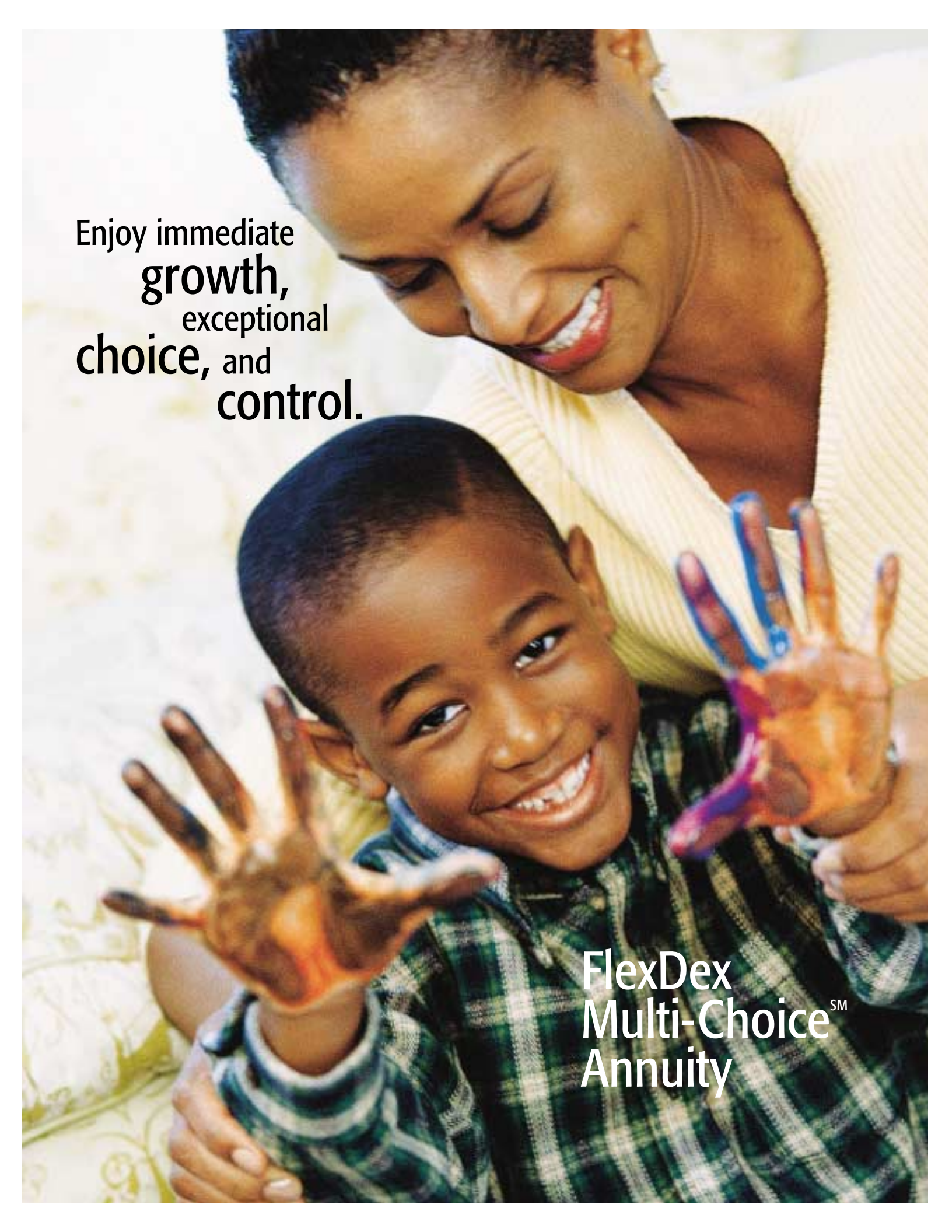




FlexDex Multi-ChoiceSM Annuity

A flexible premium, equity index annuity

A photograph of a woman with short dark hair, wearing a light-colored ribbed sweater, smiling warmly as she looks down at a young boy. The boy, wearing a green and white plaid shirt, is smiling broadly and holding up both hands. His hands are covered in colorful paint, with fingers painted in shades of blue, purple, and orange. The background is a light-colored wall with a subtle floral pattern.

