



**PACIFIC LIFE**

Pacific Life Insurance Company

# Pacific PremierCare® Advantage

Universal Life Insurance with Long-Term Care Benefits<sup>1</sup>



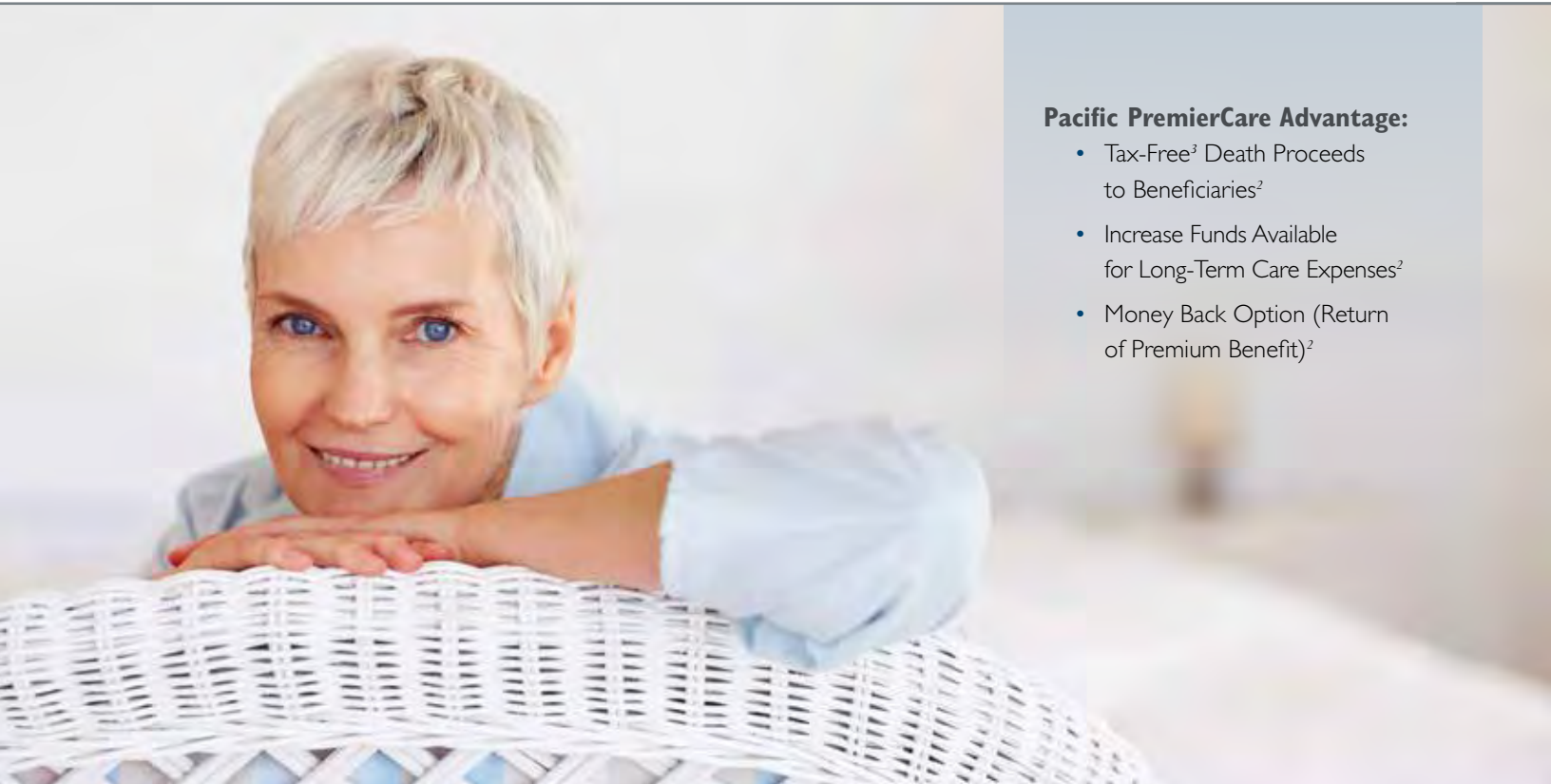
## Client Guide

<sup>1</sup> Pacific Life Insurance Company's Pacific PremierCare Advantage (Policy Form #P12PPC or ICC12 P12PPC, based on state of policy issue) is a flexible premium adjustable life insurance policy with long-term care insurance payable through reimbursements. Pacific PremierCare Advantage is not a Partnership Qualified product. For more information on Partnership Qualified products, please contact your state department of insurance. This policy has certain exclusions and limitations. For costs and complete details of the coverage, contact your life insurance producer. This is an insurance solicitation.

# Help **DEFEND** Your **RETIREMENT**—Pacific PremierCare Advantage

You've worked hard to build your retirement assets. Now, you and your family enjoy a special quality of life because you've wisely nurtured your financial well-being. Yet what would happen to your financial independence if you were to suddenly fall ill and require long-term care? Who would help pick up the pieces for unplanned expenses? How could the cost of care impact what you've carefully saved for retirement?

Pacific PremierCare Advantage, universal life insurance with long-term care benefits, may help you maintain the quality of life you've come to expect and the freedom of choice you want to protect.



### Pacific PremierCare Advantage:

- Tax-Free<sup>3</sup> Death Proceeds to Beneficiaries<sup>2</sup>
- Increase Funds Available for Long-Term Care Expenses<sup>2</sup>
- Money Back Option (Return of Premium Benefit)<sup>2</sup>

<sup>2</sup> Policy Benefits are reduced by any policy distributions (loans, withdrawals, or terminal illness benefit). Death Proceeds and Return of Premium Benefit will also be reduced when long term care benefits are taken.

