

DISCOVER NEXT GENERATION IUL

Three Indexed Universal Life Insurance
Products to Meet a Range of Client Needs



PACIFIC LIFE

Pacific Life Insurance Company



FAMILY



BUSINESS



RETIREMENT



ESTATE



DISCOVER NEXT GENERATION IUL

Choose among three products to help you meet your clients' family, business, retirement, and estate planning needs.¹



FAMILY

Because Family Comes First

PACIFIC INDEXED PROTECTOR 2

*Flexible Premium Indexed
Universal Life Insurance*



RETIREMENT

Protect What You've Built

PACIFIC INDEXED PERFORMER LT 2

*Flexible Premium Indexed
Universal Life Insurance*



ESTATE

Share Your Success

PACIFIC INDEXED ESTATE PRESERVER 2

*Last Survivor Flexible Premium
Indexed Universal Life Insurance*

THE FLEXIBILITY OF CASH VALUE LIFE INSURANCE

FINANCIAL PROTECTION

A policy's proceeds are paid to policy beneficiaries when the insured dies.

FINANCIAL POTENTIAL

A policy's cash value has the potential to grow, less policy charges.

FINANCIAL FEATURES

A policy's optional features are available for additional life insurance and financial needs.

¹ Pacific Indexed Protector 2 (Policy Form #P15IUL, S15PIAPR or ICC15 P15IUL, ICC15 S15PIAPR), Pacific Indexed Performer LT 2 (Policy Form #P15IUL, S15PIAP or ICC15 P15IUL, ICC15 S15PIAP), and Pacific Indexed Estate Preserver 2 (Policy Form #P15SIL, S15IEP2 or ICC15 P15SIL, ICC15 S15IEP2). Policy form # based on product and state of policy issue. Indexed Universal Life Insurance products do not directly participate in any stock or equity investments and are referred to as indexed adjustable life insurance products in the contract. Life insurance is subject to underwriting and approval of the application and will incur monthly policy charges. Indexed universal life insurance generally requires additional premium payments after the initial premium. If either no premiums are paid, or subsequent premiums are insufficient to continue coverage, it is possible that coverage will expire.

THE IUL GAME CHANGERS

There's a reason Pacific Life is a leader in indexed universal life insurance (IUL)² and it goes beyond the current³ growth cap rate. After all, rates will change. Will the product's features and the carrier's strength keep up with your clients' changing needs?

Change the game. Lift your gaze. Focus on the long-term ability of a policy to meet your clients' needs today and tomorrow.

Discover Pacific Life's eight IUL Game Changers.

2 Pacific Life has been #1 in IUL sales for seven straight years. LIMRA International Q4, 2009–Q4, 2015 Confidential Sales Survey of Participating Life Insurance Companies. Sales rankings are based on recurring premium as measured against 85 participating companies. "Recurring premium" measures expected annual premiums which can be greater than the target premium.

3 Nonguaranteed/current elements are not guaranteed by definition. As such, Pacific Life Insurance Company reserves the right to change or modify any of these elements. This right to change these elements is not limited to a specific time or reason.



KEY PRODUCT FEATURES



CHOICE OF LONG-TERM CARE OR CHRONIC ILLNESS RIDERS⁴

Choose between the Premier LTC Rider⁵ or Premier Living Benefits Rider⁶ on eligible policies.⁷ Each rider allows the policyowner to accelerate a portion of the death proceeds as income benefits if the insured develops a chronic illness (unable to perform at least 2 of 6 activities of daily living or requiring supervision due to cognitive impairment).⁸

Pacific Life is currently the only IUL carrier to offer clients a choice of chronic illness or long-term care riders.



RANGE OF INDEXED ACCOUNTS AND A FIXED ACCOUNT

Choose among U.S. and international indexed accounts, each designed to help optimize interest crediting potential in different conditions. Plus the certainty of a fixed account.

Guaranteed minimum annual rates:

