

Flexible Premium Deferred Annuity Policy with an Index Benefit

Premium paid for this policy will accumulate to provide an income payable at the Annuity Date. A Death Benefit is payable before the Annuity Date. This policy is nonparticipating, with no annual dividends. **Policy values may be affected by an external Index; however, this policy does not directly participate in any stock or equity investments.**

Signed for the Company at its home office on the Policy Date.



Suzanne J. Pepin
Senior Vice President, Secretary,
and Chief Legal Officer



Charles Kavitsky
President

YOUR 20 DAY RIGHT TO EXAMINE YOUR POLICY
You may return your policy within 20 days after receiving it if you are dissatisfied for any reason. You may return your policy to your agent or our Home Office. We will void this policy and mail a refund of any Premium you paid within 10 days of receipt of your returned policy.

If this is a replacement, you have a right to an unconditional refund of all premiums paid and this right may be exercised within a period of 30 days commencing from the date of delivery of the policy.

This is a legal contract between you and the Company.

READ YOUR POLICY CAREFULLY

ALLIANZ LIFE INSURANCE COMPANY OF NORTH AMERICA
5701 Golden Hills Drive
Minneapolis, MN 55416-1297

GUIDE TO POLICY PROVISIONS

Policy Schedule.....	3
General Definitions.....	4
Premium	5
Accumulation Value	5
Section I – Definitions	5, 6
(Applicable if no Partial Surrenders and no Systematic Withdrawal of Credit payments are taken.)	
Index Earning Value	
Interim Interest Account	
Index Adjustment	
Unadjusted Index Change	
High Water Value	
Vested High Water Value	
Full Surrender or Partial Surrender.....	7
Partial Surrender Charge	
Full Surrender Charge	
Systematic Withdrawal of Credits.....	7
Section II - Definitions	8, 9, 10
(Applicable when Partial Surrenders and/or Systematic Withdrawal of Credit payments are taken.)	
Index Earning Value Base	
Proportional Factor	
High Water Value Base	
Partial Index Adjustment	
Vested High Water Index Credit	
High Water Index Credit	
Cash Value.....	10
Guaranteed Minimum Value	
Basis of Values.....	11
Ownership	11
Death Benefit	12
General Provisions.....	13
Misstatement of Age or Sex in the Application	
Annuity Date	
Termination	
Annuity Options.....	14
Purchase Rate Tables.....	3A, 3B
Table of Guaranteed Cash Values.....	3B

GENERAL DEFINITIONS

This section provides the meaning of special terms used throughout this policy. Most of these terms are capitalized throughout this policy to help you easily recognize them. Provision titles, section titles, and terms used on the Policy Schedule are also capitalized for your convenience. Definitions are also found on pages five through 10.

We, Our, Us or the Company	Allianz Life Insurance Company of North America.
You and Your	The Owner(s) of this policy named in the application, unless later changed. The Owner may be other than the Annuitant.
Additional Premium	Any Premium paid after the Policy Date.
Age	The Annuitant's age on his or her last birthday.
Annuitant	The person upon whose life the annuity payments are based. The Annuitant is the person designated by you. The Annuitant is shown on the Policy Schedule; you may change the Annuitant at any time prior to the Annuity Date with Notice, subject to our approval and underwriting guidelines at the time of Notice. You may not change the Annuitant if this policy is owned by a non-individual.
Beneficiary	The person(s) or entity(ies) to whom we will pay the Death Benefit under this policy. The Beneficiary is named in the application or as later changed with Notice or upon the death of a Joint Owner. In the event that a Joint Owner becomes the Beneficiary, their rights take precedence over the primary and contingent Beneficiary(ies) previously named.
Contingent Annuitant	Designated at the Annuity Date applicable only to Annuity Options F and G.
Deferral	The period beginning on the Policy Date and ending on the Annuity Date.
Last Business Day	The last day that the Index was traded or calculated before a specified date.
Index	Declared on the Policy Date and shown and described on the Policy Schedule. If the publication of the Index is discontinued or if the calculation of the Index is changed substantially, upon receiving regulatory approval, we will substitute a comparable Index and send Notice to you and any assignee of record at the last known address.
Initial Premium	The Initial Premium is the first Premium received for this policy.
Joint Owner	If there is more than one Owner, each Owner shall be a Joint Owner of this policy. Joint Owners have equal Ownership rights and must both authorize any exercising of those Ownership rights unless otherwise allowed by us.
Monthly Anniversary Day	The day of each month that corresponds to the day of the month of the Policy Date. If the day is not in a month, the last day of that month will be considered the Monthly Anniversary Day.
Notice	Receipt of a written request satisfactory to the Company.
Owner	The person(s) or non-individual entitled to the Ownership rights stated in this policy. If Joint Owners are named, all references to Owner shall mean Joint Owners.
Policy Anniversary	The Monthly Anniversary Day that occurs in the same month of each Policy Year as the Policy Date. The first Policy Anniversary is 12 months after the Policy Date.
Policy Date	The first day of this policy. The Policy Date is shown on the Policy Schedule and determines the Monthly Anniversary Day, Policy Anniversaries, and Policy Years.
Policy Year	A period of 12 consecutive months. The first Policy Year begins on the Policy Date, and subsequent Policy Years begin on the Policy Anniversary while this policy remains in Deferral. All Policy Years end on the day before the next Policy Anniversary.
Premium	The consideration paid to us for the benefits provided by this policy. Refer to the Premium section.
Term	A Policy Year.