Enjoy immediate
growth,
exceptional
choice, and
control.

FlexDex
Multi-ChoiceSM
Annuity

The FlexDex Multi-ChoiceSM Annuity

A flexible premium, equity index annuity from Allianz Life

When planning for your financial future, decisions aren't always easy. On one hand you want to place your money in a financial vehicle for solid growth. But on the other hand, you don't want to lose all access to your savings, or even lose your savings! What if you could:

- See your money increase immediately?
- Take advantage of market gains to enhance your retirement income?
- Gain access to part of your money if the need arises?

It's all possible with the FlexDex Multi-Choice Annuity. You get the added value of a premium bonus, freedom to choose how you build your nest egg, and withdrawal options in case of an emergency.

**With FlexDex Multi-Choice,
you can maximize your
retirement income potential
without sacrificing control.**



FlexDex Multi-ChoiceSM features

Make the most of your retirement savings



Immediate 5% premium bonus

You receive an immediate 5% bonus on all premium paid during the first five policy years.

Guaranteed tax-favored interest

Your money accumulates with the advantage of tax-deferral, helping you build a solid retirement.

Choices for building your retirement

You can allocate your premium in 25% increments, totaling 100%, among three different choices: an interest earning account (called your Interest Earning Value), the S&P 500* Index, and the Nasdaq-100*** Index. You also have the power to change your allocations each policy year.

The type of indexing that works best for you

At the time of application, you choose to base your indexed gains on either the monthly averaging method, or the point-to-point (end-of-year vs. beginning-of year).

Guaranteed participation in stock market index gains

You have the potential to share in 100% of the monthly average gains or 55% of the point-to-point market gains, guaranteed while the policy is in deferral. You can share in gains up to an annual maximum (the cap) each year performance is positive.

Peace of mind when the market fluctuates

When assigning premium to either market index, you only share in market gains. Your premium will not be reduced because of a market fluctuation.

Annual reset of index values

Market index values are reset each policy year, locking in the previous year's gains, if any, to your accumulation value.

No fees to reduce your gains

No annual fees or yield spread charges will reduce your policy values, and surrender charges decrease over a 12-year period until they disappear!

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FlexDex Multi-ChoiceSM Annuity benefits

Flexibility to manage your own money

Lump-sum payment option

After the first policy year, a lump-sum withdrawal up to 5% of premium paid per policy year can be taken without penalty, up to a cumulative 25% of premium paid. You can also take a lump-sum payment of the entire accumulation value at any time. (Some restrictions and surrender charges may apply.)

Minimum distribution for qualified plans

A required minimum distribution of qualified plans may be taken without penalty (policy values will be reduced by the distribution amount withdrawn).

Interest only payment option

After five years, you may elect to receive interest only payments for a period of five years, after which you can take your policy's accumulation value in a lump-sum.

Retirement income you cannot outlive

Anytime after five policy years, you can receive a distribution of annuity values over a period as short as 10 years, or elect an income stream that you cannot outlive.

Indexed payouts for greater income potential*

You will have the potential for increased income based on the performance of the S&P 500 Index with the election of a qualifying distribution.

Systematic Withdrawal of Credits option

After you've held your policy for five years, you can keep your policy in deferral while receiving regular payments of your policy's Interest Earning Value and any Index Benefit credits.



Financial coverage when you need it

Up to 60% more lifetime income if illness or disability strikes*

When you have received a form of lifetime retirement income for a period of two years, your payments may be increased by up to 60% if you are unable to perform five of nine specific Activities of Daily Living. The increase would continue as long as you qualify.

Nursing Home Benefit*

If you should enter a nursing home for at least 30 days out of a 35 consecutive day period after the first policy year, you may take an accelerated distribution of your accumulation value over a period as short as five years.

