

Allianz Life Insurance Company of North America

# Allianz MasterDex 10 Plus<sup>SM</sup> Annuity

Start building today  
the life you want tomorrow

For all that's ahead.<sup>SM</sup>

**Allianz** 

Discover the  
**MasterDex 10 Plus<sup>SM</sup>**  
Annuity from Allianz.



# Allianz MasterDex 10 Plus<sup>SM</sup> Annuity

A solid retirement plan considers both phases of retirement: **accumulation** – when you’re saving for retirement – and **distribution**, when you start receiving retirement income. A fixed equity index annuity can help you prepare for both.

Annuities have ways to help you achieve several long-term **FINANCIAL GOALS.**

Buying an annuity is one way to help build your retirement assets. Annuities offer **principal protection** and **potential interest** to help you accumulate money for your retirement. The money in your annuity can grow **tax-deferred**, which may help your savings accumulate faster.<sup>1</sup>

Annuities also offer **valuable guarantees** and **death benefit protection**. If you surrender your contract, you’ll receive at least a guaranteed minimum value. And because annuities are insurance products, they can give you the reassurance of knowing that your beneficiaries will get a death benefit if you pass away before you start receiving annuity payments.

Finally, annuities give you several **income options** once you’re ready: You can receive income as a single payment, as regular payments over a specific period of time, or even as **income for life**.

These are just a few of the reasons why many people rely on annuities to help them achieve their long-term financial goals.

## Fixed equity index annuities offer additional benefits.

In addition to the benefits we’ve just discussed, a fixed equity index annuity has the potential to earn interest based on changes in an external market index. This is different from traditional fixed annuities, which credit interest calculated at a fixed rate set in the contract.

Because the chosen index varies daily and is not predictable, the interest you earn through a fixed equity index annuity could be more or less than the interest from a traditional fixed annuity. Many fixed equity index annuities also let you allocate premium to a traditional fixed interest option, where interest is credited at a fixed rate.

Regardless of whether you choose fixed interest, indexed interest, or a combination of both, an annuity’s benefits can make it a valuable part of your overall retirement strategy.

<sup>1</sup> Distributions from your annuity may be subject to a surrender charge. Distributions are also subject to ordinary income tax and, if taken before age 59½, a 10% federal additional tax may apply.

Please note that Allianz Life Insurance Company of North America (Allianz), its affiliated companies, and their representatives and employees do not give legal or tax advice. You are encouraged to consult your tax advisor or attorney.

Must be used with the Allianz MasterDex 10 Plus consumer brochure insert (CB51288-B).

## Realize the potential.

Allianz MasterDex 10 Plus is a flexible premium deferred fixed equity index annuity designed to provide a stream of annuity payments for your retirement income. It can offer you guarantees while it helps you reach your financial goals. With Allianz MasterDex 10 Plus:

- Each year, you may receive indexed interest based on changes in an external market index, subject to a cap or spread.
- You earn a bonus on premium received in the first five contract years.
- Any indexed interest is locked in once a year and can never be lost due to market index declines.
- After five contract years, you can begin taking annuity payments based on your full annuitization value.

Bonus annuities may include annuitization requirements, lower caps, higher spreads, or other restrictions that are not included in similar annuities that don't offer a premium bonus feature.

Your annuitization value includes your initial premium and any subsequent premiums, any bonuses on your premiums, and any indexed interest or fixed interest your contract has earned. Any withdrawals and optional rider charges will decrease your contract's annuitization value. To receive the annuitization value, you must meet the following annuitization requirements: the contract must be held in deferral for a minimum of five years and annuity payments must be taken over a minimum of 10 years. If these requirements are not met, you will receive only your contract's cash surrender value (or annuity payments based on that value). The cash surrender value does not include any of the bonus, or any of the indexed interest or fixed interest your contract may have earned. This means you will lose all those amounts if you surrender your contract at any time, or you do not meet the annuitization requirements just described. Any amounts withdrawn may be subject to ordinary income taxes and, if taken prior to age 59½, to a 10% federal additional tax. These taxes and penalties may additionally reduce the amount you receive.



