Structuring Your Future with Pacific Life
Tax-Free, Guaranteed Payments
Why Pacific Life

It’s essential for you to choose a strong and stable company that can help you achieve your future needs. Since 1868, individuals and businesses have relied on the strength of Pacific Life to protect their financial security. Pacific Life\(^1\) provides a wide range of life insurance products, annuities, and mutual funds, and offers a variety of investment products and services to individuals, businesses, and pension plans. Pacific Life counts more than half of the 100 largest U.S. companies as its clients.\(^2\)

- 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\(^3\) for high-quality service standards.
- We maintain strong financial strength ratings from major independent rating agencies.

Ratings may change. For more information and current financial strength ratings, please visit our website at www.PacificLife.com.

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.

\(^1\) Pacific Life refers to Pacific Life Insurance Company and its affiliates, including Pacific Life & Annuity Company.

\(^2\) Client count as of May 2013 is compiled by Pacific Life using the 2013 FORTUNE 500\(^®\) list.

\(^3\) Recipients of multiple DALBAR Service Awards since 1997. Refer to www.Dalbar.com for more information regarding awards, certifications, and rankings.

“At Pacific Life, compliance, ethics, and business are given equal measure.”

A message from James T. Morris, CEO

“Pacific Life is a proud and honest enterprise that has stood as an example of integrity in the business world for more than 140 years. Compliance and ethics are not separate from our business goals; they are an integral and ever-present part of our company’s success. Our customers rely on us to do the right thing on their behalf. This is a responsibility we proudly embrace.”
It’s Time to Think of Tomorrow

The decision about the way to receive a personal physical injury settlement often comes with many options. While it may be tempting to take an immediate, lump-sum payment and invest the settlement yourself, there are tax consequences and income needs to be considered.

A structured settlement from Pacific Life is an alternative that can offer:

- **An income-tax-free series of payments**
  A qualifying structured settlement of damages received for a personal physical injury provides you with an ongoing stream of payments that is free from federal and state income tax.† Because the payment is not taxed, payments from a structured settlement may be higher than if you invest your settlement money in a taxable account.

- **A guaranteed, steady stream of payments**
  Structured settlements are calculated to provide a stream of payments based on the amount of the settlement, the current rate of return, and the payment schedule decided upon. So no matter how volatile the financial markets may be, you’ll be able to plan for your needs based on a predictable, long-term stream of payments.

**If you have the flexibility to design a payment schedule as part of your personal physical injury settlement, including payments guaranteed to last your entire life, consider the following facts:**

- A Pacific Life structured settlement provides payments that last as long as you need to replace lost earnings, pay for ongoing medical expenses, or provide for a loved one.

- You may defer payments for specified time frames to pay for future needs such as college education.

- A structured settlement annuity allows you to set aside lump-sum payments for large purchases such as remodeling your home or buying a car.

Insurance products are backed by the financial strength and ability of the issuing company.

†Excludable from gross income under Internal Revenue Code (IRC) Section 104(a)(1) or (2).
A Steady Stream of Payments

With a Pacific Life structured settlement, you can elect a stream of payments that fits your personal financial situation.

Choose a payout schedule:

- **Lifetime**—Guaranteed payments that will last your entire life.

- **Joint Life**—Guaranteed payments that will last for your life and the life of your spouse.

- **Period Certain**—Guaranteed payments to you (or your beneficiary) for a specified payment and period of time (example: 5, 10, or 30 years).

- **Lump sums**—Guaranteed payments for specific amounts on specific dates.

Customize your plan to fit your needs:

- **Start when the time is right**—You can elect to receive payments now or at a later date.

- **Protect loved ones**—For Lifetime and Joint Life benefits, you can add a guarantee period that will provide your beneficiary with payments, should you die prematurely.

- **Plan for inflation**—A stream of payments can be established that includes an annually increasing benefit.
For Your Information

Elect a Lump-Sum Payment to a Beneficiary instead of Ongoing Payments

At the time of settlement, a commutation rider—at no up-front cost—may be elected. It will provide a single, lump-sum payment to your beneficiary upon your death in place of future periodic payments. (Does not apply to lifetime plans for individuals.)

Eligibility for a Tax-Free Structured Settlement

To comply with the Internal Revenue Code,† among other things, you must not have constructive receipt of the money prior to funding the structured settlement or receive an impermissible economic benefit.

The Use of Medical Records

Medical records may be reviewed and you may receive a potential increase in benefits for payout schedules that have a lifetime guarantee. The age rating, established by a review of your medical records, may provide a higher payment.

Our Privacy Promise

We are devoted to protecting your privacy as a Pacific Life customer.

- We do not sell information about you.
- We do not share your personal information with anyone else for marketing purposes.
- We use your personal information only to help maintain the business relationship you have with us.

At all times, we maintain physical, electronic, and procedural safeguards to protect your confidentiality. Access to your personal information is available only to those people who help service Pacific Life’s relationship with you. Should that relationship end, we will continue to keep your information private. If we no longer have reason to retain your personal information, we will dispose of it in a secure manner.

†IRC Section 104(a)(1) or (2).
The Pacific Life Company Structure

Pacific Life’s structure is relatively unique among insurance companies. We are organized under a mutual holding company with our policyholders as members. We have no publicly traded stock; we are an independent company that remains focused on long-term strategies, our financial strength, and on making decisions that benefit our policyholders and clients. This long-term commitment, combined with Pacific Life’s disciplined investment philosophy, enables us to deliver products and services that help protect the financial future of our customers.

The Companies behind Our Structured Settlements

By choosing a structured settlement, you’ll have tax-free, guaranteed payments to help achieve your financial goals. Pacific Life’s structured settlements are managed by experienced professionals, encompassing the following companies within the Pacific Life family of businesses:

<table>
<thead>
<tr>
<th>Pacific Life</th>
<th>Pacific Life &amp; Annuity Services (PLASI)</th>
<th>Pacific LifeCorp (PLC)</th>
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<tbody>
<tr>
<td>Issues the annuity and administers the payments</td>
<td>Assignment company for qualified structured settlements</td>
<td>Issues Statement of Irrevocable Guarantee for assigned cases</td>
</tr>
</tbody>
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For more information, contact your structured settlements consultant.
Or, call us toll-free at (877) 784-0622, option 1.