

USING THE PREMIER CHRONIC ILLNESS RIDER

Manage Chronic Illness Costs With Your Cash Value Life Insurance Policy



PACIFIC LIFE

Pacific Life Insurance Company

You buy life insurance for the death benefit protection, but it can also provide benefits during your lifetime as well. If you (the policyowner) choose to elect the Premier Chronic Illness Rider¹ at policy issue for an additional charge, you may receive advance payment of up to \$3 million of your policy's death benefit to pay for care if you become chronically ill—unable to perform 2 of the 6 activities of daily living (eating, bathing, continence, dressing, toileting, and transferring) for a period of at least 90 days or need substantial supervision due to a severe cognitive impairment.

FLEXIBILITY, FREEDOM, PROTECTION— PREMIER CHRONIC ILLNESS RIDER

Advance payment of up to \$3 million of your policy's death benefit if you develop a chronic illness.²



Certified as chronically ill by a licensed healthcare practitioner



Recertify eligibility annually



Choose monthly or annual benefits³



Use benefits for any reason – medical or non-medical

FREQUENTLY ASKED QUESTIONS

Is Care by a Family Member Covered?

Yes.

Are Receipts Required?

The rider is an indemnity benefit design, which means it pays benefit amounts not limited to the amount of expenses incurred. No bills, statements, or receipts are needed to justify the cost of care. The rider does not require that a Plan of Care (a plan outlining the care needed and length of time needed) be prescribed or submitted by a licensed healthcare practitioner to receive benefits.

What if the Insured Resides Outside of the U.S.?

This rider is designed to be used anywhere in the world, as long as it is initially purchased by a U.S. Citizen or U.S. Permanent Green Card holder. The initial certification and any re-certifications of the chronic illness by a U.S. licensed healthcare practitioner can be done remotely.

Is There an Elimination Period?

Yes, there is an elimination period of 90 days before payments can begin. Once the insured becomes chronically ill, the elimination period begins and will end after 90 consecutive days.

¹ Pacific Life Insurance Company's Premier Chronic Illness Rider (CHR), Form series #R22CHR, S21CHR, varies based on state of policy issue. Riders will likely incur additional charges and are subject to availability, restrictions, and limitations. When considering a rider, request a policy illustration from your life insurance producer to see the rider's impact on your policy's values.

² Rider benefit payments will reduce policy values, including death benefit, cash surrender value, and policy debt, and may adversely affect the benefits under other riders. Benefits paid by accelerating the policy's death benefit are intended to qualify as death benefits under section 101(g) of the Internal Revenue Code and may be excludable from your income and may not be subject to federal taxation. Tax treatment may depend on factors such as the amount of benefits, the amount of qualified expenses incurred, or if similar benefits are being received under other contracts. These amounts may also be in relation to certain IRS limitation (referred to as "per diem" limits). Tax laws relating to accelerated death benefits are complex. Receipt of accelerated death benefits may affect eligibility for public assistance such as Medicaid. When benefits are received from multiple policies providing 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 there are any questions concerning the tax implications of these riders, qualified and independent legal and tax advisors should be consulted.

³ The Lifetime Benefit Amount is elected at policy issue and it is the lesser of the policy's initial death benefit or \$3 million (2% monthly election), \$1.5 million (4% monthly election, issue ages 18-64), or \$750,000 (4% monthly election, issue ages 65-75). The Lifetime Benefit Amount is reduced by any withdrawals or face amount decreases. If the policy's entire death benefit is accelerated, the policy will terminate. Regardless of the monthly election chosen, benefit payments may not exceed 100% of the IRS Per Diem limit.

Benefit Amounts

- Each year, you may choose an annual or monthly benefit payments mode. Policy is guaranteed to not lapse while insured is on claim.
- Accelerates up to \$3 million of death benefit. Maximum monthly/annual benefit of 2% or 4% of lifetime maximum benefit (must be chosen at policy issue), not to exceed 100% of the IRS per diem limit (\$420 a day in 2023).
- The total amount of annual rider benefit payments received will differ depending on the benefit payment frequency. Annual payments are discounted to reflect their lump sum payment and will be less than the sum of monthly payments x 12.

Remember, the decision to buy a life insurance policy should not be solely based on one policy feature, but on your individual life insurance needs. Request an illustration from your life insurance producer to learn more about your policy's available features and benefits.

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 PREMIER CHRONIC ILLNESS RIDER BENEFIT EXCLUSIONS: No benefits are payable under this Rider and the Rider may not be exercised due to a chronic illness that is a result of an attempted suicide, while sane or insane or from an intentionally self-inflicted injury.

Clients may choose the Premier Chronic Illness Rider (CHR) optional rider at policy issue. The rider allows the policy owner to accelerate a portion of the death benefit as rider benefit payments, when the insured has been certified as chronically ill (unable to perform without substantial assistance at least 2 activities of daily living for an expected period of 90 days or requiring substantial supervision due to severe cognitive impairment) by a licensed healthcare professional. Lifetime and monthly maximum rider benefits apply. Request a policy illustration from your financial professional for more information.

There is an upfront cost for the CHR rider (see the policy illustration for details). Benefit payments for the CHR rider reduce the death benefit dollar-for-dollar, if the entire death benefit is accelerated the policy will terminate.



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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.

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.

This material reflects the Pacific Life Insurance policy features and benefits. All policy features and benefits may not be available through some Broker Dealers.

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

The primary purpose of life insurance is to provide death benefit protection in the event of the insured's death..

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