PROTECTED INVESTMENT BENEFIT
5-YEAR OPTION
Protect Your Investment in a Down Market
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.
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.

Protected Investment Benefit, an optional accumulation benefit available for an additional cost, guarantees that at the end of five years, your contract value will equal at least 90% of your purchase payments made within the first year, adjusted for withdrawals. So, if markets are down, you are protected. If markets go up, you will benefit from the growth of your chosen investment options.

To elect Protected Investment Benefit, 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

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 during the past 20 years, you may have missed out on some of the best days. Those who stay invested tend to outperform those who frequently buy and sell as a reaction to market movements. Adding Protected Investment Benefit to your annuity can help take some of the emotion out of investing because you know 90% of what you initially invested will be there for you at the end of five years, no matter how the market performs.

The Cost of Market Timing

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

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 Protected Investment Benefit, if the contract value is less than the protected amount at the end of your five-year period, Pacific Life will make up the difference. The protected amount is equal to 90% of your purchase payments made in the first year, adjusted for withdrawals.

Unlimited Growth Potential

With the purchase of a variable annuity from Pacific Life, you have the potential for market gains through the performance of your investment options. A variety of investment options are available, with equity exposure as high as 80%, giving you the potential for higher growth opportunities.

During the five-year period, any withdrawals will reduce the protected amount proportionately. When the five-year period ends, the Protected Investment Benefit and the protection of purchase payments will automatically terminate. Purchase payments made after the first year are not part of the protected amount. Pacific Life reserves the right to limit additional purchase payments. Please speak with your financial professional before adding funds to the contract after the first contract anniversary.
**Protected Amount:** Equal to 90% of your purchase payments made in the first year, adjusted for withdrawals.

These hypothetical illustrations do not reflect a specific actual investment. The example assumes no additional payments or withdrawals.
Additional Information

Your annual charge is set when your optional benefit is issued and will not change for the five-year duration of the optional benefit period. The annual charge is listed below.

| Annual Percentage of the Charge Base (Deducted Quarterly) | 0.85% |

Charge is as of 9/9/19. The charge base is equal to your purchase payments made in the first year, minus an adjustment for withdrawals.
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\(^1\) 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.

\(^1\)Recipient 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 Protected Investment Benefit may be appropriate for your financial goals in retirement.

PacificLife.com

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.

Any additional purchase payments made after the first contract anniversary will increase the contract value and may reduce the benefit provided by the optional benefit.

This material must be preceded or accompanied by the product prospectus. Contact your financial professional or visit PacificLife.com for more information, including product and underlying fund prospectuses that contain more complete information about Pacific Life and a variable annuity’s risks, charges, limitations, and expenses, as well as the risks, charges, expenses, and investment goals of the underlying investment options. Read them carefully before investing.

Under current law, a nonqualified annuity that is owned by an individual is generally entitled to tax deferral. IRAs and qualified plans—such as 401(k)s and 403(b)s—are already tax-deferred. Therefore, a deferred annuity should be used only to fund an IRA or qualified plan to benefit from the annuity’s features other than tax deferral. These include lifetime income, death benefit options, and the ability to transfer among investment options without sales or withdrawal charges.

Protected Investment Benefit is named “Guaranteed Minimum Accumulation Benefit” in the contract rider.

Pacific Life refers to Pacific Life Insurance Company and its affiliates, including Pacific Life & Annuity Company. 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. Each insurance company is solely responsible for the financial obligations accruing under the products it issues. Insurance product and rider guarantees, including optional benefits and any fixed subaccount crediting rates or annuity payout rates, are backed by the financial strength and claims-paying ability of the issuing insurance company and do not protect the value of the variable investment options. They are not backed by the broker/dealer from which this annuity is purchased, by the insurance agency from which this annuity is purchased, or any affiliates of those entities, and none makes any representations or guarantees regarding the claims-paying ability of the issuing insurance company.

Variable insurance products are distributed by Pacific Select Distributors, LLC (member FINRA & SIPC), a subsidiary of Pacific Life Insurance Company (Newport Beach, CA) and an affiliate of Pacific Life & Annuity Company and are available through licensed third parties.

Contract Form Series: 10-17800, ICC12:10-1252, 10-178OR (state variations may apply)
Rider Series: 20:1354 (state variations may apply)
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