

# MANAGING THE CASH VALUE IN YOUR LIFE INSURANCE POLICY

A guide to the automated services available with your variable universal life insurance policy



## Automated Transfer Services Available with Your VUL policy

In addition to death benefit protection, which can provide a financial legacy for your loved ones, your variable life insurance (VUL) policy from Pacific Life gives you the potential to grow your money and accumulate cash value. While a portion of your premiums pays for coverage and administrative costs, the remaining amount accumulates as cash value, which is available for you to invest in a variety of investment options. Once you've worked with your financial professional to establish the level of risk you are comfortable with and the specific investment options you'd like to invest in (your asset allocation), Pacific Life helps make it easier to act on those investments with a selection of automated transfer services you can use to manage and invest your policy's cash value.

### Which Automated Transfer Service Is Right for You?

- Dollar Cost Averaging
- Automatic Portfolio Rebalancing
- Scheduled Indexed Transfer
- First-Year Transfer Program
- Fixed Option Interest Sweep



# Dollar Cost Averaging

Dollar cost averaging<sup>1</sup> is a strategy that helps limit the impact of market fluctuations by automatically investing a specific dollar amount at regular intervals, such as monthly, quarterly, semi-annually, or annually. When you invest a consistent amount over time, you may be able to buy more units when the price is low and fewer shares when the price is high. This means your average cost per share over a period of time may be lower than the price per share on a specific date during that period. Dollar cost averaging helps reduce emotional decision making and the need to time the market.

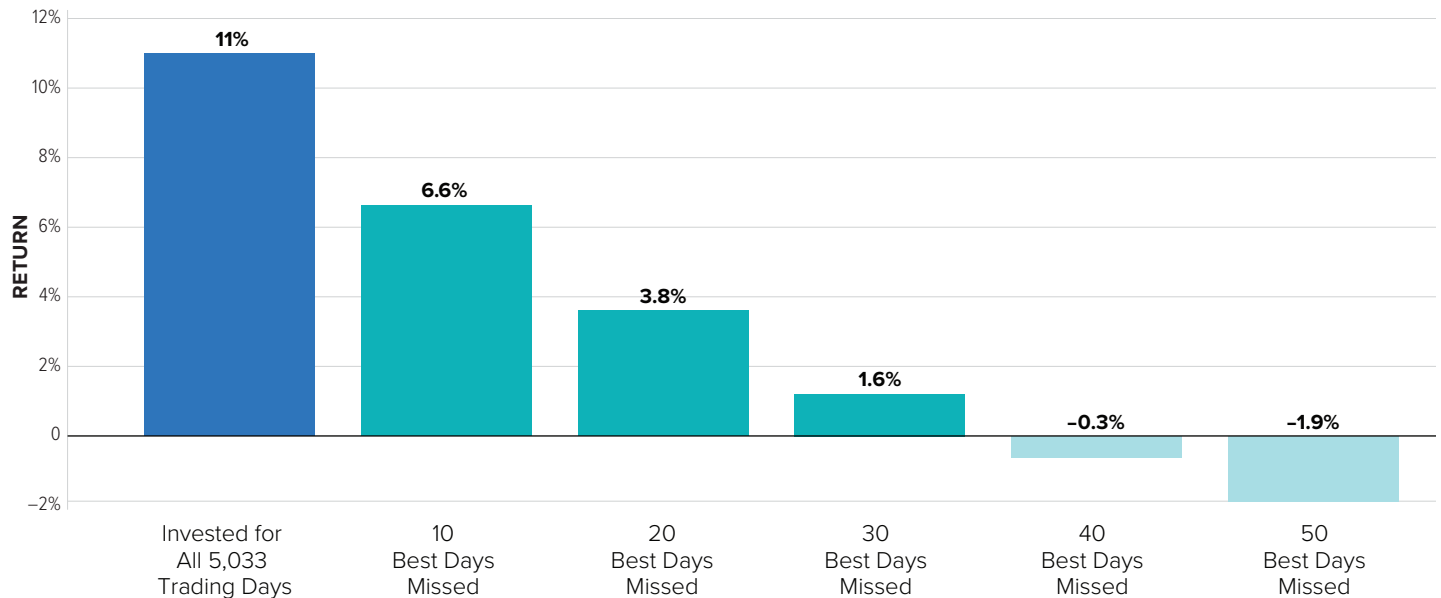
## When to Elect Dollar Cost Averaging

- When you make a single premium payment or an unscheduled lump sum payment from one life insurance policy to another<sup>2</sup>
- If you elect to pay your life insurance premiums annually but wish to move money into the variable investment options more frequently

It's important to note that if you pay your premiums monthly and elect monthly dollar cost averaging, you can achieve similar results. Simply direct your net premium payment into the variable investment options of your choice.

Dollar cost averaging cannot be used with fixed accounts, indexed accounts, or automatic portfolio rebalancing services. Refer to the variable universal life insurance product prospectus for more information. Each transfer must be \$50 or more, and there must be at least \$5,000 in a variable investment option prior to beginning this service.

## The Cost of Missing the Market's Best Days (2006–2025)



Past performance is no guarantee of future results. This is for illustrative purposes only and not indicative of any investment. An investment cannot be made directly in an index. ©2025 Morningstar and Precision Information, dba Financial Fitness Group 2025. All rights reserved. About the data: Stocks in this example are represented by the Ibbotson® 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.

<sup>1</sup>Dollar cost averaging does not ensure a profit or protect against loss in any market. Units of each variable investment option are redeemed at their current accumulation value and may be worth more or less than their original cost. Dollar cost averaging requires ongoing investing in investment options, regardless of price fluctuations. You should carefully consider your financial ability to continue investing during declining market periods.

