Required Minimum Distribution Questions and Answers

Allianz Life Insurance Company of North America

Please consult a tax advisor for additional information regarding Required Minimum Distributions.

What is a Required Minimum Distribution (RMD)?
A RMD is a distribution from an IRA or 403(b) plan required by the Internal Revenue Code. For IRA owners, you must start receiving distributions from your IRA by April 1st of the year following the year in which you reach age 70 ½. For 403(b) owners, you must generally start receiving distributions either when you reach age 70 1/2 or the year you retired from the employer that sponsored or maintained your plan, whichever is later. You must take a distribution by December 31 every year thereafter. If you do not take an RMD, or if the RMD received is not large enough, the IRS may impose a 50% penalty based on the amount you should have taken.

How is the amount of my RMD determined?
Your RMD amount is determined by dividing the entire interest in your annuity contract by a distribution period obtained from life expectancy tables based on your age and, if applicable, the age and relationship of your beneficiary. The entire interest under the annuity contract is the prior December 31st year end value credited under the contract plus the actuarial present value of any additional benefits provided within the annuity contract. Allianz Life Insurance Company of North America (Allianz) will calculate the RMD amount from the annuity contract for you.

If I added premium to my IRA contract in the current year, will the additional premium be used in calculating my RMD for the current year?

If your Allianz IRA contract was established in a prior year, Allianz has calculated the RMD for the current year based only on the entire interest value as of December 31 of the previous year, which does not include any amounts added in the current year. If you need more than the RMD amount based on the prior year end value, you will need to indicate the total RMD that Allianz should pay to you in the Amount section (Section C) of the Required Minimum Distribution Election Form.

If your Allianz IRA contract was established in the current year, Allianz has calculated the RMD for the current year based only on the **initial premium** Allianz received. If you do not want a distribution (for example – if your RMD was satisfied prior to establishing your IRA contract), then you should not return the RMD Election Form. If you need more than the RMD calculated based only on the initial premium, you will need to indicate the total RMD that Allianz should pay to you in the Amount section (Section C) of the RMD Election Form.

What else do I need to know about calculating my RMD when I've added premium to my IRA contract in the current year?

The rules governing RMD calculations from IRAs can be complex. Our calculations are intended to assist you with receiving the correct amount from your IRA, but when money is added to an IRA during the current year, our calculations may not be accurate. Allianz has no responsibility or liability for any IRS penalties or any other tax consequences resulting if you do not correctly complete the RMD Election Form.

Products are issued by Allianz Life Insurance Company of North America, 5701 Golden Hills Drive, Minneapolis, MN 55416-1297. 800.950.1962 www.allianzlife.com

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Minneapolis, MN 55459-0060
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Overnight Address:
5701 Golden Hills Drive
Minneapolis, MN 55416-1297

Required Minimum Distribution Election Form

Annuity Contract number_____

This form is provided for you to request the Required Minimum Distribution on your contract.

Consult resources to determine what is allowable, available, tax plan, definitions, and impact to contract values:

- www.allianzlife.com for your contract information
- The writing agent or a tax advisor
- The contract and riders
- Allianz Life Insurance Company of North America (Allianz) Contact Center 800.950.1962

Section A: Supply information about the contract owner

Contract owner's printed full name: _____

Tax ID / SS#: _____

Daytime phone number: (_____) _____

Section B: Election

Required Minimum Distribution

Is your sole primary beneficiary your spouse? ☐ Yes ☐ No If Yes, please provide his/her date of birth[1] _____ /_____ /_____

[1] **If not provided, we will assume your spouse beneficiary is less than 10 years younger than you**

Section C: Amount

If your annuity contract was established in a prior year, Allianz has calculated and will pay your RMD using only the entire interest value of your annuity contract as of December 31 of the previous year. This amount may not be accurate if you added premium to your contract during the current year. If your annuity contract was established in the current year, Allianz has calculated your RMD using only the initial premium Allianz received.

If you need to receive a different amount than the RMD Allianz calculated, please specify the total RMD that Allianz should pay to you below: RMD for current year (if applicable): $ _____. If any funds were held by an IRA provider as of the end of the previous year, that provider is required to either calculate or offer to calculate your RMD based on those funds. Allianz has no responsibility or liability for any IRS penalties or any other tax consequences resulting from an inaccurate RMD calculation for the current year due to premium received in the current year.

Section D: Select the frequency (choose only one)

☐ Annually (choose one below) ☐ Semiannually ☐ Quarterly ☐ Monthly

- ☐ Immediately
- ☐ November

Your RMD will be processed and sent within 10 business days of receipt of request unless you have chosen to begin payments in November. Annual payments will continue each year until we receive written instructions from you to change or discontinue the election.

(If a selection is not made, the frequency of payment will be annually in November.)

