



Unleash Your Life Insurance Policy's Potential

Using Tax-Free* Policy Loans and Withdrawals with Automated Convenience

If you only view life insurance as beneficial at death, you may be overlooking the potential of your policy's accumulated value to provide benefits while you are living, including:

- Supplemental retirement income
- Cash for emergencies
- Balance sheet reporting benefit (cash value counts as a liquid asset)
- Power to capitalize on an opportunity requiring cash flow

Unlock your policy's flexibility with tax-free policy loans and withdrawals from your policy's accumulated value.*

Here's How It Works



*Tax-free income assumes, among other things: (1) withdrawals do not exceed tax basis (generally, premiums paid less prior withdrawals); (2) policy remains in force until death; (3) withdrawals taken during the first 15 policy years do not occur at the time of, or during the two years prior to, any reduction in benefits; and (4) the policy does not become a modified endowment contract. See IRC Sections 7702(f)(7)(B), 7702A. Any policy withdrawals, loans and loan interest will reduce policy values and may reduce benefits.



Receive Tax-Free* Income from Your Policy's Tax-Deferred Growth

Your policy's accumulated value grows tax-deferred. You may access this accumulated value through tax-free* withdrawals and loans to supplement your income.

Withdrawals:

- Tax-free* up to sum of premiums paid
- Available after first policy year
- Minimum Amount: \$200
- Maximum Amount: Cash value minus total policy debt, \$500, and any applicable surrender charges
- \$25 fee for each withdrawal (currently waived)

Policy Loans:

- Generally tax-free*
- Minimum Amount: \$200
- Maximum Amount: Cash value minus total policy debt, \$500, and any applicable surrender charges
- Loan interest rate charged is offset by interest rate credited

Most Pacific Life Insurance Company policies offer 0% net-cost policy loans on current basis, when taken after policy year 5.

Automated Cash Flow Convenience

The Automated Income Option (AIO) is a service that structures a combination of loans and withdrawals only to the extent that they will remain tax-free.* An illustration will be run at each policy anniversary to determine if the amount or projected duration of the distribution needs to be changed.

- Reliable, automatic distributions
- Choose fixed amount or fixed duration
- Tax-free* distributions (AIO will first take withdrawals up to the policy basis, then switches to policy loans)
- Convenient direct deposit of distributions into client's checking or savings account, or a paper check may be mailed if desired

AIO has certain eligibility requirements, such as a minimum net accumulated value of \$50,000 and policy must be in force for at least seven years. See your policy for details.



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

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Work with your life insurance producer to help structure an income strategy for your needs.

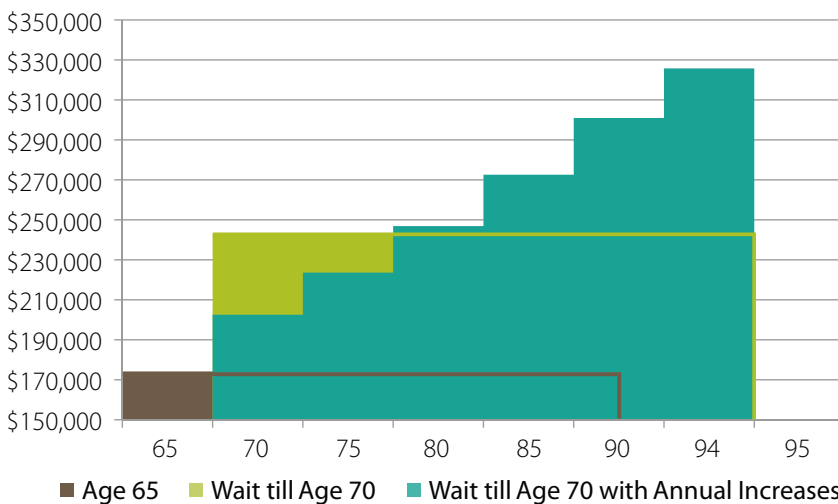
Control Your Policy's Income Flow

You're in control of your policy's flexible income stream. With sufficient cash value, you may take out a large withdrawal now and follow it 10 years later with recurring policy loans. Or, take withdrawals up to your cost basis (sum of premiums paid), then switch to policy loans for tax-free* supplemental retirement income stream. Provided there is sufficient accumulated value to continue paying monthly policy charges, your policy will remain in force. If you plan to maximize the policy loans taken from your policy, talk to your life insurance producer about the Overloan Protection II Rider (Form #R08OLP)¹, which can help prevent policy lapse in later years on heavily loaned policies that are funded at their policy maximum limits.

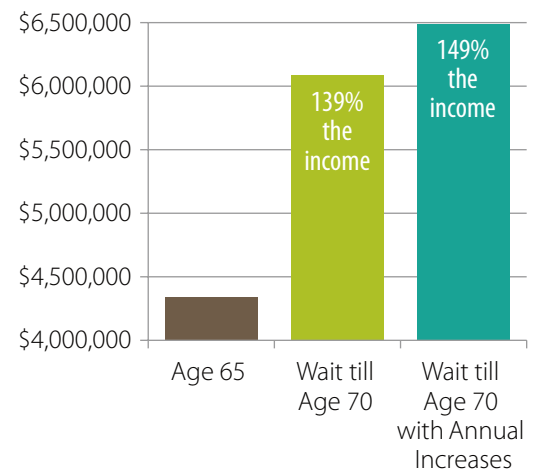
Power of Waiting

When might be a good time to start taking income? Many illustrations generally reflect distributions beginning at age 65. But as the following hypothetical example shows, by waiting to start or starting with a smaller amount but gradually increasing it over time, you can dramatically increase your overall income potential.

Maximum Income Potential by Strategy



Total Income Potential by Strategy



This hypothetical example shows 3 income strategies for the same insured: 1) maximum annual income stream beginning at age 65 to 90; 2) maximum annual income stream beginning at age 70 to 95; and 3) maximum income stream beginning at age 70 to 95 at a slightly lower initial amount that increases each year by 2%. Assumptions: Male insured, issue age 42, best nonsmoking risk class, initial death benefit of \$1 million comprised of 50/50 base/term,² (increasing death benefit option to age 65, then level), Pacific Life Insurance Company's Pacific Indexed Performer LT indexed universal life insurance (Policy Form #P11PIP or ICC11 P11PIP—form # based on state in which policy is issued), \$42,896 annual premium to age 65, 7% current interest rate, 0% guaranteed. Always refer to the Basic Illustration for guaranteed values and other important information.

Pacific Life Makes It Easy to Access Your Money

Call 800-800-7681 or sign in to "My Account" on www.PacificLife.com to request a withdrawal or loan form or enroll in the Automated Income Option.

1 The potential tax consequences of the Overloan Protection II Rider have not specifically been ruled on by the IRS or courts. Clients should consult their tax advisors. Riders will likely incur additional charges and are subject to availability, restrictions, and limitations. When considering a rider, request a policy illustration from your life insurance producer to see the rider's impact on your policy's values.

2 Term coverage is provided through the Annual Renewable Term Rider (Form #R11RTP or ICC11 R11RTP—form number based on state in which policy is issued). Riders will likely incur additional charges and are subject to availability, restrictions, and limitations. When considering a rider, request a policy illustration from your life insurance producer to see the rider's impact on your policy's values.

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Life Insurance Producer's Name

State Insurance License Number
(or affix your business card)