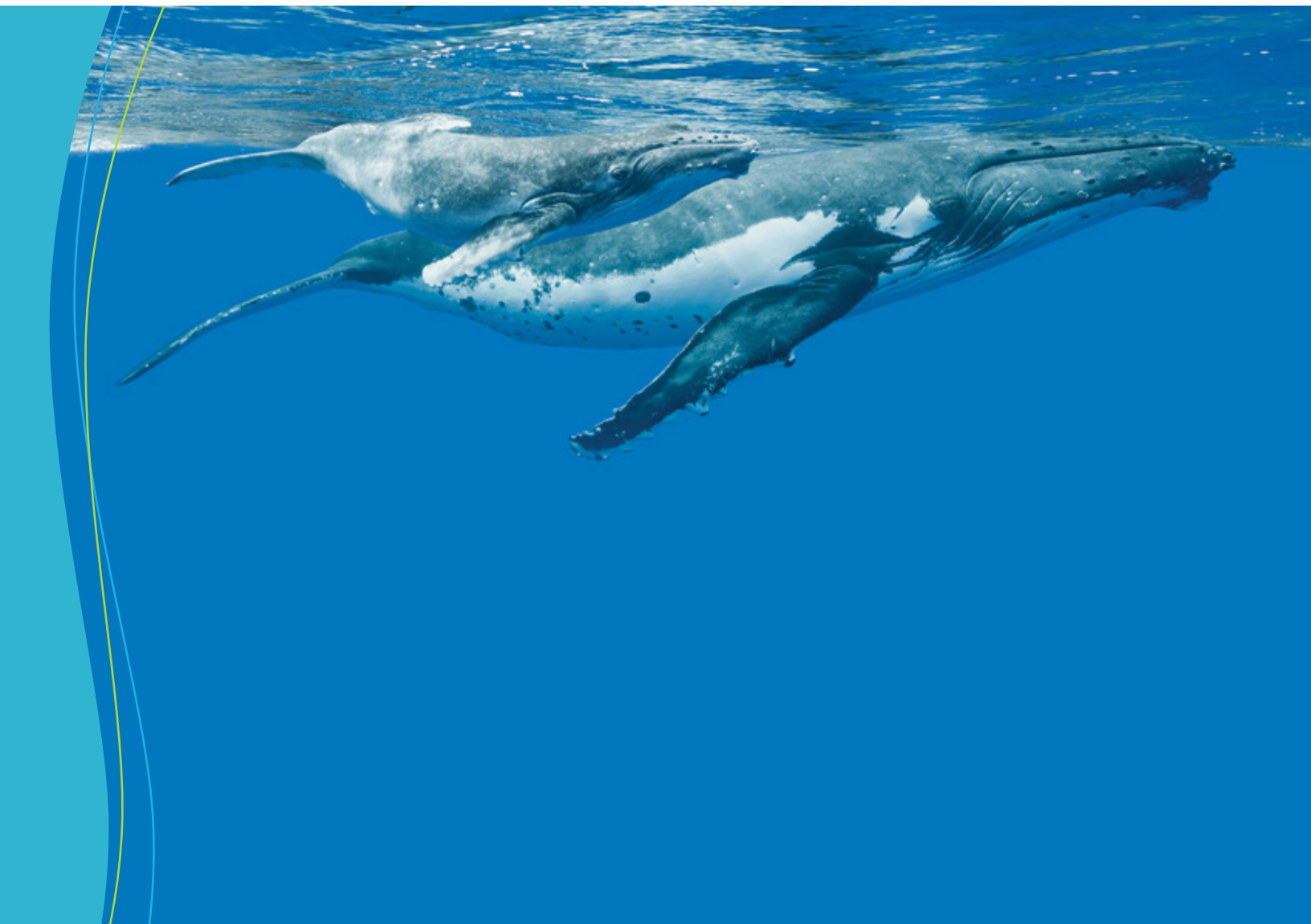




# PACIFIC EXPEDITION<sup>®</sup> 2

A Deferred Fixed Annuity



51° 20' 7.9" N  
172° 58' 7.5" E

## WHY CHOOSE A FIXED ANNUITY

A deferred fixed annuity is a long-term contract between you and an insurance company that helps:

- Grow retirement income through the power of tax deferral.
- Lock in guaranteed interest rates for a term you choose.
- Convert your assets to guaranteed lifetime retirement income.

