Allianz

Allianz Life Insurance Company of North America

PIMCO TACTICAL BALANCED ER INDEX

Protection with potential

PIMCO Tactical Balanced ER Index and the annual point-to-point with a participation rate crediting method

We offer index allocation options with a balanced approach: These options, including the PIMCO Tactical Balanced ER Index, are designed to help stabilize risk and volatility within our indexed universal life insurance policies over time and are available only through Allianz Life Insurance Company of North America (Allianz).

WHAT IS THE PIMCO TACTICAL BALANCED ER INDEX? (TICKER: DBTBIER)

The PIMCO Tactical Balanced ER Index comprises the following underlying components that shift weights daily based on historical realized volatility:

- **U.S. Equity Futures Custom Index,** a custom index that tracks futures on large-cap equities, similar to futures on the S&P 500® Index.
- **PIMCO Synthetic Bond ER Index** with a duration overlay, a custom index made up of a small number of instruments designed to provide exposure to futures on U.S. investment-grade and Treasury bond markets.

How does this index seek to address risk?

- Every day, the PIMCO Tactical Balanced ER Index dynamically allocates between the equity component and the bond component, based on historical realized volatility (a measure of the magnitude of daily movements of an index, regardless of direction).
- When the U.S. Equity Futures Custom Index volatility is low, the balance shifts more toward the U.S. Equity Futures Custom Index. And vice versa: When the U.S. Equity Futures Custom Index volatility is high, the balance shifts more toward the bond component. **This is how we seek to bring a level of stability to renewal rates, target a reasonable return, and help control volatility and risk.**
- The index uses an excess return methodology by tracking the price of futures, which reflect the expected future price of an index and account for expected dividends. Excess return indexes are designed to bring a level of stability to renewals (for the associated crediting method) from year to year by reducing the effect of changing short-term interest rates.
- To achieve their target volatility in extremely volatile markets, index weights may not add up to 100%.
- **These realized volatilities are used to determine the final weight allocation daily.**

Life insurance requires medical and financial underwriting and may not be an option of those uninsurable or highly rated.

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

• Not FDIC insured • May lose value • No bank or credit union guarantee • Not a deposit • Not insured by any federal government agency or NCUA/NCUSIF

CSI-517 (R-6/2026)

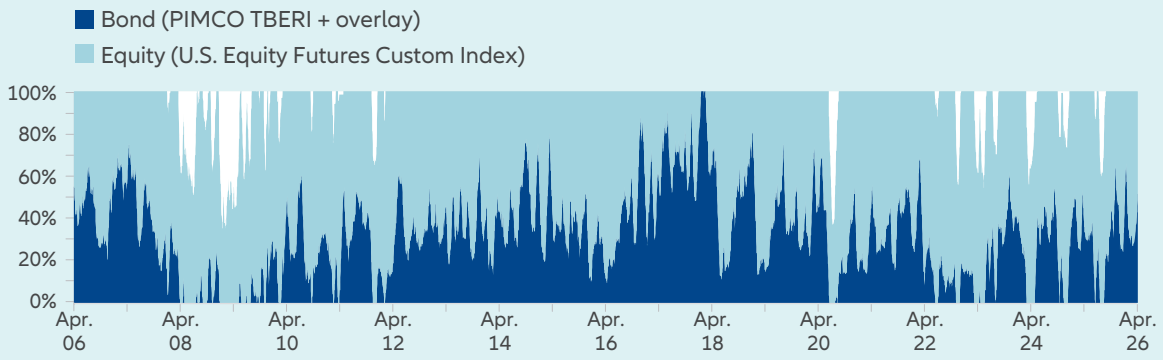
ABOUT HYPOTHETICAL HISTORICAL DEPICTIONS

This index was launched on August 2, 2018. All information presented prior to this launch date is hypothetical (back-tested), and back-tested performance is not actual performance. The back-tested performance is based on the methodology and mechanics of the index retroactively applied to historical market data, as if the index had previously existed, to generate hypothetical performance during the periods of time depicted. This back-tested performance for any constituent that makes up the index may have actual performance and history, and it will also have back-tested data for any period prior to its inception. Back-tested performance may not be a reliable indicator of future results. Prospective application of the methodology and mechanics of the index may not result in performance commensurate with the back-tested returns shown.

HYPOTHETICAL HISTORICAL WEIGHTING

The 20-year chart below shows the hypothetical weighting between asset classes had the PIMCO Tactical Balanced ER Index existed – which it did not. As you can see, in periods like 2008, when market volatility was high, the index would have shifted heavily to the bond component and at times the component weights would not have added up to 100%.