<sup>3</sup> For federal income tax purposes, life insurance death benefits generally pay income tax-free to beneficiaries pursuant to IRC Section 101(a)(1). In certain situations, however, life insurance death benefits may be partially or wholly taxable. Situations include, but are not limited to: the transfer of a life insurance policy for valuable consideration unless the transfer qualifies for an exception under IRC Section 101(a)(2) (i.e. the "transfer-for-value rule"); arrangements that lack an insurable interest based on state law; and an employer-owned policy unless the policy qualifies for an exception under IRC Section 101(j). Additionally, a portion of your Pacific PremierCare Advantage's Death Proceeds may be income taxable if the policy was issued as part of an IRC Sec. 1035 income tax-free exchange and/or in certain situations where long-term care benefits were paid out prior to death. Consult with qualified and independent legal and tax advisors.

Investment and Insurance Products: Not a Deposit	Not Insured by any Federal Government Agency	
Not FDIC Insured	No Bank Guarantee	May Lose Value

## 1 Premium, 3 Potential Uses

Use your policy in up to three ways. Your one-time premium payment<sup>5</sup> guarantees your policy's long-term care benefits, death proceeds, and Return of Premium Benefit for the life of the policy. Note that policy benefits are reduced by any policy loans, withdrawals, or terminal illness benefit paid under the policy. The policy's death proceeds and Return of Premium Benefit will also be reduced when long-term care benefits are taken.

### 1 If You Need Long-Term Care

- Policy reimburses monthly for the cost of care received<sup>6</sup>
- Benefits are generally paid tax-free<sup>7</sup>
- Choice of Benefit Periods: 2 to 8 Years (24 to 96 months)
- Choice of Inflation Benefit Options: Grow monthly benefits each year by 5% Compound, 5% Simple, or 3% Simple Interest
- Long-term care benefits are reduced by any policy loans, withdrawals, or terminal illness benefit paid under the policy.