* Not available in all states.

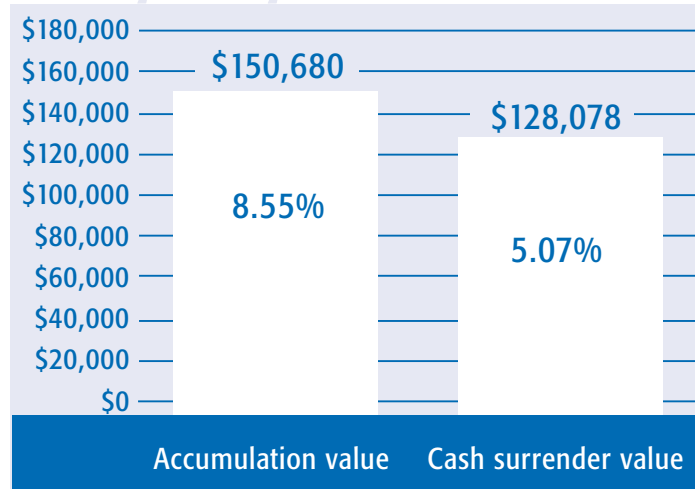
S&P 500 – monthly averaging hypothetical examples

Hypothetical example of participation in growth of the S&P 500 Index from 1/1/1996 - 12/31/2000, using the monthly averaging method. Assumes single \$100,000 premium payment plus a 5% bonus, 100% participation rate, and 10% annual cap. 100% of premium allocated to the S&P 500.

Yields shown reflect actual S&P 500 Index performance during 1/1/1996 - 12/31/2000.

Assumes FlexDex Multi-ChoiceSM Annuity has been available since 1996.

Five-year yields



Five-year yields



Hypothetical example of participation in growth of the S&P 500 Index from 1/1/1988 - 12/31/1992, using the monthly averaging method. Assumes single \$100,000 premium payment plus a 5% bonus, 100% participation rate, and 10% annual cap. 100% of premium allocated to the S&P 500.

Yields shown reflect actual S&P 500 Index performance during 1/1/1988 - 12/31/1992.

Assumes FlexDex Multi-Choice Annuity has been available since 1988.

Yields shown reflect annualized returns over five years only and assume all premium is held in policy for the full five years. Past performance does not guarantee future results.

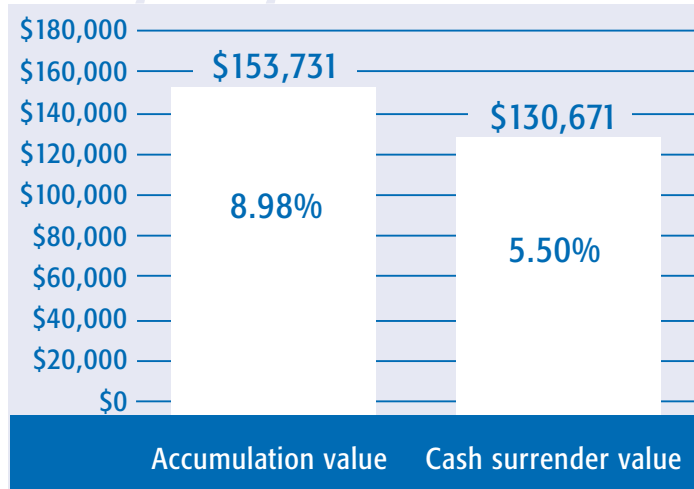
S&P 500 – point-to-point hypothetical examples

Hypothetical example of participation in growth of the S&P 500 Index from 1/1/1996 - 12/31/2000, using the point-to-point method. Assumes single \$100,000 premium payment plus a 5% bonus, 55% participation rate, and 10% annual cap. 100% of premium allocated to the S&P 500.

