

Simple Income II Rider

Allianz Life Insurance Company of North America



<p>Rider characteristics</p>	<p>The Simple Income II Rider is an optional rider designed for clients who want income from their annuity. It offers an 8% simple bonus added to the simple withdrawal value each year until income is started or the client turns age 90. It also offers a choice of two income payment options that are guaranteed for their lifetime. It is currently available with the MasterDex XSM Annuity.</p>																																								
<p>Accumulation</p>	<p>Prior to taking income payments, the contract's simple withdrawal value is guaranteed to grow every year by a simple bonus, which is equal to the adjusted premium multiplied by 8%. The adjusted premium is equal to the total premium paid, reduced proportionately for any withdrawals taken. If any money is added to the contract, the adjusted premium will increase by the same dollar amount.</p>																																								
<p>Payout options</p>	<p>Clients age 50-90 can defer their income stream or take it immediately. When your client is ready to begin receiving lifetime income, they get to decide which payout option will be best for them.</p> <p>The payment percentage your clients receive is determined by the payout option they choose.</p> <p>Payout option 1 offers predictable payments, so your client will have the reassurance of knowing exactly how much each payment will be for the rest of their life.</p> <p>Payout option 1: Single payout</p> <table border="1"> <tr> <td>Age</td> <td>50-59</td> <td>60-69</td> <td>70-79</td> <td>80-90</td> </tr> <tr> <td>Payment %</td> <td>4.50%</td> <td>5.00%</td> <td>5.50%</td> <td>6.00%</td> </tr> </table> <p>Payout option 1: Joint payout – based on younger age</p> <table border="1"> <tr> <td>Age</td> <td>50-59</td> <td>60-69</td> <td>70-79</td> <td>80-90</td> </tr> <tr> <td>Payment %</td> <td>4.00%</td> <td>4.50%</td> <td>5.00%</td> <td>5.50%</td> </tr> </table> <p>Payout option 2 offers the potential for payment increases. On every contract anniversary, the annual income withdrawal amount will be recalculated to reflect any positive changes in the selected allocations from the base contract, which means the income payment amount has the potential to increase every year.</p> <p>Payout option 2: Single payout</p> <table border="1"> <tr> <td>Age</td> <td>50-59</td> <td>60-69</td> <td>70-79</td> <td>80-90</td> </tr> <tr> <td>Payment %</td> <td>3.50%</td> <td>4.00%</td> <td>4.50%</td> <td>5.00%</td> </tr> </table> <p>Payout option 2: Joint payout – based on younger age</p> <table border="1"> <tr> <td>Age</td> <td>50-59</td> <td>60-69</td> <td>70-79</td> <td>80-90</td> </tr> <tr> <td>Payment %</td> <td>3.00%</td> <td>3.50%</td> <td>4.00%</td> <td>4.50%</td> </tr> </table>	Age	50-59	60-69	70-79	80-90	Payment %	4.50%	5.00%	5.50%	6.00%	Age	50-59	60-69	70-79	80-90	Payment %	4.00%	4.50%	5.00%	5.50%	Age	50-59	60-69	70-79	80-90	Payment %	3.50%	4.00%	4.50%	5.00%	Age	50-59	60-69	70-79	80-90	Payment %	3.00%	3.50%	4.00%	4.50%
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<p>Withdrawals</p>	<p>Withdrawals will reduce the adjusted premium and simple withdrawal value by the same percentage that they reduce the accumulation value. The new simple bonus amount will be based on the adjusted premium.</p>																																								

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Rider cost	The annual cost of this benefit is 0.60% of the simple withdrawal value, deducted on a monthly basis from the accumulation value. The cost of the rider will not decrease the simple withdrawal value. The rider charge will continue for the life of the contract even after lifetime income payments have begun and the simple bonus is no longer being paid.
Rider cancellation	The contract owner can voluntarily terminate this rider at any time. Once the rider is terminated, it may not be reinstated.
Additional benefits	<ul style="list-style-type: none">• Cumulative Withdrawal Benefit – If the owner elects to take less than the income withdrawal amount available, the amount not taken will be added to the cumulative withdrawal value, which can be accessed as a lump sum at any time. This value can also be taken as a death benefit.• “Step-up” – If the accumulation value is higher than the simple withdrawal value on any contract anniversary, the simple withdrawal value will be “stepped up” to the accumulation value.

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

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

www.allianzlife.com

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Product availability and features may vary by state.

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