
Allianz Life Launches FIA for Broker-Dealer Channel

By Kerry Pechter Fri, Oct 18, 2013

The Core Income 7's Core Income Benefit rider is automatically included at an additional cost of 1.05% of the contract's accumulation value, the company said in a release.

Allianz Life Insurance Company of North America (Allianz Life), which built its indexed annuity business by distributing through the independent agent channel, has launched a fixed indexed annuity that it describes as the first FIA built by Allianz Life to appeal to the broker/dealer channel.

[An Allianz Life spokesperson was not available prior to deadline to explain how this product will appeal to broker-dealers more than other FIA contracts. Some FIAs are issued by companies with less than A strength ratings, which is a threshold for being accepted by broker-dealers. Allianz Life has an A rating from A.M. Best.]

The Allianz Core Income 7 Annuity is designed to offer a combination of downside protection, accumulation potential, a death benefit and lifetime withdrawal options. Its Core Income Benefit rider is automatically included at an additional cost of 1.05% of the contract's accumulation value. It is available in 39 states, according to an Allianz Life release.

The lifetime withdrawal percentage automatically increases as early as age 45 and continues each year the customer waits to begin lifetime withdrawals. The longer the contract remains in the accumulation phase, the higher the income payment percentage will be during payout.

Customers can choose between one or more interest crediting allocations, which can be changed annually. They can earn fixed interest or can choose to base potential indexed interest on changes in several market indexes including the new Barclays US Dynamic Balance Index.

In addition to distribution through the broker/dealer channel, the Allianz Core Income 7 FIA will also be sold through field marketing organizations associated with the Allianz Preferred platform.

Starting at age 50, contract owners can choose either level payments for life or payments that have the potential to increase each year.

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