PREMIUM

Premium The Initial Premium, as shown on the Policy Schedule, is due on the Policy Date. You may make Additional Premium payments in any amount and frequency, subject to the Premium Limitations listed. You may pay the Initial Premium to our authorized representative. You may send subsequent Premium to our home office or you may give them to a cashier we authorize. A receipt will be provided to you upon request.

Premium Limitation You may make Additional Premium payments after the Policy Date if:

- (a) this policy is in its first 5 Policy Years;
- (b) the Additional Premium is at least \$25; and
- (c) the sum of all Additional Premiums paid during the first 5 Policy Years does not exceed \$25,000 unless prior approval of a larger amount has been given by the Company.

ACCUMULATION VALUE

Accumulation Value The Accumulation Value is the amount used to calculate annuity payments if requirements (a) or (b) are met, where:

- (a) this policy has been in Deferral for at least five Policy Years and an Annuity Option which extends over a period of at least 10 years or over the life of the Annuitant is paid; or
- (b) this policy has been in Deferral for at least five Policy Years and an Annuity Option is paid over a period of at least five years for Annuity Option D.

The Accumulation Value on the first day of the Term is shown on the Policy Schedule for the initial Term and on the Annual Report for subsequent Terms. The Accumulation Value is calculated on any specified date as the greater of:

- (a) the Index Earning Value; or
- (b) the Vested High Water Value.

SECTION I – DEFINITIONS

Section I definitions only apply when no Partial Surrenders or Systematic Withdrawal of Credit payments are taken, otherwise refer to the Section II definitions.

Index Earning Value The Index Earning Value on the first day of the initial Term is equal to the Initial Premium. The Index Earning Value at the end of the last day of a Term is equal to (a) plus (b) plus (c), where:

- (a) is the Index Earning Value at the beginning of the first day of the Term;
- (b) is the Index Adjustment for the Term; and
- (c) is the Interim Interest Account.

The Index Earning Value at the beginning of the first day of all subsequent Terms is equal to the Index Earning Value at the end of the last day of the previous Term. The Index Earning Value during a Term is equal to the Index Earning Value at the beginning of the first day of the Term plus the Interim Interest Account.