0% in indexed accounts

2% in fixed account

- ⁴ Riders will likely incur additional charges and are subject to availability, restrictions, and limitations. Clients should be shown policy illustrations with and without riders to help show the rider's impact on the policy's values. Policy charges for riders are deducted from the policy's accumulated value on a monthly basis. Policy lapse will only occur where the policy's cash value less policy debt is not sufficient to cover monthly policy charges, unless a no lapse guarantee is in effect. Prior to lapse, the policy provides 61 days to pay premium sufficient to keep the policy in force.
- ⁵ Premier LTC Rider (Form #R15LTC, R15LTC SP or ICC15 R15LTC, ICC15 R15LTC SP, based on state of policy issue). The policy to which this rider is attached is subject to a medical exam, Medical Information Bureau, prescription report, and may require obtaining records from your client's physician. The rider is subject to eligibility and underwriting approval and requires a personal history interview and cognitive assessment. The amount and duration of the maximum LTC Benefits and the rider charge will vary based on the benefit options elected at time of application and the use of policy benefits and features. The rider charge is included as part of the monthly deduction for this policy. Rates for long-term care coverage under this rider may increase over time, but not above those stated in the Policy. This rider is intended to provide federally tax-qualified long-term care insurance as defined in IRC Section 7702B(b) benefits accelerate the policy's Death Benefit and will reduce any proceeds payable upon the insured's death or at time of surrender. Exclusions apply. See back cover. This rider is not qualified under any state long-term care insurance partnership program. For more information on Partnership Qualified products, clients should contact the state department of insurance.
- ⁶ Premier Living Benefits Rider (Form #R12CII or ICC12 R12CII, based on state of policy issue). There is no up-front cost or monthly rider charge. The cost of exercising the rider is that the death benefit is reduced by an amount greater than the rider benefit payment itself to reflect the early payment of the death benefit. Benefits paid by accelerating the policy's death benefit may or may not qualify for favorable tax treatment under Section 101(g) of the Internal Revenue Code of 1986.
- ⁷ Both riders offer indemnity benefits, which means they pay a cash benefit that may be used for any reason—medical or nonmedical upon qualifying condition. Eligible insureds for both riders are issue ages 18–75, subject to additional underwriting requirements and a one chronic illness/long-term care rider per insured issue limit. Riders are not available on Juvenile, Guaranteed Issue, or Simplified Issue policies, policies issued as a conversion from another policy (unless the rider was included in the original policy), or on policies with scheduled face amount increases. The Premier LTC Rider is not available on a policy with the Benefit Distribution Rider or the Premier Living Benefits Rider.
- ⁸ For Premier Living Benefits Rider and Premier LTC Rider, rider benefit payments will reduce policy values, including death benefit, cash surrender value, and policy debt, and may adversely affect the benefits under other riders. Tax treatment may depend on factors such as the amount of benefits, the amount of qualified expenses incurred, or if similar benefits are being received under other contracts. For the Premier Living Benefits Rider, these amounts may also be in relation to certain IRS limitations (referred to as "per diem" limits). Tax laws relating to accelerated death benefits are complex. Receipt of accelerated death benefits may affect eligibility for public assistance programs such as Medicaid. When benefits are received from multiple policies providing long-term care or chronic illness benefits for a given insured, including policies with different owners, all of those benefits must be aggregated to determine their taxability. Pacific Life cannot determine whether the benefits are taxable. If there are any questions concerning the tax implications of this product/rider(s), qualified and independent legal and tax advisors should be consulted.

KEY PRODUCT FEATURES



NO-LAPSE GUARANTEE RIDER⁴

Extend the policy's built-in no-lapse guarantee for a duration of the client's choice—up to lifetime by electing this optional rider at policy issue.⁹



BENEFIT DISTRIBUTION RIDER⁴

For clients wanting to spread payment of their policy's death proceeds over time, the optional Benefit Distribution Rider may provide a potential boost to the policy's long-term cash value accumulation potential.¹⁰



⁹ No-Lapse Guarantee Rider (form #R14FNL or ICC14 R14FNL, based on state of policy issue). Depending on how your client structures the policy, the No-Lapse Guarantee Rider has a maximum duration of the insured's lifetime, subject to certain limits. If your client's net no-lapse guarantee value is zero, the no-lapse feature terminates. If the no-lapse feature terminates, additional premiums would be required to resume the no-lapse guarantee. If policy performance is such that your client's policy is being maintained solely by a no-lapse guarantee, your client's policy will not build cash value. If policy loans or withdrawals are taken, additional premiums may be required to keep the no lapse guarantee in force.

¹⁰ Benefit Distribution Rider (Form #R15BDR) is optional and must be elected at policy issue. On a nonguaranteed basis, Pacific Life may reduce policy charges through a Benefit Distribution Rider Credit. On a guaranteed basis, the rider's Periodic Payments of death benefit reflect a 2% level annual interest rate. If the rider is not elected, the beneficiary can elect to receive periodic payments under an Income Benefit plan we make available to them at the insured's death that may credit a higher or lower interest rate than the rider's 2% guaranteed rate. However, the election of an Income Benefit plan at the insured's death will not result in any nonguaranteed reduction of policy charges while the policy is in force. Once elected at policy issue, the rider's Periodic Payment elections may not be changed unless the policyowner is approved for an unscheduled Basic Coverage face amount increase as specified in the contract. Exercising other available riders may adversely affect or limit the Benefit Distribution Rider.

KEY SERVICES



CLIENT-FRIENDLY IUL STATEMENT

Quickly assess policy performance with the average interest rate from policy inception displayed prominently on page one of every quarterly statement.