As you plan for retirement, reflect on Pacific Life's icon, the humpback whale, which migrates thousands of miles each year to distant feeding grounds for the purpose of sustaining its life. When you retire, a Pacific Life fixed annuity can help you go the distance by providing a sustainable source of income and strong guarantees. Consider adding a fixed annuity to your retirement strategy today.

All guarantees are subject to the claims-paying ability and financial strength of the issuing insurance company.

Insurance products can be issued in all states, except New York, by Pacific Life Insurance Company and in all states by Pacific Life & Annuity Company. Product/material 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**

# HELP PREPARE FOR A SECURE RETIREMENT

As you save for retirement, you may want a financial solution that offers safety of principal and predictable growth.

Pacific Expedition 2, a deferred fixed annuity from Pacific Life, offers:

- Tax deferral.
- A choice of initial guaranteed periods during which you receive a guaranteed interest rate.
- A purchase-payment guarantee.
- Access to your money.
- Lifetime income.
- Beneficiary protection.

## The Power of Tax Deferral

Because an annuity is tax-deferred, interest will compound without current income tax. Your money grows faster because you don't pay taxes on the interest earned until you withdraw it or it is distributed to you.

The graph to the right illustrates the benefits of tax deferral. A \$100,000 initial purchase payment, compounded at 3% annually over 20 years, grows with taxes deferred. If the full amount is withdrawn after 20 years and taxes are paid on the lump-sum distribution, the amount would be \$154,816—more than the \$149,765 accumulated in a taxable investment over the same time frame.



**Tax-deferral assumptions:** Hypothetical example for illustrative purposes only. Assumes a nonqualified contract with a cost basis of \$100,000. After 20 years, the full amount before taxes equals the purchase payments plus interest, \$180,611. The amount withdrawn after taxes are paid is calculated by taking the full amount and subtracting the cost basis; it is then multiplied by 0.68 (32% ordinary income-tax rate) and adding back in the cost basis, for a total of \$154,816 after taxes.

Assumes a 32% ordinary income-tax rate, assessed yearly on the taxable investment and at period-end on the tax-deferred example. Actual tax rates may vary for different taxpayers and assets from that illustrated (e.g., capital gains and qualified dividend income). Actual performance of your investment also will vary. Lower maximum tax rates on capital gains and dividends would make the investment return for the taxable investment more favorable, thereby reducing the difference in performance in the examples shown. Consider your personal investment time horizon and income-tax brackets, both current and anticipated, when making an investment decision. Hypothetical returns are not guaranteed and do not represent performance of any particular investment. If Pacific Expedition 2 withdrawal charges were included (8% maximum withdrawal charge), the tax-deferred performance would be significantly lower.

Under current law, a nonqualified annuity that is owned by an individual is generally entitled to tax deferral. IRAs and qualified plans—such as 401(k)s and 403(b)s—are already tax-deferred. Therefore, a deferred annuity should be used only to fund an IRA or qualified plan to benefit from the annuity's features other than tax deferral. These features include lifetime income and death benefit options.

# GROWTH AND PROTECTION

With Pacific Expedition 2, you are not invested in the market and therefore will never lose your principal because of market performance. However, the value of your contract is guaranteed to grow. You will earn a guaranteed interest rate that is set at the time your annuity contract is purchased.

## Purchase-Payment Guarantee

If you need access to your money and surrender your contract, upon a full withdrawal, you will receive an amount at least equal to your total purchase payments minus any prior partial withdrawals including any withdrawal charges on those prior partial withdrawals. If you have not taken any partial withdrawals prior to the full withdrawal, then you will always get an amount at least equal to your total purchase payments.



# GUARANTEED INTEREST RATE

## Choose from Three Initial Guaranteed Periods

You may select one of three initial guaranteed periods, **locking in an initial guaranteed interest rate** for the period you select.

Choose from: ☐ Three years ☐ Five years ☐ Seven years

After the initial guaranteed period expires and on all subsequent contract anniversaries, a renewal rate will be declared by Pacific Life and guaranteed for one year. This rate will never be lower than the minimum guaranteed interest rate stated in your contract.<sup>1</sup> All initial guaranteed periods may not be available at all times, in all states, or offered by all broker/dealers. Check with your financial professional.

