

INDEX LOCK

Using Index Lock to capture potential interest

A strategy to help protect against a 0% credit

In addition to offering death benefit¹ protection, Allianz Life Accumulator™ Indexed Universal Life Insurance Policy also has the potential to build tax-deferred accumulation value based on interest received. It also offers innovative features, such as Index Lock and Auto Lock, to help support your financial goals.



Using our **Index Lock** feature, you can lock in an index value you're comfortable with once during the current crediting period – as long as the index change is positive. By locking in your index value, you are assured of receiving a positive index credit at the end of your crediting period. By eliminating the possibility of receiving a zero interest credit, you can help build your accumulation value.¹



And with our **Auto Lock** option, the policy can activate the Index Lock automatically if the index value reaches the upper and/or lower targets that you've preset. Index Lock and Auto Lock are only available with allocation options that use the annual point-to-point with a participation rate crediting method.²

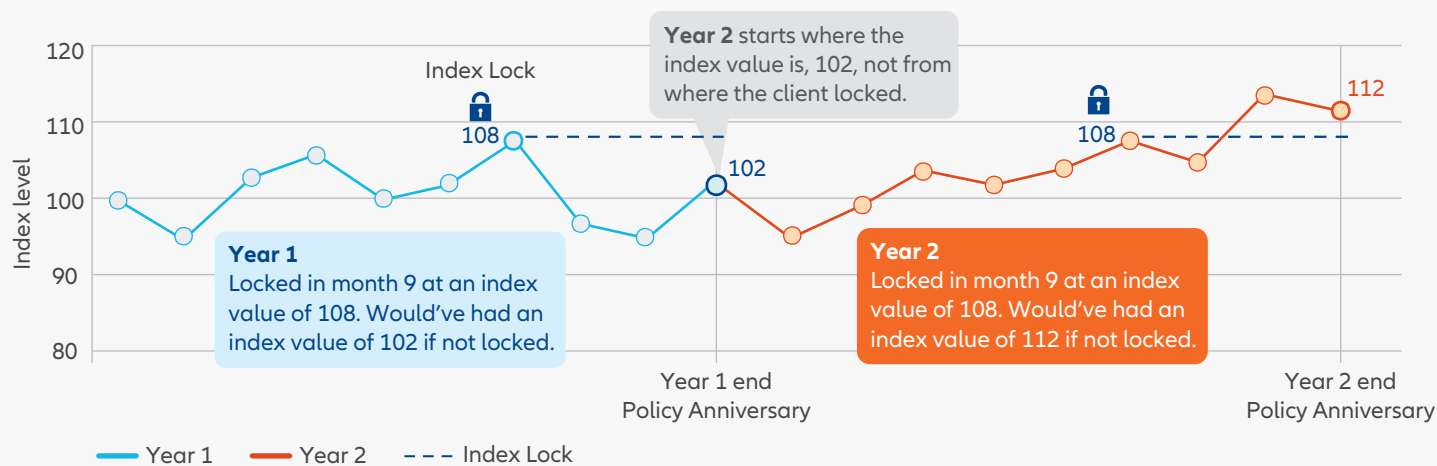
→ **LEARN MORE** about manual Index Lock and Auto Lock on the next page

¹ Exercising an Index Lock may result in a credit higher or lower than if the Index Lock had not been exercised. We will not provide advice or notify you regarding whether you should exercise an Index Lock or the optimal time for doing so. If you choose to lock in an index value, the beginning index value for the next policy year will be the index value at the end of the previous policy year (not the locked-in index value).

² Setting targets authorizes Allianz to automatically activate an Index Lock once the target is reached based on the index interest rate percentage at the end of the business day. Targets need to be renewed after each crediting period unless auto-renewal is activated and must be greater than the current index return for the crediting period. Activating Index Lock manually will cancel any current targets you have set for the current crediting period.

Product and feature availability may vary by state and broker/dealer.

Let's see how Index Lock works: a hypothetical example



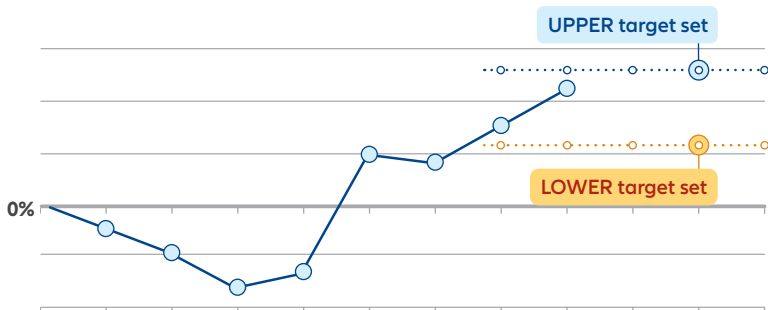
POLICY YEAR 1 began with an index value of 100. After several ups and downs, when the index value reached 108, the client chose to lock it in and not subject themselves to further market volatility in the period. **By locking in this value, the client received a higher index credit than what would have been credited using the index's actual value – 102 – at the policy year's end.**

POLICY YEAR 2 began with the index value at 102. During the year, the client again chooses to lock in when the index value rises to 108. **In this case, had the client not locked in, they could have had a higher index value – 112 – at the policy year's end. Still, by locking in, they were able to ensure that they received an index credit they would be satisfied with.**

This hypothetical chart is provided to show how a crediting method affects policy values. It does not predict or project the actual performance of a specific product or its allocation.

