

The power of the blended index

Diversifying risk and smoothing market volatility

Available from Allianz Life Insurance Company of North America (Allianz).

Along with the death benefit protection it provides, fixed index universal life insurance policies offer you the potential for cash value accumulation based on positive changes in an external index.

Even better, the cash value is guaranteed to **never decrease due to negative index performance** (although fees will reduce the cash value).

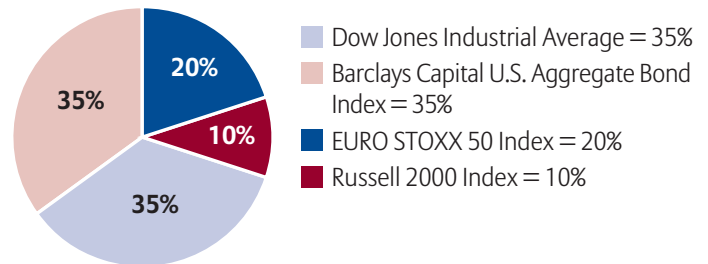
When you purchase your life insurance policy, you choose from a variety of index allocation options, including the S&P 500, Nasdaq-100®, and our exclusive blended index allocation. The performance of the index is tracked and a crediting method and participation rate are used to calculate any applicable indexed interest, which is applied annually to the policy's cash value.

Not all index allocation options are appropriate in all situations, or for all clients. You should consult your financial professional to determine which index allocation option and crediting method may be suitable for your specific situation.

What gives our blended index allocation its power?

Diversification that helps to reduce risk and smooth out volatility, by blending a bond index (Barclays Capital U.S. Aggregate Bond Index) with three equity indexes, one of which is an international index (EURO STOXX 50 Index). These types of indexes react differently to market conditions. In general, when the bond index is up, the equity index is down, providing a great complement to each other.

The blended index allocation – available exclusively from Allianz.



The blended index is a blend of the following indexes: Two crediting strategies are available for the blended index: annual point-to-point, and monthly average.

Credited interest that comes from not actually participating in the market or investing in any stock or bond. With the built-in annual reset feature, any interest received is locked in and can **never be lost**.

An annual "floor," which provides downside protection when the index performance is negative. It is the minimum annual interest rate your policy will be guaranteed in a given year.

For all that's ahead.SM



Must be used with the appropriate fixed index universal life insurance consumer brochure.

Product and feature availability may vary by state.

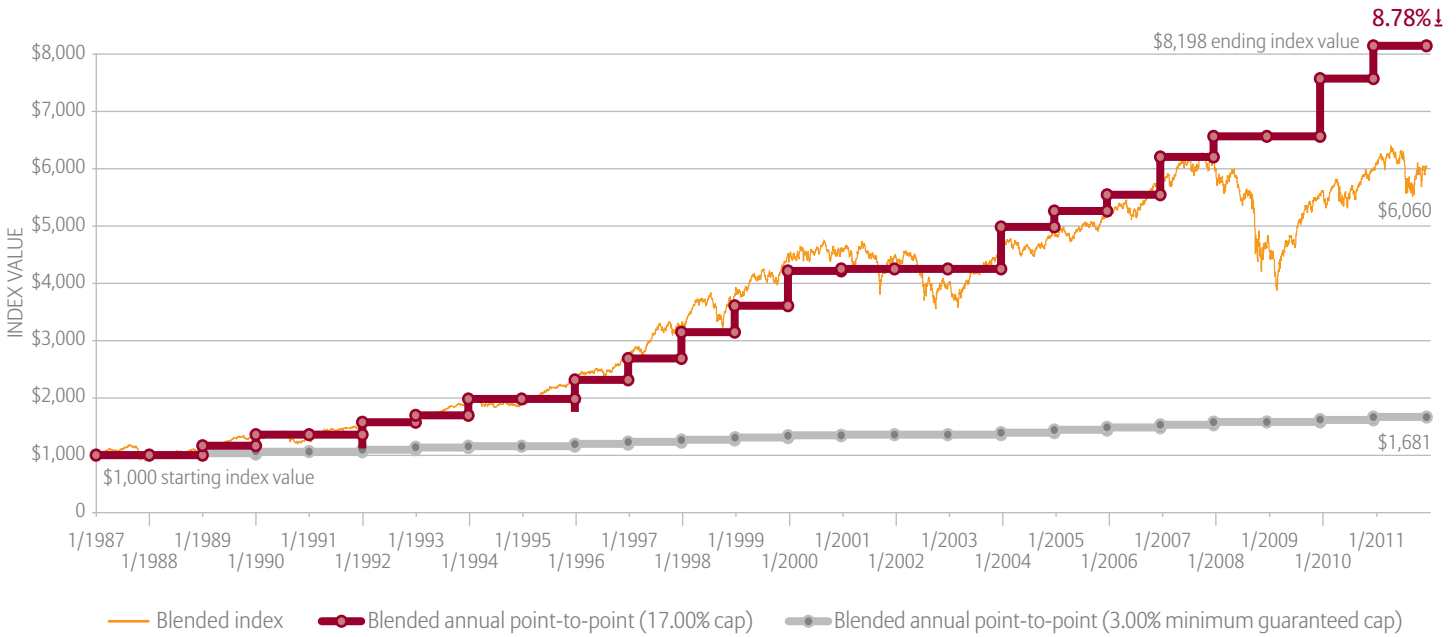
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Accumulation potential amid market volatility

As you can see, the 0% floor would have to come into play six times over the 25-year period (January 1, 1987 – December 31, 2011), providing protection from recent market volatility.

The following example – showing the historical performance of the blended index over 25 years (January 1, 1987 to December 31, 2011) – illustrates how our blended index allocation with a built-in annual reset feature can result in higher accumulation, even in the market turbulence of recent years.

THE POWER OF THE **BLENDED INDEX**



Remember, no crediting method or index allocation is best in all situations. It's important to consider your individual scenario.

The example is provided for illustrative purposes only and is based on actual blended index returns. For a full explanation of the crediting methods, please refer to Understanding fixed index universal life insurance (M-3959). Past performance is not an indication of future results.

The cash value you gain can never be lost.

Remember, with
**INDEXED
INTEREST,**
you're not actually
participating in
the market.

As the example shows, the value of the actual blended index (the orange line) stayed flat or dropped. The indexed interest of our blended index allocation with annual point-to-point crediting (the red line) always remained positive resulting in higher cash value accumulation. Because with an FIUL policy, **you can't lose the cash value you've accumulated due to negative index performance.**

Please note that the actual interest credited will vary based on the crediting method and allocation options chosen, and current caps and participation rates.

In addition, fixed index universal life insurance policy values will be subject to policy fees and expenses which will reduce the net result of any interest credited. For details on these charges, refer to the consumer brochure for the product you're considering and your individual illustration.

Contact your financial professional to find out how a **fixed index universal life insurance policy with the blended index** can play an important role in your financial strategy.

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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.

Product and feature availability may vary by state.

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