

ALLIANZ® FIXED INDEX ANNUITIES (FIAS)

Using the Index Lock and Auto Lock features to capture potential interest

There are many reasons to consider adding a fixed index annuity (FIA) to your retirement portfolio. FIAs from Allianz Life Insurance Company of North America (Allianz) offer a unique combination of benefits that can help you meet your long-term goals. All FIAs protect your principal and credited interest from market downturns, provide tax deferral, and offer the potential to earn interest based on changes in an external market index.

And now, select Allianz® FIAs also offer you the ability to react to the market in times of volatility. The Index Lock feature gives you the opportunity to lock in an index value on an indexed allocation at any point during the crediting period. By locking in your index value, you are assured a positive index credit, no matter what happens in the market during the remainder of the crediting period.

How does it work? Once during each crediting period, you can request an Index Lock on select allocation options.¹ For the annual point-to-point crediting method with a participation rate, the interest credit will be applied at the end of the crediting period based on the locked index value and the participation rate. For the multi-year (MY) point-to-point crediting method, you don't have to wait until the end of the original crediting period. The interest credit is calculated based on the locked index value and the corresponding participation rate for the contract year you activate an Index Lock. Any interest credit will be applied on the next contract anniversary. You will then have the opportunity to reallocate to new allocation options. If you choose to lock in an index value, the beginning index value for your next crediting period will be the index value at the end of the previous contract anniversary (not the locked-in index value). Depending on market fluctuation, you may receive more or less indexed interest than you would have received had you not elected the Index Lock. Note: An Index Lock can only be activated on index returns that are greater than 0%, unless otherwise indicated.



Let's look at an example: What happens if Tom and Mary use their Index Lock?

- Married couple in their 50s
- Want to accumulate assets for retirement income
- Need protection from market downturns
- Decided to use the Index Lock feature

In this hypothetical example, Tom and Mary (not actual Allianz clients) want to accumulate assets for retirement income. Because they want an opportunity to accumulate indexed interest while having protection from market downturns, Tom and Mary's financial professional recommends an Allianz® fixed index annuity with a variety of indexes and crediting methods, including the MY point-to-point crediting method with a participation rate over a two-year time frame. They decide to allocate 100% of the premium in their Allianz® FIA to an indexed allocation with this crediting method.

Must be accompanied by the appropriate fixed index annuity consumer brochure.

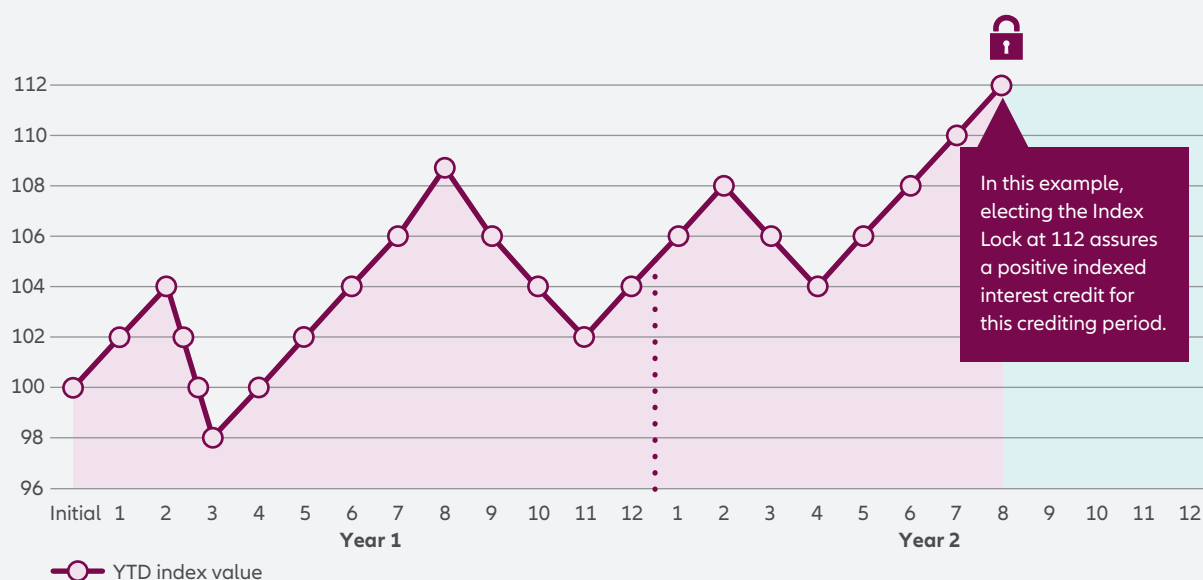
¹ Refer to your Allianz® FIA consumer brochure for additional information.