Using the convenience of Auto Lock

Rather than manually triggering Index Lock, you can have it activated automatically with Auto Lock. Auto Lock lets you set both upper and lower targets. If the index interest rate percentage reaches a target that you have set, at the end of the business day, Auto Lock will automatically lock in the index value until the end of the crediting period. You are able to adjust targets as many times as you wish, as long as an Index Lock hasn't been activated within that crediting period.



The **UPPER target** must be set greater than the current index interest rate percentage. When setting the **UPPER target**, there is also the option to choose auto-renewal. This means the set target will continue from year to year for the length of the policy, unless it's changed or canceled.¹

The **LOWER target** must be set at a value less than the current index interest rate percentage. Because each crediting period starts over at zero, auto-renewal is not available with the **LOWER target**. This must be set every year above zero.

¹ Setting targets authorizes Allianz to automatically activate an Index Lock once the target is reached based on the index interest rate percentage at the end of the business day. Targets need to be renewed after each crediting period unless auto-renewal is activated and must be greater than the current index return for the crediting period. Activating Index Lock manually will cancel any current targets you have set for the current crediting period.

Questions and answers

Can I select a manual Index Lock, or set targets on multiple allocation options?

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 individual allocation option. Different allocation options can be locked on different days.

When will the index value be locked?

Manual lock: 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 business 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.

Auto Lock: Locks at the end of the business day if the value meets or exceeds the Auto Lock target that is set.¹ If a target isn't met during your crediting period, you will receive the indexed interest rate percentage based on the index value at the end of your crediting period.

A business day is defined as each day on which the New York Stock Exchange (NYSE) is open for trading and closes when regular trading on the NYSE closes.

When is the indexed interest credit applied to my policy?

The indexed interest credit is applied at the end of the crediting period based on the locked index value. Even if you elect the Index Lock halfway through the crediting period, the indexed interest credit will not be applied until the end of the crediting period.

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

No. You can only elect the Index Lock on each allocation option once per crediting period. After an allocation option is locked, it cannot be unlocked until the beginning of the next crediting period.

Will my index lock value be the beginning value for the next crediting period?

No. The beginning index value for the next crediting period will be the actual index value at the end of the previous crediting period (not the Index Lock value).

How do I request a manual lock?

You can request a manual lock at any time within the crediting period, if a lock has not already taken place.² Note that, because the Index Lock occurs at the end of the business day, depending on when you request your lock, the index value may be more or less than the value at the time of the request.

Log in to your account at www.allianzlife.com. In the Allocation and Index Performance section, click the Index Lock/Set Targets button. After reading and agreeing to the Acknowledgements, click on the allocation option that you want to manually lock.

How do I set an Auto Lock target?

Log in to your account at www.allianzlife.com. In the Allocation and Index Performance section, click the Index Lock/Set Targets button. After reading and agreeing to the Acknowledgements, click on the indexed allocation for which you wish to enter a target(s). When setting the Auto Lock targets online, please know the following:

- **For Bonused or Select indexed allocations,** the target you set is equal to: Index return x participation rate x applicable bonus rate.
- **For the Classic indexed allocations,** the target you set is equal to: Index return x participation rate. For the Classic indexed allocations, the bonus is not included in the target. The bonus is calculated monthly and applied to the current value in each Classic index allocation.

¹ Setting targets authorizes Allianz to automatically activate an Index Lock once the target is reached, based on the index interest rate percentage at the end of the business day. Targets need to be renewed after each crediting period unless auto-renewal is active, which is only available on upper targets.

² Activating Index Lock manually will cancel any current targets you have set for the current crediting period.

Questions and answers

Can I cancel my manual Index Lock/Auto Lock request?

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

Auto Lock: You can cancel or change your targets as many times as you wish, as long as Auto Lock hasn't been activated during that crediting period. However, if a lock has taken place it cannot be undone. To cancel a target, log in to your account online, navigate to the Allocations and Index Performance section, and click Cancel for the target you wish to cancel.

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

You will need to set new targets each crediting period, unless auto-renewal is active. Auto-renewal is available on upper targets 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.

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

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.

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

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



ASK YOUR FINANCIAL PROFESSIONAL about how Index Lock can help get you where you want to be for retirement.

Must be accompanied by the appropriate indexed universal life insurance product consumer brochure.

The indexes available within the policy 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 policy.

Bonus products may include higher surrender charges, longer surrender periods, lower caps, or other restrictions that are not included in similar products that don't offer a bonus. The index allocations that offer the interest bonus will generally have lower caps and participation rates. Not all bonuses guarantee that a policy will be credited with an interest bonus every year as some are based on the growth of an index.

Guarantees are backed solely by the financial strength and claims-paying ability of Allianz Life Insurance Company of North America.

Products are issued by Allianz Life Insurance Company of North America, 5701 Golden Hills Drive, Minneapolis, MN 55416-1297.

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