025. Definitions of capitalized terms can be found in the glossary of the prospectus.

The prospectus contains important information about the Contract and Allianz Life of New York that you ought to know before investing. For a copy of the Contract's prospectus, visit https://www.allianzlife.com/new-york/annuities/prospectuses, send an email request to contact.us@allianzlife.com, or call or write us at:

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P. O. Box 59060
Minneapolis MN 55459-0060
(800) 624-0197

Dated: May 1, 2025

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ALLIANZ LIFE OF NEW YORK AS CUSTODIAN

Allianz Life of New York does not have a separate custodian for the assets owned through the Separate Account. Most mutual fund shares are not in certificated form, and as such, Allianz Life of New York in effect acts as self custodian for the non-certificated shares we own through the Separate Account.

LEGAL OPINIONS

John P. Hite, Associate General Counsel, Senior Counsel of Allianz Life of New York, has provided legal advice on certain matters in connection with the issuance of the Contracts.

DISTRIBUTOR

The Contracts, which are offered continuously, are distributed by Allianz Life Financial Services, LLC (ALFS), a wholly owned subsidiary of Allianz Life Insurance Company of North America (Allianz Life).

ALFS sells annuity contracts issued by Allianz Life of New York primarily through "wholesaling," in which ALFS sells contracts through a large group of mostly non-affiliated broker/dealer firms. Currently, ALFS has agreements with approximately 506 retail broker/dealers to sell its contracts.

As described in the prospectus, ALFS may pay marketing support payments to certain third-party firms for marketing our contracts. Currently, ALFS makes marketing support payments to approximately 78 broker-dealer firms. These payments vary in amount. In 2024, the five firms receiving the largest payments, ranging from $1,309,570.30 to $16,775,219.99 are listed below.

Firm Name

LPL Financial
MML Investors Services, Inc
OSAIC WEALTH INC
Park Avenue Securities
Cetera Investment Services LLC

ADMINISTRATIVE SERVICE FEES

Allianz Life contracts with Tata Consultancy Services (Tata) to perform certain administrative services as described in prospectus section 13, Other Information – Administration/Allianz Service Center. Allianz Life paid Tata the following amounts for these services during the last three calendar years:

Calendar Year	Total Paid to Tata
2022	$2,015,485
2023	$2,503,039
2024	$2,279,638

ANNUITY PAYMENTS

We base Annuity Payments on the Contract Value. We guarantee the dollar amount of Annuity Payments (equal installments) and this amount does not change except as provided under Annuity Option 3. The Contract Value you apply to Annuity Payments is placed in our general account and does not participate in the Variable Options' performance. Annuity Payments are based on an interest rate and mortality table specified in your Contract. These rates are guaranteed and we cannot use lower rates.

Annuity Payments end upon the earliest of the following.

- Under Annuity Options 1 and 3, the death of the last surviving Annuitant.
- Under Annuity Options 2 and 4, the death of the last surviving Annuitant and the end of the guaranteed period.

- Under Annuity Option 5, the death of the Annuitant and payment of any lump sum refund.
- When the Contract ends.

ANNUITY PAYMENT OPTIONS

The Annuity Payment Options are briefly described in prospectus section 9 – The Annuity Phase, and we included additional information that you may find helpful here.

Option 1. Life Annuity. We make Annuity Payments during the life of the Annuitant, and the last payment is the one that is due before the Annuitant's death. If the Annuitant dies shortly after the Annuity Date, the Payee may receive less than your investment in the Contract.

Option 2. Life Annuity with Payments Over 5, 10, 15 or 20 Years Guaranteed. We make Annuity Payments during the life of the Annuitant. If the Annuitant dies before the end of the selected guaranteed period, we continue to make Annuity Payments to the Payee for the rest of the guaranteed period. If the Payee and Annuitant were the same person, we make payments to the Owner. If the Payee, Annuitant and Owner were the same person, we make payments to the Beneficiary(ies). If the Annuitant dies after the selected guaranteed period ends, the last payment is the one that is due before the Annuitant's death.

Option 3. Joint and Last Survivor Annuity. We make Annuity Payments during the lifetimes of the Annuitant and the joint Annuitant. Upon the death of one Annuitant, Annuity Payments to the Payee continue during the lifetime of the surviving joint Annuitant, at a level of 100%, 75% or 50% selected by the Owner when he or she chose this Annuity Payment option. Annuity Payments stop with the last payment that is due before the last surviving joint Annuitant's death. If both Annuitants die shortly after the Annuity Date, the Payee may receive less than your investment in the Contract.

Option 4. Joint and Last Survivor Annuity with Payments Over 5, 10, 15 or 20 Years Guaranteed. We make Annuity Payments during the lifetimes of the Annuitant and the joint Annuitant. Upon the death of one Annuitant, Annuity Payments continue to the Payee during the lifetime of the surviving joint Annuitant at 100% of the amount that was paid when both Annuitants were alive. However, if both joint Annuitants die before the end of the selected guaranteed period, we continue to make Annuity Payments to the Payee for the rest of the guaranteed period. If the Payee and Annuitant were the same person, we make payments to the Owner. If the Payee, Annuitant and Owner were the same person, we make payments to the Beneficiary(ies). If the last surviving joint Annuitant dies after the selected guaranteed period ends, the last payment is the one that is due before the Annuitant's death.

Option 5. Refund Life Annuity. We make Annuity Payments during the lifetime of the Annuitant, and the last payment is the one that is due before the Annuitant's death. After the Annuitant's death, the Payee may receive a lump sum refund. The amount of the refund equals the amount applied to this Annuity Option minus the total paid under this option.

