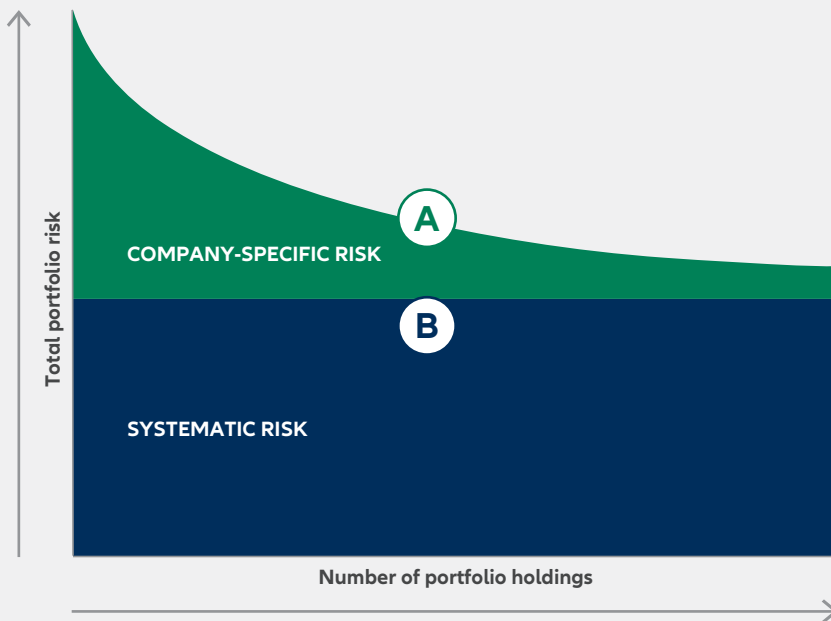


ALLIANZ ADVISORY SOLUTIONS

Can systematic risk be reduced?

By now, you know that investing in the market comes with potential risks. These risks can be split into two general categories: **systematic risk** and **company-specific risk**. The chart below will help illustrate and explain both types of risk and how diversification may impact them.



Company-specific risk

Specific to a company or industry that doesn't necessarily affect the overall market
 – Risks include: business, financial, strategic, new competition, legal, and regulatory

A Generally, **can be reduced** through increased variety in portfolio holdings (diversification)

Systematic risk

Specific to external factors that affect the overall market
 – Risks include: geopolitical landscape, war, interest rate changes, inflation, and recessions

B Generally, **cannot be reduced** through increased variety in portfolio holdings (diversification)

While systematic risk cannot be reduced through diversification, **allocating a portion of portfolios to risk-managed solutions – including advisory-ready, fee-based, registered index-linked annuities (RILAs) – can help reduce this type of risk.**



LET'S TAKE A CLOSER LOOK at how our RILAs provide varying levels of protection that may help address systematic risk →

This material must be preceded or accompanied by the appropriate consumer product brochure, index strategy inserts, index options guide, product profile, and a current prospectus for the Allianz® RILA. Call your financial professional or Allianz Life Financial Services, LLC, member FINRA, at 800.624.0197 to obtain a prospectus about any available variable options. The prospectuses contain details on investment objectives, risks, fees, and expenses, as well as other information about the variable annuity and any available variable options, which you should carefully consider. Please read the prospectuses thoroughly before sending money.

INVESTMENT AND INSURANCE PRODUCTS ARE: • NOT FDIC INSURED • NOT INSURED BY ANY FEDERAL GOVERNMENT AGENCY
 • NOT A DEPOSIT OR OTHER OBLIGATION OF, OR GUARANTEED BY, THE BANK OR ANY OF ITS AFFILIATES
 • SUBJECT TO INVESTMENT RISKS, INCLUDING POSSIBLE LOSS OF THE PRINCIPAL AMOUNT INVESTED

How do RILAs offer protection?

