

Allianz Life Insurance Company of North America

# RISING RETIREMENT COSTS AND RISING RETIREMENT NEEDS

**The importance of increasing  
income potential**

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**Allianz** 

# Are your financial professionals helping your clients address the rising cost of living in retirement?

We all know the traditional benefits a fixed index annuity (FIA) can offer – such as accumulation potential, tax deferral, and even more important, principal protection from market downturns. In addition, Allianz Life Insurance Company of North America (Allianz) has always stressed the importance of guaranteed income for life as a key part of a client's retirement income strategy.

However, few believe that a fixed income in retirement will be sufficient if expenses rise with inflation as expected. **This is why we've also emphasized the importance of an FIA that offers not just guaranteed income, but income with the opportunity to increase.**

## OUR TRACK RECORD BACKS US UP.

We were the first to offer an FIA lifetime withdrawal option, available as a built in or additional cost rider, that could increase every time the contract earned an interest credit – a feature very few FIAs with lifetime income benefits offer even today.

And beginning with the first contract eligible for annual reset income increases that was elected in 2008, we've provided income increases to our clients whenever their chosen allocations have returned positive interest. Over the last 10 years, of our clients who are receiving income:

- **97% received an increase of some kind<sup>1</sup>**
- **60% received a payment increase every year<sup>1</sup>**
- **96% of those with more than one opportunity received an income increase more than once<sup>2</sup>**

<sup>1</sup> The total number of contracts used for this analysis was 17,480 and represents any increase of any amount in any given year. Income benefits were elected from 1/1/08 (when the first contract eligible for annual reset method income increases was elected) through 12/31/17. Past income increases are not a guarantee of future results.

<sup>2</sup> The 13,551 contracts with more than one opportunity to increase were used for this analysis.

<sup>3</sup> For additional information and business rules on the index lock feature, see flyer CSI-504.

<sup>4</sup> Wink's Sales & Market Report, Q2 2019

## THE NEED FOR MORE INCOME IN RETIREMENT

Offering clients guaranteed lifetime income with the opportunity to increase is vital. Given advances in average life expectancies and health care, retirements can now last 25 to 30 years – or even longer. At the same time, the potential for the cost of living to increase over a retirement means everything today could cost twice as much or more.

**I encourage you to see the complete 10-year history of our income increases at [www.allianzlife.com/theproof](http://www.allianzlife.com/theproof).**

## ALLIANZ IS AN INDUSTRY LEADER AND INNOVATOR

Our innovative annual and multi-year reset increasing income method, available with Allianz fixed index annuities – through either a built in or additional cost rider – has helped further establish us as a leader in the FIA industry.

And that's not all. Recently we've enhanced our FIAs with more features and benefits, such as 2-year point-to-point crediting method options, and the opportunity to lock in an index credit once during the crediting period with our index lock feature.<sup>3</sup> We've also enhanced Allianz 222® Annuity, the industry's top-selling FIA,<sup>4</sup> to provide clients with the opportunity for more retirement income when they need it most. And we were first to market with an FIA solution for clients with unneeded RMDs, the new Allianz Legacy by Design<sup>SM</sup>.

This industry-leading innovation is backed by our conservative investment approach that's focused on long-term results, stability, integrity, and a strong balance sheet. Taken together, it's no wonder Allianz has been **#1 in FIA sales 18 out of the last 19 years.<sup>4</sup>**

Any distributions are subject to ordinary income tax and, if taken prior to age 59½, a 10% federal additional tax.

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

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

Products (C54370-MVA, R95352-MVA, C64281-MVA-Q, C64281-NQ) issued by Allianz Life Insurance Company of North America, 5701 Golden Hills Drive, Minneapolis, MN 55416-1297. 800.950.1962.

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