SECTION I – DEFINITIONS (continued)

Interim Interest Account	The Interim Interest Account is equal to Additional Premium received during a Term with interest earned thereon. The interest rate will be guaranteed for the Term and is shown on the Policy Schedule for the initial Term and on the Annual Report for subsequent Terms. Interest in excess of the guaranteed rate may be credited to the Interim Interest Account. Index Adjustments are not made to the Interim Interest Account. At the end of a Term, the Interim Interest Account is added to the Index Earning Value and the Interim Interest Account is then set equal to zero.
Index Adjustment	The Index Adjustment is calculated at the end of a Term. The Index Adjustment for a Term is equal to the lesser of (a) or the result of (b) minus (c), where: <ul style="list-style-type: none">(a) is the Index Earning Value on the first day of the Term multiplied by the Index Rate;(b) is the High Water Value on the first day of the Term multiplied by the factor of one plus the Cap; and(c) is the Index Earning Value on the first day of the Term.
Index Rate	The Index Rate for a Term is the result of (a) multiplied by (b) divided by (c), where: <ul style="list-style-type: none">(a) is the Participation Rate;(b) is the Unadjusted Index Change; and(c) is the Initial Index Value.
Participation Rate	The Participation Rate determines the portion of the Unadjusted Index Change to be used in the computation of the Index Rate. The Participation Rate is a rate we declare on the Policy Date and guarantee until Termination. The Participation Rate is shown on the Policy Schedule.
Unadjusted Index Change	The Unadjusted Index Change for a Term is equal to the Index value as of the end of the Last Business Day of the Term minus the Initial Index Value. The Unadjusted Index Change is shown on the Annual Report that follows the Term.
Initial Index Value	The Initial Index Value for a Term is the value of the Index as of the end of the Last Business Day, before the start of a Term. The Initial Index Value is shown on the Policy Schedule for the initial Term and on the Annual Report for subsequent Terms.
Cap	The Cap determines the maximum Index Adjustment possible. We declare the Cap at the beginning of a Term and guarantee it for the Term. The Cap is shown on the Policy Schedule for the initial Term and on the Annual Report for subsequent Terms.
High Water Value	The High Water Value for the initial Term is equal to the Initial Premium. The High Water Value at the end of the last day of a Term (after the calculation of the Index Earning Value) is equal to the greater of (a) or (b), where: <ul style="list-style-type: none">(a) is the Index Earning Value; and(b) is the High Water Value at the beginning of the first day of the Term plus the Interim Interest Account. The High Water Value at the beginning of the first day of all subsequent Terms is equal to the High Water Value at the end of the last day of the previous Term. The High Water Value during a Term is equal to the High Water Value at the beginning of the first day of the Term plus the Interim Interest Account.
Vested High Water Value	The Vested High Water Value during the first five Policy Years is equal to Premium received with interest earned from the Interim Interest Account. The Vested High Water Value on a specified date in Policy Years six and later is equal to the High Water Value five years prior to the specified date plus Additional Premium received with interest earned from the Interim Interest Account during the five years immediately preceding the specified date.

FULL SURRENDER OR PARTIAL SURRENDER

You may request a Full Surrender or Partial Surrender of an amount no greater than the Cash Value of this policy anytime before the Annuity Date. The amount you surrender, plus any applicable Full Surrender Charge or Partial Surrender Charge, will reduce the Accumulation Value and other policy values as defined in this policy.

We will not deduct Partial Surrender Charges if all of the following conditions are met:

- (a) the requested Partial Surrender amount does not exceed 5% of Premium received;
- (b) the Partial Surrender is taken at least 12 months after the last Premium is received;
- (c) no more than one Partial Surrender is taken within a 12 month period; and
- (d) the cumulative Partial Surrenders do not exceed 25% of the Premium paid.

If you request a Full or Partial Surrender, an Annuity Option, or if you submit Additional Premium within 12 months after a Partial Surrender that met the conditions listed above, Partial Surrender Charges will be deducted retroactively for that Partial Surrender. The deduction will occur prior to fulfillment of this request.

You must provide Notice for all surrender requests. We may delay paying you the requested surrender amount for up to six months after we receive Notice.

Partial Surrender	A withdrawal for an amount less than the Cash Value.
Partial Surrender Charge	The Partial Surrender Charge is equal to (a) multiplied by (b) divided by (c), where: (a) is the Full Surrender Charge; (b) is the amount of the Partial Surrender; and (c) is the Cash Value.
Gross Partial Surrender Amount	The Partial Surrender amount plus any applicable Partial Surrender Charge amounts.
High Water Partial Surrender Amount	The Gross Partial Surrender Amount multiplied by (a) divided by (b), where: (a) is the High Water Value Base; and (b) is the High Water Value.
Interim Interest Partial Surrender Amount	The Gross Partial Surrender Amount multiplied by (a) divided by (b), where: (a) is the Interim Interest Account; and (b) is the High Water Value.
Full Surrender	A withdrawal of the entire Cash Value.
Full Surrender Charge	The Accumulation Value multiplied by any appropriate surrender charge percentage. Refer to the Table of Surrender Charge Percentages shown on the Policy Schedule.

