DISCOVER THE PERFORMANCE FACTOR IN PACIFIC DISCOVERY XELERATOR IUL

Indexed Universal Life Insurance (IUL) from Pacific Life Insurance Company

When you need death benefit protection, the right life insurance policy can also be a strategy to help supplement retirement income. Particularly for high income earners who have met the maximum contribution limits to qualified retirement plans, Pacific Discovery Xelerator IUL may provide death benefit protection now, with supplemental income potential later through policy loans and withdrawals from the policy’s available cash value. Part of the policy’s cash value potential is due to the indexed interest performance factor (Performance Factor), which may increase the indexed accounts’ interest crediting rates on all segments created in and after policy year 3 on a nonguaranteed basis.

Understanding the Performance Factor
- Applies to all indexed accounts and is guaranteed to be no less than 1.
- May be greater than 1 on a nonguaranteed basis beginning with indexed segments created on or after the 3rd policy anniversary.
- If higher than 1, the current Performance Factor is guaranteed to remain the same throughout the segment term.
- May be different for each segment and may vary based on certain policy elements, including the face amount, accumulated value, and insured’s issue age.
- Is applied after the indexed segment’s current growth cap rate, participation rate, and guaranteed minimum interest (floor) rate. See below.

See important information about the Pacific Discovery Xelerator IUL policy on page 2.

Hypothetical Performance Factor Crediting Examples

| Hypothetical Segment Total Interest Crediting Rate | Hypothetical Performance Factor | Final Segment Interest Crediting Rate | If Average Segment Balance Is... | Then Interest Credited at Segment Maturity Would Be...
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<tbody>
<tr>
<td>0% x</td>
<td>1.0</td>
<td>= 0%</td>
<td>$1000 x 0% =</td>
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<td>10% x</td>
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<tr>
<td>10% x</td>
<td>1.25</td>
<td>= 12.5%</td>
<td>$1000 x 12.5% =</td>
<td>$125.00</td>
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<tr>
<td>2% x</td>
<td>1.25</td>
<td>= 2.5%</td>
<td>$1000 x 2.5% =</td>
<td>$25.00</td>
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You can find your policy’s Performance Factors on the Quarterly Statement available online at Life.MyAccount.PacificLife.com or by contacting your financial professional.*

* In order to sell life insurance products, a financial professional must be a properly licensed and appointed life insurance producer.
About Pacific Discovery Xelerator IUL

Life insurance is subject to underwriting and approval of the application and will incur monthly policy charges. 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 product is designed for use with moderate to high premiums. If you pay lower premiums than illustrated or your policy performance is less favorable than illustrated, the policy charges could be greater than the policy’s interest credited, resulting in a higher risk of policy lapse, particularly in the policy’s early years. You should be prepared to pay premiums over a period of years with the goal of maintaining death benefit protection in addition to accumulating cash value potential. Pacific Discovery Xelerator IUL (policy form #P15IUL and S16PDX or ICC15 P15IUL and ICC16 S16PDX, based on state of policy issue) is flexible premium indexed universal life insurance. Indexed Universal Life Insurance products do not directly participate in any stock or equity investments.

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.