Annuities  
are designed  
to **help**  
**provide**  
**income** in  
retirement.

## Protection

**Allianz MasterDex 10 Plus<sup>SM</sup> protects your principal and bonus from index declines.**

Your principal and bonus are never subject to market index risk. A downturn in the market index(es) cannot reduce your contract values. We guarantee it.

**Allianz MasterDex 10 Plus locks in any interest automatically.** Once any indexed interest or fixed interest is credited to your annuity's values, it can never be lost due to market index changes.

## Accumulation

**Allianz MasterDex 10 Plus lets you benefit when the market index is heading up.**

When the market index is headed up, the annuitization value of your Allianz MasterDex 10 Plus can also increase. Your indexed interest rate is subject, however, to a cap or spread.

**Allianz MasterDex 10 Plus offers you choices.** The Allianz MasterDex 10 Plus gives you several choices for calculating the potential indexed interest for your contract: monthly sum, monthly average, or annual point-to-point.

## Flexibility

**If you need cash, Allianz MasterDex 10 Plus gives you access.** After the contract anniversary following your most recent premium payment, you may annually withdraw up to 10% of your total premiums paid – without a contract penalty.

**You can choose an income stream based on your annuity's full annuitization value.**

After five contract years, you can receive annuity payments based on the full annuitization value of your Allianz MasterDex 10 Plus Annuity by choosing an income stream over the lifetime of the annuitant or lasting 10 years or longer. This is called annuitization.



## About the premium bonus

Allianz MasterDex 10 Plus<sup>SM</sup> offers a premium bonus. The bonus and any interest it has earned will be applied to your annuitization value. So you must hold your contract for at least five contract years and then take annuity payments over at least 10 years to receive any of the bonus.

You can add money at any time during the first five contract years and receive a bonus on it. Additional premium payments made during a contract year, and any bonus, are credited to your contract's interim interest allocation and earn fixed interest until the following contract anniversary.

# Your interest options

## CHOOSE BETWEEN

indexed interest,  
fixed interest,  
or both.

The money in  
your annuity is  
**NEVER**  
**AT RISK**  
due to market  
index volatility.

As a fixed equity index annuity, Allianz MasterDex 10 Plus<sup>SM</sup> Annuity gives you the potential to earn indexed interest based on changes in an external market index. You can choose from the S&P 500<sup>®</sup> Index, the Nasdaq-100<sup>®</sup> Index, the FTSE 100 Index, or a blended index that is comprised of the Dow Jones Industrial Average (35%), Barclays Capital U.S. Aggregate Bond Index (35%), FTSE 100 Index (20%), and Russell 2000<sup>®</sup> Index (10%).

If you prefer, Allianz MasterDex 10 Plus lets you receive fixed interest instead. Allianz calculates and credits fixed interest daily, based on the rate we establish at the beginning of each contract year. We can raise or lower the current credited rate annually, but it will never be less than 0.50% per year.

You can also choose to receive a combination of fixed and indexed interest, or “mix and match” your indexed interest allocations in increments of 1% or more.

But regardless of how you choose to receive interest, the money in your annuity is never at risk due to market index volatility. That’s because, although external indexes may affect your contract values, the contract does not directly participate in any stock or other investments.

Once we credit any indexed interest, fixed interest, or bonus to your annuity’s values, it can never be lost due to market index volatility.

Although external indexes may affect your contract values, a market downturn cannot reduce your credited interest or principal. **The contract does not directly participate in any stock, bond, or investments.** You are not buying any bonds, shares of stocks, or shares of an index. The market index value does not include the dividends paid on the stocks underlying a stock index. These stock dividends are also not reflected in the interest credited to your contract.

## A choice of crediting methods

Crediting methods determine how much interest your annuity earns, based on the changes in an external index. The Allianz MasterDex 10 Plus Annuity gives you a choice of three crediting methods.

