



PACIFIC SECURE INCOME[®]

A Fixed, Deferred Income Annuity as a Qualified Longevity Annuity Contract



HELP REDUCE TAXES AND INCREASE LIFETIME INCOME

In an era of increasing life spans, there is the strong possibility that you could spend as much time in retirement as you did working. That's why it's important to create a strategy that includes lifetime income with an opportunity to reduce taxes. One strategy is to establish Pacific Secure Income as a qualified longevity annuity contract (QLAC).

Lower Your Required Minimum Distributions (RMDs)

An RMD is the annual amount that IRA owners must begin taking from their retirement accounts by no later than April 1 of the year following the calendar year they reach age 73. Assets used to purchase a deferred income annuity (DIA) specifically as a QLAC will not be included in the calculation of your RMDs. As a result:

- Before you start receiving QLAC income, your RMDs are lower, which may equate to you paying less taxes.
- RMDs from QLAC assets can be deferred up to age 85.
- By deferring income to a later age, you may receive greater lifetime income payments.
- It can help provide future income for a surviving spouse.

Only deferred income annuities that meet Treasury regulations qualify as QLACs.

Insurance products can be issued in all states, except New York, by Pacific Life Insurance Company or Pacific Life & Annuity Company. In New York, insurance products are only issued 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**

How Much Can I Contribute to a QLAC?

You can allocate a portion of your qualified (pretax) retirement assets from a traditional IRA to purchase Pacific Secure Income as a QLAC. As of 2023, the maximum QLAC purchase payment limit is \$200,000 indexed for inflation (applies to the aggregate of all applicable retirement-plan assets, such as 401(k), 403(b), governmental 457(b), and IRAs).

Hypothetical example: If you have two traditional IRAs valued at a total of \$400,000 as of 12/31 of the prior year, the maximum QLAC limit would be \$200,000.

IRA #1		IRA #2		MAXIMUM QLAC = \$200,000
\$200,000	+	\$200,000	➤	\$200,000

QLAC IN ACTION

This hypothetical example compares the income and taxes of a QLAC strategy to a non-QLAC strategy.

Meet Dave

Dave is 65 years old, has total IRA assets of \$580,000, and is in the 30% tax bracket. He does not need to take income now and is looking to pay the least amount of taxes. But, he is interested in future guaranteed lifetime income to help pay potentially higher medical expenses.

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

Strategy

- Purchase QLAC: \$200,000 with no additional purchase payments.
- Remaining IRA assets: \$380,000 (\$580,000 – \$200,000).
- Select the Single Life Only annuity income option at the QLAC maximum Annuity Payment Start Date age of 85.
- RMDs starting at age 73 are calculated on the remaining IRA account value.