PIMCO Tactical Balanced ER Index allocations



This hypothetical chart is provided to show how the allocations would have been weighted during the period shown. It is not a guarantee of future results.

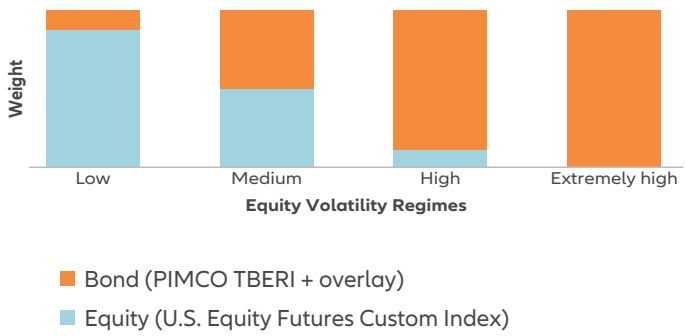
The indexes available within the policy are constructed to keep track of diverse segments of the U.S. or international markets, or specific market sectors. These indexes are benchmarks only. Indexes can have different constituents and weighting methodologies. Some indexes have multiple versions that 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.

INTEREST RATE EXPOSURE

The PIMCO Tactical Balanced ER Index also adjusts the sensitivity to interest rates based on underlying trends in bond markets. This feature can potentially benefit the bond component during different interest rate trends.

It is a common misperception that Treasury bonds are a risk-free investment. This is not true. One of the risks that bonds are subject to is interest rate risk. In general, falling interest rates mean rising bond prices and rising interest rates mean falling bond prices. Duration is a common indicator of a bond price's sensitivity to these interest rate fluctuations. A larger duration number indicates more interest rate risk is present.

Tactical allocation during different volatility regimes



CONTACT YOUR FINANCIAL PROFESSIONAL to learn more about the PIMCO Tactical Balanced ER Index and indexed universal life.

Bonused 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 allocation options 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.

The PIMCO Tactical Balanced ER Index is comprised of the U.S. Equity Futures Custom Index, a bond component comprised of the PIMCO Synthetic Bond ER Index and a duration overlay, and shifts weighting between them daily based on historical realized volatility of the components. The U.S. Equity Futures Custom Index provides exposure to large cap U.S. stocks in excess of a short-term interest rate. The PIMCO Synthetic Bond ER Index is comprised of a small number of derivative instruments designed to provide exposure to U.S. Investment-grade and Treasury bond markets in excess of a short-term interest rate. The Index is an excess return index, which means that it captures the returns of the underlying constituents which are in excess of a short-term interest rate. All else equal, higher short-term interest rates would result in an excess return index to underperform a non-excess return version of the same index.

The "PIMCO Tactical Balanced ER Index" (the "Index") is a rules-based index that tactically allocates across U.S. equity and fixed income markets using quantitative signals. The Index is a trademark of Pacific Investment Management Company LLC ("PIMCO") and has been licensed for use for certain purposes by Allianz Life Insurance Company of North America (the "Company" or "Allianz") with respect to this Allianz product (the "Product"). The Index is the exclusive property of PIMCO and is made and compiled without regard to the needs, including, but not limited to, the suitability or appropriateness needs, as applicable, of the Company, the Product, or any Product owners. The Product is not sold, sponsored, endorsed or promoted by PIMCO or any other party involved in, or related to, making or compiling the Index. PIMCO Tactical Balanced Excess Return Index performance contains backtested performance beginning 22 April 2004, which is prior to the actual launch of the index: The PIMCO Tactical Balanced Excess Return Index launched on 2 August 2018.

Neither PIMCO nor any other party involved in, or related to, making or compiling the Index has any obligation to continue to provide the Index to the Company with respect to the Product. In the event that the Index is no longer available to the Product or Product owners, the Company may seek to replace the Index with another suitable index, although there can be no assurance that one will be available.

Get ready for the best

Since 1896, Allianz Life Insurance Company of North America (Allianz) has helped millions of people prepare for financial uncertainties, for retirement – **and for the best life has to offer.**

A leading provider of annuities and life insurance, we serve clients like you through our **risk management experience, innovative products, and network of trusted financial professionals.** Consistently high ratings from independent rating agencies reflect our financial strength, integrity, and wise investment decisions.

As part of Allianz SE, one of the world's largest financial services companies, **we are committed to keeping our promises so you can live with confidence** – knowing that we'll be there when you need us, wherever you need us.

Products are issued by:

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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 and broker/dealer.

This content does not apply in the state of New York.

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