



PACIFIC CHOICE[®] Variable Annuity

Manage Costs Tax Efficiently

A Pacific Choice variable annuity is a tax-deferred complement to fee-based managed money that may offer your clients an opportunity to grow their retirement savings faster through tax deferral and managing costs.

- Manage costs** through Pacific Dynamix[®] Portfolios, which invest in a global range of index-oriented portfolios—for 0.59%. The underlying portfolios are managed by BlackRock, Dimensional Fund Advisors, and State Street Global Advisors. Based on your clients’ risk tolerances, they can select among three Pacific Dynamix Portfolios that target different weights of equity and debt.
- Tax-efficient investing** of nonqualified retirement savings through the power of tax deferral and tax-free transfers/rebalancing among investment options.

All-In Cost Less than 2.00%¹

Pacific Choice with a 5-year withdrawal charge option and a Pacific Dynamix Portfolio.

Pacific Choice Withdrawal Charge	Annual M&E and Administrative Fees	Pacific Dynamix Portfolio Annual Expense Ratio ²	Total All-In Cost	Industry Average Variable Annuity Expenses ³
5-Year (7%, 7%, 6%, 5%, 3%)	1.20%	0.59%	1.79%	2.24%

See back page for reference to footnotes.

The Impact of Compounding

Effectively managing costs may help maximize cost savings and may result in higher contract values for your clients. Even a small difference in annual cost can add up over time.

Assumptions:

- \$250,000** initial investment
- 8%** gross hypothetical rate of return

	Total All-In Cost	Total Contract Value at End of 20 Years	What’s the Difference?
Pacific Choice with Pacific Dynamix Portfolio	1.79%	\$834,158	0.45% cost difference = \$67,186 contract value difference after 20 years
Industry Average	2.24%	\$766,972	

Hypothetical returns are not guaranteed and do not represent performance of any particular investment or its investment options. Values do not reflect the effects of taxation. Numbers may vary due to rounding.

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.

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

It's important to remember that the fees and charges associated with a tax-deferred variable annuity pay for benefits—such as guaranteed income payments and death benefits—that are unavailable in other investments. Because annuities are intended as long-term financial tools, holding one for an adequate amount of time can help compensate for fees through the tax-deferred advantages.

For more information, call your consultative wholesaler at
(800) 722-2333 or visit our website.

PacificLife.com

¹A \$50 annual contract charge applies, but is waived if net contract value is \$50,000 or greater. See the prospectus for more information.

²Net expenses reflect a contractual expense cap in place through April 30, 2021. There is no guarantee that expenses will continue to be capped after that date. A fund-of-funds involves direct expenses for each fund and indirect expenses for the underlying funds. ³Source: Morningstar, 2019. Industry expense average is based on currently available, B-share contracts per \$25,000 investment and includes contract with varying factors, surrender periods, charges, fees, and investment options. The industry average portfolio net expense includes the average cost of all underlying portfolios in B-share contracts available for sale as of 12/31/18. The ranges for all currently available, non-group variable annuity withdrawal charges are 0–10%.

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.

Investors should carefully consider a variable annuity's risks, charges, limitations, and expenses, as well as the risks, charges, expenses, and investment goals of the underlying investment options. This and other information about Pacific Life are provided in the product and underlying fund prospectuses. These prospectuses should be read carefully by clients before investing.

Variable annuities are long-term investments designed for retirement. 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 benefit.

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, an 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.

Pacific Life is unaffiliated with BlackRock Investment Management, LLC, Dimensional Fund Advisors LP and State Street Global Advisors.

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: ICC12:10-1252 (state variations may apply)

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