FINANCIAL STATEMENTS

The statutory financial statements of Allianz Life Insurance Company of New York as of December 31, 2024 and 2023 and for each of the three years in the period ended December 31, 2024, are incorporated herein by reference to Registrant's Form N-VPFS (File No. 811-05716) filed with the SEC have been so incorporated in reliance on the report of PricewaterhouseCoopers LLP, an independent registered public accounting firm, given on the authority of said firm as experts in auditing and accounting.

The financial statements of the subaccounts of Allianz Life of NY Variable Account C of Allianz Life Insurance Company of New York as of December 31, 2024, are incorporated herein by reference to Registrant's Form N-VPFS (File No. 811-05716) filed with the SEC have been so incorporated in reliance on the report of PricewaterhouseCoopers LLP, an independent registered public accounting firm, given on the authority of said firm as experts in auditing and accounting.

APPENDIX A – DEATH OF THE OWNER AND/OR ANNUITANT

The following tables are intended to help you better understand what happens upon the death of any Owner and/or Annuitant under the different portions of the Contract.

UPON THE DEATH OF A SOLE OWNER

Action if the Contract is in the Accumulation Phase

- If this is an Inherited IRA Contract, the death benefit options for the Beneficiary of the Inherited IRA (successor beneficiary, i.e. beneficiary of the original Beneficiary) depend on several factors. For specific information regarding these Contracts, please see section 12, Taxes – Distributions Upon the Owner's Death (or Annuitant's Death if the Owner is a Non-Individual).
- We pay a death benefit to the Beneficiary unless the Beneficiary is the surviving spouse and continues the Contract. For a description of the death benefit and payout options, see prospectus section 11, Death Benefit - Death Benefit Payment Options During the Accumulation Phase.
- If the deceased Owner was a Determining Life and the surviving spouse Beneficiary continues the Contract:
  - we increase the Contract Value to equal the Guaranteed Death Benefit Value if greater and the Traditional Death Benefit ends,
  - the surviving spouse becomes the new Owner,
  - the Accumulation Phase continues, and
  - upon the surviving spouse's death, his or her Beneficiary(ies) receives the Contract Value.
- If the deceased Owner was not the Determining Life the Traditional Death Benefit is not available and the Beneficiary(ies) receive the Contract Value.

Action if the Contract is in the Annuity Phase

- The Beneficiary becomes the Payee. If we are still required to make Annuity Payments under the selected Annuity Option, the Beneficiary also becomes the new Owner.
- If the deceased was not an Annuitant, Annuity Payments to the Payee continue. No death benefit is payable.
- If the deceased was the only surviving Annuitant, Annuity Payments end or continue as follows.
  - Annuity Option 1 or 3, payments end.
  - Annuity Option 2 or 4, payments end when the guaranteed period ends.
  - Annuity Option 5, payments end and the Payee may receive a lump sum refund.
- If the deceased was an Annuitant and there is a surviving joint Annuitant, Annuity Payments to the Payee continue during the lifetime of the surviving joint Annuitant. No death benefit is payable.
- For a Qualified Contract, the Annuity Payments generally must end no later than ten years after the Owner's death. However, in certain situations, payments may need to end earlier.

UPON THE DEATH OF A JOINT OWNER

Action if the Contract is in the Accumulation Phase

- The surviving Joint Owner is the sole primary Beneficiary. If the Joint Owners were spouses there may also be contingent Beneficiaries.
- If the deceased Owner was a Determining Life and the surviving spouse Beneficiary continues the Contract:
  - We pay a death benefit to the surviving Joint Owner unless he or she is the surviving spouse and continues the Contract. For a description of the death benefit and payout options, see prospectus section 11, Death Benefit - Death Benefit Payment Options During the Accumulation Phase.
- If the deceased Joint Owner was a Determining Life and the surviving spouse/Joint Owner continues the Contract:
  - we increase the Contract Value to equal the Guaranteed Death Benefit Value if greater and the Traditional Death Benefit ends,
  - the surviving spouse/Joint Owner becomes the new Owner,
  - the Accumulation Phase continues, and
  - upon the surviving spouse/Joint Owner's death, his or her Beneficiary(ies) receives the Contract Value.
- If the deceased Joint Owner was not a Determining Life the Traditional Death Benefit is not available and the Beneficiary(ies) receive the Contract Value.

Action if the Contract is in the Annuity Phase

- If we are still required to make Annuity Payments under the selected Annuity Option, the surviving Joint Owner becomes the sole Owner
- If the deceased was not an Annuitant, Annuity Payments to the Payee continue. No death benefit is payable.
- If the deceased was the only surviving Annuitant, Annuity Payments end or continue as follows.
  - Annuity Option 1 or 3, payments end.
  - Annuity Option 2 or 4, payments end when the guaranteed period ends.
  - Annuity Option 5, payments end and the Payee may receive a lump sum refund.
- If the deceased was an Annuitant and there is a surviving joint Annuitant, Annuity Payments to the Payee continue during the lifetime of the surviving joint Annuitant. No death benefit is payable.