PLANNED PERFORMANCE TRACKING

Smart online tools to benchmark policy performance, automate reminders to make important policy changes, view indexed segment maturity notices, and more.

Free up more time to do what you do best—sell.

24/7 Online Policy Management

FOR CLIENTS

MyLife.PacificLife.com

FOR YOU

PPT.PacificLife.com



KEY RELATIONSHIPS



EXISTING POLICYOWNER TREATMENT

Clients who buy IUL policies from Pacific Life become voting members in our mutual holding company structure. We make decisions based on policyowners' best interests and our long-term financial strength.

Consider Pacific Life's history of passing along over 125 pricing improvements since 1985, resulting in over \$425 million in savings for our existing policyowners.¹¹

When it comes to choosing the carrier who will be there for your client's lifetime, the company your clients choose matters.



DIRECT ACCESS TO EXPERTISE

**Indexed Universal Life (IUL)
Product Expert**
(800) 800-7681, ext. 7146
IULExpert@PacificLife.com

Competition Unit
(800) 800-7681, ext. 7145
CompetitionUnit@PacificLife.com

Case Design
(800) 800-7681, ext. 6699
Lifellustrations@PacificLife.com

Advanced Designs Unit
(800) 800-7681, ext. 3690
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¹¹ Cumulative impact of historic cost of insurance reductions over 30 years.

PROFILE THE CLIENT



Pacific Indexed Protector 2	Pacific Indexed Performer LT 2	Pacific Indexed Estate Preserver 2
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What is the focus?

Competitive premiums and no-lapse guarantee to or beyond life expectancy

Greater cash surrender values after policy year 15

Flexible, efficient estate planning with life insurance coverage on two lives

Who may want it?

- Clients with a need for low premiums, such as:
 - Young families
 - Small or family-run businesses
 - Sandwich generation, caring for children and parents

- Clients with long-term life insurance goals of 15 years or more
- High income earners maximizing qualified retirement plan contributions and seeking supplemental retirement income planning

- Ultra-affluent estates over \$10 million with federal estate tax liabilities¹⁴
- Affluent clients with estates less than \$10 million
- Married couples, business partners, or two people in a committed relationship

How may it be used?

- Affordable no-lapse guarantee protection to or beyond life expectancy (see page 7)
- Attractive entry level cash value life insurance product—Easy conversion in year 8 to any other available Pacific Life cash value policy^{12,13}

- Life Insurance Retirement Plan
- Executive benefit plans with a focus on long-term accumulation potential

- Death benefit proceeds may be used to help meet federal and state estate taxes¹⁴
- Irrevocable Life Insurance Trust (ILIT) Planning, like Spousal Lifetime Access Trust (SLAT)
- Potentially cost-effective coverage on two lives, particularly when one life is uninsurable

12 There are circumstances in which replacing your client’s existing life insurance or annuity can benefit your client. As a general rule, however, replacement is not in your client’s best interest. You should make a careful comparison of the costs and benefits, including any applicable surrender charges, of your client’s existing policy and the proposed policy to analyze how a replacement may affect your client’s plan of insurance. You should provide this detailed information to your client and discuss whether replacement is in your client’s best interest.

13 Conversion Rider (Form #R13CON or ICC13 R13CON, based on state of policy issue) is included with all policies at no additional cost. Riders will likely incur additional charges and are subject to availability, restrictions, and limitations. Clients should be shown policy illustrations with and without riders to help show the rider’s impact on the policy’s values.

14 According to the American Taxpayer Relief Act of 2012, the federal estate, gift, and generation-skipping transfer (GST) tax exemption amounts are \$5,000,000 individual and \$10,000,000 joint (indexed for inflation); the maximum estate, gift and GST tax rates are 40%. Currently, 20 states have estate and/or inheritance taxes, some of which have rates as high as 20%. Source: U.S. Census Bureau; state statutes; Family Business Coalition at taxfoundation.org, Sept. 2015 .

START THE CONVERSATION

After determining your client has a life insurance need, use the following questions.

Questions to Help Uncover Your Clients'...

Tax risk?

- Have you adjusted your planning to accommodate the 2012 American Taxpayer Relief Act estate tax limits?¹⁴
- Do you have a plan in place where taxes will be paid *for* your estate rather than *from* your estate?

Market risk?

- How have the past 5 to 10 years of stock market performance impacted your assets?
- Would you be interested in life insurance tax planning strategies that may also mitigate market risk?

Supplemental retirement income needs?

- Would you like to acquire potentially lifelong life insurance protection while accumulating a tax-deferred asset?
- When do you want to retire?
- Have you maxed out your 401(k) or IRA contributions?

Business planning needs?

- Do you have a written business succession plan to cover the possibilities of your retirement, death, or disability?
- Do you have a plan in place to keep your business operating until a replacement is found in the event a key employee dies unexpectedly?
- Would you like to provide a personal life insurance benefit, and possibly a cash value accumulation benefit, to your executives?