This is a general discussion of how crediting methods work.

### Monthly sum crediting

For this crediting method, on the last business day before your contract anniversary each month (as well as the business day before your contract is issued), we'll compare the index value to the prior month's value. We'll divide this monthly change by the prior month's value to get the monthly percent of change.

Positive monthly changes are subject to a monthly cap, or maximum; however, negative changes are not limited by the cap. We can raise or lower the cap each year, but it will never be less than 0.50%. At the end of the contract year, we'll add up these monthly increases and decreases to calculate your indexed interest rate. If the sum is negative, you'll receive zero indexed interest for that year.

### Annual point-to-point crediting

For this crediting method, we will compare the index value on the last business day before your contract anniversary (as well as the last business day before your contract is issued) to the index value on the last business day at the end of the contract year. We'll then divide this change by the index value at the beginning of the contract year to get the percent of change. Next we apply your contract's annual cap, or maximum. We may raise or lower the cap annually, but it will never be less than 1.00%. If the positive percent of change exceeds your annuity's annual cap, the indexed interest rate will be the annual cap percentage. If the percent of change is negative, the indexed interest rate for that year will be zero.

Which crediting method **MAKES SENSE FOR YOUR GOALS?** Talk to your financial professional.



## Monthly average crediting

For this crediting method, we'll capture the index value on the last business day before your contract's monthly anniversary (monthiversary), including the last business day before your contract is issued. At the end of your contract year, we'll add those index values together and then divide them by 12 to determine the average. We'll then subtract the starting index value from the average and divide it by the starting index value to determine the percentage of change. There is no cap on the amount of indexed interest growth possible with this crediting method. However, there is an annual spread that is deducted from the percent change. We may raise or lower the spread annually, but it will never be greater than 12%. If the result is positive, your contract will be credited with indexed interest. If the result is negative, the indexed interest rate for that year will be zero.

## Participation rate

For each of these three crediting methods, your contract has a 100% participation rate. What this means is that we use the entire percentage of index change when we calculate the indexed interest rate. Please keep in mind that your indexed interest rate generally will not equal 100% of any increase in the index, since a cap or spread may limit the amount of indexed interest you receive.

## Change your mind? No problem.

Shortly after your contract anniversary each year, we'll notify you that you can change your allocations and crediting method. If we receive your change in writing within 21 days after your contract anniversary, it will go into effect during that contract year. But if we receive your crediting method change more than 21 days after your contract anniversary, it won't take effect until the following contract year.

## Choose from a variety of options to receive steady, predictable income.

### Several annuity payment options are available to you.

If you keep your contract for at least five years, you can choose to receive annuity payments based on your annuitization value in any of the following ways:

**Interest only** – You have the option to receive interest-only annuity payments for 10 years. Interest will be paid as earned based on the amount of your annuitization value. After 10 years of interest-only payments, you can take your full annuitization value as a lump-sum payment.

**Installments for a guaranteed period** – You can choose to receive annuity payments in equal installments for a period from 10 to 30 years.

**Installments for life** – You have the option to receive annuity payments in equal installments for the rest of your life. Payments end upon your death.

**Installments for life with a guaranteed period** – You can choose to receive annuity payments in equal installments for the rest of your life. Upon your death, annuity payments will be paid to your beneficiary for the balance of the guaranteed period, the same way as you previously selected.

**Installments for a selected amount** – You may receive annuity payments in equal installments of an amount that you choose, as long as the payments last for at least 10 years. Payments continue until your annuitization value is gone.

**Joint and survivor** – You can have equal installments paid until your death, then continue to be paid to your survivor. In this case, you can select 100%,  $\frac{2}{3}$ , or  $\frac{1}{2}$  of your payment amount to be paid to your survivor until his/her death.

The payout rate used to determine the annuity income stream depends on the age of your contract, the age of the annuitant, and the payout option selected. The interest rate in payout is guaranteed to be at least 1%.



