

Allianz Lifetime Income+[®] Annuity

Frequently asked questions

Use the FAQ to find answers to your important questions.

Minimums and maximums

Are there age limits for purchasing the Allianz Lifetime Income+[®] Annuity?

Yes. The maximum age for buying Allianz Lifetime Income+[®] is 80.

At what age do you need to begin taking income?

You can begin lifetime withdrawals any time after age 60. You must turn on lifetime withdrawals before age 100. After age 100, the payments will be treated as annuity payments for tax purposes.

Does Allianz require a minimum amount for contributions to the annuity?

No, Allianz does not require a minimum contribution to the annuity option. Please contact your plan administrator for plan specifics.

Can I add premium to my annuity?

With the Allianz Lifetime Income+[®] Annuity, it is possible to add more premium with ongoing contributions made through your retirement plan account. Please contact your plan administrator for details on minimum and maximum premium amounts specific to your plan.

Portability

What happens if I change employers?

Your money can move with you. If you change employers before retirement, you can roll over your Allianz Lifetime Income+[®] Annuity to your new employer's retirement plan, if permitted by the new plan. Alternatively, you

may choose to transfer it to an Allianz Individual Retirement Account (IRA) or an IRA that Allianz has custodial connectivity with.

What happens if my employer removes the annuity from my benefits lineup?

We believe that guaranteed products should stay true to their promises even if circumstances change. If your employer removes the annuity from their current lineup, you can roll over the annuity into an Allianz IRA, or an IRA that Allianz has custodial connectivity with. Furthermore, since Allianz Lifetime Income+® is designed as an individual contract, all benefits, guarantees, and pricing will stay the same.

Contract values

What is the Lifetime Income Value?

This is equal to your total premium paid plus the Income Builder credit (starting at age 50) and the Income Accelerator credit from any fixed or indexed interest, minus withdrawals. The Lifetime Income Value is used to determine the amount of lifetime withdrawal income you receive. This value cannot be withdrawn as a lump sum.

Also, your beneficiaries can't access this value as a death benefit, but there is a spousal continuation option (see "What happens to my annuity if I die?"). For plan specifics, including Income Builder and Income Accelerator amounts and availability, please contact your plan administrator.

What is the Accumulation Value?

This value is equal to your total premium paid plus any fixed or indexed interest earned, minus withdrawals and the annual product fee. It does not include the Income Builder or Income Accelerator credits.

The accumulation value is used to determine how much you would receive if you took all of the money out of your contract in a lump sum (we call this a "full withdrawal"), or for your beneficiary(ies) as a death benefit in one single payment.

You also have the option to make a partial withdrawal from your accumulation value. Please note that a market value adjustment (MVA) may apply to both a full or partial withdrawal.

What is the cash value?

The cash value refers to the accumulation value of your annuity after the Market Value Adjustment has been applied, when applicable (see "What is the market value adjustment?").

Payment options

How do I begin lifetime withdrawals from my Lifetime Income Value?

You can begin lifetime withdrawals any time after age 60 if there have not been any additional contributions within one contract year. We calculate the initial annual maximum amount of your withdrawal as a percentage of your Lifetime Income Value. This percentage, called your personal withdrawal percentage, is based on your age at the time of election and lifetime withdrawal percentages that were in effect each time you made a contribution to the annuity. Note, market value adjustments do not apply to lifetime withdrawals.

You can choose to take the annual maximum or an amount less than your annual maximum. If you take less than your annual maximum, we keep track of the amount that's "left over." The amount that is left over is called the cumulative withdrawal amount. You may take any or all of the cumulative withdrawal amount at any time, without MVAs.

How are withdrawals taxed?

Withdrawals from your contract may be subject to ordinary federal and state income taxes. You may be subject to a 10% federal early additional tax if you take withdrawals prior to age 59½.

Can I annuitize my contract?

Yes, you can convert your contract's accumulation value into annuity payments after five contract anniversaries. If you choose annuity payments, the amount will be based on the greatest of the accumulation value, guaranteed minimum value, or the cash value of your contract, not the Lifetime Income Value. Note, if you choose annuity payments after the first contract anniversary, but before the fifth, your payments will be based on the cash value.

In most cases, the Lifetime Income Value may provide you with an annual lifetime withdrawal amount that is greater than the amount you would receive based on your accumulation value. Annuitization can have certain tax advantages. However, it is important to note that the decision to annuitize your contract cannot be reversed.

Can I access the cash value of my account?

Yes. As long as you opt for lifetime withdrawals instead of annuitizing your contract, you will be able to access the cash value of your account even after payments have begun. There is no withdrawal charge for taking a full or partial withdrawal, but a Market Value Adjustment (MVA) may apply (see “What is the market value adjustment?”).

What is the market value adjustment (MVA)?

The MVA is an adjustment to reflect changing market conditions. It can be either a positive or negative adjustment to contract values. The MVA may increase or decrease your contract values. Your contract will state the details of the calculation of the MVA.

We will apply the MVA only to premiums that have been in the contract less than 10 contract years if you:

- Take a full withdrawal
- Annuitize your contract and begin taking income before the fifth contract anniversary
- Take a partial withdrawal that is not a lifetime withdrawal, a cumulative withdrawal, or required minimum distribution (see “What if I have to take required minimum distributions (RMDs)?”)

What if I have to take required minimum distributions (RMDs)?

Required minimum distributions from your annuity are not subject to an MVA. The accumulation value will be reduced by the amount of the distribution(s).

Please keep in mind that purchasing an annuity within a retirement plan that provides tax deferral under sections of the Internal Revenue Code results in no additional tax benefit. You should use an annuity to fund a qualified plan



based upon the annuity's features other than tax deferral. Please consider all annuity features, risks, limitations, and costs before purchasing an annuity within a tax-qualified retirement plan.

Death benefit

What happens to my annuity if I die?

Allianz Lifetime Income+® provides a death benefit for your beneficiaries. The death benefit will equal your contract's accumulation value, guaranteed minimum value, cash value, or cumulative withdrawal amount – whichever is higher. In addition, there is a spousal continuation option* that allows the surviving spouse to continue the contract in order to benefit from the Lifetime Income Value.

*Plan limitations may apply.

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The Income Builder credit and the Income Accelerator credits are credited only to the Lifetime Income Value (LIV). To receive the LIV, including the Income Builder and Accelerator credits, you must be at least age 60, and lifetime withdrawals must be taken. The LIV is not available as a lump sum. You will not receive the Income Builder and Accelerator credits if the contract is fully withdrawn or if traditional annuitization payments are taken. If it is partially withdrawn the LIV will be reduced proportionally, which could result in a partial loss of the interest credits. Lifetime withdrawals are considered partial withdrawals and are subject to ordinary income tax and, if taken prior to age 59½, a 10% federal additional tax.

Fees and charges may still reduce your contract value.

Increasing income potential is provided through a built-in rider at no additional cost.

Withdrawals are subject to ordinary income taxes and, if taken prior to age 59½, a 10% federal additional tax.

Guarantees in annuities are backed by the financial strength and claims-paying ability of the issuing insurance company.

• 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

Annuities are issued by Allianz Life Insurance Company of North America (Allianz), 5701 Golden Hills Drive, Minneapolis, MN 55416-1297. (C64712-MVA)

Product and feature availability may vary by state and retirement plan.

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