## Earn a Higher Interest Rate

Depending on the amount of your purchase payments, you may receive a higher interest rate.

There are two interest-rate breakpoints:

☐ Less than \$100,000 ☐ \$100,000 and more

All cash purchase payment requests must be submitted with your application and received within 90 days of contract issue. If a purchase payment received after issue causes the amount of the total purchase payments (minus any withdrawals) to exceed the current breakpoint, the crediting rate may be adjusted.

<sup>1</sup>Pacific Life determines, at its discretion, annual interest rates in excess of the stated minimum guarantee in the contract.



# ACCESS TO YOUR MONEY

## Withdrawals

Because you can never predict the future, you still have the ability to access your money when you need it. Withdrawals may begin as soon as 30 days after contract issue and are available through:

- Systematic withdrawals. Withdraw at least \$250 (\$100 for electronic funds transfer) either monthly, quarterly, semiannually, or annually.
- Partial withdrawals. Withdraw \$500 or more at any time.



## Withdrawals without Charge

You may withdraw amounts up to 10% of your purchase payments in the first contract year and 10% annually of your contract value during the remainder of the withdrawal charge period (based on the contract value from the previous contract anniversary) without a withdrawal charge.

Additionally, you may take withdrawals without a charge for the following reasons:

- Required minimum distribution (RMD) withdrawals (calculated by Pacific Life).
- Withdrawals after the first contract year if diagnosed with a terminal illness (life expectancy of 12 months or fewer). Not available in California.
- Withdrawals after the first 90 days if confined to an accredited nursing home for 30 days or more, as long as you are not confined to a nursing home when the contract is issued. Not available in California.
- Death benefit proceeds.
- Annuity income payments (available after the first contract year).

## Withdrawals that Incur a Charge

As described on page 3, you may select one of three initial guaranteed periods that corresponds to your withdrawal charge schedule. Withdrawal charges apply only during the initial guaranteed period when the amounts taken are more than those discussed in the “Withdrawals without Charge” section.

Charge per Withdrawal	Contract Year							
	1	2	3	4	5	6	7	8+
3 Years	8%	8%	7%	0%				
5 Years	8%	8%	7%	7%	6%	0%		
7 Years	8%	8%	7%	7%	6%	5%	4%	0%

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 income tax may apply. A withdrawal charge may apply. Withdrawals will reduce the contract value and the value of the death benefit. If withdrawal charges are paid on partial withdrawals, the purchase payment guarantee will be decreased.

# CREATE THE INCOME YOU NEED

## Annuity Income Options

After the first contract anniversary, you may elect to receive annuity income payments for your life, the lifetime of you and another person, or for a specific time period. You may annuitize the greater of the contract value or the Guaranteed Minimum Surrender Value. Partial annuitization is not available. Choose from the following payout options:

- **Period Certain**<sup>1</sup>—Periodic payments will be made over a specific period (up to 30 years). If the annuitant dies during the specified time, the remainder of the payments still will be paid to the owner or beneficiary.
- **Life Only**—Income payments are guaranteed for as long as an annuitant is living. This option provides the highest payment amount for one life; however, the contract will have no value following the death of the annuitant.
- **Life with Period Certain**<sup>1</sup>—Periodic payments will be made for life and guaranteed for a minimum period of 5 to 30 years. If an annuitant lives beyond the specified period, then payments will continue to be made for life. If the annuitant dies during the specified time, payments will be made to the owner or beneficiary for the remainder of the time period.
- **Life with Cash Refund**—Income payments are made for the life of the annuitant. When the annuitant dies, any remaining purchase payment amount will be paid to the owner or beneficiary as a lump sum. The remaining purchase payment amount equals the amount annuitized minus the total income payments received.
- **Life with Installment Refund**—Similar to Life with Cash Refund, income payments are made for the life of the annuitant. When the annuitant dies, if there are remaining amounts from the amount annuitized, it will be paid to the owner or beneficiary in installments. Please note, this option is not available on qualified (pretax) contracts.

You can choose to receive your annuity income payments monthly, quarterly, semiannually, or annually. Amounts will differ based on the payout option and period selected. Usually, the longer the payout period, the lower the periodic payment amount. Choosing appropriately for your retirement strategy is important because once you convert your contract to annuity income payments, you cannot switch payout options. Be sure to consult with your financial professional before annuitization. The minimum income payment is \$240.

