



THE POTENTIAL TO EARN MORE INTEREST

with a 5-Year Participation Rate with Spread Interest-Crediting Option



Available with Pacific Index Edge:
A Deferred, Fixed Indexed Annuity

WHY PACIFIC LIFE

Pacific Life has more than 150 years of experience, and we remain committed to providing quality products, service, and stability to meet your needs today and throughout your lifetime.

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 recognition¹ 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. 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.

CAPTURE MARKET-BASED GROWTH POTENTIAL

A **deferred, fixed indexed annuity (FIA)** is a long-term contract that guarantees you'll never lose money due to market performance. That's because your money is not directly invested in the market. Instead, you earn a rate of interest linked to a market index, such as the S&P 500® index. One index-linked interest-crediting option you can choose is a Participation Rate option.

A Participation Rate interest-crediting option simply means you participate in a portion of the index return. The index return is calculated based on the change in the index price over a specified period, which is called the index term. In any index term when the index return is positive, you may receive a percentage of the return. For index terms in which the index performance is negative, you will not earn interest, but you will not lose money either. To provide higher participation rates, some options may deduct an amount known as a spread from the index return after the participation rate is applied.

With the 5-Year Participation Rate with Spread option, you have the potential to earn more interest based on the positive performance of the S&P 500® index without losing money due to a down market.



The example on the following page looks at historical S&P 500® index price returns over a 50-year period to:

- Determine how many times the index return was positive and negative over a five-year period.
- Show the value of a \$100,000 Pacific Index Edge contract after five years using the 5-Year Participation Rate with Spread option, with a hypothetical participation rate of 80% and a 10% spread.

The initial rate is guaranteed for the entire five-year period. The 5-Year Participation Rate with Spread option may be elected only at contract issue and is not available for renewal or transfers.

At the end of the five-year term, you may choose an alternative Interest-Crediting Option in which to allocate your money. If no allocation instructions are received, all money allocated to this option will be automatically reallocated to the Fixed Account Option. Contact your financial professional or Pacific Life for current participation rates and spreads.

All guarantees are backed by the financial strength and claims-paying ability of the issuing insurance company. Insurance products are issued by Pacific Life Insurance Company. Product availability and features may vary by state.

**No bank guarantee • Not a deposit • May lose value
Not FDIC/NCUA insured • Not insured by any federal government agency**

5-Year Participation Rate with Spread Option from 1969–2018

To help you better understand how the 5-Year Participation Rate with Spread option works, we took a look at each five-year period (December 31 through December 31) from 1969–2018. Anytime the S&P 500® index had a negative return, the contract would not have lost money. For example, from 1969–1974, the contract would remain at \$100,000, and there is no loss. Refer to the table on the next page to see the historical data from the past 50 years.

\$100,000 ...	Upside Potential		Downside Protection
	Grows to \$100,000–\$149,999 17 Times	Grows to \$150,000 or More 14 Times	Remains the Same at \$100,000 14 Times
	\$147,784 (1986–1991)	\$265,928 (1994–1999)	\$100,000 (1969–1974)
	\$147,284 (1978–1983)	\$220,823 (1993–1998)	\$100,000 (1970–1975)
	\$144,709 (1983–1988)	\$188,179 (1992–1997)	\$100,000 (1971–1976)
	\$144,366 (1988–1993)	\$181,484 (1995–2000)	\$100,000 (1972–1977)
	\$143,515 (2002–2007)	\$179,050 (1984–1989)	\$100,000 (1973–1978)
	\$140,017 (2010–2015)	\$173,706 (2008–2013)	\$100,000 (1997–2002)
	\$135,951 (1974–1979)	\$168,087 (1981–1986)	\$100,000 (1998–2003)
	\$135,036 (1985–1990)	\$159,972 (2012–2017)	\$100,000 (1999–2004)
	\$134,502 (1980–1985)	\$159,217 (1990–1995)	\$100,000 (2000–2005)
	\$133,993 (1996–2001)	\$157,711 (2009–2014)	\$100,000 (2003–2008)
	\$133,950 (1979–1984)	\$152,419 (2011–2016)	\$100,000 (2004–2009)
	\$130,421 (1975–1980)	\$152,078 (1991–1996)	\$100,000 (2005–2010)
	\$128,309 (1977–1982)	\$151,075 (1987–1992)	\$100,000 (2006–2011)
	\$118,501 (2013–2018)	\$150,546 (1982–1987)	\$100,000 (2007–2012)
	\$113,966 (1989–1994)		
	\$108,829 (2001–2006)		
	\$101,234 (1976–1981)		
Average Annualized Interest Credited	0.25% – 8.12%	8.53% – 21.61%	0%

Assumptions:

- 80% Participation Rate
- 10% Spread

For illustrative purposes only. **Past performance does not guarantee future results.** Example uses historical S&P 500® index calendar-year price returns from 1969–2018. Participation rates and spreads are subject to change. The index is not available for direct investment. The annualized rate of return of the S&P 500® index and Pacific Index Edge with the Participation Rate option do not include the reinvestment of dividends. Pacific Index Edge was first available in 2016.

