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## **Allianz Life Introduces First Inflation-Protected FIA Income Rider**

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By Editor Test     *Wed, Oct 6, 2010*

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*For an extra annual fee of 60 basis points, the Simple Income III Rider also offers an 8% annual roll-up of the benefit base.*

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Alliance Life's MasterDex X fixed indexed annuity now offers a "Simple Income III" rider, which provides guaranteed lifetime income with optional inflation protection. According to the issuer, it is the first rider of its kind to offer adjustments for inflation.

Simple Income III offers level, indexed, or inflation-protected payments. Under the inflation option, payments rise with increases in the Consumer Price Index (CPI-U).

Inflation is the number one retirement risk, according to the 2009 *Risks and Process of Retirement Survey Report* from the Society of Actuaries. At an assumed average of 3% annual inflation, \$100,000 loses 14% of its purchasing power in five years and 45% in 20 years, according to the issuer.

The CPI-U-linked payment option protects purchasing power throughout the first 20 years of income, up to 10% per year. For an extra annual fee of 60 basis points, the Simple Income III Rider also offers an 8% bonus added to the withdrawal value each year until income withdrawals begin or the client turns age 90, whichever comes first.

Allianz Life is a unit of Allianz SE, the 20th largest company in the world by revenues, according to the *Fortune Global 500*, August 2010.

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