SYSTEMATIC WITHDRAWAL OF CREDITS

After the fifth Policy Year and while this policy is still in Deferral, you may request a Systematic Withdrawal of Credits by providing Notice to us. To start or stop Systematic Withdrawal of Credits, we must receive Notice at least 15 business days prior to the start or end date of these payments.

The amount payable in a Policy Year will be equal to the Vested High Water Credits for previous Policy Years, if any, that have not been paid under Systematic Withdrawal of Credits. Any Systematic Withdrawal of Credits will be sent within 20 days after the end of a Policy Year. Payment amounts less than \$25 are not payable and will not be subtracted from your Accumulation Value. If this policy terminates or we receive Notice to stop Systematic Withdrawal of Credits, payments will cease.

Systematic Withdrawal of Credits will reduce the Accumulation Value and other policy values as defined in this policy.

Systematic Withdrawal of Credit payments are not annuity payments, nor are they considered Partial Surrenders.

SECTION II – DEFINITIONS

Section II definitions apply only when Partial Surrenders and/or Systematic Withdrawal of Credit payments are taken. The following are defined for each Term.

Index Earning Value The Index Earning Value at the beginning of the first day of the initial Term is equal to the Initial Premium. The Index Earning Value at the end of the last day of the Term is equal to (a) plus (b) plus (c) plus (d), where:

- (a) is the Index Earning Value Base;
- (b) is the Partial Index Adjustment;
- (c) is the Index Adjustment; and
- (d) is the Interim Interest Account.

The Index Earning Value at the beginning of the first day of all subsequent Terms is equal to the Index Earning Value at the end of the last day of the previous Term. The Index Earning Value during the Term is equal to the Index Earning Value Base plus the Interim Interest Account.

Interim Interest Account The Interim Interest Account is equal to Additional Premium received during the Term minus any Interim Interest Partial Surrender Amounts that have occurred during the Term with interest earned on those amounts. The interest rate will be guaranteed for the Term and is shown on the Policy Schedule for the initial Term and on the Annual Report for subsequent Terms. Interest in excess of the guaranteed rate may be credited to the Interim Interest Account. Index Adjustments are not made to the Interim Interest Account. At the end of the Term, the Interim Interest Account is added to the Index Earning Value and the Interim Interest Account is then set equal to zero.

Index Adjustment The Index Adjustment is calculated at the end of the Term. The Index Adjustment is equal to the lesser of (a) or the result of (b) minus (c), where:

- (a) is the Index Earning Value Base multiplied by the Index Rate;
- (b) is the High Water Value Base multiplied by the sum of one plus the Cap; and
- (c) is the Index Earning Value Base.

Index Rate The Index Rate for a Term is the result of (a) multiplied by (b) divided by (c), where:

- (a) is the Participation Rate;
- (b) is the Unadjusted Index Change; and
- (c) is the Initial Index Value.

Index Earning Value Base The Index Earning Value Base is equal to (a) minus (b) minus (c), where:

- (a) is the Index Earning Value at the beginning of the first day of the Term;
- (b) is the High Water Partial Surrender Amounts that have occurred during the Term multiplied by the Proportional Factor; and
- (c) is the Systematic Withdrawal of Credit payments that have occurred during the Term multiplied by the Proportional Factor.

Proportional Factor The Proportional Factor is equal to (a) divided by (b), where:

- (a) is the Index Earning Value at the beginning of the first day of the Term; and
- (b) is the Accumulation Value at the beginning of the first day of the Term.

Participation Rate The Participation Rate determines the portion of the Unadjusted Index Change to be used in the computation of the Index Rate. The Participation Rate is a rate we declare on the Policy Date and guarantee until Termination. The Participation Rate is shown on the Policy Schedule.