S&P 500® Index Returns (1969–2018)

5-Year Period (Dec. 31—Dec. 31)	Beginning S&P 500® Index Price (on Dec. 31)	Ending S&P 500® Index Price (on Dec. 31)	5-Year S&P 500® Index Return	% Credited to Contract Value	Average Annualized Interest Credited
1969–1974	92.06	68.56	–25.53%	0.00%	0.00%
1970–1975	92.15	90.19	–2.13%	0.00%	0.00%
1971–1976	101.95	107.46	5.40%	0.00%	0.00%
1972–1977	118.05	95.10	–19.44%	0.00%	0.00%
1973–1978	97.55	96.11	–1.48%	0.00%	0.00%
1974–1979	68.56	107.94	57.44%	35.95%	6.34%
1975–1980	90.19	135.76	50.53%	30.42%	5.46%
1976–1981	107.46	122.55	14.04%	1.23%	0.25%
1977–1982	95.10	140.64	47.89%	28.31%	5.11%
1978–1983	96.11	164.93	71.61%	47.28%	8.05%
1979–1984	107.94	167.24	54.94%	33.95%	6.02%
1980–1985	135.76	211.28	55.63%	34.50%	6.11%
1981–1986	122.55	242.17	97.61%	68.09%	10.94%
1982–1987	140.64	247.08	75.68%	50.55%	8.53%
1983–1988	164.93	277.72	68.39%	44.71%	7.67%
1984–1989	167.24	353.40	111.31%	79.05%	12.36%
1985–1990	211.28	330.22	56.29%	35.04%	6.19%
1986–1991	242.17	417.09	72.23%	47.78%	8.12%
1987–1992	247.08	435.71	76.34%	51.07%	8.60%
1988–1993	277.72	466.45	67.96%	44.37%	7.62%
1989–1994	353.40	459.27	29.96%	13.97%	2.65%
1990–1995	330.22	615.93	86.52%	59.22%	9.75%
1991–1996	417.09	740.74	77.60%	52.08%	8.75%
1992–1997	435.71	970.43	122.72%	88.18%	13.48%
1993–1998	466.45	1229.23	163.53%	120.82%	17.17%
1994–1999	459.27	1469.25	219.91%	165.93%	21.61%
1995–2000	615.93	1320.28	114.36%	81.48%	12.66%
1996–2001	740.74	1148.08	54.99%	33.99%	6.03%
1997–2002	970.43	879.82	–9.34%	0.00%	0.00%
1998–2003	1229.23	1111.92	–9.54%	0.00%	0.00%
1999–2004	1469.25	1211.92	–17.51%	0.00%	0.00%
2000–2005	1320.28	1248.29	–5.45%	0.00%	0.00%
2001–2006	1148.08	1418.30	23.54%	8.83%	1.71%
2002–2007	879.82	1468.36	66.89%	43.51%	7.49%
2003–2008	1111.92	903.26	–18.77%	0.00%	0.00%
2004–2009	1211.92	1115.10	–7.99%	0.00%	0.00%
2005–2010	1248.29	1257.64	0.75%	0.00%	0.00%
2006–2011	1418.30	1257.60	–11.33%	0.00%	0.00%
2007–2012	1468.36	1426.19	–2.87%	0.00%	0.00%
2008–2013	903.26	1848.36	104.63%	73.71%	11.68%
2009–2014	1115.10	2058.90	84.64%	57.71%	9.54%
2010–2015	1257.64	2043.94	62.52%	40.02%	6.96%
2011–2016	1257.60	2238.83	78.02%	52.42%	8.79%
2012–2017	1426.19	2673.61	87.47%	59.97%	9.85%
2013–2018	1848.36	2506.85	35.63%	18.50%	3.45%

Talk to your financial professional for more information about Pacific Index Edge using the 5-Year Participation Rate with Spread option, and visit our website at PacificLife.com.

Fixed annuities are long-term contracts designed for retirement. Pacific Index Edge is not a security and does not participate directly in the stock market or any index, so it is not an investment. For more information, including other interest-crediting options available, please refer to the *Pacific Index Edge Client Guide*.

Pacific Life, its affiliates, their distributors, and respective representatives do not provide tax, accounting, or legal advice. Any taxpayer should seek advice based on the taxpayer's particular circumstances from an independent tax advisor or attorney.

Pacific Life is a product provider. It is not a fiduciary and therefore does not give advice or make recommendations regarding insurance or investment products.

Pacific Life determines, at its discretion, guaranteed rates, caps, and participation rates in excess of the minimum guaranteed in the contract, and spreads below the maximum guaranteed in the contract.

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Pacific Index Edge is named "Individual Limited Premium Deferred Fixed Annuity" in the contract.

Pacific Life Insurance Company (Newport Beach, CA) is licensed to issue insurance products in all states except New York. Product availability and features may vary by state.

Contract Form Series: ICCI6:30-1503, 30-1503OR (state variations may apply)

Rider Series: ICCI5:20-1507 (state variations may apply)

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