### Easy Application

Pacific PremierCare Advantage features a streamlined process. All that's required of you is a telephone interview. The typical turnaround time for an underwriting decision is about one week.<sup>8</sup>

### 2 If You Pass Away

- Tax-Free<sup>4</sup> death proceeds paid to beneficiaries
- Death proceeds are reduced by any policy loans, withdrawals, long-term care benefits, or terminal illness benefit paid under the policy

### 3 If You Want Your Money Back

- Surrender policy at any time for Return of Premium Benefit
- One-time premium will be refunded less any policy loans, withdrawals, long-term care benefits, or terminal illness benefit paid under the policy

<sup>4</sup> For federal income tax purposes, life insurance death benefits generally pay income tax-free to beneficiaries pursuant to IRC Section 101(a)(1). In certain situations, however, life insurance death benefits may be partially or wholly taxable. Situations include, but are not limited to: the transfer of a life insurance policy for valuable consideration unless the transfer qualifies for an exception under IRC Section 101(a)(2) (i.e. the "transfer-for-value rule"); arrangements that lack an insurable interest based on state law; and an employer-owned policy unless the policy qualifies for an exception under IRC Section 101(j). Additionally, a portion of your Pacific PremierCare Advantage's Death Proceeds may be income taxable if the policy was issued as part of an IRC Sec. 1035 income tax-free exchange and/or in certain situations where long-term care benefits were paid out prior to death. Consult with qualified and independent legal and tax advisors.

<sup>5</sup> Only one premium is necessary to fund Pacific PremierCare Advantage. While this product allows additional premiums, they are not required and do not provide additional Long-Term Care (LTC) Benefits, a greater Return of Premium Benefit, or increased Death Proceeds (unless a subsequent increase in the policy's cash value requires a death benefit increase to satisfy IRC Section 7702 requirements). A premium load will apply to each premium payment. Once a sufficient premium has been paid, the LTC coverage will continue as long as the insured lives; or until the policy is surrendered at the owner's request; or until the maximum LTC benefits have been paid; or until policy lapse. Policy charges (cost of insurance and coverage charges) are deducted from the policy's accumulated value on a monthly basis. Policy lapse will only occur where the policy's cash value less policy debt is not sufficient to cover monthly policy charges. Prior to lapse, the policy provides 61 days to pay premium sufficient to keep the policy in force.

<sup>6</sup> Reimbursements for covered LTC expenses are subject to an elimination period and are provided by the Accelerated Benefit Rider (ABR) for Long Term Care (Form #R12ABR or ICC12 R12ABR) and the Extended Benefit Rider (EBR) for Long Term Care (Form #R12EBR or ICC12 R12EBR). (Rider form numbers vary based on state in which policy is issued.) The amount and duration of the maximum LTC benefits will be based on the benefit options elected at time of application. Coverage elected for longer than two years is only provided through a combination of the ABR and EBR. Actual amount and duration of long-term care benefits will vary based on the use of policy benefits and features. Covered LTC expenses will be reimbursed until the total LTC benefits are exhausted, which may vary from the elected duration. Premiums for LTC benefits will vary depending upon the benefit options elected. Charges for the ABR, EBR, and any Inflation Benefit Option are included in the scheduled premium payment(s).

<sup>7</sup> Pacific PremierCare Advantage is intended to provide federally tax-qualified long-term care insurance as defined in IRC Section 7702B(b). When benefits are received from multiple policies providing long-term care or chronic illness benefits for a given insured, including policies with different owners, all of those benefits must be aggregated to determine their taxability. Pacific Life cannot determine whether the benefits are taxable. If you have any questions concerning the tax implications of this product, you should consult with qualified and independent legal and tax advisors.

<sup>8</sup> Pacific PremierCare Advantage is subject to underwriting and approval of the application and may include obtaining records from your physician. No medical exam is required, but a Medical Information Bureau (MIB) and prescription report will be ordered and a Personal History Interview and Cognitive Assessment will be performed via telephone as part of the underwriting process.

## Pacific PremierCare Advantage: What Can It Do for You?

Pacific PremierCare Advantage may increase the funds you have available to help pay for qualified long-term care services—on day one of your policy and each year afterwards if you elect an Inflation Benefit Option (see next page). Your beneficiaries may receive tax-free<sup>9</sup> death proceeds should you pass away before or while receiving long-term care, and with the Return of Premium Benefit, you can commit to a plan worry-free.