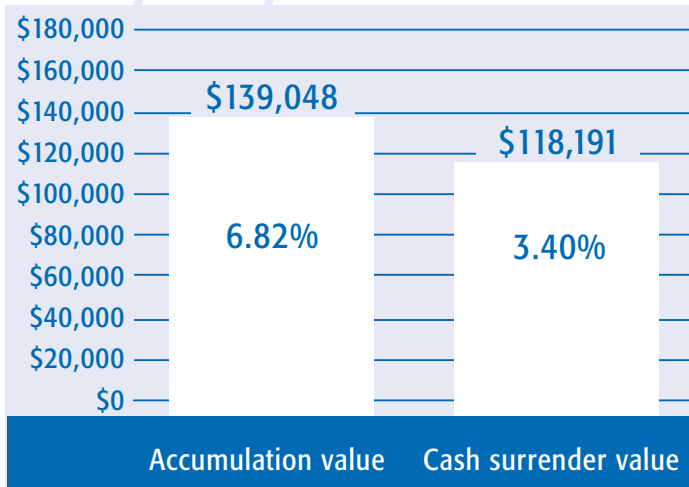
Yields shown reflect actual S&P 500 Index performance during 1/1/1996 - 12/31/2000.

Assumes FlexDex Multi-ChoiceSM Annuity has been available since 1996.

Five-year yields



Five-year yields



Hypothetical example of participation in growth of the S&P 500 Index from 1/1/1988 - 12/31/1992, using the point-to-point method. Assumes single \$100,000 premium payment plus a 5% bonus, 55% participation rate, and 10% annual cap. 100% of premium allocated to the S&P 500.

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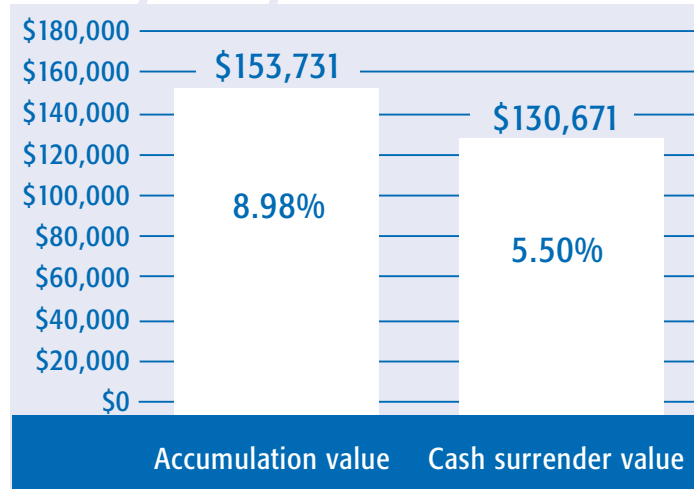
Nasdaq-100[®] – monthly averaging hypothetical examples

Hypothetical example of participation in growth of the Nasdaq-100 Index from 1/1/1996 - 12/31/2000, using the monthly averaging method. Assumes single \$100,000 premium payment plus a 5% bonus, 100% participation rate, and 10% annual cap. 100% of premium allocated to the Nasdaq-100.

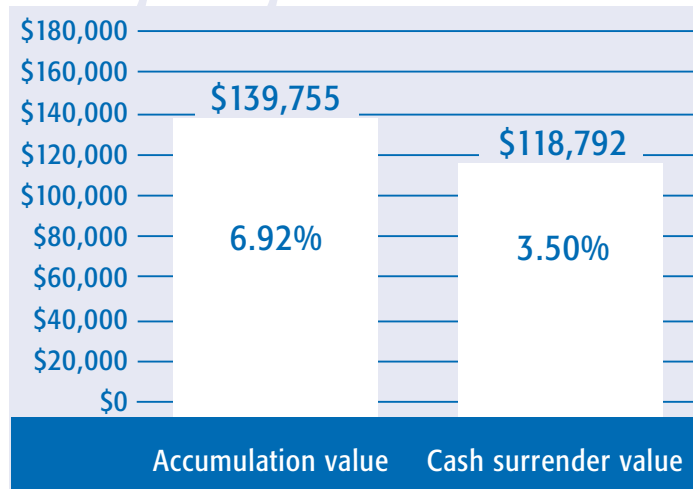
Yields shown reflect actual Nasdaq-100 Index performance during 1/1/1996 - 12/31/2000.