UPON THE DEATH OF AN ANNUITANT AND THERE IS NO SURVIVING JOINT ANNUITANT

Action if the Contract is in the Accumulation Phase

- If the deceased Annuitant was not an Owner, and the Contract is owned only by an individual(s), we do not pay a death benefit. The Owner can name a new Annuitant subject to our approval.
- If the deceased Annuitant was a sole Owner, we pay a death benefit as discussed in the "Upon the Death of a Sole Owner" table. If the Contract is continued by a surviving spouse, the new surviving spouse Owner can name a new Annuitant subject to our approval.
- If the deceased Annuitant was a Joint Owner, we pay a death benefit as discussed in the "Upon the Death of a Joint Owner" table. If the Contract is continued by a surviving Joint Owner who is also a surviving spouse, the surviving spouse Joint Owner can name a new Annuitant subject to our approval.
- If the Contract is owned by a non-individual, we treat the death of the Annuitant as the death of a sole Owner, and we pay a death benefit as discussed in the "Upon the Death of a Sole Owner" table. ***NOTE: For non-individually owned Contracts, spousal continuation is only available if the Contract is Qualified, owned by a qualified plan or a custodian, and the surviving spouse is named as the sole primary beneficiary under the qualified plan or custodial account.***

Action if the Contract is in the Annuity Phase

- No death benefit is payable.
- If the deceased was the only surviving Annuitant, Annuity Payments end or continue as follows.
  - Annuity Option 1 or 3, payments end.
  - Annuity Option 2 or 4, payments end when the guaranteed period ends.
  - Annuity Option 5, payments end and the Payee may receive a lump sum refund.
- If we are still required to make Annuity Payments under the selected Annuity Option and the deceased was a sole Owner, the Beneficiary becomes the new sole Owner.
- If we are still required to make Annuity Payments under the selected Annuity Option and the deceased was a Joint Owner, the surviving Joint Owner becomes the sole Owner.

UPON THE DEATH OF THE ANNUITANT DURING THE ANNUITY PHASE AND THERE IS A SURVIVING JOINT ANNUITANT

- Only Annuity Options 3 and 4 allow joint Annuitants. Under Annuity Options 3 and 4, Annuity Payments to the Payee continue during the lifetime of the surviving joint Annuitant and, for Annuity Option 4, during any remaining guaranteed period of time.
- No death benefit is payable.
- If we are still required to make Annuity Payments under the selected Annuity Option and the deceased was a sole Owner, the Beneficiary becomes the new Owner.
  - If we are still required to make Annuity Payments under the selected Annuity Option and the deceased was a Joint Owner, the surviving Joint Owner becomes the sole Owner.

APPENDIX B – DAILY ADJUSTMENT CALCULATION

Generally

We designed the Daily Adjustment to provide an Index Option Value on Business Days other than the Term Start Date or the Term End Date. The Daily Adjustment approximates the Performance Credit that will be available on the Term End Date, adjusting for:

(i) any Index gains during the Term subject to the Cap and/or Participation Rate,

(ii) any Index losses greater than the 10%, 20%, or 30% Buffer, and

(iii) the number of days until the Term End Date.

The Daily Adjustment formula has two primary components, (i) the change in Proxy Value and (ii) accumulated proxy interest, which are added together and then multiplied by the Index Option Base. We designed the Daily Adjustment to estimate the present value of positive or negative Performance Credits on the Term End Date taking into account any applicable Buffer, Cap, and/or Participation Rate. You should note that even if your selected Index(es) experience positive growth, the Daily Adjustments may be negative because of other market conditions, such as the expected volatility of Index Values and interest rates. Therefore, the Daily Adjustment could result in a loss beyond the protection of the Buffer. The Daily Adjustment for 3-year and 6-year Term Index Options may be more negatively impacted by changes in the expected volatility of Index Values than 1-year Term Index Options due to the difference in Term length. Also, the risk of a negative Daily Adjustment is greater for 3-year and 6-year Term Index Options than 1-year Term Index Options because the Buffer is exposed to a longer time period. The impact of the Cap and Buffer on the Daily Adjustment for a 1-year Term Index Option is greater than it is for a 3-year or 6-year Term Index Option because we apply the Cap and Buffer for the entire Term length, and the Term length is shorter for a 1-year Term.

Daily Adjustment Formula

The formula for the calculation of the Daily Adjustment is as follows:

Daily Adjustment = [(a) change in Proxy Value + (b) proxy interest] x Index Option Base

Where:

(a) change in Proxy Value = (current Proxy Value – beginning Proxy Value)

(b) proxy interest = beginning Proxy Value x (1 – time remaining during the Term)

Calculating Change in Proxy Value

The change in Proxy Value represents the current hypothetical value of the Proxy Investment (current Proxy Value), less the cost of the Proxy Investment on the Term Start Date (beginning Proxy Value).

The current Proxy Value is the Proxy Value calculated on the same day as the Daily Adjustment. The beginning Proxy Value is the Proxy Value calculated on the Term Start Date.

The Proxy Value involves tracking three hypothetical derivatives and is calculated using the following formula:

Proxy Value = (at-the-money call) – (out-of-the-money call) – (out-of-the-money put)

With respect to our Proxy Value formula, we designed the at-the-money call and out-of-the-money call to value the potential for Index gains subject to any Participation Rate up to the Cap, and the out-of-the-money put to value the potential for Index losses greater than the Buffer. It is important to note that the out-of-the-money put will almost always reduce the Proxy Value, even when the current Index Value on a Business Day is higher than the Index Value on the Term Start Date. This is because the risk that the Index Value could be lower on the Term End Date is present to some extent whether or not the current Index Value on a Business Day is lower than the Index Value on the Term Start Date. For purposes of the Proxy Value formula the value of the out-of-the-money call will be zero if an Index Option is uncapped.

Derivative Descriptions

At-the-money call (AMC)
This is an option to buy a position in the Index on the Term End Date at the strike price of one. On a Term End Date the AMC's value is equal to the Index Value on the Term End Date divided by the Index Value on the Term Start Date, then minus one, the difference being no less than zero.