**Allianz MasterDex 10 Plus<sup>SM</sup> Annuity offers you a death benefit.**

The Allianz MasterDex 10 Plus provides a death benefit payable to your named beneficiary. Regardless of whether your beneficiary(ies) select to receive the death benefit as a lump-sum payment, or as annuity income payments, they will receive the greater of the contract's annuitization value or guaranteed minimum value. This applies only to contracts that have not yet been annuitized. The death benefit paid to a properly designated beneficiary (other than the estate) will pass without the costs and delays of probate.

**A death benefit  
can be paid to  
your beneficiary  
without probate.**

# Allianz MasterDex 10 Plus gives you several ways to access your money.

## Free withdrawals

Each contract year you can take up to 10% of your contract's paid premium in one or more free withdrawals. We will not apply a contract penalty as long as you withdraw the money after the contract anniversary following your most recent premium payment.

If you fully surrender your contract or add premium within the same contract year of a free withdrawal, we will retroactively recalculate the free withdrawal as if it were a partial surrender. Partial surrenders incur contract penalties that may result in the loss of all or part of your bonus and interest you have earned, and a partial loss of principal.

A free withdrawal is eligible to receive indexed interest at the end of the contract year. We base the amount of indexed interest on the applicable indexed interest rate and the length of time during that contract year that the free withdrawal amount remained in the contract. Free withdrawals and partial surrenders will decrease the value of your contract and its death benefit.

## Contract loan

You can take a contract loan for up to 50% of the cash surrender value (up to a maximum of \$50,000). The loan interest rate is 7.4% annually, in advance. Loans are not available with IRA, SEP, or some other qualified plans. Unpaid loans will be treated as partial surrenders, and will decrease the value of your contract and its death benefit.

## Schedule Systematic Withdrawal of Credits.

After you have held your contract in deferral for five contract years, you can select to receive Systematic Withdrawal of Credits payments. This benefit allows you to receive payments of indexed interest or fixed interest while you continue to keep your contract in deferral. Payments will be based on the indexed interest or fixed interest applied to your contract after we receive your request. You may select to receive Systematic Withdrawal of Credits payments without incurring any contract penalties, although your payments will lower your contract's annuitization value and the value of its death benefit.

## Take required minimum distributions.

If your annuity is tax-qualified, we will treat the required minimum distributions calculated for this annuity as free withdrawals if you take them annually in December or monthly throughout the year. Required minimum distributions will reduce contract values, including the death benefit, and the amount available for free withdrawals at any other time during the year.

## Receive potential indexed interest while you take income payments.

The Systematic Withdrawal Benefit allows you to receive a percentage of your annuitization value every year while your remaining balance continues to earn fixed or indexed interest according to your allocations. After your fifth contract anniversary, you can choose to receive withdrawals from your contract's annuitization value and can continue withdrawals until your annuitization value has been totally liquidated.

The percentage of your annuitization value available will be based on the contract year that your payments begin. You have the flexibility to stop receiving Systematic Withdrawal Benefit payments. Once suspended, your payments can be started again after two contract years have passed. If you restart your Systematic Withdrawal Benefit payments, the percentage of annuitization value available will be based on the contract year that your payments are restarted.

Contract year	Percentage of annuitization value available
6-8	Up to 5% per year
9-10	Up to 6.67% per year
11+	Up to 10% per year

While you are receiving Systematic Withdrawal Benefit payments, any fixed interest or indexed interest will also be paid to you.

## We've just given you several ways to avoid contract penalties.

If you access a portion of your money any other way, the amount you take will be deducted from your contract's cash surrender value. A proportionally larger deduction will also be made from your contract's annuitization value, to reflect the percentage by which the annuitization value is larger than the cash surrender value. As a result, you will lose some of your initial principal and bonus, along with a portion of your indexed interest and fixed interest credits.

## Take a single lump sum or annuity payments over fewer than 10 years.

You may take a single lump sum or elect to receive annuity payments over a period of fewer than 10 years at any time, but the amount you receive (or the amount on which the annuity payments are based) will be your contract's cash surrender value, which means you lose all of the bonus and any indexed interest or fixed interest your contract may have earned, and a portion of your premium.

