A longer term provides the greatest performance potential with a level of protection from index losses. These Multi-Year Term Strategies may be a good choice if you have a longer time horizon and are looking for higher growth potential, while maintaining a level of protection.

A closer look at the Index Performance Strategy 6-Year Term and 3-Year Term

The 6-Year Term and 3-Year Term index options calculate performance credits using the same method, with the only difference being the length of the time period.

If the index return is positive, you’ll receive a performance credit equal to that return multiplied by the participation rate, or up to a limit called the cap.

If the index return is negative, you may receive a negative performance credit – but only when the loss is greater than a specified percentage called the buffer. This helps provide a level of protection by absorbing a certain percentage of negative index return over the term. Losses in excess of the buffer will reduce your contract value.

These examples assume a 10% buffer.

Current caps and participation rates may be different from what is represented in the examples. You could experience a loss during an index period if the index declines more than the level of downside protection. You may not be able to participate fully in a market recovery due to the capped upside potential in subsequent index periods.
Important things to know:

- Caps and participation rates can be different between newly issued contracts and inforce contracts, and they can be different between inforce contracts issued on different days and in different years.
- Caps and participation rates can also be different for each index option.
- Caps and participation rates are subject to change annually on the Term Start Date, and will never be less than the minimum cap.
- Buffers cannot change for a contract after they are declared.
- Amounts deducted for applicable fees and charges may result in a loss of principal or previously earned performance credits, and will not receive a performance credit on the next Term End Date.
- Amounts invested in the index strategy must be held for the full term before they can receive a Performance Credit. A Daily Adjustment is applied if, before the Term End Date, you take a full or partial withdrawal, annuitize the Contract, execute a Performance Lock, a death benefit is paid, or Contract fees and expenses are deducted. **The Daily Adjustment may cause you to lose principal and previous earnings even if Index performance is positive on that day or has been positive since the Term Start Date.**

For more information on the caps and participation rates currently offered, please consult your financial professional or visit [www.allianzlife.com/RILAratesNF](http://www.allianzlife.com/RILAratesNF).