### Hypothetical Examples

#### Reposition a portion of current assets as one-time premium (\$100,000 to each policy)

Female insured, nonsmoker, issue age 60, 7-year benefit period with 5% Simple Interest Inflation Benefit Option elected at policy issue and Couples Discount applied.

#### For Her

Male insured, nonsmoker, age 60, 7-year benefit period with 5% Simple Interest Inflation Benefit Option elected and Couples Discount applied.

#### For Him

### If You Need Long-Term Care—Leverage Assets for Greater Protection

<p><b>3.5x Premium on Day 1</b></p> <p><b>\$352,718</b></p> <p>Total Long-Term Care Benefits</p> <p><b>\$3,651</b></p> <p>Monthly Maximum Benefit</p>	<p><b>6.5x Premium by Age 80</b></p> <p><b>\$659,430</b></p> <p>Total Long-Term Care Benefits</p> <p><b>\$7,302</b></p> <p>Monthly Maximum Benefit</p>	<p><b>4.6x Premium on Day 1</b></p> <p><b>\$466,131</b></p> <p>Total Long-Term Care Benefits</p> <p><b>\$4,825</b></p> <p>Monthly Maximum Benefit</p>	<p><b>8.7x Premium by Age 80</b></p> <p><b>\$871,462</b></p> <p>Total Long-Term Care Benefits</p> <p><b>\$9,650</b></p> <p>Monthly Maximum Benefit</p>
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The monthly amount reimbursed is the cost of covered long-term care expenses actually incurred, which may be less than the Monthly Maximum Benefit. The Monthly Maximum Benefit may be pro-rated based on the actual number of days that the insured is chronically ill or confined to a facility.

### If You Never Need Long-Term Care—Help Preserve Long-Term Policy Flexibility

<p>Money Back Option (Return of Premium Benefit):</p> <p><b>\$100,000</b></p>	<p>Or</p>	<p>Death Proceeds to Beneficiaries:</p> <p><b>\$100,000</b></p>	<p>Money Back Option (Return of Premium Benefit):</p> <p><b>\$100,000</b></p>	<p>Or</p>	<p>Death Proceeds to Beneficiaries:</p> <p><b>\$115,809</b></p>
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Policy Benefits are reduced by any policy distributions (loans, withdrawals, or terminal illness benefit). Death Proceeds and Return of Premium Benefit will also be reduced when long term care benefits are taken. Values shown assume no prior distributions of any kind. Age 80 benefits assume long-term care benefits begin at age 80. An elimination period may apply before long-term care benefits are available. See your policy for details.

### Leverage Your Assets for Greater Long-Term Care Protection

<sup>9</sup> For federal income tax purposes, life insurance death benefits generally pay income tax-free to beneficiaries pursuant to IRC Section 101(a)(1). In certain situations, however, life insurance death benefits may be partially or wholly taxable. Situations include, but are not limited to: the transfer of a life insurance policy for valuable consideration unless the transfer qualifies for an exception under IRC Section 101(a)(2) (i.e. the "transfer-for-value rule"); arrangements that lack an insurable interest based on state law; and an employer-owned policy unless the policy qualifies for an exception under IRC Section 101(j). Additionally, a portion of the Pacific PremierCare Advantage's Death Proceeds may be income taxable if the policy was issued as part of an IRC Sec. 1035 income tax-free exchange and/or in certain situations where long-term care benefits were paid out prior to death. Consult with qualified and independent legal and tax advisors.

### Set Your Monthly Long-Term Care Benefits

Once you begin receiving long-term care, you will be reimbursed for the actual cost of your care up to your policy's monthly maximum benefit. The options you elect at policy issue (described below) will determine this amount.

