PACIFIC LIFE

YOUR GUIDE TO THE
ENHANCED PERFORMANCE FACTOR RIDER

Available on Pacific Horizon Survivorship IUL 2

Customize Your Indexed Interest Crediting Strategy with the Enhanced Performance Factor Rider[1]

Pacific Horizon Survivorship IUL 2, an indexed universal life (IUL) insurance product, helps you protect and share what you've built and value together—with room to pivot if plans and priorities shift. While its primary purpose is providing death benefit protection after both insured individuals have passed away, it also offers the optional **Enhanced Performance Factor Rider** (rider) for a potential boost to your policy's indexed interest crediting.

4 RIDER DESIGN OPTIONS

- Classic
- Plus
- Performance
- Performance Plus

Each design has its own level of rider performance factor and monthly rider charges. While the rider must be selected at policy issue, you can change the rider design once a year, giving you flexibility in case your needs change. Additionally, your selected rider design will apply to all new indexed account segments created after the effective date of your selection.

How it Works

1. Each rider design results in a current[2] and guaranteed **segment performance factor**. The current segment performance factor at **segment** creation is guaranteed to stay the same throughout the segment term. The segment performance factors and rider charges are shown below beginning in year two.

Rider Design	Classic	Plus	Performance	Performance Plus
Segment Performance Factor	1.0 (1.0 Guaranteed)	1.46 (1.25 Guaranteed)	1.91 (1.49 Guaranteed)	2.36 (1.72 Guaranteed)
Guaranteed Rider Charge	0% Monthly (0% Annualized)	0.208% Monthly (2.496% Annualized)	0.415% Monthly (4.98% Annualized)	0.625% Monthly (7.50% Annualized)

If policy charges are greater than the interest credits earned, the policy's cash value will decrease, which may cause the policy to lapse unless additional premium is paid.
These values do not include the Loaned 1-Year Barclays Large Cap Intraday VC10, Loaned 1-Year SG Nasdaq-100® Edge VC10, or 1-Year High Cap Indexed Accounts.
[1]Form series R18EPF, S26EPF, varies based on state of policy issue. Riders may be subject to additional charges, availability, restrictions, and limitations. When considering a rider, request a policy illustration from your financial professional to see the rider's impact on your policy's values.
[2]Pacific Life Insurance Company reserves the right to change or modify any non-guaranteed or current elements. The right to modify these elements is not limited to a specific time or reason.

INVESTMENT AND INSURANCE PRODUCTS ARE:
• NOT FDIC INSURED • NOT INSURED BY ANY FEDERAL GOVERNMENT AGENCY • NOT A DEPOSIT OR OTHER OBLIGATION OF, OR GUARANTEED BY, THE BANK OR ANY OF ITS AFFILIATES • SUBJECT TO INVESTMENT RISKS, INCLUDING POSSIBLE LOSS OF THE PRINCIPAL AMOUNT INVESTED

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2. At the end of each segment term, we multiply the segment indexed interest credit by the segment performance factor to determine the total segment indexed interest credit. So, the higher the segment performance factor, the higher the potential for boosting your policy's interest credit. Here's a hypothetical example.

Let's say you elected the Performance Plus rider design and allocated a portion of your policy's accumulated value in the second policy year to the 1-Year Indexed Account with a 10% current growth cap, 0% floor, and $10,000 average segment balance. At the end of the segment term, the segment indexed interest rate is multiplied by the **average segment balance** to determine the segment indexed interest credit. The segment indexed interest credit is then multiplied by the current segment performance factor for that segment to determine the total segment indexed interest credit.

Segment Indexed Interest Rate	Segment Indexed Interest Credit		Current Segment Performance Factor		Total Segment Indexed Interest Credit		Annualized Rider Charge		Net Impact to Segment Value
10%	$1,000.00	x	2.36	=	$2,360.00	–	$750.00	=	$1,610.00
Subject to growth cap	10% x $10,000 (average segment balance)		Locked in for the segment term				7.50% x $10,000 (Varies by rider design)		

3. In years of index declines, the indexed account's 0% floor will protect you from index-based losses, but the annualized rider charge and any other policy charges or distributions will reduce the policy's accumulated value.