Out-of-the-money call (OMC)
This is an option to buy a position in the Index on the Term End Date at the strike price of (one plus the Cap, or one plus the Cap divided by the Participation Rate for Index Options with a Participation Rate). On a Term End Date the OMC's value is equal to the Index Value on the Term End Date divided by the Index Value on the Term Start Date, then minus the sum of (one plus the Cap, or one plus the Cap divided by the Participation Rate for Index Options with a Participation Rate), the difference being no less than zero. For purposes of the Proxy Value formula if an Index Option is uncapped the OMC will be zero.

Out-of-the-money-put (OMP)
This is an option to sell a position in the Index on the Term End Date at the strike price of (one minus the Buffer). On a Term End Date the OMP's value is equal to one minus the Buffer, then minus the quotient of the Index Value on the Term End Date divided by the Index Value on the Term Start Date, the difference being no less than zero.

Calculating Proxy Interest

The proxy interest is an amount of interest that is earned to provide compensation for the cost of the Proxy Investment on the Term Start Date. The proxy interest is approximated by the value of amortizing the cost of the Proxy Investment over the Term to zero. The formula for proxy interest involves the calculation of: (i) the beginning Proxy Value, and (ii) the time remaining during the Term. The time remaining during the Term is equal to the number of days remaining in the Term divided by the Term length. The Term length is 365 days for a 1-year Term Index Option; 1,095 days for a 3-year Term Index Option; and 2,190 days for a 6-year Term Index Option. The proxy interest may be significantly different from current interest rates available on interest bearing investments.

Proxy Value Calculation

Throughout the Term, on Business Days other than the Term Start Date or Term End Date, we calculate each hypothetical derivative daily using a fair market value methodology. The purpose of this calculation is to determine the market value of your allocation. Changes in Proxy Value inputs can result in a negative Daily Adjustment even with a positive return in the Index.

Proxy Value Inputs

Term TD return – The Index Value at the end of the current Business Day divided by the Index Value on the Term Start Date, minus one and expressed as a percent. The Index Values are provided daily by Bloomberg or another market source.

Dividend yield – The expected dividend yield as approximated by a market source, including any adjustments for exchange rates. We use dividend yields consistent with the market pricing of options. Since dividends typically reduce Index Values, a higher dividend yield will lead to a lower expected Index Value.

Strike price – This varies for each derivative investment as follows.

- For an AMC the strike price is equal to 1.
- For an OMC:
  - For Index Options without a Participation Rate, the strike price is equal to 1 plus the Cap.
  - For Index Options with a Participation Rate, the strike price is equal to 1 plus the Cap divided by the Participation Rate.
- For an OMP the strike price is equal to 1 either minus the Buffer.

If an Index Option is uncapped, we do not use the OMC.

Notional amount – For Index Options with a Participation Rate, the notional amount reflects the increase in the amount of derivative instruments required within the Proxy Investment due to the Participation Rate. The notional amount varies for each derivative investment as follows:

- For an AMC or OMC the notional amount is equal to the Participation Rate.
- For an OMP the notional amount is equal to 1.

If an Index Option is uncapped, we do not use the OMC.

Interest rate –The interest rate is used to calculate the present value of the strike price from the next Term End Date to the time of calculation. We use interest rates consistent with market pricing of options.

Time remaining – This is equivalent to the portion of time remaining during the Term. It is equal to the number of days in the Term from the Term End Date to the time of the calculation divided by the Term length. The Term length is 365 days for a 1-year Term Index Option; 1,095 days for a 3-year Term Index Option; and 2,190 days for a 6-year Term Index Option.

Volatility – The volatility of an Index as approximated using observed option prices by a market source. The volatility is used in determining the likelihood and expected amount that the Index Value will differ from the strike price on the next Index Anniversary. As volatility increases, the value of call and put options generally increase. We use volatility consistent with market pricing of options.

EXAMPLE: INDEX PERFORMANCE STRATEGY 1-YEAR TERM WITH 10% BUFFER USING S&P 500® INDEX

Assume you purchase a Contract and allocate your total initial Purchase Payment of $10,000 to the Index Option for the Index Performance Strategy 1-year Term with 10% Buffer using S&P 500® Index. On the Term Start Date the Index Option Base is $10,000, the Cap is 12%, and the Index Value is 1,000. ***Please note that these examples may differ from your actual results due to a variety of market factors.***

Term Start Date

On the Term Start Date we calculate the beginning Proxy Value as follows.

Strike price	AMC = 1.00	OMC = 1.12	OMP = 0.90
Index Value	1,000		
Term TD return	NA		
Time remaining	1.00		
Value of derivatives	AMC = 5.10%	OMC = 0.66%	OMP = 3.37%

Beginning Proxy Value = AMC – OMC – OMP = 5.10% – 0.66% – 3.37% = 1.06%

End of month one

Assume the Index Value increased to 1,010 by the end of month one. We calculate the current Proxy Value as follows:

Strike price	AMC = 1.00	OMC = 1.12	OMP = 0.90
Index Value	1,010		
Term TD return	1.00%		
Time remaining	0.92		
Value of derivatives	AMC = 5.41%	OMC = 0.72%	OMP = 2.83%

Current Proxy Value = AMC – OMC – OMP = 5.41% – 0.72% – 2.83% = 1.86%

In this example the Index Value increased since the Term Start Date, which generally increases the Proxy Value. We calculate the Daily Adjustment and Index Option Value as follows.