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

CSI-504 (R-5/2025) Product and feature availability may vary by state and broker/dealer.

In our example, the value of the hypothetical index when Tom and Mary's contract was issued was 100. The external index experienced volatility throughout the crediting period. On the eighth month of the second year, the external index value rose to a high of 112.

Worried about future volatility and lower index returns with only a few months left in the two-year crediting period, Tom and Mary decided to use the Index Lock feature to manually lock in and capture the current index value. Their financial professional explained that, by electing the Index Lock at 112, they were assured a positive interest credit for that crediting period – no matter what happened with the external index performance during the remaining months. If the two-year crediting period ended lower than 112 – or even if it ended higher – Tom and Mary would receive credit based on their locked value of 112.



This example represents hypothetical performance, used to show how a multi-year crediting method and the Index Lock feature function within an Allianz® FIA. It does not represent an actual Allianz® FIA and does not guarantee future results. Although the changes in an external index may affect how much interest is credited to your annuity, you cannot buy, directly participate in, or receive dividend payments from any index through your annuity contract.

If Tom and Mary had chosen not to activate the Index Lock, they may have found that the external index value continued to rise during the last four months of the crediting period. A higher index value would have meant a higher interest credit. Or, it could have lost value in that time. With a lower ending index value, the interest credit would have been lower, but in no event lower than zero because of the contract guarantee.

Ultimately, Tom and Mary decided to use the Index Lock to lock in the index value at an earlier point in the crediting period, rather than to wait and see if the index value might increase any further at the end of the crediting period. With the help of their financial professional, Tom and Mary logged in to their Allianz® account online and manually activated their Index Lock. With the added control the Index Lock provided, they were able to ensure they would receive an interest credit they could be comfortable with for that crediting period.

¹ 112 was the ending index value on the day the manual lock was requested. Because the Index Lock occurs at the end of the business day, the actual value received may be higher or lower than at the time of request. Exercising an Index Lock may result in a credit higher or lower than if the Index Lock had not been exercised. Allianz will not provide advice or notification regarding whether to exercise an Index Lock or the optimal time for doing so.

The indexes available within the contract are constructed to keep track of diverse segments of the U.S. or international markets, or specific market sectors. These indexes are benchmarks only. Indexes can have different constituents and weighting methodologies. Some indexes have multiple versions that can weight components or may track the impact of dividends differently. Although an index may affect your interest credited, you cannot buy, directly participate in, or receive dividend payments from any of them through the contract.

