GPA 3 SELECT
Protect Your Investments in a Down Market

Optional Benefit with Pacific Life Variable Annuities
A variable annuity is a long-term contract between you and an insurance company that helps you grow, protect, and manage retirement savings in a tax-advantaged way. It can help you:

- Grow retirement savings faster through the power of tax deferral.
- Manage your investment strategy by transferring among a diverse selection of investment options free of tax consequences.
- Convert your assets to guaranteed, lifetime retirement income.
- Leave a financial legacy through a guaranteed death benefit.

Our variable annuities also offer features such as asset allocation and optional principal protection. Optional benefits are available for an additional cost.

Guarantees, including optional benefits, are subject to the issuing company's claims-paying ability and financial strength, and do not protect the value of the variable investment options, which are subject to market risk. The value of the variable investment options will fluctuate so that shares, when redeemed, may be worth more or less than the original cost. Annuity withdrawals and other distributions of taxable amounts, including death benefit payouts, will be subject to ordinary income tax. For nonqualified contracts, an additional 3.8% federal tax may apply on net investment income. If withdrawals and other distributions are taken prior to age 59½, an additional 10% federal tax may apply. A withdrawal charge also may apply. Withdrawals will reduce the contract value and the value of the death benefits, and also may reduce the value of any optional benefits.

Insurance products are issued by Pacific Life Insurance Company in all states except New York and in New York by Pacific Life & Annuity Company. Product availability and features may vary by state.
INVEST WITH PRINCIPAL PROTECTION

When you invest for the long term, the equity investments in a variable annuity offer the opportunity for capital growth. However, the fear of market volatility can keep many investors on the sidelines.

Guaranteed Protection Advantage 3 Select (GPA 3 Select), an optional accumulation benefit available for an additional cost, guarantees that at the end of 10 years, you’ll get back all your purchase payments made within the first year, adjusted for withdrawals, regardless of market conditions. To elect GPA 3 Select, your contract must be allocated according to the investment allocation requirements the Company has in effect, which are subject to change. (See your financial professional and the prospectus for details.)

Develop a Long-Term Plan and Stay Invested

There’s an old adage that says the key to investment success is simple: buy low and sell high. Yet, many investors do the opposite because they’re driven by emotions. If you attempted to time the stock market over the past 20 years, you may have missed out on some of the best days. Investors who stay invested tend to outperform those investors who frequently buy and sell as a reaction to market movements.1 Adding GPA 3 Select to your annuity contract can help take some of the emotion out of investing because you know your purchase payment will be there for you at the end of 10 years, no matter how the market performs.

The Cost of Market Timing

![Risk of Missing the Best Days in the Market 1999–2018](image)

- **How Much Difference Can a Few Days Make?**
  - **(Annualized Total Returns)**
    - 5.6% Investors who stayed in the market for all 5,035 trading days.
    - 2.0% Missing just 10 of those days (the 10 best days of returns) lowered the return by almost half.
    - –5.9% Missing the 50 best days (so still being invested for 4,985 trading days) resulted in a negative return.

1Stocks in this example are represented by the Morningstar® Large Company Stock Index. An investment cannot be made directly in an index. The data assumes reinvestment of income and does not account for taxes or transaction costs. Past performance is no guarantee of future performance, and current performance may be lower or higher than the performance quoted.
HOW IT WORKS

Downside Protection

With GPA 3 Select, if the contract value is less than the protected amount at the end of your 10-year period, Pacific Life will make up the difference. During the 10-year period, your protected amount may not equal your contract value, and withdrawals will reduce the protected amount proportionately. When the 10-year period ends, GPA 3 Select will terminate, but your contract will continue.

Upside Potential

You can capture potential market gains by stepping up GPA 3 Select starting at year 3 after electing the optional benefit. When electing the step-up, your contract anniversary value at that time will become your GPA 3 Select protected amount, and you’ll start another 10-year period.