Daily Adjustment = [(a) change in Proxy Value + (b) proxy interest] x Index Option Base:

(a) change in Proxy Value = (current Proxy Value – beginning Proxy Value) = (1.86% - 1.06%) = 0.80%

(b) proxy interest = beginning Proxy Value x (1 - Time remaining) = 1.06% x (1 - 0.92) = 0.09%

= [(a) 0.80% + (b) 0.09%] x $10,000 = **$89.16**

Index Option Value = Index Option Base + Daily Adjustment = $10,000.00 + $89.16 = **$10,089.16**

End of month one with changes to Proxy Value inputs

Proxy Value inputs can result in a negative Daily Adjustment even with a positive return in the Index. As in the previous example, assume the Index Value increased to 1,010 by the end of month one. In addition, assume changes in volatility, interest rates, and dividend yields impact the value of the derivatives. We calculate the current Proxy Value as follows:

Strike price	AMC = 1.00	OMC = 1.12	OMP = 0.90
Index Value	1,010		
Term TD return	1.00%		
Time remaining	0.92		
Value of derivatives	AMC = 6.37%	OMC = 2.23%	OMP = 3.50%

Current Proxy Value = AMC – OMC – OMP = 6.37% – 2.23% – 3.50% = 0.63%

In this example the Index Value increased since the Term Start Date, which generally increases the Proxy Value. Changes to inputs for valuing derivatives decreased the Proxy Value despite the positive Index return. We calculate the Daily Adjustment and Index Option Value as follows.

Daily Adjustment = [(a) change in Proxy Value + (b) proxy interest] x Index Option Base:
(a) change in Proxy Value = (current Proxy Value – beginning Proxy Value) = (0.63% - 1.06%) = -0.43%
(b) proxy interest = beginning Proxy Value x (1 - Time remaining) = 1.06% x (1 - 0.92) = 0.09%
= [(a) -0.43% + (b) 0.09%] x $10,000 = **-$33.76**

Index Option Value = Index Option Base + Daily Adjustment = $10,000.00 + -$33.76 = **$9,966.24**

End of month three

Assume the Index Value decreased to 950 by the end of month three. We calculate the current Proxy Value as follows:

Strike price	AMC = 1.00	OMC = 1.12	OMP = 0.90
Index Value	950		
Term TD return	-5.00%		
Time remaining	0.75		
Value of derivatives	AMC = 2.50%	OMC = 0.12%	OMP = 3.99%

Current Proxy Value = AMC – OMC – OMP = 2.50% – 0.12% – 3.99% = -1.61%

In this example the Index Value decreased, which generally decreases the Proxy Value. We calculate the Daily Adjustment and Index Option Value as follows.

Daily Adjustment = [(a) change in Proxy Value + (b) proxy interest] x Index Option Base:
(a) change in Proxy Value = (current Proxy Value – beginning Proxy Value) = (-1.61% - 1.06%) = -2.67%
(b) proxy interest = beginning Proxy Value x (1 - Time remaining) = 1.06% x (1 - 0.75) = 0.27%
= [(a) -2.67% + (b) 0.27%] x $10,000 = **-$240.54**

Index Option Value = Index Option Base + Daily Adjustment = $10,000.00 + -$240.54 = **$9,759.46**

End of month six

Assume the Index Value increased to 1,100 by the end of month six. We calculate the current Proxy Value as follows:

Strike price	AMC = 1.00	OMC = 1.12	OMP = 0.90
Index Value	1,100		
Term TD return	10.00%		
Time remaining	0.50		
Value of derivatives	AMC = 10.33%	OMC = 2.16%	OMP = 0.36%

Current Proxy Value = AMC – OMC – OMP = 10.33% – 2.16% – 0.36% = 7.82%

In this example the Index Value increased, which generally increases the Proxy Value. We calculate the Daily Adjustment and Index Option Value as follows.

Daily Adjustment = [(a) change in Proxy Value + (b) proxy interest] x Index Option Base:
(a) change in Proxy Value = (current Proxy Value – beginning Proxy Value) = (7.82% - 1.06%) = 6.75%
(b) proxy interest = beginning Proxy Value x (1 - Time remaining) = 1.06% x (1 - 0.50) = 0.53%
= [(a) 6.75% + (b) 0.53%] x $10,000 = **$728.51**

Index Option Value = Index Option Base + Daily Adjustment = $10,000.00 + $728.51= **$10,728.51**

Now instead, assume the Index Value decreased to 900 by the end of month six. We calculate the current Proxy Value as follows:

Strike price	AMC = 1.00	OMC = 1.12	OMP = 0.90
Index Value	900		
Term TD return	-10.00%		
Time remaining	0.50		
Value of derivatives	AMC = 0.72%	OMC = 0.00%	OMP = 4.93%

Current Proxy Value = AMC – OMC – OMP = 0.72% – 0.00% – 4.93% = -4.21%

In this example the Index Value decreased, which generally decreases the Proxy Value. We calculate the Daily Adjustment and Index Option Value as follows.

Daily Adjustment = [(a) change in Proxy Value + (b) proxy interest] x Index Option Base:
(a) change in Proxy Value = (current Proxy Value – beginning Proxy Value) = (-4.21% - 1.06%) = -5.27%
(b) proxy interest = beginning Proxy Value x (1 - Time remaining) = 1.06% x (1 - 0.50) = 0.53%
= [(a) -5.27% + (b) 0.53%] x $10,000 = **-$473.86**

Index Option Value = Index Option Base + Daily Adjustment = $10,000.00 + -$473.86 = **$9,526.14**

End of month eleven

Assume the Index Value increased to 1,095 by the end of month eleven. We calculate the current Proxy Value as follows:

Strike price	AMC = 1.00	OMC = 1.12	OMP = 0.90
Index Value	1,095		
Term TD return	9.50%		
Time remaining	0.08		
Value of derivatives	AMC = 9.37%	OMC = 0.46%	OMP = 0.00%

Current Proxy Value = AMC – OMC – OMP = 9.37% – 0.46% – 0.00% = 8.92%

In this example the Index Value increased, which generally increases the Proxy Value. We calculate the Daily Adjustment and Index Option Value as follows.