The convenience of Auto Lock

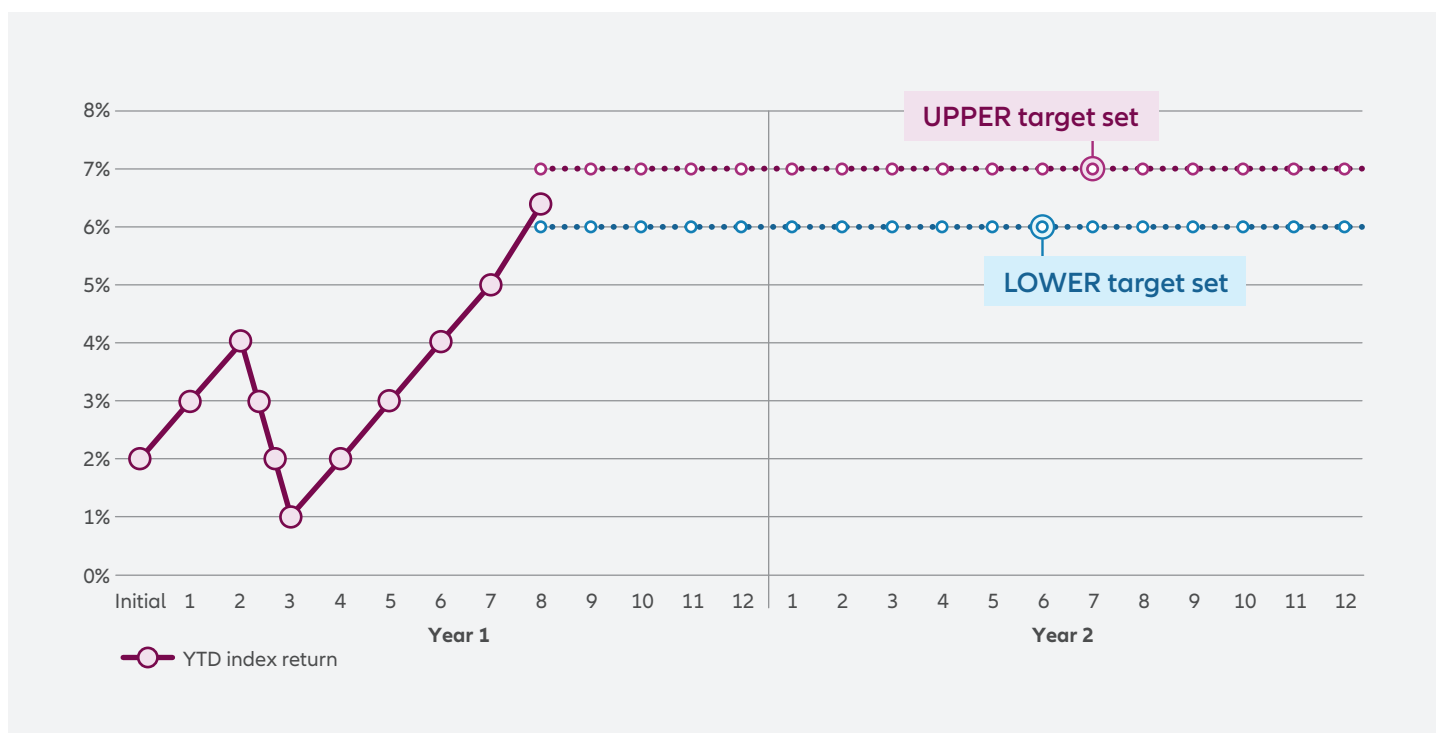
Rather than setting Index Lock manually, Tom and Mary could have activated it automatically with Auto Lock. This feature allows them to set the index interest rate percentage they wish to target, bypassing the need to log in and manually execute their Index Lock.

Auto Lock lets Tom and Mary set both upper and lower targets. If their allocation option's index interest rate percentage reaches their target at the end of the day, Auto Lock will automatically lock in the index value until the next contract anniversary. When setting their upper target on single-year allocation options, Tom and Mary also have the option to choose auto-renewal. This means their set

target will continue from year to year for the length of their contract, unless they change or cancel it.

Tom and Mary understand that setting targets authorizes Allianz to automatically activate an Index Lock at the end of the business day once the target is reached. And because it's based on the end-of-business-day value, their index value percentage may be higher or lower than their target.

Note: When setting upper targets with MY point-to-point crediting methods, keep in mind that participation rates generally increase each year and could activate an Index Lock immediately on the contract anniversary.



Tom and Mary are free to adjust their target index interest rate percentage – either up or down – as many times as they wish, as long as an Index Lock hasn't been activated during that crediting period and their upper target is greater (or lower target is less) than the current index interest rate percentage.

They know they can activate an Index Lock manually online, as we described above. This would cancel any current targets they have set for the current crediting period. If neither target has been reached at the end of their current crediting period and auto-renewal is not active, new targets for the next crediting period will need to be set.

Questions and answers

Q: Can I select a manual Index Lock, or set targets with the Auto Lock feature on multiple allocation options?

A: Yes. If you have chosen more than one allocation option that offers the Index Lock feature, you can initiate a lock or set an upper and/or lower target on each indexed allocation. Different allocation options can be locked at different times.

Q: If I choose an allocation option with the MY point-to-point crediting method, can I elect an Index Lock when the index value is negative and receive a 0% indexed interest credit on my next contract anniversary?