Assumes FlexDex Multi-ChoiceSM Annuity has been available since 1996.

Five-year yields



Five-year yields



Hypothetical example of participation in growth of the Nasdaq-100 Index from 1/1/1988 - 12/31/1992, using the monthly averaging method. Assumes single \$100,000 premium payment plus a 5% bonus, 100% participation rate, and 10% annual cap. 100% of premium allocated to the Nasdaq-100.

Yields shown reflect actual Nasdaq-100 Index performance during 1/1/1988 - 12/31/1992.

Assumes FlexDex Multi-Choice Annuity has been available since 1988.

Yields shown reflect annualized returns over five years only and assume all premium is held in policy for the full five years. Past performance does not guarantee future results.

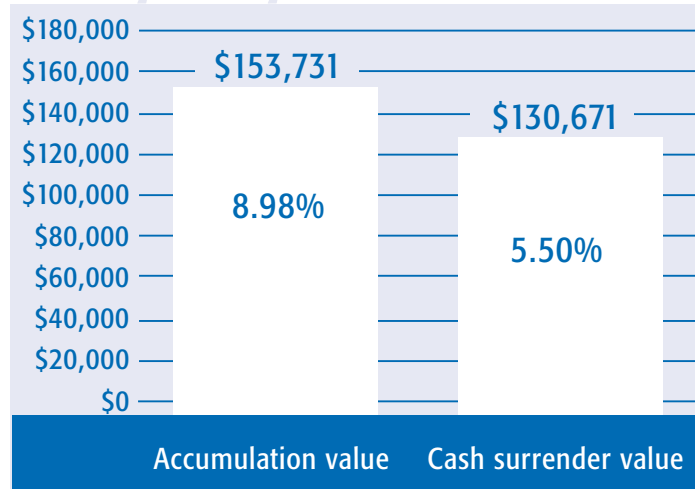
Nasdaq-100[®] – point-to-point hypothetical examples

Hypothetical example of participation in growth of the Nasdaq-100 Index from 1/1/1996 - 12/31/2000, using the point-to-point method. Assumes single \$100,000 premium payment plus a 5% bonus, 55% participation rate, and 10% annual cap. 100% of premium allocated to the Nasdaq-100.

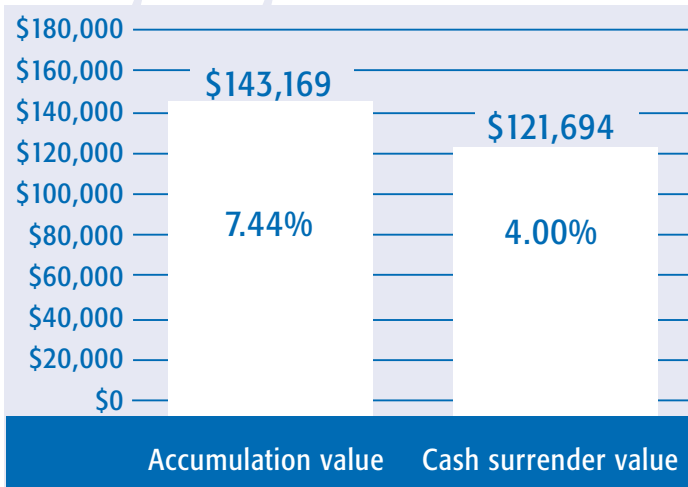
Yields shown reflect actual Nasdaq-100 Index performance during 1/1/1996 - 12/31/2000.

Assumes FlexDex Multi-ChoiceSM Annuity has been available since 1996.

Five-year yields



Five-year yields



Hypothetical example of participation in growth of the Nasdaq-100 Index from 1/1/1988 - 12/31/1992, using the point-to-point method. Assumes single \$100,000 premium payment plus a 5% bonus, 55% participation rate, and 10% annual cap. 100% of premium allocated to the Nasdaq-100.