SECTION II – DEFINITIONS (continued)

Unadjusted Index Change	The Unadjusted Index Change for the Term is equal to the Index value as of the end of the Last Business Day of the Term minus the Initial Index Value. The Unadjusted Index Change is shown on the Annual Report that follows the Term.
Initial Index Value	The Initial Index Value for a Term is the value of the Index as of the end of the Last Business Day, before the start of the Term. The Initial Index Value is shown on the Policy Schedule for the initial Term and on the Annual Report for subsequent Terms.
Cap	The Cap determines the maximum Index Adjustment possible. We declare the Cap at the beginning of the Term and guarantee it for the Term. The Cap is shown on the Policy Schedule for the initial Term and on the Annual Report for subsequent Terms.
High Water Value Base	<p>The High Water Value Base on any specified day of the Term is equal to (a) minus (b) minus (c), where:</p> <ul style="list-style-type: none">(a) is the High Water Value at the beginning of the first day of the Term;(b) is the High Water Partial Surrender Amounts that have occurred during the Term; and(c) is the Systematic Withdrawal of Credit payments that have occurred during the Term.
High Water Value	<p>The High Water Value at the beginning of the first day of the initial Term is equal to the Initial Premium. The High Water Value at the end of the last day of the Term (after the calculation of the Index Earning Value) is equal to the greater of (a) or (b), where:</p> <ul style="list-style-type: none">(a) is the High Water Value Base plus the Interim Interest Account; and(b) is the Index Earning Value. <p>The High Water Value at the beginning of the first day of all subsequent Terms is equal to the High Water Value at the end of the last day of the previous Term. The High Water Value during the Term is equal to the High Water Value Base plus the Interim Interest Account.</p>
Vested High Water Value	<p>The Vested High Water Value in Policy Years one through five is equal to Premium received with interest earned from the Interim Interest Account minus any Gross Partial Surrender Amounts that have occurred since the Policy Date.</p> <p>The Vested High Water Value on a specified date in Policy Years six and later is equal to the High Water Value five years prior to the specified date plus (a) minus (b) minus (c), where:</p> <ul style="list-style-type: none">(a) is Additional Premium received with interest earned from the Interim Interest Account in the five years immediately preceding the specified date;(b) is the Gross Partial Surrender Amounts that have occurred in the five years immediately preceding the specified date; and(c) is the Systematic Withdrawal of Credit payments that have occurred in the five years immediately preceding the specified date.

SECTION II – DEFINITIONS (continued)

Partial Index Adjustment The Partial Index Adjustment is calculated at the end of the Term. The Partial Index Adjustment is calculated for any amount of a Partial Surrender during the first 10 Policy Years to which no surrender charges were assessed. The Partial Index Adjustment is an adjustment that reflects the proportionate period of the Term in which the amount of the Partial Surrender remained within this policy.

The Partial Index Adjustment is the Partial Surrender Amount multiplied by the result of (a) divided by (b) multiplied by the result of (c) divided by (d), where:

- (a) is the number of days between the first day of the Term and the date of the Partial Surrender;
- (b) is 365 days,
- (c) is the Index Adjustment; and
- (d) is the Index Earning Value Base at the end of the Term.

Vested High Water Index Credit The Vested High Water Index Credit is used in the calculation of the Systematic Withdrawal of Credits available after the fifth Policy Year. The Vested High Water Index Credit for a Policy Year is equal to the High Water Index Credit in the Policy Year five years prior.

High Water Index Credit The High Water Index Credit is calculated at the end of the last day of the Term. The High Water Index Credit is equal to the High Water Value minus the result of (a) plus (b), where:

- (a) is the High Water Value Base; and
- (b) is the Interim Interest Account.

CASH VALUE

Cash Value The amount paid to you if you choose:

- (a) to receive annuity payments over a period of less than 10 years or over a period of less than five years for Annuity Option D;
- (b) to receive annuity payments before the end of the fifth Policy Year; or
- (c) a Full Surrender.