### Choosing Your Options

**1 Premium**—The greater your one-time premium payment, the greater your potential long-term care benefits will be.

**2- to 8-Year Benefit Periods**—Set your expected benefit duration and initial monthly maximum benefit amount.

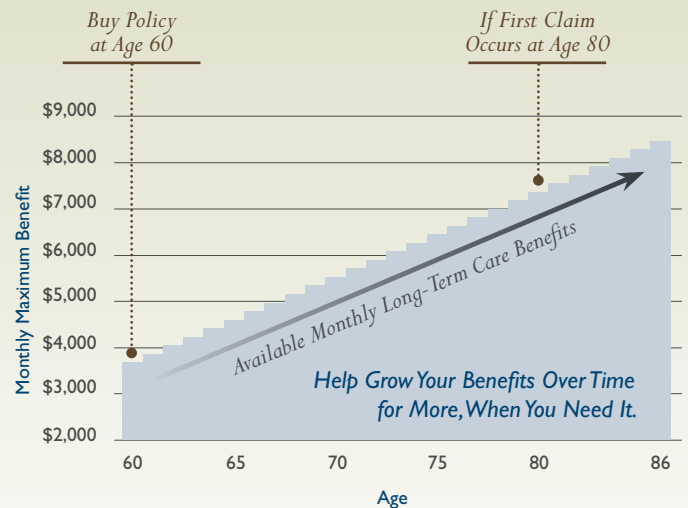
**5% or 3% Inflation Benefit Options**—Grow your long-term care benefits by 5% Compound, 5% Simple, or 3% Simple interest on each policy anniversary. If you do not elect an Inflation Benefit Option, your monthly maximum benefit amount will remain level.

### Couples Discount

Receive discounted premiums for policyowners who are married or in state-sanctioned civil unions or domestic partnerships. The discount applies to eligible policyowners. It does not require purchase of two policies on both insureds.

### Help Grow Your Protection for the Rising Costs of Care

By electing an Inflation Benefit Option of 5% Compound, 5% Simple, or 3% Simple Interest, your monthly long-term care benefits will automatically increase every year. This can help your benefit dollars grow along with the rising costs of inflation and long-term care.



*Hypothetical example based on married, nonsmoking female, issue age 60, with \$100,000 one-time premium, 7-year benefit duration, and 5% Simple Inflation Benefit elected. The elected maximum benefit period would be for 84 months and the monthly maximum benefit would rise to \$7,302 if the first claim began at age 80. The monthly amount reimbursed is the cost of covered long-term care expenses actually incurred, which may be less than the Monthly Maximum Benefit.*



## Pacific PremierCare Advantage: What's Covered?

### More Than Just Nursing Home Care

Whether you choose to receive in-home care or go to a facility—Pacific PremierCare Advantage puts the choice in your hands. All covered services received in the home have a 0-day elimination period before benefits are reimbursable. Care received in a facility may be subject to a 90-day elimination period, as shown below.

#### 0-Day Elimination Period

- Home Health Care
- Care Coordination
- Caregiver Training<sup>10</sup>
- Home Modification<sup>10</sup>
- Durable Medical Equipment<sup>10</sup>
- Adult Day Care Center

#### 90-Day Elimination Period

- Nursing Home Facility
- Assisted Living Facility
- Facility Hospice Care
- International Benefit

**All Covered Services Received in the Home Have a 0-Day Elimination Period, Including Hospice and Other Services to Assist with Activities of Daily Living.**

### Accessing Long-Term Care Benefits

Contact us or a licensed health care practitioner for help in certifying that you are unable to perform at least 2 of the 6 Activities of Daily Living—bathing, continence, dressing, eating, toileting, and transferring (to and from bed, wheelchairs, etc.)—or are severely cognitively impaired, requiring supervision to prevent yourself from harm for a period of at least 90 days, during which you may be responsible for payment of services (if an elimination period applies, see above). To continue your eligibility, a licensed health care practitioner will need to recertify your written plan of care and continuing need for qualified long-term care services every year thereafter.

### Help with Coordinating Care

Where should you receive care? How can you coordinate the payments? To assist you in accessing your long-term care benefits, Pacific Life provides Care Coordination Services at no additional charge. You may choose to use Care Coordination Services outside of Pacific Life's, but any policy benefits paid out for such services will reduce the total long-term care benefits and are subject to the maximum monthly benefit.

**International Benefit**—Pays a cash benefit equal to the monthly maximum benefit for nursing home care received outside the United States. Your actual benefit duration will be adjusted based on any long-term care benefits you have already received and is generally available up to the first 24 months of claims.