Daily Adjustment = [(a) change in Proxy Value + (b) proxy interest] x Index Option Base:
(a) change in Proxy Value = (current Proxy Value – beginning Proxy Value) = (8.92% - 1.06%) = 7.86%
(b) proxy interest = beginning Proxy Value x (1 - Time remaining) = 1.06% x (1 - 0.08) = 0.97%
= [(a) 7.86% + (b) 0.97%] x $10,000 = **$882.86**

Index Option Value = Index Option Base + Daily Adjustment = $10,000.00 + $882.86 = **$10,882.86**

The following table summarizes each month during a 1-year Term what the hypothetical Proxy Values, Daily Adjustments, and Index Option Values would be for different Index Values for the Index Performance Strategy 1-year Term with 10% Buffer using S&P 500® Index. At the end of month one, the table uses the example with initial Proxy Value inputs. At the end of month six, it uses the example where the Index Value is 900. For simplicity we assume the Index Option Base is

$10,000 throughout the Term. In reality your Index Option Base changes throughout the Term with the deduction of any partial withdrawal you request and when we deduct applicable Contract fees and charges.

Month	Index Values	AMC	OMC	OMP	Proxy Value	Daily Adjustment	Index Option Value
Term Start Date	1,000	5.10%	0.66%	3.37%	1.06%	$ 0.00	$10,000.00
1	1,010	5.41%	0.72%	2.83%	1.86%	$ 89.16	$10,089.16
2	975	3.62%	0.29%	3.50%	-0.16%	-$104.73	$ 9,895.27
3	950	2.50%	0.12%	3.99%	-1.61%	-$240.54	$ 9,759.46
4	925	1.59%	0.04%	4.60%	-3.05%	-$376.16	$ 9,623.84
5	850	0.30%	0.00%	8.22%	-7.92%	-$853.97	$ 9,146.03
6	900	0.72%	0.00%	4.93%	-4.21%	-$473.86	$ 9,526.14
7	980	2.61%	0.07%	1.62%	0.92%	$ 47.62	$10,047.62
8	1,015	3.95%	0.14%	0.67%	3.13%	$277.54	$10,277.54
9	1,100	9.95%	1.39%	0.05%	8.51%	$824.60	$10,824.60
10	1,125	12.25%	2.10%	0.00%	10.15%	$996.95	$10,996.95
11	1,095	9.37%	0.46%	0.00%	8.92%	$882.86	$10,882.86
Term End Date	1,080						$10,800.00

EXAMPLE: INDEX PERFORMANCE STRATEGY 3-YEAR TERM WITH 20% BUFFER USING S&P 500® INDEX

This example uses the same assumptions as the Index Option for the Index Performance Strategy 1-year Term with 10% Buffer using S&P 500® Index example, but with a 3-year Term, 20% Buffer, 50% Cap, and 100% Participation Rate. ***Please note that these examples may differ from your actual results due to a variety of market factors.***

Term Start Date

On the Term Start Date we calculate the beginning Proxy Value as follows.

Strike price	AMC = 1.00	OMC = 1.50	OMP = 0.80
Notional amount	AMC = 1.00	OMC = 1.00	OMP = 1.00
Index Value	1,000		
Term TD return	NA		
Time remaining	1.00		
Value of derivatives	AMC = 10.82%	OMC = 0.76%	OMP = 6.97%

Beginning Proxy Value = AMC – OMC – OMP = 10.82% - 0.76% - 6.97% = 3.09%

End of month six

Assume the Index Value increased to 1,100 by the end of month six. We calculate the current Proxy Value as follows.

Strike price	AMC = 1.00	OMC = 1.50	OMP = 0.80
Notional amount	AMC = 1.00	OMC = 1.00	OMP = 1.00
Index Value	1,100		
Term TD return	10.00%		
Time remaining	0.83		
Value of derivatives	AMC = 15.61%	OMC = 1.28%	OMP = 3.95%

Current Proxy Value = AMC – OMC – OMP = 15.61% - 1.28% - 3.95% = 10.38%

In this example the Index Value increased since the Term Start Date, which generally increases the Proxy Value. We calculate the Daily Adjustment and Index Option Value as follows.

Daily Adjustment = [(a) change in Proxy Value + (b) proxy interest] x Index Option Base:

(a) change in Proxy Value = (current Proxy Value – beginning Proxy Value) = (10.38% - 3.09%) = 7.29%

(b) proxy interest = beginning Proxy Value x (1 - Time remaining) = 3.09% x (1 - 0.83) = 0.51%

= [(a) 7.29% + (b) 0.51%] x $10,000 = **$780.33**

Index Option Value = Index Option Base + Daily Adjustment = $10,000.00 + $780.33 = **$10,780.33**

Now instead, assume the Index Value decreased to 900 by the end of month six. We calculate the current Proxy Value as follows.

Strike price	AMC = 1.00	OMC = 1.50	OMP = 0.80
Notional amount	AMC = 1.00	OMC = 1.00	OMP = 1.00
Index Value	900		
Term TD return	-10.00%		
Time remaining	0.83		
Value of derivatives	AMC = 5.81%	OMC = 0.16%	OMP = 8.53%

Current Proxy Value = AMC – OMC – OMP = 5.81% - 0.16% - 8.53% = -2.88%

We calculate the Daily Adjustment and Index Option Value as follows.

