

# How Life Pro+ Advantage compares to Pacific Life Discovery Xelerator IUL 2

Being an **industry leader in the fixed index universal life** (FIUL) insurance space, we've been underwriting and issuing accumulation FIUL policies for over a decade. And as the FIUL insurance industry continues to expand, it's important to understand the products you're selling, how they help meet your clients' needs, and **the strength and experience of the company behind the product.**

## Features and benefits of Life Pro+ Advantage:

- **Innovative allocations:** Our indexing experience and dynamic hedging platform allow us to offer a range of proprietary index allocation options no other company can.
- **Index lock:** The only FIUL product with index lock to offer the ability for clients to lock in their interest credit at any point during the crediting period – prior to the policy anniversary.
- **Interest bonus:** Your clients can choose between select index allocations, that include the opportunity for a 40% guaranteed annual interest bonus and 1% annual asset charge, bonused index allocations that include the opportunity for a 15% guaranteed interest bonus each year, or standard index allocations that do not include an interest bonus.<sup>1</sup>
- **Loan flexibility:**<sup>2</sup> Take a combination of indexed and fixed loans, switch between loan options and allocations on each policy anniversary, and allocate to loaned and unloaned values differently.
- **Charges and accumulation potential:** Our FIUL policies are designed to offer a balanced approach to charges and accumulation potential. In recent years, some competitors have launched products with competitive death benefits, accumulation values, and cash values. However, they may come with much higher charges.
- **Accelerated underwriting:** Streamline and shorten the underwriting process for death benefit amounts up to \$1.5 million.

**All with the strength and ratings of a leading insurance carrier.**

**For all that's ahead.<sup>®</sup>**

**Allianz** 

**Must be accompanied by the Life Pro+ Advantage agent guide (M-7227).**

Keep in mind that most life insurance policies require health and financial underwriting.

<sup>1</sup> Bonus 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. There is no guarantee that a bonus will be applied each year, as it is dependent upon how much interest is earned by an index.

<sup>2</sup> Policy loans and withdrawals will reduce the available cash value and death benefit and may cause unintended consequences, including lapse or taxable events. Please see the full loan and withdrawal disclosure within this material for details.

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The following tables are intended to show how features such as product benefits, accumulation potential, and loan features differ between Allianz Life Pro+ Advantage<sup>SM</sup> Fixed Index Universal Life Insurance Policy and Pacific Life Discovery Xelerator IUL 2.

**Note:** The following tables do not represent a comprehensive overview of all features and benefits. Life insurance policies have many factors and features to consider and this is not a comprehensive overview of all of the product features and benefits. Be sure to review all of the material details about the products with your clients before making specific recommendations. No single policy is appropriate for all clients.

COMPANY STRENGTH	ALLIANZ	PACIFIC LIFE
Comdex <sup>1</sup>	94	93

PRODUCT BENEFIT COMPARISON	LIFE PRO+ ADVANTAGE	DISCOVERY XELERATOR IUL 2
Death benefit options	Level, increasing, return of premium	Level, increasing, return of premium
Accumulation bonus opportunity <sup>2</sup>	<b>Choose between:</b> <ul style="list-style-type: none"> <li>• Select index allocations with a 40% guaranteed annual interest bonus and 1% annual asset charge</li> <li>• Bonused index allocations with a 15% guaranteed annual interest bonus each year</li> <li>• Standard index allocations that do not include an interest bonus</li> <li>• Ability to allocate freely between bonus design options</li> </ul>	<b>Choose between:</b> <sup>3</sup> <ul style="list-style-type: none"> <li>• Performance Plus Nonguaranteed interest bonus, with guaranteed asset charges, their highest bonus highest asset charge option</li> <li>• Performance Nonguaranteed bonus with guaranteed asset charge</li> <li>• Classic no bonus, no asset charge</li> <li>• Allocations restricted to bonus design; can't mix Performance Plus with Performance or Classic bonus options in the same year</li> </ul>
Surrender charge period	12 years	9 years

ACCUMULATION POTENTIAL	LIFE PRO+ADVANTAGE	DISCOVERY XELERATOR IUL 2
Index allocation options	12	7
Hedging frequency	Daily	Monthly

<sup>1</sup> VitalSigns Company list as of July 2019, EbixLife. Comdex and other research/financial strength information available via producer subscription at [www.vitalsalesuite.com](http://www.vitalsalesuite.com). The ratings of independent rating agencies are a measure of financial strength and claims-paying ability. The ratings are based on an analysis of financial results and evaluation of management objectives and strategies. The ratings do not pertain to investment options, which fluctuate with market conditions. The ratings do not indicate approval by the analysts and are subject to change.

<sup>2</sup> Bonus 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 index allocations that offer the interest bonus will generally have lower caps and participation rates. There is no guarantee that a policy will be credited with an interest bonus every year, as it is based on the growth of an index.

<sup>3</sup> Bonus rate varies by age, risk class, and policy year in the illustration. Please refer to the product illustration for more detail.

Competitor information is based on LifeTrends Report, June 2019, and product illustration.

POLICY LOAN FEATURES <sup>1</sup>	LIFE PRO+ ADVANTAGE	DISCOVERY XELERATOR IUL 2
Fixed interest loans	Yes	Yes
Indexed loans	Yes	Variable loan
Current indexed loan charge	5%	4.65%; can go up to 7.50%
Ability to switch between loan types	Yes	Yes
Ability to allocate loaned and unloaned values differently	Yes	No
Withdrawals receive partial year index credit	Yes	Yes

See how Allianz Life Pro+ Advantage<sup>SM</sup> Fixed Index Universal Life Insurance Policy stacks up to the competitor using the maximum nonguaranteed illustrated rate and highest bonus opportunity for each product in this hypothetical example.