Long-term life insurance goals?

Would you like to be able to...

- Maintain life insurance coverage without having to periodically submit new evidence of insurability?
- Potentially increase, decrease, or skip a premium, without losing coverage (given sufficient cash value remains to pay ongoing policy charges)?

***For more product and concept details,
go to Lifeline.PacificLife.com.***

ILLUSTRATE THE POTENTIAL

Our products can be tailored to help meet a variety of client needs.

ILLUSTRATION TIPS:

Plan to run your own illustration?

Here are some tips for getting the most out of the illustration software.

Use the Advanced Inputs version and explore all tabs within the Navigator illustration software.

✓ **Riders Tab**

Select optional reports to help you show the potential of optional riders like the Benefit Distribution Rider, Chronic Illness Rider, and Premier LTC Rider.

✓ **Output Design Tab**

Provide measures of potential value. If the client is a "numbers" person you may want to elect "IRR Columns" to show internal rate of return (IRR) on new cash surrender value and net death benefit. Or demonstrate charges by electing "Charges As % of AV Column" under "Additional Reports > Analysis of Charges."

✓ **No-Lapse Guarantee Rider**

Rather than solving for the premiums required to support a specific duration of the optional No-Lapse Guarantee Rider (i.e., solving for NLG premium under "Premium" tab), simply elect the rider under the "Riders" tab on other premium solves.

For example, for a typical insured age 50 (standard and better risk classes), electing the rider on a minimum lifetime level premium solve targeting \$1 cash value at age 120 will generally result in competitive cash values and a no-lapse guarantee duration to or beyond average life expectancy.

Let Us Help

Contact your Pacific Life Representative or Case Designer for a customized illustration.

THE PACIFIC LIFE DIFFERENCE

COMPETITIVE COMMISSIONS

Pacific Life offers competitive commissions. See for yourself and compare our target premiums.

We also offer rolling targets, so you can earn first year commission on all premiums applied up to Target 1, no matter when the premiums are paid.

SIMPLIFIED APPLICATIONS

With Tele-App Life Tickets, you can apply electronically in minutes. One phone conversation with the client is all it takes to begin.

Contact for your Pacific Life representative or logon to Lifeline.PacificLife.com for details.

Ready to Get Started?

Get the IUL Game Changers Playbook.

Order your copy from Lifeline.PacificLife.com
or Marketing.Orders@PacificLife.com / (800) 800-7681, ext. 3920.



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PREMIER LTC RIDER EXCLUSIONS, EXCEPTIONS, AND LIMITATIONS: We will not pay benefits for any room and board, care, treatment, services, equipment, or other items for care or services: 1) provided by the insured's immediate family unless he or she is a regular employee of an organization which is providing the treatment, service or care; and the organization receives the payment for the treatment, service or care; 2) for which no charge is normally made in the absence of insurance; 3) that result from an attempt at suicide (while sane or insane) or an intentionally self-inflicted injury; 4) that result from alcoholism, or drug addiction or chemical dependency; 5) that result from participation in or attempting a felony, riot, or insurrection; 6) provided outside the United States of America unless the initial and any annual renewal certification are completed by a Licensed Health Care Practitioner; 7) that result from active duty in foreign or U.S. armed forces; 8) that result from an act of war; 9) provided in a government facility (unless otherwise required by law); 10) for which benefits are available under Medicare (including amounts that would be reimbursable but for the application of a deductible or coinsurance amount) or other governmental program (except Medicaid), any state or federal workers’ compensation, employer’s liability or occupational disease law, or any motor vehicle no-fault law; 11) for preexisting conditions that are not disclosed in the application, if services begin with the first six months of policy issue; or 12) received while the rider is not in force.



Pacific Life Insurance Company
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Pacific Life Insurance Company is licensed to issue insurance products in all states except New York. Product availability and features may vary by state. Insurance products and their guarantees, including optional benefits and any crediting rates, are backed by the financial strength and claims-paying ability of the issuing insurance company. Look to the strength of the life insurance company with regard to such guarantees as these guarantees are not backed by the broker-dealer, insurance agency, or their affiliates from which products are purchased. Neither these entities nor their representatives make any representation or assurance regarding the claims-paying ability of the life insurance company.

Pacific Life Insurance Company’s individual life insurance products are marketed exclusively through independent third-party life insurance producers, which may include bank affiliated entities. Some selling entities may limit availability of some optional riders based on their client’s age and other factors. Your broker-dealer or firm can help you determine which optional riders are available and appropriate for your clients.

World Financial Group is not an affiliated company of Pacific Life Insurance Company.

Investment and Insurance Products: Not a Deposit	Not Insured by any Federal Government Agency	
Not FDIC Insured	No Bank Guarantee	May Lose Value