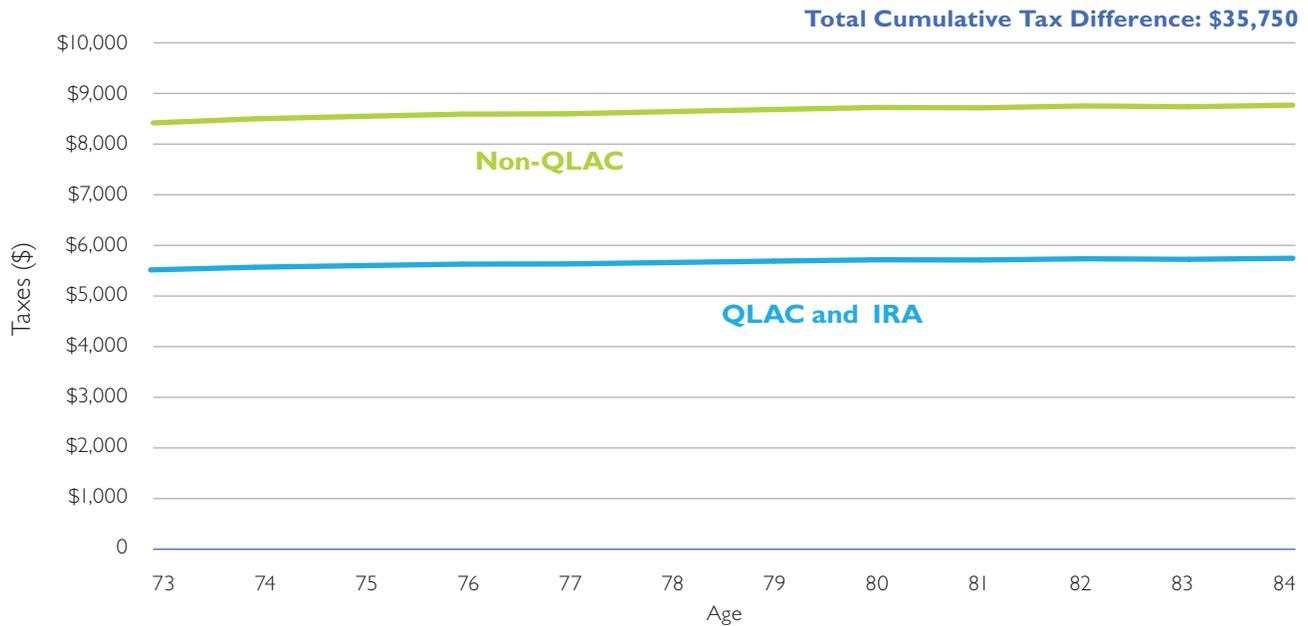
This case study is based on the assumptions provided, which include (but are not limited to): age, gender, purchase payment amount, selected payout option, and Annuity Payment Start Date. Your income payments may differ due to these factors. Additionally, outcomes may differ based on the amount of time that income is paid while the annuitant(s) is living. This is a hypothetical example for illustrative purposes only.

Let's look at the potential benefits of a QLAC strategy.

QLAC IN ACTION

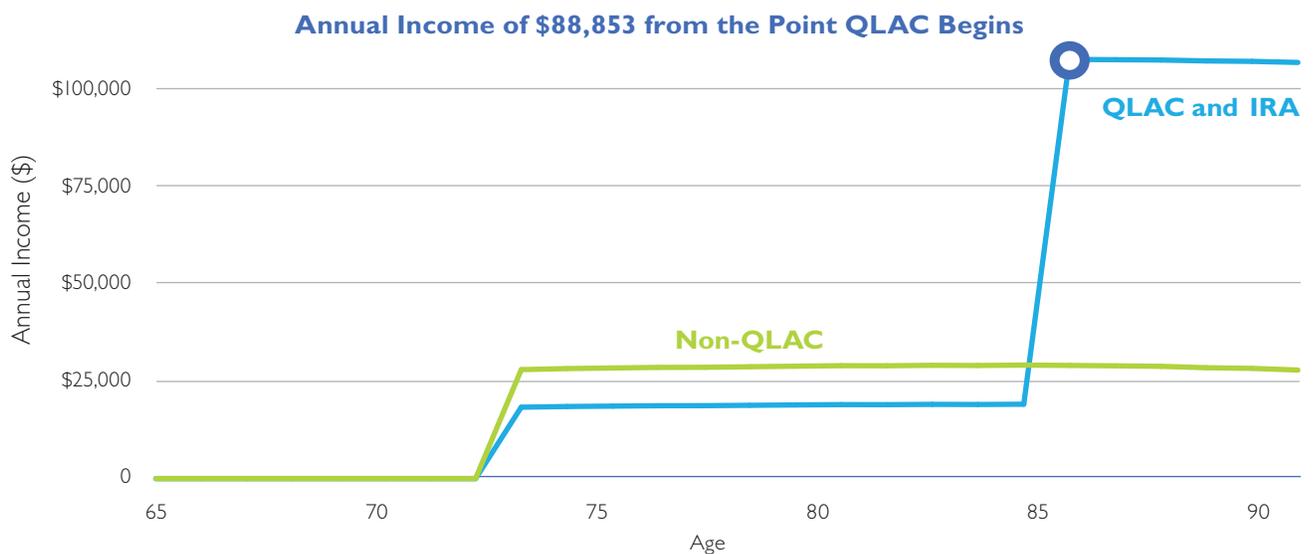
This is a hypothetical example for illustrative purposes only.