HYPOTHETICAL EXAMPLE	LIFE PRO+ ADVANTAGE	DISCOVERY XELERATOR IUL 2
Death benefit in policy year 20	\$1,699,574	\$1,587,983
Cash value accumulation in policy year 20	\$1,112,784	\$995,836
Charges in policy year 20	\$158,768	\$607,213
Indexed loans <sup>1</sup> (policy years 21-40)	\$131,400	\$107,129

#### ASSUMPTIONS

<b>AGE</b> 45-year-old male	<b>RISK CLASS<sup>2</sup></b> Best	<b>LOANS</b> Maximum indexed	<b>RATE</b> Maximum nonguaranteed illustrated rate Life Pro+ Advantage: 6.9% Discovery Xelerator IUL 2: 5.76%
<b>PREMIUM</b> \$25,000 annual premium for 20 years		<b>INDEXED LOAN CHARGE AND CREDIT</b> Life Pro+ Advantage 5%, 6%; Discovery Xelerator IUL 2 4.76%, 5.76%	
<b>DEATH BENEFIT</b> Minimum non-MEC death benefit (option B switching to option A in policy year 21)			

<sup>1</sup> Policy loans and withdrawals will reduce the available cash value and death benefit and may cause unintended consequences, including lapse or taxable events. Please see the full loan and withdrawal disclosure within this material for details.

<sup>2</sup> Best risk class: Life Pro+ Advantage Preferred Plus Nontobacco; Discovery Xelerator IUL 2 Super Preferred Nontobacco.

Competitor information is based on LifeTrends Report, June 2019, and product illustration.

## See how Allianz Life Pro+ Advantage<sup>SM</sup> Fixed Index Universal Life Insurance Policy stacks up using a lower illustrated rate.

In the following hypothetical example, we show how Life Pro+ Advantage stacks up to the competition using a lower illustrated rate (70% of the maximum nonguaranteed illustrated rate). Comparing products at their maximum illustrated rate can be overly optimistic, while using a lower fixed illustrated rate doesn't take differences like caps into consideration. The 70% of the maximum illustrated rate example shows how different market environments could affect each product according to their current cap assumptions.

HYPOTHETICAL EXAMPLE	LIFE PRO+ ADVANTAGE	DISCOVERY XELERATOR IUL 2
Death benefit in policy year 20	\$1,378,651	\$1,193,386
Cash value accumulation in policy year 20	\$791,861	\$601,231
Charges in policy year 20	\$143,228	\$566,144
Indexed loans <sup>1</sup> (policy years 21-40)	\$64,836	\$37,172

### ASSUMPTIONS

<b>AGE</b> 45-year-old male	<b>RISK CLASS<sup>2</sup></b> Best	<b>LOANS</b> Maximum indexed	<b>RATE 70% OF</b> nonguaranteed illustrated rate Life Pro+ Advantage: 4.83% Discovery Xelerator IUL 2 4.03%
<b>PREMIUM</b> \$25,000 annual premium for 20 years		<b>INDEXED LOAN CHARGE AND CREDIT</b> Life Pro+ Advantage 5%, 4.83%; Discovery Xelerator IUL 2 4.65%, 4.03%	

**DEATH BENEFIT** Minimum non-MEC death benefit (option B switching to option A in policy year 21)

These hypothetical examples are provided for illustrative purposes only. The illustrated rate is intended to show how the products could work and is not intended to predict future results. This example is not indicative of our competitive position in every scenario. Hypothetical results are based on nonguaranteed and guaranteed rates and assumptions selected by Allianz Life Insurance Company of North America (Allianz). Actual results may be different from the figures shown in this example and in some cases may be significantly higher or lower. **The amount of interest the policy earns impacts the amount of cash value available and there is no guarantee that there will be sufficient cash value available to keep the policy in force.**

Assuming the guaranteed minimum interest rates of 0.1% for Allianz and 2% for Pacific Life and maximum fees and charges were applied, the cash value would not be sufficient to support a loans strategy and the policies would lapse in year 24 with Life Pro+ Advantage and year 23 with Discovery Xelerator IUL 2.

Competitor information is believed to be current and accurate as of 8/2019. Product rates, features, and availability may vary by age and state. Consult the insurance company or policy form for full details.

**Call the Life Case Design Team at 800.950.7372 for a personalized Life Pro+ Advantage illustration.**

### Must be accompanied by the Life Pro+ Advantage agent guide (M-7227).

<sup>1</sup> Policy loans and withdrawals will reduce the available cash value and death benefit and may cause the policy to lapse, or affect guarantees against lapse. Withdrawals in excess of premiums paid will be subject to ordinary income tax. Additional premium payments may be required to keep the policy in force. In the event of a lapse, outstanding policy loans in excess of unrecovered cost basis will be subject to ordinary income tax. If a policy is a modified endowment contract (MEC), policy loans and withdrawals will be taxable as ordinary income to the extent there are earnings in the policy. If any of these features are exercised prior to age 59½ on a MEC, a 10% federal additional tax may be imposed. Tax laws are subject to change and your clients should consult a tax professional.

<sup>2</sup> Best risk class: Life Pro+ Advantage Preferred Plus Nontobacco; Discovery Xelerator IUL 2 Super Preferred Nontobacco.

### For financial professional use only – not for use with the public.

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.

Products are issued by Allianz Life Insurance Company of North America, 5701 Golden Hills Drive, Minneapolis, MN 55416-1297. [www.allianzlife.com](http://www.allianzlife.com)

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