The Cash Value is the greater of:

- (a) the Accumulation Value minus the Full Surrender Charge; or
- (b) the Guaranteed Minimum Value.

Guaranteed Minimum Value The Guaranteed Minimum Value on any specified date is calculated as (a) plus (b) minus (c) minus (d), where:

- (a) is all Premium paid multiplied by the applicable Guaranteed Minimum Value Premium Factor, which is shown on the Policy Schedule;
- (b) is all Guaranteed Minimum Value Interest Credits;
- (c) is 87.5% of Partial Surrender amounts; and
- (d) is all Systematic Withdrawal of Credit payments.

Guaranteed Minimum Value Interest Credit Guaranteed Minimum Value Interest Credits are calculated and credited daily. Guaranteed Minimum Value Interest Credits on any specified date is the Guaranteed Minimum Value on the start of that day multiplied by the daily interest rate for this policy. The daily interest rate is determined by the Guaranteed Minimum Value annual interest rate declared for this policy.

The daily interest rate is equal to the following:

$$(1 + \text{Guaranteed Minimum Value Interest Rate})^{(1/365)} - 1$$

The Guaranteed Minimum Value Interest Rate credited to the Guaranteed Minimum Value is shown on the Policy Schedule.

BASIS OF VALUES

Minimum policy values before the Annuity Date are based on the Guaranteed Minimum Value. For Annuity Options, the guaranteed minimum rate for annuity payments is the rate shown on the Policy Schedule compounded annually. Applicable values are based on the Annuity 2000 Mortality Table.

Policy values will never be less than the legal minimums of the state in which this policy is delivered.

OWNERSHIP

You are solely entitled to all benefits, ownership rights and privileges under this policy while in Deferral.

Assignment of this Policy

You may assign or transfer all or specific ownership rights of this policy. No assignment will be effective until we receive Notice. We will record your assignment. We will not be responsible for its validity or effect, nor will we be liable for actions taken on payments made before we receive and record the assignment.

Change of Ownership

You may change Ownership of this policy to a new Owner while in Deferral. The change is effective when we receive Notice, subject to our underwriting guidelines at the time of Notice. We are not liable for any actions taken before receiving Notice. A change of Ownership does not affect the Beneficiary unless the new Owner requests a change of Beneficiary by providing Notice. We will not be responsible for any tax consequence of any such change.

Death of the Owner

If you die prior to the Annuity Date and either a Joint Owner or the Beneficiary is your spouse, he or she may select to:

- (a) continue this policy in his or her own name and exercise all your rights under this policy; or
- (b) receive the Death Benefit.

If one of the Joint Owners dies (who is not your spouse) prior to the Annuity Date, any surviving Joint Owner may select (a) or (b) below as long as the selection is distributed within five years of the first Joint Owner's death:

- (a) assume all Ownership rights and privileges under this policy, including the transfer of the Joint Owner's portion of the policy values as the death benefit; or
- (b) become the Beneficiary and receive the Death Benefit.

If you die prior to the Annuity Date and you are the sole Owner and the Beneficiary is not your spouse, the Death Benefit must be distributed to the designated Beneficiary(ies) within five years of your death.

If any Owner dies after the Annuity Date any remaining payments under the Annuity Option selected will continue at least as rapidly as under the method of distribution in effect at such Owner's death and the Beneficiary becomes the Owner.

Non-Individual Owner

If the Owner is a non-individual, the Death Benefit is paid to the named Beneficiary upon the death of the Annuitant.

DEATH BENEFIT

Death Benefit

If the Beneficiary receives the Death Benefit as a single payment, the Death Benefit is the greater of (a) or (b), where:

- (a) is the Premium paid minus Gross Partial Surrender Amounts minus Systematic Withdrawal of Credit payments, or
- (b) is the Cash Value.

If the Beneficiary receives the Death Benefit as an Annuity Option over at least a five year period, the Death Benefit is the Accumulation Value. In this case, the Beneficiary becomes the Annuitant and payments under the Annuity Option must begin within one year of the date of death and not extend beyond the life expectancy of the Annuitant.