## Joint Life Options<sup>2</sup>

The Life with Period Certain, Life with Cash Refund, and Life with Installment Refund options also are available in Joint versions if you need income to last throughout the lives of two individuals—you and one other person. Whether the survivor will continue to receive the same income that was paid while both of you were alive, or just a percentage of that income, is up to you.

By choosing to reduce income when one person dies, you will receive a higher amount of income while you are both living. You also have flexibility in determining when to reduce income. Payments can be reduced upon the death of the primary annuitant (Joint and Survivor Life option).

<sup>1</sup>For qualified contracts, the maximum length of time for the Period Certain options may not exceed 10 years, if necessary, to comply with required minimum distribution (RMD) regulations for annuities stipulated in the Setting Every Community Up for Retirement Enhancement (SECURE) Act.

<sup>2</sup>For qualified contracts, the Joint Life options require that the joint annuitant be a spouse or an individual older than or no more than 10 years younger than the primary annuitant.



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## Tax Management

When you begin taking annuity income payments under one of the standard payout options, each payment is composed of money that you've paid into the annuity plus any interest. For qualified contracts, taxes will generally be due on the entire payment. For nonqualified contracts, taxes will be due only on the interest portion. A formula unique to annuities determines the nontaxable portion of each payment until all the money you put into the contract has been taken out. Because of the formula, your tax liability for nonqualified income payments is spread out over time. The actual tax impact will depend on the payout option, term, and age at which the payout option is selected.



# HELP PROVIDE FOR YOUR SPOUSE AND HEIRS

While you're probably focusing on how to enjoy your retirement savings, it's important to think ahead and plan how to provide for your loved ones when you die. Pacific Expedition 2 offers built-in beneficiary protection through the death benefit feature as outlined below and a commitment to customer service that will be there for your family when they need it most.

## Provide for Your Spouse

If the owner or sole annuitant dies, the spouse (who is the beneficiary) can continue the contract.

## Provide for Your Heirs

If death occurs before you start to take annuity income payments, Pacific Expedition 2 can provide for your heirs. The value of the contract will pass directly to the joint owner or your designated beneficiaries, and they may avoid the delays and costs of probate.

## Who's Who in an Annuity?

It's important to know who the key parties are in an annuity contract.

Owner	Annuitant	Beneficiary
The owner makes the decisions about the annuity, such as how much money to put into the contract. The owner also names the annuitants and the beneficiaries.	The owner and the annuitant may or may not be the same person. Either way, it's the annuitant's life expectancy that is used to set the dollar amount of future annuity income.	If the owner or annuitant dies before annuity payments begin, generally, the beneficiary is the one who may have the right to receive the death benefit.

There may be one or more owners, annuitants, and beneficiaries.



## AWARD-WINNING CUSTOMER SERVICE

Pacific Life provides support to help you achieve your retirement goals.

Recipient of multiple DALBAR Service Awards since 1997. Refer to [www.DALBAR.com](http://www.DALBAR.com) for more information regarding awards, certifications, and rankings.

### **Personal Customer Service**

**(800) 722-4448**

Call our toll-free number to access account information via our automated line or to speak directly with an annuity specialist.

### **Website**

**[PacificLife.com](http://PacificLife.com)**

Go online and under the heading “Login,” select “Annuities.” To view your account information, select “Client Annuities.”

Discuss with your financial professional if Pacific Expedition 2  
is appropriate for you as part of your overall retirement strategy.  
[PacificLife.com](http://PacificLife.com)

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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.

*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.*

The Guaranteed Minimum Surrender Value (GMSV) applies to contracts upon full surrender, annuitization, or death. The GMSV may not apply in all states.

Pacific Expedition 2 is named "Individual Limited Premium Deferred Annuity Contract" in the contract.

Pacific Life refers to Pacific Life Insurance Company and its subsidiary Pacific Life & Annuity Company. Insurance products can be issued in all states, except New York, by Pacific Life Insurance Company and in all states by Pacific Life & Annuity Company. Product/material 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.

The home office for Pacific Life & Annuity Company is located in Phoenix, Arizona. The home office for Pacific Life Insurance Company is located in Omaha, Nebraska.

Contract Form Series: ICC20:30-1339-A

Rider Series: ICC20:20-1339

State variations to contract form series and rider series may apply.

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