<sup>2</sup>There are circumstances in which replacing your existing life insurance or annuity can benefit you. As a general rule, however, replacement is not in your best interest. Your life insurance financial professional can provide you with detailed information as to how a replacement may affect your plan of insurance. You should make a careful comparison of the costs and benefits, including any applicable surrender charges, of your existing policy and the proposed policy to determine whether replacement is in your best interest.

## Automatic Portfolio Rebalancing

Automatic portfolio rebalancing allows you to stay on track with the asset allocation strategy you set up originally, based on your risk tolerance and time horizon. But knowing when to rebalance can be tricky. Stay disciplined with this service that automatically rebalances your variable investment options back to the allocation percentages you chose. You can elect automatic portfolio rebalancing on a quarterly, semi-annual, or annual basis.

### When to Elect Automatic Portfolio Rebalancing

If you'd like to make sure your portfolio allocation doesn't get out of balance but don't have the time or inclination to do it yourself, consider automatic portfolio rebalancing.

You can elect this automatic service when applying for your VUL policy. However, automatic portfolio rebalancing and dollar cost averaging cannot be used simultaneously. Talk with your life insurance financial professional for more information.

## Scheduled Indexed Transfers

If your policy has an indexed account, the scheduled indexed transfer program allows you to make automatic transfers from a fixed account into an indexed account of your choice each month or quarter. You can set up transfers in one of the following ways:

- **Transfer a specified amount each time:** You decide how much you'd like transferred each month or quarter; then we transfer that amount until the fixed account has been depleted.
- **Select the number of transfers:** You decide how many times you'd like money transferred from the fixed account to the indexed account, and we use a calculation to determine how much to transfer each time, until the fixed account is depleted.

### When to Elect Scheduled Indexed Transfers

- **You want a systematic approach** that helps create consistency and removes emotion from allocation decisions.
- **You're concerned about market timing** and would rather spread transfers over time instead of moving a lump sum all at once.
- **You receive a large premium or reallocation amount** and want to phase into indexed strategies incrementally.

Scheduled Indexed Transfers automatically move portions of your account value into selected indexed accounts according to a predefined schedule, offering a structured way to participate in market-based opportunities while managing entry timing.

You can elect automatic scheduled transfers when applying for a new VUL policy. The transfer program does not guarantee higher crediting rates, and you should consider your financial goals when setting up ongoing transfers to the 1-Year Indexed Options due to the limitations on transfers and withdrawals once a segment has been created. Talk to your life insurance financial professional for more details.

## First-Year Transfer Program

With the first-year transfer program, you can slowly move from the fixed account into the market over your first policy year while earning at least the fixed account's interest crediting rate on the remaining balance. You can make multiple transfers from the fixed account to your choice of variable investment options or the fixed LT account (if applicable) over your first policy year.

### When to Elect the First-Year Transfer Program

- If you are a new policyholder and elect annual premium payments but wish to move money into the variable investment options more frequently
- If you elect a transfer from an older policy into a new policy and would rather invest over time instead of all at once

You may elect the first-year transfer program when applying for a new VUL policy. Keep in mind that this program does not guarantee increased returns or protect against loss, and it may not be available with all VUL products. Talk to your life insurance financial representative for details.

## Fixed Option Interest Sweep

This automated program allows you to transfer the interest earned (\$50 minimum) on the accumulated value from the fixed account(s) into your choice of variable investment options on a monthly, quarterly, semi-annual, or annual basis.

### When to Utilize the Fixed Option Interest Sweep

If you tend to be risk averse but understand that you need some exposure to the market, you can elect the fixed option interest sweep when you apply for a new VUL policy. Talk with your life insurance financial professional for more details.



Speak to your financial professional or contact us for assistance.

(800) 347-7787 | PacificLife.com

---

***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 Insurance Company is licensed to issue insurance products in all states except New York. Product/material availability and features may vary by state. Variable insurance products are distributed by **Pacific Select Distributors, LLC** (member FINRA & SIPC), a subsidiary of Pacific Life Insurance Company, and are available through licensed third-party broker/dealers.

Insurance products and their guarantees, including optional benefits and any crediting rates, are backed by the financial strength and claims-paying ability of the issuing insurance company, but they do not protect the value of the variable investment options. Look to the strength of the insurance company with regard to such guarantees because these guarantees are not backed by the independent broker/dealers, insurance agencies, or their affiliates from which products are purchased. Neither these entities nor their representatives make any representation or assurance regarding the claims-paying ability of the issuing company.

***You should carefully consider a variable life insurance product's risks, charges, limitations, and expenses, as well as the risks, charges, expenses and investment goals/objectives of the underlying investment options. This and other information about Pacific Life Insurance Company insurance products are provided in the applicable product and underlying fund prospectuses. These prospectuses are available from your life insurance financial professional or at [Pacificlife.com/Prospectuses](http://Pacificlife.com/Prospectuses). Read them carefully before investing or sending money.***

Variable Universal Life Insurance generally requires additional premium payments after the initial premium. If either no premiums are paid, or subsequent premiums are insufficient to continue coverage, it is possible that coverage will expire.

Asset allocation is the process of distributing a fund's investments among varying asset classes of investments (e.g., equity and debt). It does not guarantee diversification, assure a profit, or protect against loss.

Not all products or optional benefits are available in all states or firms, and features may vary by state and firm.

All individuals selling variable universal life insurance must be licensed insurance agents.

Life insurance is subject to underwriting and approval of the application and will incur monthly policy charges.

The home office for Pacific Life Insurance Company is located in Omaha, Nebraska.

---



**PACIFIC LIFE**