Subsequent step-ups must be elected at least three years from the most recent step-up. A step-up cannot be elected if the new 10-year period will extend beyond the date the contract is converted to a payout stream (annuity date).

Protected amount: If GPA 3 Select is added at contract issue, the protected amount is your initial purchase payment plus all subsequent payments in the first year. If added at a contract anniversary, it’s the contract value on that date plus any purchase payments made in the first year of electing GPA 3 Select.

Step-up: Starting at the third contract anniversary after you purchase GPA 3 Select, you can lock in any market gains if your contract anniversary value has increased. This feature is known as a “step-up” and increases your protected amount to equal the higher contract value. You must notify Pacific Life within 60 days of the contract anniversary to receive the step-up, which is effective on your contract anniversary. Additional purchase payments made in the first year after the step-up are included in the protected amount.

Pacific Life reserves the right to limit additional purchase payments.
Any additional purchase payments made after the first year of a period will not be guaranteed. However, if you elect a step-up and start another 10-year period, you begin another one-year duration in which new purchase payments will be guaranteed.

These hypothetical illustrations do not reflect a specific actual investment. The example assumes no additional payments or withdrawals. A step-up may not apply, depending on the performance of the contract over time.
Additional Information

Your annual charge is set when your optional benefit is issued and will not change for one contract year. The current annual charge is 0.85% (1.10% in New York) of the protected amount, deducted quarterly. The charge is as of 5/1/19 and is subject to change.

On each contract anniversary, your annual charge may be adjusted up or down to match the current charge in effect. Any increase will never be more than 0.50% per year, while a decrease may exceed 0.50% per year.

The current annual charge is set by Pacific Life and will fall within a specific range as shown in the table below. The maximum annual charge is based on the 10-year Treasury rate\(^1\) and will never exceed 2.25%.

<table>
<thead>
<tr>
<th>10-Year Treasury Rate(^1)</th>
<th>Minimum</th>
<th>Maximum</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 2.00%</td>
<td>0.50%</td>
<td>2.25%</td>
</tr>
<tr>
<td>2.00% to Less than 3.99%</td>
<td>0.50%</td>
<td>2.00%</td>
</tr>
<tr>
<td>4.00% and Greater</td>
<td>0.50%</td>
<td>1.75%</td>
</tr>
</tbody>
</table>

\(^1\)This is an average of the 10-year Treasury rates for each business day within the last month of the calendar quarter as published by the Federal Reserve or an equivalent if this rate is not available. (For example, the March monthly average is used to determine the maximum annual charge effective May 1.)
WHY PACIFIC LIFE

It’s essential for you to choose a strong and stable company that can help you achieve your future income needs. Since 1868, individuals and their families have relied on the strength of Pacific Life to help protect their financial security.

- Pacific Life Insurance Company is organized under a mutual holding company structure and operates for the benefit of its policyholders and contract owners.
- We have achieved ongoing recognition for high-quality service standards.
- We offer products that address market environments during all stages of your life.
- We maintain strong financial-strength ratings from major independent rating agencies.

Ratings may change and do not apply to the safety or performance of the underlying variable investment options. For more information and current financial-strength ratings, please visit PacificLife.com.

1Recipient of multiple DALBAR Service Awards since 1997. Refer to www.DALBAR.com for more information regarding awards, certifications, and rankings.

While ratings can be objective indicators of an insurance company’s financial strength and can provide a relative measure to help select among insurance companies, they are not guarantees of the future financial strength and/or claims-paying ability of a company. The independent third party from which this annuity is purchased, including the broker/dealer, the insurance agency from which this annuity is purchased, and any affiliates of those entities make no representations regarding the quality of the analysis conducted by the rating agencies. The rating agencies are not affiliated with the above-mentioned entities, nor were they involved in any rating agency’s analysis of the insurance companies.
Ask your financial professional if GPA 3 Select may be appropriate for your financial goals in retirement.
PacificLife.com