Tax Savings from Ages 73–84



Prior to the QLAC income start date, Dave's taxes are consistently lower with the QLAC strategy. After 12 years, the total cumulative tax savings with the QLAC strategy is **\$35,750**.

More Income Starting at Age 85



At age 85, the annual income dramatically increases because the QLAC produces an additional **\$88,853**. The QLAC income will be steady and is guaranteed for life.

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

QLAC Strategy \$200,000 QLAC and \$380,000 IRA					Non-QLAC Strategy \$580,000 IRA		Annual Tax Savings (\$)
Age	RMD Income from IRA (\$)	QLAC Income (\$)	Total Income (\$)	Taxes (\$)	RMD Income from IRA (\$)	Taxes (\$)	
65-72	0	0	0	0	0	0	0
73	18,384	0	18,384	5,515	28,060	8,418	2,903
74	18,561	0	18,561	5,568	28,330	8,499	2,931
75	18,663	0	18,663	5,599	28,485	8,546	2,947
76	18,762	0	18,762	5,629	28,637	8,591	2,963
77	18,777	0	18,777	5,633	28,660	8,598	2,965
78	18,871	0	18,871	5,661	28,804	8,641	2,980
79	18,963	0	18,963	5,689	28,943	8,683	2,994
80	19,050	0	19,050	5,715	29,077	8,723	3,008
81	19,035	0	19,035	5,711	29,054	8,716	3,006
82	19,115	0	19,115	5,735	29,175	8,753	3,018
83	19,081	0	19,081	5,724	29,123	8,737	3,013
84	19,150	0	19,150	5,745	29,229	8,769	3,024



QLAC Income Begins

Cumulative Tax Savings



\$35,750

Annual
Difference in
Income (\$)

85	19,093	88,853	107,946	32,384	29,142	8,743	78,804
86	19,024	88,853	107,877	32,363	29,037	8,711	78,840
87	18,941	88,853	107,794	32,338	28,910	8,673	78,884
88	18,706	88,853	107,559	32,268	28,551	8,565	79,008
89	18,594	88,853	107,447	32,234	28,380	8,514	79,067
90	18,313	88,853	107,166	32,150	27,951	8,385	79,215

Total



\$473,818

GUARANTEED INCOME

At the time you purchase Pacific Secure Income as a QLAC, simply choose one of the following available payout options. You can choose the frequency that you receive your income payments—monthly, quarterly, semiannually, or annually—to help you meet your income needs and financial goals.

Annuity Income Options

Single Life

- Single Life Only
- Single Life Only with 100% Return of Purchase Payment(s) Death Benefit
- Single Life with Cash Refund

Joint Life (Must Be Spouses)

- Joint Life Only
- Joint Life Only with 100% Return of Purchase Payment(s) Death Benefit
- Joint Life with Cash Refund

Joint and Survivor Life (Must Be Spouses)

- Joint and Survivor Life Only
- Joint and Survivor Life Only with 100% Return of Purchase Payment(s) Death Benefit
- Joint and Survivor Life with Cash Refund

Income from annuity payments received from Pacific Secure Income cannot be aggregated or combined with income from other IRA contracts/assets for purposes of satisfying the required minimum distributions. Annuity income options are subject to state and firm availability.

Other Important Information

Liquidity Limitations: A QLAC does not allow for withdrawals from the contract or other similar benefits.

Maintaining QLAC Status: If you exceed the QLAC purchase payment limitation of \$200,000, the IRA owner must remove the excess premium by no later than the end of the calendar year following the year in which the excess premium was originally made. If the excess amount is not removed, the contract may fail to be a QLAC. It is the IRA owner's responsibility to make certain the limits are not exceeded.

