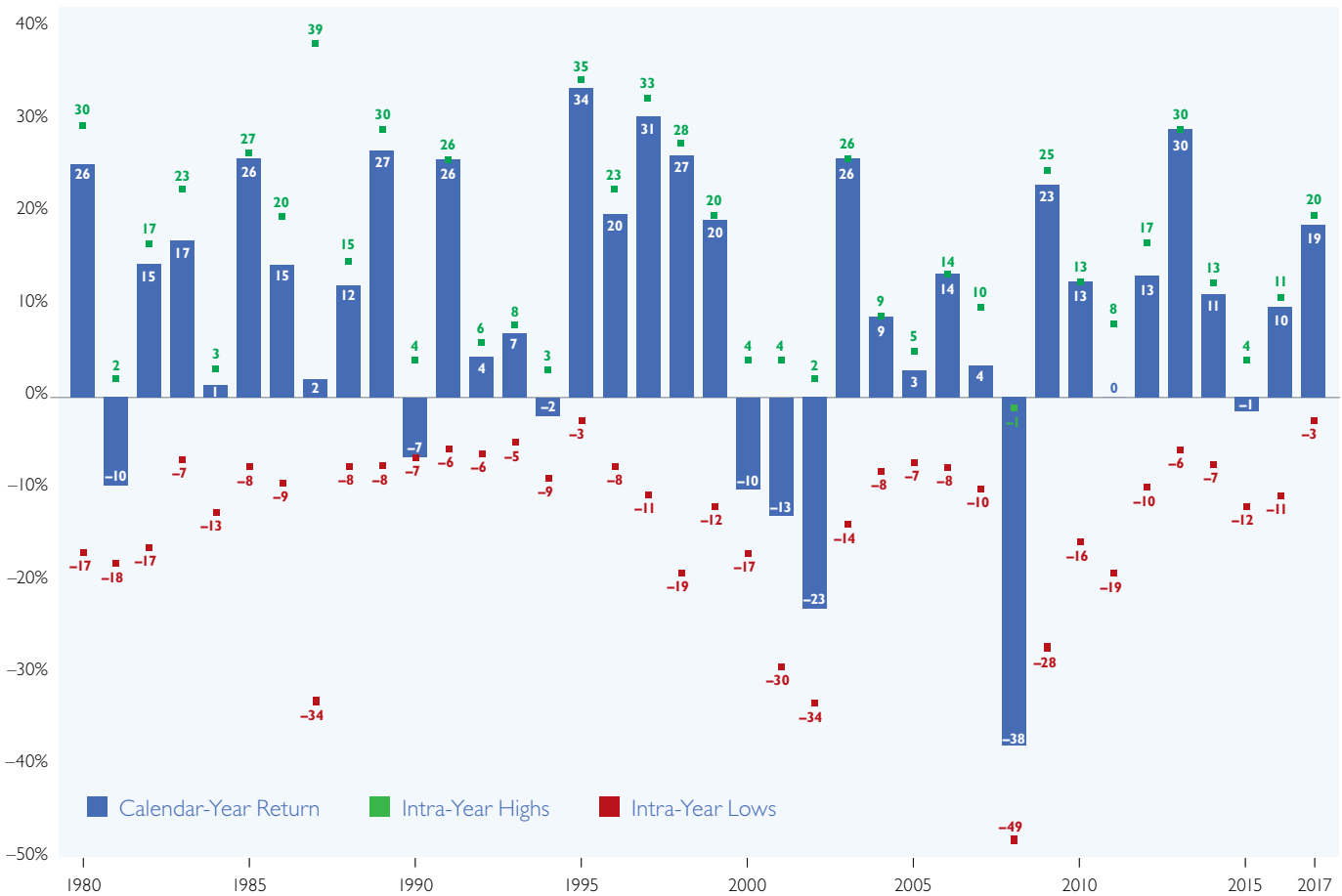




# A FIXED INDEXED ANNUITY OFFERS UPSIDE POTENTIAL WITHOUT THE DOWNSIDE RISK

A fixed indexed annuity will eliminate the downside risk of equity market volatility and you will participate in the upside of the market, up to a maximum cap. The chart below shows the calendar-year returns of the S&P 500® index from 1980 through 2017. The index had a positive return in 29 of the 38 years (76%) over this time frame. If you had owned a fixed indexed annuity, your contract may have earned interest during those up years. In years when index performance was negative, no interest would have been credited, but the contract would not have had a loss. (Note: if a withdrawal was made during the initial guaranteed period, a withdrawal charge may have been deducted from the contract value.)

**S&P 500® Index Intra-Year Highs and Lows vs. Calendar-Year Returns**



Fixed annuities are long-term contracts designed for retirement. A fixed indexed annuity offers guaranteed safety of principal with the potential for growth through interest rates linked to an index. Fixed indexed annuities were generally not available prior to 1995. This is an example of historical S&P 500® index performance for illustrative purposes only.

Source: Morningstar® Direct, December 31, 2017. Returns are based on price index only and do not include dividends. "Intra-year lows and highs" refers to the largest market drops or increases from a peak to a trough during the year. Past performance does not guarantee future results.

Guarantees are subject to the claims-paying ability and financial strength of the issuing insurance 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.

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

Talk to your financial professional to see  
if a fixed indexed annuity may be right for you  
as part of your overall retirement strategy,  
and visit [PacificLife.com](http://PacificLife.com) to learn more.

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The index is not available for direct investment, and index performance does not include the reinvestment of dividends.

Fixed indexed annuities are not securities and do not participate directly in the stock market or any index, so it is not an investment.

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 and a market value adjustment (MVA) also may apply. Withdrawals will reduce the contract value and the value of the death benefit, and also may reduce the value of any optional benefits.

No guaranteed rate will be less than the minimum guaranteed rate stated in the contract. Pacific Life determines, at its discretion, annual interest rates in excess of the stated minimum guarantee in the contract.

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 crediting rates or annuity payout rates, are backed by the financial strength and claims-paying ability of the issuing insurance company. They are not backed by the independent third party from which this annuity is purchased, including the broker/dealer, 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.

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