<sup>10</sup> Benefits paid for these services are limited to lifetime maximum amounts.

## Other Policy Benefits

After you make your one-time premium payment, your policy's long-term care benefits, death proceeds, and Return of Premium Benefit are guaranteed.<sup>11</sup>

Your Pacific PremierCare Advantage policy also provides the following benefits.

**Residual Death Benefit**—If the only distributions to occur under your policy are for long-term care benefits, your beneficiaries are guaranteed to receive an amount equal to the lesser of 5% of your initial face amount or \$5,000. If you never use long-term care benefits, your death proceeds are guaranteed to never be less than your premiums paid, less any policy loans, withdrawals, or terminal illness benefit paid.

**Terminal Illness Benefit**—This feature allows you to access up to the lesser of \$500,000 or 75% of your policy's face amount if you are diagnosed as terminally ill with 12 months or fewer to live.<sup>12</sup> This benefit is reduced by policy loans, withdrawals, and long-term care benefits paid under the policy.

## LONG-TERM CARE PROTECTION IF YOU NEED IT.

A money back option  
(Return of Premium Benefit)<sup>11</sup>  
if you don't.



### Pacific Life—The Power to Help You Succeed

Offering insurance since 1868, Pacific Life 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 also counts more than half of the 100 largest U.S. companies as its clients. For additional company information, including current financial strength ratings, visit Pacific Life online at [www.PacificLife.com](http://www.PacificLife.com).

*Pacific Life refers to Pacific Life Insurance Company and its affiliates. Client count as of June 2015 is compiled by Pacific Life using the 2015 FORTUNE 500® list.*

<sup>11</sup> Policy benefits are reduced by any policy distributions (loans, withdrawals, or terminal illness benefit). Death Proceeds and Return of Premium Benefit will also be reduced when long-term care benefits are taken.

<sup>12</sup> The cost of exercising the terminal illness benefit provision is that the death benefit is reduced by an amount greater than the benefit payment itself to reflect the early payment of the death benefit. Benefit payments will reduce the death benefit, Return of Premium Benefit, Coverage Charge, net cash surrender value, any remaining future unpaid premium, and any policy debt. Additionally, benefit payments may adversely affect the benefits under other riders. Tax laws relating to accelerated death benefits are complex. Receipt of accelerated death benefits may affect eligibility for public assistance programs such as Medicaid. Consult with qualified and independent legal and tax advisors for more information.

This material is not intended to be used, nor can it be used by any taxpayer, for the purpose of avoiding U.S. federal, state or local tax penalties. This material is written to support the promotion or marketing of the transaction(s) or matter(s) addressed by this material. 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.

**Exclusions, Exceptions, and Limitations:** We will not pay benefits for any room and board, care, treatment, services, equipment, or other items for care or services: 1) provided by the Insured's Immediate Family unless he or she is a regular employee of an organization which is providing the treatment, service or care; and the organization receives the payment for the treatment, service or care; 2) for which no charge is normally made in the absence of insurance; 3) provided outside the United States of America, except as described in the International Benefit; 4) that result from an attempt at suicide (while sane or insane) or an intentionally self-inflicted injury; 5) provided in a government facility (unless otherwise required by law); 6) for which benefits are available under Medicare (including amounts that would be reimbursable but for the application of a deductible or coinsurance amount) or other governmental program (except Medicaid), any state or federal workers' compensation, employer's liability or occupational disease law, or any motor vehicle no-fault law. No benefits will be paid for services received while the Accelerated Benefit Rider (ABR) for Long Term Care and the Extended Benefit Rider (EBR) for Long Term Care are not in force.



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Pacific Life Insurance Company is licensed to issue insurance products in all states except New York. Product availability and features may vary by state. 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.

Pacific Life Insurance Company's individual life insurance products are marketed exclusively through independent third-party life insurance producers, which may include bank-affiliated entities.

Some independent third-party life insurance producers, which may include bank affiliated entities, may limit availability of some optional riders based on their client's age and other factors. Your life insurance producer can help you determine which optional riders are available and appropriate for you.