PROVIDE FOR YOUR SPOUSE AND HEIRS

While you're focused on planning for retirement, it's also important to provide for your family in the event of your death before and after your annuity income payments start.

Before Annuity Income Payments Begin

If death occurs before annuity income payments begin, a return of purchase payments death benefit applies.

- **For Single Life options:** The contract is terminated at the death of the first owner or annuitant, and a return of purchase payments death benefit is paid (except for the Single Life Only annuity income option).
- **For Joint Life as well as the Joint and Survivor Life options:** The contract is terminated at the death of the first owner or the last annuitant, and a return of purchase payments death benefit is paid (except for the Joint Life Only and Joint and Survivor Life Only annuity income options). At the time of death, if the surviving spouse is an annuitant, the spouse can continue the contract instead of receiving the death benefit.

After Annuity Income Payments Begin

If death occurs on or after the Annuity Payment Start Date, the selected annuity income option will determine any additional payments made. Death benefits are not available with any Life Only annuity income options.

For further details, please see the *Pacific Secure Income Client Guide*.



Talk to your financial professional today about
Pacific Secure Income as a qualified longevity annuity contract,
or visit our website at PacificLife.com.

Pacific Secure Income is not available in California, Illinois, North Carolina, Oregon, Pennsylvania, or Texas.

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.

Qualified contracts, including traditional IRAs, Roth IRAs, and QLACs, are eligible for favorable tax treatment under the Internal Revenue Code (IRC). Certain payout options and features may not comply with various requirements for qualified contracts, which include required minimum distributions. Therefore, certain product features, including the ability to change the annuity payment start date, accelerate payments, and to exercise withdrawal features or payout options, may not be available or may have additional restrictions.

Income from annuity payments received from Pacific Secure Income cannot be aggregated or combined with income from other IRA contracts/assets for purposes of satisfying the required minimum distributions.

For Roth IRAs, upon the Roth IRA owner's death, distributions to the beneficiaries may be subject to the required minimum distribution rules. If the designated beneficiary is not the spouse, the beneficiary may be required to take a lump-sum payment of the present value of the guaranteed payments if a death benefit becomes available. The five-year waiting period for qualified Roth distributions still applies to payments made after the death of the Roth IRA's owner. Any required minimum distribution taken by the beneficiary within this five-year waiting period may be taxable.

Contracts may be subject to an additional 10% federal income tax for annuity payments, withdrawals, and other distributions prior to age 59½. For nonqualified contracts, an additional 3.8% federal tax may apply on net investment income.

Pacific Secure Income can be used as a QLAC subject to state and firm availability. In order for the contract to be eligible as a QLAC, certain requirements under Treasury regulations must be met, including limits on the total amount of purchase payments that can be made to the contract. Compliance with the QLAC purchase payments limit is the owner's responsibility, and failure to adhere may result in the contract no longer being considered a QLAC, and would subject the value of the QLAC to required minimum distribution requirements that may not be accessible through the contract. In addition, there are restrictions on annuity payout options that can be elected under a QLAC contract, and the commutation, payment acceleration, and inflation protection features are not available. Changes to marital status may require a change to the annuity payout option and/or payments in order to maintain the QLAC status.

Pacific Life refers to Pacific Life Insurance Company and its affiliates, including Pacific Life & Annuity Company. Insurance products can be issued in all states, except New York, by Pacific Life Insurance Company or Pacific Life & Annuity Company. In New York, insurance products are only issued 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.

All annuity contract and rider guarantees, or annuity payout rates, are the sole obligations of and backed by the claims-paying ability of the issuing insurance company. They are not obligations of or backed by the broker/dealer from which this annuity is purchased, 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: 30-1294, 30-1305NJ

Rider Series: 20-1300, 20-1299

Endorsement: ICC15:15-1400

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

FAC0572-0124



THE OFFICIAL SPONSOR
OF RETIREMENT*