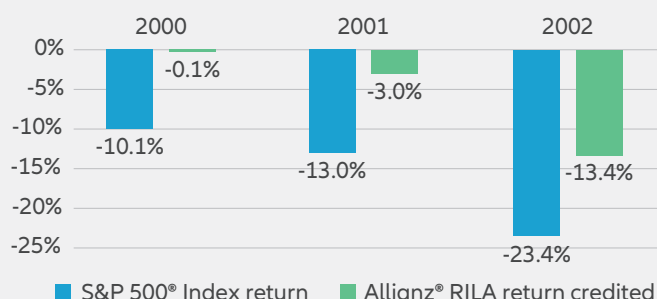
Before we dive into the example, it's important to note that Allianz® registered index-linked annuities (RILAs) offer various levels of protection against market losses. The various levels of protection are provided through index strategies that include either buffers, floors, or 100% protection against negative index returns.¹ The table below will show how each level of protection works:

	Buffer	Floor	100% protection ¹
If the index return is negative at the end of the term and within the buffer, a 0% return is credited* ... and exceeds the buffer, a negative return in excess of the buffer is credited	... and within the floor, a negative return equal to the index return is credited ... and below the floor, a negative return equal to the floor is credited	... a 0% return is credited

* The Index Dual Precision Strategy applicable to Allianz Index Advantage Income ADV® Variable Annuity provides a positive performance credit if the index return is negative and within the buffer.

HYPOTHETICAL HISTORICAL EXAMPLE: The dot-com bubble

The dot-com bubble was a stock market bubble that occurred in the late 1990s and burst in 2000, sending shockwaves across the overall market. The hypothetical historical example shows how an Allianz® RILA allocated to the Index Performance Strategy 1-year term with 10% buffer – S&P 500® Index could have helped reduce systematic risk and negative returns realized after the bubble burst in 2000 – 2002:



The example assumes 100% allocation to the Index Performance Strategy, which is one of several index strategies available within Allianz® RILAs. The hypothetical historical results shown use 2000, 2001, and 2002 calendar-year returns and include days that cannot be an Index Effective Date in an Allianz® RILA, which may affect results significantly. Please note that Allianz® RILAs were not available during the entire timeframe indicated in this hypothetical historical example. It does not predict or project the actual performance of Allianz® RILAs with the Index Performance Strategy 1-Year Term index option. You could experience a loss during a term if the index declines more than the level of downside protection of the buffer. You may not be able to participate fully in a market recovery due to cap limits on positive returns in subsequent terms. The hypothetical examples do not deduct for contract fees or charges and, if included, would reduce the performance credits shown for the Allianz® RILA. **Past performance is no guarantee of future results.**

Allianz® RILAs provide indexed return potential with the opportunity for varying levels of protection through multiple index options available prior to receiving income, tax-deferred growth potential, a variety of lifetime annuity payout options, and a choice at issue of two death benefits (one optional and at an additional 0.20% rider fee) during the accumulation phase.

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¹ Deduction for applicable fees and charges may result in a loss of principal or previously earned performance credits, which are the annual returns you may receive when you allocate to an index option, and will not receive a performance credit on the next Term End Date.

You should carefully consider the features, benefits, limitations, risks, and fees that may be associated with an annuity, as well as the expenses, investment risks, and objectives of the underlying variable option in a variable annuity. Ask your financial professional if an annuity is appropriate for you based on your financial situation and objectives. This content is general information for educational purposes, and is not intended to constitute fiduciary advice. Please consult your financial professional for a specific recommendation about purchasing this product.

Although an index or indexes will affect your index option values, the index options do not directly participate in any stock or equity investment and are not a direct investment in an index.

Withdrawals will reduce contract values (including any Cash Value) and the value of any potential protection benefits. Withdrawals taken within the period stated in the prospectus will be subject to a withdrawal charge or a Market Value Adjustment (MVA), depending on the product. All withdrawals are subject to ordinary income tax and, if taken prior to age 59½, may be subject to a 10% federal additional tax.

All annuity contract and rider guarantees, or annuity payout rates, are backed by the claims-paying ability of the issuing insurance company. They are not backed by

the broker/dealer from which this annuity is purchased, by the insurance agency from which this annuity is purchased, or any affiliates of those entities, and none makes any representations or guarantees regarding the claims-paying ability of Allianz Life Insurance Company of North America. Guarantees do not apply to the performance of the variable subaccounts, which will fluctuate with market conditions.

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