Yields shown reflect actual Nasdaq-100 Index performance during 1/1/1988 - 12/31/1992.

Assumes FlexDex Multi-Choice Annuity has been available since 1988.

Yields shown reflect annualized returns over five years only and assume all premium is held in policy for the full five years. Past performance does not guarantee future results.

Answering your questions

What is the FlexDex Multi-ChoiceSM Annuity?

The FlexDex Multi-Choice Annuity is a flexible premium, tax-deferred annuity offering an immediate 5% premium bonus on all premium paid during the first five policy years. In addition, FlexDex Multi-Choice offers the option to share in stock market index gains, up to an annual maximum, guaranteed for the life of the policy.

What are the minimum and maximum premiums?

An initial payment of \$5,000 for nonqualified premium (\$2,000 for qualified premium) is required for issue. The maximum premium without prior approval is \$500,000.

Can premium payments be made after I purchase the policy?

Yes. Additional premium payments can be made as long as the policy is in deferral, the annuitant is still alive, and payments are at least \$25. The bonus is applied to all premium paid in the first five policy years.

How is additional premium credited?

Additional premium payments are credited to the Interest Earning Value. On the next policy anniversary, the entire accumulation value — including all earned Index Benefit and Interest Earning Value credits — will be reallocated according to your selected allocations.

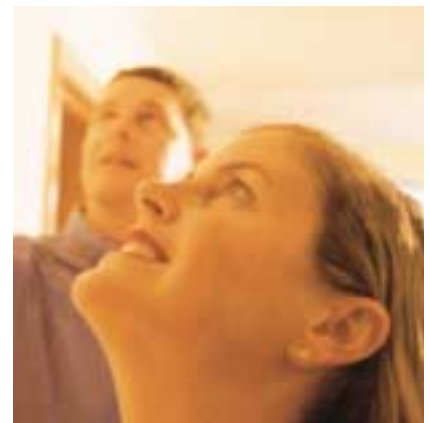
How often can I allocate my premium?

After allocating your initial premium in increments of 25% at application, you have the option of reallocating your accumulation value each policy year among the S&P 500 Index, Nasdaq-100[®] Index, and Interest Earning Value. Requested changes to your allocations must be submitted in writing and will be confirmed.

What is the S&P 500 Index? The Nasdaq-100 Index?

The S&P 500 Composite Stock Price Index (S&P 500 Index) is a market value-weighted index of 500 common stocks traded on every major U.S. stock exchange. The 500 companies tend to be leading companies from leading industries. Often used as a benchmark for economic growth, the S&P 500 is compiled daily by Standard & Poor's, a division of The McGraw-Hill Companies.

The Nasdaq-100 Index includes the 100 largest non-financial market capitalization companies on The Nasdaq Stock Market across all non-financial market sectors. The Nasdaq-100 Index was rebalanced in 1998 to a modified market capitalization weighted index.



How are my policy values affected by the performance of the S&P 500 or Nasdaq-100[®] Index?

Policy values are not exposed to market risk and are not reduced because of a market fluctuation. Index Benefit credits are credited to your accumulation value at the end of each policy year. Index Benefit credits are based on the following, according to your allocation percentages:

- the S&P 500 Index and/or Nasdaq-100 Index monthly average performance over each policy year; or
- the S&P 500 Index and/or Nasdaq-100 Index point-to-point performance over each policy year.

The index value is reset at the beginning of each policy year, and the process is repeated throughout all subsequent index terms. The S&P 500 and Nasdaq-100 Index values do not include dividends.

How do the monthly averaging and point-to-point indexing methods work?

For the monthly averaging method, if the average of monthly index values is greater than the index value at the start of that term, an Index Benefit credit is calculated based on 100% of that increase (subject to the cap). For the point-to-point method, if the index value on the last day of a term is greater than the index value at the start of that term, an Index Benefit credit is calculated based on 55% of that increase (subject to the cap). With either method, Index Benefit credits are credited to the accumulation value at the end of each policy year.