You could receive less than the amount of premium you put into the contract.

## Note: The money you take out may be taxable.

Your contract values grow tax-deferred. However, any distributions from your contract, including free withdrawals, partial withdrawals, loans, and required minimum distributions, may be taxable as ordinary income. Because annuities are meant to be used for long-term purposes, if you are under age 59½ when a distribution is taken, it may be subject to a 10% federal additional tax.

Purchasing an annuity within a retirement plan that provides tax deferral under sections of the Internal Revenue Code results in no additional tax benefit. An annuity should be used to fund a qualified plan based upon the annuity's features other than tax deferral. All annuity features, risks, limitations, and costs should be considered prior to purchasing an annuity within a tax-qualified retirement plan.

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# Is the Allianz **MasterDex 10 Plus** Annuity a good choice for your retirement plans?

The Allianz MasterDex 10 Plus<sup>SM</sup> Annuity provides accumulation potential to help you reach your retirement savings goals. Besides helping add a level of certainty to your financial future, it can contribute to the lasting legacy you pass on to your loved ones.

Consider making Allianz **MasterDex 10 Plus** a part of your **retirement strategy**.

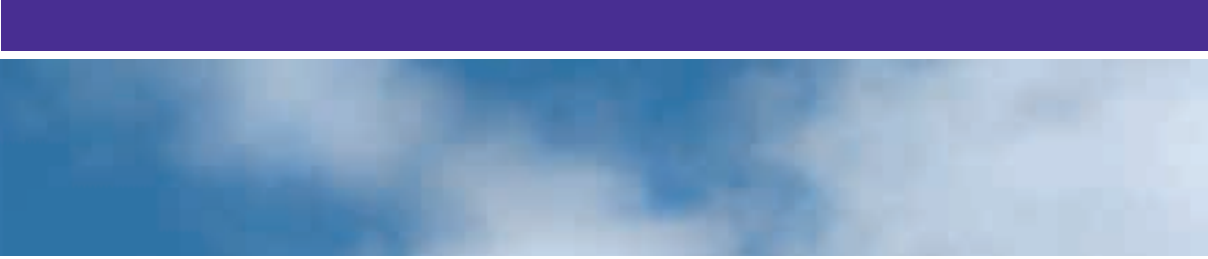
The Allianz **MasterDex 10 Plus** Annuity offers a combination of insurance guarantees and benefits. It may be right for you if:

- You want a long-term vehicle offering tax-deferred interest on your retirement assets.
- You want the potential to receive indexed interest based on changes in recognized market indexes.
- You want to protect your principal, bonus, locked-in indexed interest, and fixed interest if the market declines.
- You want flexible income options.
- You want a death benefit for your beneficiaries before annuity payments begin.
- You would appreciate receiving a bonus to help you accumulate money for retirement.

Financial professional name \_\_\_\_\_

License number \_\_\_\_\_

Email \_\_\_\_\_



# True to our promises ... so you can be true to yours.®

A leading provider of annuities and life insurance, Allianz Life Insurance Company of North America (Allianz) bases each decision on a philosophy of being true: **True to our strength** as an important part of a leading global financial organization. **True to our passion** for making wise investment decisions. And **true to the people we serve**, each and every day.

Through a line of innovative products and a network of trusted financial professionals, and with over 2.2 million contracts issued, Allianz helps millions of people as they seek to achieve their financial and retirement goals. Founded in 1896, Allianz is proud to play a vital role in the success of our global parent, Allianz SE, one of the world's largest financial services companies.

While we pride ourselves on our financial strength, we're made of much more than our balance sheet. We believe in making a difference with our clients by being true to our commitments and keeping our promises. People rely on Allianz today and count on us for tomorrow – when they need us most.

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

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Product and feature availability may vary by broker/dealer.

[www.allianzlife.com](http://www.allianzlife.com)

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