Annuity Contract number_____

Section E. Tax Section - Complete for all disbursement requests

All, or part, of the payment you receive in connection with a distribution from the annuity contract, including the values used to cancel any outstanding loan indebtedness at the time of distribution, may be includable in your gross income for tax purposes.

The taxable portion of the distribution is subject to federal (and potentially state) withholding unless you elect not to have withholding apply. You may elect not to have withholding apply to your distribution by marking the appropriate box below. **If an election is not made, federal income tax will be withheld from the taxable portion at the rate of 10%**. Once the funds are distributed to you, Allianz will ***not*** reverse federal or state withholding.

If you elect not to have withholding apply or if you do not have enough federal income tax withheld, you may be responsible for payment of estimated tax. You may incur penalties under the estimated tax rules if your withholding and estimated tax payments are not sufficient.

☐ I have read the above information and **I DO NOT** want to have federal income tax withheld from my payment.

☐ I have read the above information and **I DO** want to have federal income tax withheld at the rate of _____%
(10% is the minimum allowed if withholding is elected). I realize I will be subject to state income tax withholding if I elect federal withholding and reside in a state where state tax withholding is mandatory.

For State Withholding options, you should consult your State's applicable website, you can review the State Withholding Guide available at www.allianzlife.com or contact your tax professional.

Please note that, effective January 1, 2015, if you make a tax-free IRA to IRA rollover, you cannot, within a one-year period, make another tax-free rollover of a distribution from any of your IRAs to another IRA. Please consult your tax advisor for any questions.

Section F. Certification of Taxpayer Identification Number

If you are requesting payments as a U.S. Person, the IRS requires you to agree to the following statements. If you are not a U.S. Person, please complete Form W8-BEN.

Under penalties of perjury, I certify that:

1. The Taxpayer Identification Number shown on this form is correct or I am waiting for a number to be issued to me.

If the IRS has notified you that you are currently subject to backup withholding because you failed to report interest and dividends on your tax return, you must cross out item 2 below.

2. I am not subject to backup withholding because:
   a. I am exempt from backup withholding, or
   b. I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of failure to report all interest or dividends, or
   c. The IRS has notified me that I am no longer subject to backup withholding.
3. I am a U.S. person, and
4. The Foreign Account Tax Compliance Act (FATCA) code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

The IRS does not require your consent to any provision of this document other than the certifications required to avoid backup withholding.

Annuity Contract number_____

Section G. Payment method (choose one) (Withdrawals can only be made payable and sent to the contract owner or financial institution for benefit of the contract owner.)

(If a selection is not made, payments will be sent to the address of record.)

☐ **Automatic Clearing House (ACH)** (Bank must be a member of ACH. Bank account owner must be the same as contract owner.)

Please note: If voided check or deposit slip is not sent or already on file with Allianz, a check will be sent to your address of record in place of the ACH transfer.

- ☐ Checking, I have enclosed a **VOIDED CHECK**.
- ☐ Savings, I have enclosed a **DEPOSIT SLIP**.
- ☐ Send disbursement payable to financial institution. (The disbursement will be taxable to you and will be payable to the financial institution. The disbursement will be sent to the owner's address of record unless a letter of acceptance is received from the financial institution.)

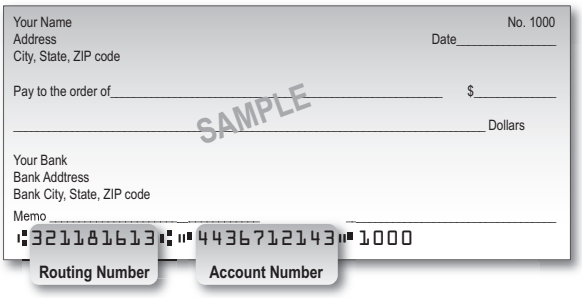
Account number_____

Name of financial institution _____

Financial institution's telephone (_____) _____

☐ **Send disbursement to owner at address on record.**

Attach a voided check for a checking account, or a deposit slip for savings account.



Section H: Signatures (Signature section must be completed. All owner's signatures are required.)

A person who knowingly and with intent to injure, defraud, or deceive any insurance company, files a form containing false, incomplete, or misleading information is committing a crime, and may be subject to civil and criminal penalties. I authorize Allianz to process the requested distribution. I am aware that this transaction is **NOT** reversible. Once the distribution is processed, the taxable event and any federal or state withholding that occurred cannot be reversed. I am aware that surrender charges may apply and understand the tax consequences of such distribution.

This form must be received within 30 days of signing.

Contract owner's signature _____ Signed date _____

(ADDITIONAL SIGNATURES REQUIRED, IF APPLICABLE)

[1]Power-of-Attorney: _____ **By:**_____ _____

Contract owner's name | Attorney-in-fact signature | Signed date

[1] Submit legal documents such as power-of-attorney paperwork.

Submit page 1-3 of this form. Options:

Fax to number 763.582.6004. Mail to address: PO Box 59060, Minneapolis MN 55459-0060