The Owner may choose an Annuity Option for the Beneficiary. The Beneficiary may choose an Annuity Option if:

- (a) you have not selected an Annuity Option prior to your death; and
- (b) annuity payments have not begun.

Proof of the Owner's and/or Annuitant's (if the Owner is a non-individual) death and a fully completed claim form must be received at our home office.

Who Receives the Death Benefit

We will pay the Death Benefit to the Beneficiary if you die before the Annuity Date. Interest will be paid on the Death Benefit from the date of death to the date of settlement at a rate no less than that required by law.

Unless Notice informs us otherwise before the distribution of the Death Benefit, the Death Benefit will be paid in equal shares to the survivor(s) as follows:

- (a) to any Joint Owner who selects to become the primary Beneficiary, as applicable; if there is none,
- (b) to the primary Beneficiary(ies), who survive your death and/or the Annuitant's (if the Owner is a non-individual) death, as applicable; if there are none,
- (c) to the contingent Beneficiary(ies), who survive your death and/or the Annuitant's (if the Owner is a non-individual) death, as applicable; if there are none,
- (d) to your estate.

If the Beneficiary Dies

If any Beneficiary dies, the Beneficiary's interest in this policy will end. If any Beneficiary dies at the same time as the Owner, or within 120 hours after the Owner, that Beneficiary's interest in this policy will end as if the Beneficiary predeceased the Owner. If the interests of all Beneficiary(ies) have ended, we will pay the Death Benefit to your estate.

Change of Beneficiary

You may change the named Beneficiary by providing Notice. The change will not be effective until we record it at our home office. Even if you are not living when we record the change, the change will take effect retroactively as of the date signed. Any benefits we pay before we record the change will not be affected. An irrevocable Beneficiary must give written consent before we will change that Beneficiary.

Protection of the Death Benefit

To the extent permitted by law, the Death Benefit will not be subject to claims of the Beneficiary's creditors.

GENERAL PROVISIONS

Entire Contract	We have issued this policy in consideration of the application and the Initial Premium payment. A copy of the application is attached and is a part of this policy. This policy, any attached endorsements, any attached riders, and the application together are the entire contract.
Death of the Annuitant	<p>If the Annuitant is also the Owner and the Annuitant dies, see the Death Benefit section.</p> <p>If the Annuitant is not the Owner and the Annuitant dies during Deferral, the Owner becomes the Annuitant. Prior to the Annuity Date, you may change the Annuitant after the death of the Annuitant, subject to our approval and underwriting guidelines at the time of Notice. If the Owner is a non-individual, the death of the Annuitant will be treated as the death of the Owner and a new Annuitant may not be designated.</p> <p>If an Annuitant or Contingent Annuitant dies after the Annuity Date, annuity payments will continue as provided under the applicable annuity option.</p> <p>Proof of the Annuitant's death must be received at our home office.</p>
Incontestability of this policy	This policy and any rider or supplemental benefits attached to this policy are not contestable after they have been in force for 24 months from the Policy Date. In absence of fraud, all statements made by or for the Annuitant are considered representations and not warranties.
Misstatement of Age or Sex in the Application	If there is a misstatement of the Annuitant's Age or sex in the application, we will adjust the Annuity Option payments to that which the Accumulation Value or Cash Value, as applicable, would have purchased at the correct Age or sex. Any underpayment as a result of such misstatement must be paid immediately in one sum. Any overpayment will be deducted from the current or succeeding payment or payments due under this policy. If due to a misstatement, this policy was issued after the maximum issue age, we will be liable only for premium paid, minus Partial Surrender amounts and minus Systematic Withdrawal of Credit payments and minus policy loans.
Annual Report	We will send you a report at least once a year showing all current policy values. The Annual Report will show specific details about any Accumulation Value activity during the previous Policy Year and beginning values and details for the Policy Year that began on the most recent Policy Anniversary.
No Dividends are Payable	This is a nonparticipating policy. This policy does not participate in our profits or surplus.
Who Can Make Changes in this Policy	Except to the extent regulatory approval is required, our President together with our Secretary have the unilateral right to make any changes to this policy without notice to you. Any change must be in writing.
Annuity Date	The Annuity Date is the date on which annuity payments begin. The Annuity Date is shown on the Policy Schedule. You may select a different date. However, any such request is subject to our approval. The Annuity Date will not be later than the Policy Anniversary following the Annuitant's 90th birthday, or if later, 10 Policy Years after the Policy Date, unless approved by us. In no event will the Annuity Date be later than that permitted by applicable state or federal law. In order for annuity payments to begin, you must provide Notice on a form that is approved by the home office.
Duplicate Policy	If you have misplaced your policy, you may request a policy certificate. If a Duplicate Policy is necessary, you may be assessed a fee of up to \$25.
Termination	<p>This contract will terminate at the earliest of:</p> <ul style="list-style-type: none">(a) our receipt of your written request for Full Surrender;(b) the day that the Cash Value equals zero or less;(c) the day that the High Water Value or the Index Earning Value equals zero or less; <p>or</p> <ul style="list-style-type: none">(d) the date that our last payment obligation is met. The contract provisions that do not apply to our payment obligations terminate on the Annuity Date.