Daily Adjustment = [(a) change in Proxy Value + (b) proxy interest] x Index Option Base:

(a) change in Proxy Value = (current Proxy Value – beginning Proxy Value) = (-2.88% - 3.09%) = -5.97%

(b) proxy interest = beginning Proxy Value x (1 - Time remaining) = 3.09% x (1 - 0.83) = 0.51%

= [(a) -5.97% + (b) 0.51%] x $10,000 = **-$545.59**

Index Option Value = Index Option Base + Daily Adjustment = $10,000.00 + -$549.59 = **$9,454.41**

Term Start Date if 3-year Term Index Option is uncapped

This example uses the same assumptions as the prior Term Start Date example, but has no Cap. Because this 3-year Term Index Option is uncapped the OMC is zero.

On the Term Start Date we calculate the beginning Proxy Value as follows.

Strike price	AMC = 1.00	OMC = NA	OMP = 0.80
Notional amount	AMC = 1.00	OMC = NA	OMP = 1.00
Index Value	1,000		
Term TD return	NA		
Time remaining	1.00		
Value of derivatives	AMC = 10.82%	OMC = 0.00%	OMP = 6.97%

Beginning Proxy Value = AMC – OMC – OMP = 10.82% - 0.00% - 6.97% = 3.85%

End of month six

Assume the Index Value increased to 1,100 by the end of month six. We calculate the current Proxy Value as follows.

Strike price	AMC = 1.00	OMC = NA	OMP = 0.80
Notional amount	AMC = 1.00	OMC = NA	OMP = 1.00
Index Value	1,100		
Term TD return	10.00%		
Time remaining	0.83		
Value of derivatives	AMC = 15.61%	OMC = 0.00%	OMP = 3.95%

Current Proxy Value = AMC – OMC – OMP = 15.61% - 0.00% - 3.95% = 11.66%

We calculate the Daily Adjustment and Index Option Value as follows.

Daily Adjustment = [(a) change in Proxy Value + (b) proxy interest] x Index Option Base:

(a) change in Proxy Value = (current Proxy Value – beginning Proxy Value) = (11.66% - 3.85%) = 7.81%

(b) proxy interest = beginning Proxy Value x (1 - Time remaining) = 3.85% x (1 - 0.83) = 0.64%

= [(a) 7.81% + (b) 0.64%] x $10,000 = **$845.55**

Index Option Value = Index Option Base + Daily Adjustment = $10,000.00 + $845.55 = **$10,845.55**

Now instead, assume the Index Value decreased to 900 by the end of month six. We calculate the current Proxy Value as follows.

Strike price	AMC = 1.00	OMC = NA	OMP = 0.80
Notional amount	AMC = 1.00	OMC = NA	OMP = 1.00
Index Value	900		
Term TD return	-10.00%		
Time remaining	0.83		
Value of derivatives	AMC = 5.81%	OMC = 0.00%	OMP = 8.53%

Current Proxy Value = AMC – OMC – OMP = 5.81% - 0.00% - 8.53% = -2.72%

We calculate the Daily Adjustment and Index Option Value as follows.

Daily Adjustment = [(a) change in Proxy Value + (b) proxy interest] x Index Option Base:

(a) change in Proxy Value = (current Proxy Value – beginning Proxy Value) = (-2.72% - 3.85%) = -6.57%

(b) proxy interest = beginning Proxy Value x (1 - Time remaining) = 3.85% x (1 - 0.83) = 0.64%

= [(a) -6.57% + (b) 0.64%] x $10,000 = **-$592.50**

Index Option Value = Index Option Base + Daily Adjustment = $10,000.00 + -$592.5 = **$9,407.50**

EXAMPLE: INDEX PERFORMANCE STRATEGY 6-YEAR TERM WITH 10% BUFFER USING S&P 500® INDEX

This example uses the same assumptions as the Index Performance Strategy 3-year Term with 20% Buffer using S&P 500® Index example, but has a 6-year Term, 10% Buffer, no Cap, and a 110% Participation Rate. ***Please note that these examples may differ from your actual results due to a variety of market factors.***

Term Start Date

On the Term Start Date we calculate the beginning Proxy Value as follows.

Strike price	AMC = 1.00	OMC = NA	OMP = 0.90
Notional amount	AMC = 1.10	OMC = NA	OMP = 1.00
Index Value	1,000		
Term TD return	NA		
Time remaining	1.00		
Value of derivatives	AMC = 18.91%	OMC = 0.00%	OMP = 15.47%

Beginning Proxy Value = AMC – OMC – OMP = 18.91% - 0.00% - 15.47% = 3.44%

End of month six

Assume the Index Value increased to 1,100 by the end of month six. We calculate the current Proxy Value as follows.

Strike price	AMC = 1.00	OMC = NA	OMP = 0.90
Notional amount	AMC = 1.10	OMC = NA	OMP = 1.00
Index Value	1,100		
Term TD return	10.00%		
Time remaining	0.92		
Value of derivatives	AMC = 24.31%	OMC = 0.00%	OMP = 11.94%

Current Proxy Value = AMC – OMC – OMP = 24.31% - 0.00% - 11.94% = 12.37%

In this example the Index Value increased since the Term Start Date, which generally increases the Proxy Value. We calculate the Daily Adjustment and Index Option Value as follows.

Daily Adjustment = [(a) change in Proxy Value + (b) proxy interest] x Index Option Base:

(a) change in Proxy Value = (current Proxy Value – beginning Proxy Value) = (12.37% - 3.44%) = 8.94%

(b) proxy interest = beginning Proxy Value x (1 - Time remaining) = 3.44% x (1 - 0.92) = 0.29%

= [(a) 8.94% + (b) 0.29%] x $10,000 = **$922.20**

Index Option Value = Index Option Base + Daily Adjustment = $10,000.00 + $922.20 = **$10,922.20**

Now instead, assume the Index Value decreased to 900 by the end of month six. We calculate the current Proxy Value as follows.