You select either the point-to-point or monthly averaging indexing method at policy issue. Once either is selected, that method is locked in for the life of the policy. The index crediting method you choose on the application applies to both indexes.

What are the participation rates?

The participation rates are 100% for monthly averaging and 55% for point-to-point, and are guaranteed for all policy years.

What is a cap?

The cap is a limit to the annual rate of increase used to determine the Index Benefit credits credited to the accumulation value. The cap for both the S&P 500 and Nasdaq-100 Indexes is guaranteed to remain unchanged for one policy year. Beginning in the second policy year, the cap is declared annually and is guaranteed for one policy year. The cap will never be less than 8%.*

What does annual reset mean?

The values of the S&P 500 and the Nasdaq-100 Indexes are reset at the beginning of each policy year. The reset value will be equal to the value of the index at the end of the previous policy year. Index Benefit credit calculations for each new policy year will be based on the newly reset value.

When can a payout be started from the policy?

The accumulation value is available for distribution for a minimum of ten years following a minimum five-year deferral, or for a minimum of five years following a minimum five-year deferral for the interest only option.

What annuity payout options are available?

A full range of settlement options is available, including: period certain (over a period as short as 10 years), life with period certain, life only, joint and survivor, and five years of interest only.

* Never less than 6% in California.

Answering your questions continued

What is the interest only option?

After five years of deferral, you may elect to take an interest only payout for five years. At the end of the interest only period, the accumulation value may be taken in a lump-sum. If any withdrawals are requested during the interest only period, that period must terminate for the withdrawal request to be processed. A new interest only option may then be elected.

Is Systematic Withdrawal of Credits available?

Systematic Withdrawal of Credits lets you keep your policy in deferral while you receive Interest Earning Value and Index Benefit credits. Your payments can be monthly, quarterly, semi-annually, or annually, and will be based on credits applied to your policy after the request is received. To qualify for this option, your policy must be held at least five policy years and be in deferral. The \$25 minimum payment requirement must also be met.

Is minimum distribution available?

Yes. A required minimum distribution from a tax-qualified plan (IRA, SEP, etc.) is available seven days after policy issue. The distribution is penalty-free and can be paid either monthly or annually.

Can I take a penalty-free withdrawal?

Yes. You may take one penalty-free withdrawal of up to 5% of premiums paid each policy year as long as:

- it occurs at least 12 months after the last premium is received, and
- cumulative withdrawals do not exceed 25% of all premium.

If, within one year of a penalty-free withdrawal, the policy is annuitized, another withdrawal is taken, or you submit additional premium, the penalty-free withdrawal will be treated retroactively as a partial surrender.

Can I take a policy loan?

A policy loan may be taken for up to 50% of the cash surrender value (maximum of \$50,000). The loan interest rate is 7.4% in advance. Loans are not available with an IRA, SEP or some other qualified plans. Unpaid loans will be treated as a partial surrender. Loaned amounts remain indexed to the S&P 500 and/or Nasdaq-100[®] Index(es).

What is an indexed payout?*

You have the choice to index the full value of your payout (distribution) to the average monthly performance of the S&P 500 Index. If index growth occurs, you would have the potential to receive an increased distribution. If you choose to index your distribution, you always have the choice at the end of each year to not index and switch to a fixed payment. You can return to indexing again in a future year. (Fee may apply.)



What if I surrender the policy?

A full surrender may be requested at any time before the annuity date. The surrender request must be written. Surrender charges, if any, will be applied.

When are surrender charges eliminated?

Surrender charges start at 15% on the date of policy issue and are held constant for the first five years. After the fifth year the surrender charge percentage decreases monthly by .18% over the next seven years.