A: In a situation where the index return is negative, you will need to wait for the index value to be positive before activating an Index Lock. The exception to this would be in the event we increase the allocation charge percentage on certain products and allocation options. In this case, a manual Index Lock could be activated in the contract year following the increase to receive a 0% credit.

Q: When is the interest credit applied to my contract?

A: The interest credit is applied at the end of the crediting period. Even if you manually elect the Index Lock or an Auto Lock is activated halfway through the crediting period, the indexed interest credit will not be applied until the end of the crediting period. However, the crediting period ends on the next contract anniversary.

Q: An Index Lock was activated (manually or automatically) and the index value has increased. Can I lock in the higher index value?

A: No. An Index Lock can only be activated on each allocation option once per crediting period. Once the index value is locked, it cannot be unlocked until the beginning of the next crediting period.

Q: Will my locked-in index value be the beginning value for the next crediting period?

A: No. If an Index Lock is activated, the beginning index value for the next crediting period will be the index value at the end of the previous crediting period (not the locked-in index value). For example, in the scenario above, Tom and Mary activated the Index Lock when the external index rose to 112. If the index value at the end of the two-year crediting period was 110, the starting index value for the second crediting period would be 110, not the locked-in value of 112.

Q: If I request a manual Index Lock, when will the index value be locked?

A: If you request an Index Lock prior to 4:00 p.m. Eastern time on a business day, the index will lock at the ending index value of that day. If you request the lock after 4:00 p.m. Eastern time on a business day, the index will lock at the ending index value at the end of the following business day. Your locked index value is the index value at the end of the business day on the day the index is locked. Therefore, the index value actually locked may be higher or lower than at the time of the request. A business day is defined as each day on which the New York Stock Exchange (NYSE) is open for trading. Our business day closes when regular trading on the NYSE closes.

Q: Can I cancel my manual Index Lock request?

A: Your manual Index Lock request can only be cancelled by calling our service team at 800.950.1962 before 4:00 p.m. Eastern time on the business day the index value will be locked.

Q: How do I set an Auto Lock target?

A: Log in to your account at www.allianzlife.com. In the Allocation and Index Performance section, click on the Index Lock/Set Targets button. After reading and agreeing to the Acknowledgments, click on the allocation option for which you wish to enter a target. Set your target(s) based on the indexed interest rate percentage with the participation rate applied.

Questions and answers

Q: How do I cancel a target?

A: Similar to setting a target, you can cancel a target at any time by logging in to your account online. Once logged in, navigate to the Allocation and Index Performance section and click cancel for the target you wish to cancel.

Q: Can I change the targets I set?

A: Yes. You can change targets at any time, as long as an Auto Lock has not been activated on that allocation option during that crediting period.

Q: Do I need to set new upper targets each crediting period?

A: You will need to set new targets each crediting period, unless auto-renewal is active. Auto-renewal is available on upper targets on single-year allocation options only. If auto-renewal is not selected or you wish to select new upper targets, you can set them as soon as the new crediting period begins.

Q: Do I need to set new lower targets each crediting period?

A: Yes. Lower targets can only be set if a lock has not already occurred. They must be set below the current index interest rate percentage and must be greater than zero.

Q: If I set an upper and/or lower target and the target is reached, am I guaranteed to receive that indexed interest rate percentage?

A: No. An Index Lock is activated at the end of the business day if a target is reached. Because of this, the index interest rate percentage you receive may be higher than your upper target or lower than your lower target.

Q: What if my target(s) isn't reached by the end of my crediting period?

A: If a target isn't met during your crediting period, you will receive the interest credit calculated on the index value at the end of your crediting period.

Q: Can I still activate a manual Index Lock if I have set targets?

A: Yes, you can manually activate an Index Lock at any time, as long as an Index Lock has not already been activated.



To learn more about the Index Lock and Auto Lock features and the Allianz® FIAs that offer them, **CONTACT YOUR FINANCIAL PROFESSIONAL.**

Get ready for the best

Since 1896, Allianz Life Insurance Company of North America (Allianz) has helped millions of people prepare for financial uncertainties, for retirement – **and for the best life has to offer.**

A leading provider of annuities and life insurance, we serve clients like you through our **risk management experience, innovative products, and network of trusted financial professionals.** Consistently high ratings from independent rating agencies reflect our financial strength, integrity, and wise investment decisions.

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