ANNUITY OPTIONS

On the Annuity Date, we will make annuity payments according to the Annuity Option selected by you. We may require proof of the Annuitant's Age and Sex. The Age used for Annuity Options will be the Annuitant's Age on the Annuity Date.

If on the Annuity Date no Annuity Option is selected, Annuity Option C (Installments for Life with a Guaranteed Period of 10 years) will be automatic.

Annuity Options other than those listed may be arranged with the Company's written acceptance and agreement. We will pay the annuity payments as requested either monthly, quarterly, semi-annually, or annually to the person or entity designated by the Owner.

Once annuity payments begin the Annuity Option and payment frequency selected may not be changed.

Qualifications for an Annuity Option are described in the Accumulation and Cash Value sections.

Purchase Rate Tables are shown on the Policy Schedule.

- | | |
|--|--|
| Option A – Installments for a Guaranteed Period | We will pay equal installments for a guaranteed period from 10 to 30 years. Each installment will consist of part benefit and part interest. Installments will be based on purchase rates we declare, but will never be less than the purchase rates in Table 1. |
| Option B – Installments for Life | We will pay equal installments as long as the Annuitant is living. Installments will be based on purchase rates we declare, but will never be less than the purchase rates in Table 2. |
| Option C – Installments for Life with a Guaranteed Period | We will pay equal installments as long as the Annuitant is living. If the Annuitant dies before the guaranteed period has expired, annuity payments will continue until the end of the selected guaranteed period. The guaranteed period may be 5, 10, 15 or 20 years. Installments will be based on purchase rates we declare, but will never be less than the purchase rates in Table 2. |
| Option D – Benefit Deposited with Interest | We will hold the benefit on deposit for at least five years. We will pay the earned interest in the frequency requested. At the end of the designated period, we will pay you the remaining value in a lump sum, or you may select another Annuity Option. You may also select another Annuity Option extending over at least 10 years or over the life of the Annuitant at any time before the end of the five year period. |
| Option E – Installments of a Selected Amount | We will pay installments of a selected amount until we have paid the entire benefit and accumulated interest. |
| Option F – Joint and Survivor Annuity | We will pay equal installments until the deaths of the Annuitant and Contingent Annuitant. Installments will be based on purchase rates we declare, but will never be less than the purchase rates shown in Table 3. |
| Option G – Joint and 2/3 Survivor Annuity | We will pay equal installments while both the Annuitant and Contingent Annuitant are living. Two-thirds of the original amount will continue for the life of the surviving Annuitant after the death of an Annuitant. Installments will be based on purchase rates we declare, but the purchase rates will never be less than the purchase rates shown in Table 4. |

ALLIANZ LIFE INSURANCE COMPANY OF NORTH AMERICA
5701 Golden Hills Drive
Minneapolis, MN 55416-1297

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Specimen

Premium paid for this policy will accumulate to provide an income payable at the Annuity Date. A Death Benefit is payable before the Annuity Date. This policy is nonparticipating, with no annual dividends. **Policy values may be affected by an external Index; however, this policy does not directly participate in any stock or equity investments.**