Beginning of policy year	Surrender charge %
1	15.00%
2	15.00%
3	15.00%
4	15.00%
5	15.00%
6	15.00%
7	12.84%
8	10.68%
9	8.52%
10	6.36%
11	4.20%
12	2.04%
13+	0.00%

What are the minimum guaranteed interest rates?

No less than 3% interest will be credited to the Interest Earning Value while in deferral. An interest rate of no less than 2.5% will be used to determine payout rates.

What is the guaranteed minimum value?

The guaranteed minimum value equals 75% of the premiums paid in the first policy year, plus 87.5% of the premiums paid after the first policy year, less any withdrawals, accumulated at 3% compounded annually. The cash surrender value will never be less than the guaranteed minimum value.

Are there any initial sales charges?

There are no initial charges. 100% of the premium is credited to your accumulation value.

Is there a Nursing Home Benefit?*

Yes. The Nursing Home Benefit allows you to take a distribution as an annuity payout over a period as short as five years. Confinement to a nursing home must begin after the first policy year. Payments under the Nursing Home Benefit will be based on your policy's accumulation value.

* Not available in all states.

Answering your questions continued

What is the idea[®] Benefit?*

The **idea** Benefit is automatically included with every FlexDex Multi-ChoiceSM Annuity policy. Should you become disabled after receiving some form of life income for a minimum of two years, your monthly income payments may increase by 30% for partial disability or 60% for total disability. The disability may first occur either prior to or after electing a life income settlement option. The increased payments will continue for as long as the disability persists. Life income payments must have begun prior to your 85th birthday in order to be eligible for the increased payments.

Total disability is defined as the inability to perform at least five Activities of Daily Living (ADLs) using all three clusters. Partial disability is the inability to perform at least two ADLs using at least two clusters.

Cluster 1	Cluster 2	Cluster 3
Toenails	Stairs	Medicating
Bathing	Outside	Transference
Dressing	Ambulation	Eating

When do I pay income tax?

Your policy values grow tax-deferred, and no income taxes are payable until you receive payment from your policy. Then, on nonqualified plans, only gains are taxable. If you are under the age of 59½ when a withdrawal is made, there may be a 10% penalty-tax imposed. Please consult with your tax advisor.

What happens if death occurs?

FlexDex Multi-Choice provides a death benefit payable to the annuitant's named beneficiary. The death benefit will be equal to the accumulation value if taken over a minimum of five years. If taken either as a lump-sum or over a period of less than five years, the death benefit will equal the greater of the cash surrender value, or the sum of premiums paid less any withdrawals.

Is this annuity subject to probate in the event of death?

Benefits paid to a properly designated beneficiary (except for the estate) will pass without the costs and delays of probate.

How will I know my policy value?

You will receive quarterly statements reporting the value of your annuity.



Thank you for choosing the

FlexDex Multi-ChoiceSM Annuity



You have the utmost in safety

We provide policyholders with fair and equitable value, ensuring that the product you purchase helps meet your needs and financial objectives. Utmost in our minds is the safety of the funds you entrust to our care.

At Allianz Life, safety of policyholder funds is paramount. Allianz Life Insurance Company of North America is a member of the Allianz Group, one of the world's largest insurance groups. Both the Allianz Group and Allianz Life are rated:

- A++ (Superior) by A.M. Best Company, the highest rating assigned by this independent rating agency.
- AA+ (Very Strong) by Standard & Poor's, the second highest rating for insurer financial strength.

The ratings are based on an analysis of financial results and evaluation of management objectives and strategies.

Policies are issued by Allianz Life Insurance Company of North America (form numbers P7400P and P7400M).

The FlexDex Multi-ChoiceSM Annuity is intended for long-term accumulation, and is most appropriate for policyholders seeking growth over a period of at least five years.

This brochure is a summary of FlexDex Multi-Choice Annuity only. Please read your policy carefully for full details.

Agent Name: _____

License Number: _____

Allianz Life Insurance Company
of North America

PO Box 59060
Minneapolis, MN 55459-0060

800/950-1962
www.allianzlife.com

Product availability and benefits may vary by state.

(12/2001)