Strike price	AMC = 1.00	OMC = NA	OMP = 0.90
Notional amount	AMC = 1.10	OMC = NA	OMP = 1.00
Index Value	900		
Term TD return	-10.00%		
Time remaining	0.92		
Value of derivatives	AMC = 13.18%	OMC = 0.00%	OMP = 18.16%

Current Proxy Value = AMC – OMC – OMP = 13.18% - 0.00% - 18.16% = -4.98%

We calculate the Daily Adjustment and Index Option Value as follows.

Daily Adjustment = [(a) change in Proxy Value + (b) proxy interest] x Index Option Base:

(a) change in Proxy Value = (current Proxy Value – beginning Proxy Value) = (-4.98% - 3.44%) = -8.42%

(b) proxy interest = beginning Proxy Value x (1 - Time remaining) = 3.44% x (1 - 0.92) = 0.29%

= [(a) -8.42% + (b) 0.29%] x $10,000 = **-$813.35**

Index Option Value = Index Option Base + Daily Adjustment = $10,000.00 + -$813.35 = **$9,186.65**

EXAMPLE: INDEX PROTECTION NY STRATEGY 1-YEAR TERM WITH 30% BUFFER USING S&P 500® INDEX

Assume you purchase a Contract and allocate your total initial Purchase Payment of $10,000 to the Index Option for the Index Protection NY Strategy 1-year Term with 30% Buffer using S&P 500® Index. On the Term Start Date the Index Option Base is $10,000, the Cap is 4%, and the Index Value is 1,000. ***Please note that these examples may differ from your actual results due to a variety of market factors.***

Term Start Date

On the Term Start Date we calculate the beginning Proxy Value as follows.

Strike price	AMC = 1.00	OMC = 1.04	OMP = 0.70
Index Value	1,000		
Term TD return	NA		
Time remaining	1.00		
Value of derivatives	AMC = 5.10%	OMC = 3.23%	OMP = 0.58%

Beginning Proxy Value = AMC – OMC – OMP = 5.10% - 3.23% - 0.58% = 1.28%

End of month six

Assume the Index Value increased to 1,100 by the end of month six. We calculate the current Proxy Value as follows:

Strike price	AMC = 1.00	OMC = 1.04	OMP = 0.70
Index Value	1,100		
Term TD return	10.00%		
Time remaining	0.50		
Value of derivatives	AMC = 10.33%	OMC = 7.20%	OMP = 0.01%

Current Proxy Value = AMC – OMC – OMP = 10.33% - 7.20% - 0.01% = 3.12%

In this example the Index Value increased, which generally increases the Proxy Value. We calculate the Daily Adjustment and Index Option Value as follows.

Daily Adjustment = [(a) change in Proxy Value + (b) proxy interest] x Index Option Base:
(a) change in Proxy Value = (current Proxy Value – beginning Proxy Value) = (3.12% - 1.28%) = 1.84%
(b) proxy interest = beginning Proxy Value x (1 - Time remaining) = 1.28% x (1 - 0.50) = 0.64%
= [(a) 1.84% + (b) 0.64%] x $10,000 = **$247.88**

Index Option Value = Index Option Base + Daily Adjustment = $10,000.00 + $247.88 = **$10,247.88**

Now instead, assume the Index Value decreased to 900 by the end of month six. We calculate the current Proxy Value as follows:

Strike price	AMC = 1.00	OMC = 1.04	OMP = 0.70
Index Value	900		
Term TD return	-10.00%		
Time remaining	0.50		
Value of derivatives	AMC = 0.72%	OMC = 0.25%	OMP = 0.38%

Current Proxy Value = AMC – OMC – OMP = 0.72% - 0.25% - 0.38% = 0.09%

In this example the Index Value decreased, which generally decreases the Proxy Value. We calculate the Daily Adjustment and Index Option Value as follows.

Daily Adjustment = [(a) change in Proxy Value + (b) proxy interest] x Index Option Base:
(a) change in Proxy Value = (current Proxy Value – beginning Proxy Value) = (0.09% - 1.28%) = -1.19%
(b) proxy interest = beginning Proxy Value x (1 - Time remaining) = 1.28% x (1 - 0.50) = 0.64%
= [(a) -1.19% + (b) 0.64%] x $10,000 = **-$54.92**

Index Option Value = Index Option Base + Daily Adjustment = $10,000.00 + -$54.92 = **$9,945.08**

EXAMPLE: SUMMARY

The following table summarizes hypothetical effects on the Daily Adjustment from the examples above. Percentages shown represent the Daily Adjustment as a percentage of the Index Option Base. ***Please note that these examples may differ from your actual results due to a variety of market factors.***

Crediting Method/Term Length/ Negative Index Performance Protection	Assumed Rate	Hypothetical Daily Adjustment when the Index is up 10% at the end of month six	Hypothetical Daily Adjustment when the Index is down 10% at the end of month six
Index Performance Strategy 1-year Term with 10% Buffer	**12% Cap**	**7.29%**	**-4.74%**
Index Performance Strategy 3-year Term with 20% Buffer	50% Cap	7.80%	-5.46%
Index Performance Strategy 3-year Term with 20% Buffer	Uncapped with a 100% Participation Rate	8.46%	-5.93%
Index Performance Strategy 6-year Term with 10% Buffer	Uncapped with a 110% Participation Rate	9.22%	-8.13%
Index Protection NY Strategy 1-year Term with 30% Buffer	4% Cap	2.48%	-0.55%