

# PL PROMISE GUL<sup>1</sup>

*Affordable Guaranteed Universal Life Insurance for the Broad Market*

## HOW TO USE PL PROMISE GUL WITH YOUR CLIENTS



**PACIFIC LIFE**

Pacific Life Insurance Company

## 1035 Exchanges and Final Expense Coverage

### GOAL: More Affordable Final Expense Coverage

#### SCENARIO:

John is single, age 55, and on a budget. For death benefit protection he bought a whole life insurance policy five years ago with a \$25,000 face value so his younger siblings wouldn't be burdened with his final expenses. The annual premium is \$765. But, recently his financial advisor suggested that by getting less expensive coverage, John could save more for retirement while maintaining the same \$25,000 death benefit.



#### APPROACH:

- John applies and qualifies for **PL Promise GUL** at Preferred Best risk class, which will cost \$633/year for lifetime coverage.
- For even lower premiums, John conducts a 1035 Exchange and transfers \$1,075 of the whole life policy's existing cash value to the new PL Promise GUL policy. His previous whole life policy is terminated and his new PL Promise GUL policy provides lifetime no-lapse guaranteed<sup>2</sup> coverage at an annual premium of \$579.
- Since John had a medical exam and blood lab by his doctor within the last 12 months, he does not need an additional insurance lab or exam. He will only need to complete an application and provide health history, regardless of his final rate class.
- The whole life product may have provided higher cash values than the PL Promise GUL product, but John's primary concern is affordability of coverage and the ability to save more for his ultimate retirement.

#### RESULT:

***PL Promise GUL provides the same \$25,000 lifetime death benefit at 17% lower premiums than this whole life alternative.***



<sup>1</sup> PL Promise GUL Universal Life Insurance with No-Lapse Guarantee. Policy Form #P18PRUL and S18PRUL or ICC18 P18PRUL and ICC18 S18PRUL, based on state of policy issue.

<sup>2</sup> The Lifetime No-Lapse Guarantee Rider (form #R17LYFNL or ICC17 R17LYFNL, based on state of policy issue) is included in the policy. Depending on how your client structures their policy, has a maximum duration of the insured's lifetime, subject to certain limits. If your client's net no-lapse guarantee value is zero, the no-lapse feature terminates. If the no-lapse feature terminates, additional premiums would be required to resume the no-lapse guarantee. If policy performance is such that your client's policy is being maintained solely by the no-lapse guarantee, your client's policy will not build cash value.

There are circumstances in which replacing your client's existing life insurance or annuity can benefit your client. You should make a careful comparison of the costs and benefits, including any applicable surrender charges, of your client's existing policy and the proposed policy to analyze how a replacement may affect your client's plan of insurance. You should provide this information to your client and discuss whether replacement is in your client's best interest.

Many life insurance products have some flexibility in how they are structured. For example, death benefit coverage under certain products may be provided through a combination of the base policy and any available term or other riders. Each policy selected, illustrated, and sold should be structured based upon your client's particular insurance needs and financial objectives. It is your responsibility to know that the particular policy selected, illustrated, and sold will best meet your client's needs. Various aspects of products, including but not limited to features, benefits, expenses, loads and charges, will vary from company to company and will impact the values shown. Products are not identical, and the products' specific features and the client's use of those features will impact long term policy performance. Values for all policies may contain guaranteed and non-guaranteed elements, including but not limited to current interest rate and current cost of insurance rates. This is not an estimate of future performance. Companies use different methods in determining current non-guaranteed elements and there will be variations in their values and meanings.

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## THE POWER OF PACIFIC LIFE

At Pacific Life, putting customers first has allowed us to serve families and businesses successfully for over 150 years. As part of a mutual holding company structure, we have no publicly-traded stock, so we can focus on long-term strategies, financial strength, and the best interest of our policyowners.

You and your clients, our policyowners, are at the heart of the business decisions we make.

**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.**



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.

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

This material is distributed through Pacific Life Insurance Company, Lynchburg, VA (844-276-5759).

Pacific Life's Home Office is located in Newport Beach, CA.

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Not FDIC Insured	No Bank Guarantee	May Lose Value