KEY TERMS

Rider—An additional feature or benefit added to the policy (can be optional or standard), but all mentions of rider in this flyer specifically pertain to the optional Enhanced Performance Factor Rider

Segment—A unit of value created every time you allocate your policy's accumulated value to a specific indexed account

Segment Performance Factor—The sum of the guaranteed indexed account performance factor and the rider performance factor that is used to determine the total segment indexed interest credit (varies by rider design and indexed account)

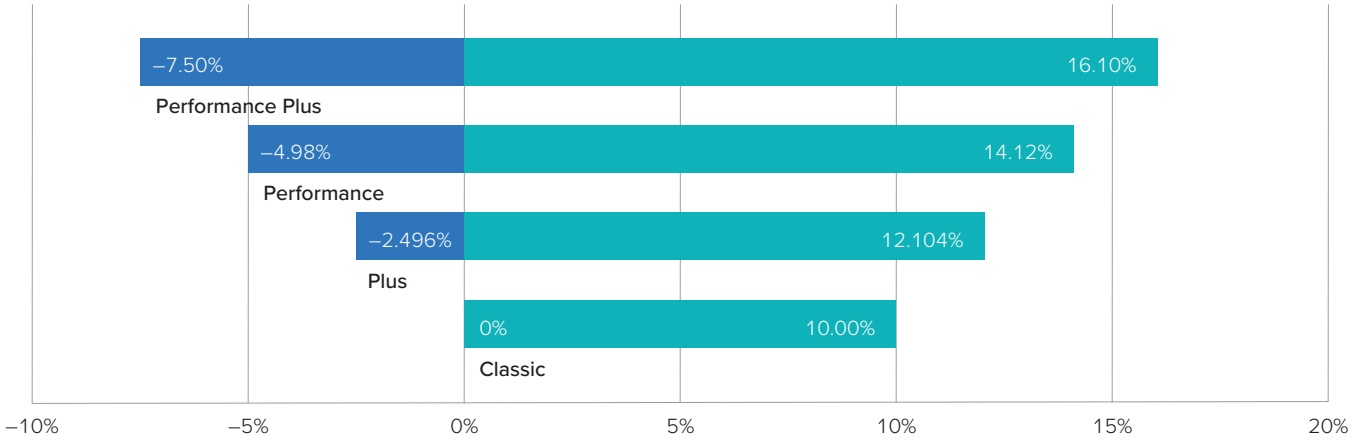
Average Segment Balance—Average of all monthly segment balances over the segment term after any policy deductions, including the rider monthly charges, have been taken

If policy charges are greater than the interest credits earned, the policy's cash value will decrease, which may cause the policy to lapse unless additional premium is paid.

How Might the Four Rider Design Options Perform?

We've extended the previous hypothetical example to give you an idea on how the different rider design options may impact your policy's accumulated value with segment indexed interest credits of 0%, 4%, 6%, and 10%. For simplicity's sake, we're continuing to assume that you have allocated a portion of your policy's accumulated value in the second policy year to the 1-Year Indexed Account, with a 10% current growth cap, 0% floor, and $10,000 average segment balance. **Keep in mind that on an actual policy, the rider charges are included in the policy's monthly deductions and are not part of the segment indexed interest crediting rate calculation.**

Potential Range of Performance Net of Enhanced Performance Factor Rider Charge



Rider Design	Segment Indexed Interest Rate			
	0%	4%	6%	10%
	Net Impact to Segment Value			
Classic	$0	$400.00	$600.00	$1,000.00
Plus	$-249.60	$334.40	$626.40	$1,210.40
Performance	$-498.00	$266.00	$648.00	$1,412.00
Performance Plus	$-750.00	$194.00	$666.00	$1,610.00

As you can see, the rider's impact on your policy's accumulated value can be positive or negative. Even when the segment indexed interest rate is positive, the net impact to the segment value may be lower for rider designs with a charge. Consider the costs and upside potential of each rider design and discuss with your financial professional when deciding which design option to select. You can also look at additional life insurance illustrations to analyze the impact each rider design may have on your policy.

Ask your financial professional whether the Enhanced Performance Factor Rider is an appropriate strategy for your risk tolerance and needs.

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.

Indexed universal life insurance does not directly participate any stock or equity investments.

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. Look to the strength of the life insurance company with regard to such guarantees as these guarantees are not backed by the broker/dealer, insurance agency, 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 life insurance company.

All individuals selling this product must be licensed insurance agents.

Life insurance is subject to underwriting and approval of the application and will incur monthly policy charges. In general, additional premium is required to continue coverage of the policy. Policy may lapse if premium is insufficient to continue coverage.

Indexed 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.

This material reflects the Pacific Life Insurance Company policy features and benefits. All policy features and benefits may not be available through some broker/dealers.

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

Form series P26SIL, S26SHZN,
varies based on state of policy issue.

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