



SALES MATERIAL PRIMER

The guidelines and disclosures included in this Primer are provided to assist financial professionals/life insurance producers to comply with applicable state insurance laws and regulations regarding Advertisement which includes advertising, marketing and sales material (collectively Sales Material), as well as to mitigate potential litigation and liability risk. This document is not, however, all inclusive of Sales Material requirements pertaining to Financial Industry Regulatory Authority (FINRA) rules, business/estate/financial planning and tax matters, Illustration requirements, etc. In addition, depending on the content, other departments may need to be contacted regarding their specific rules and regulations.

Most states have regulations based on the NAIC Model Rules Governing the Advertising of Life Insurance, which set forth minimum standards and guidelines to assure full and truthful disclosure to the public of all material and relevant information in the advertising of life insurance and annuity.

All Material – General Guidelines

- Review Sales Material in conjunction with the [NAIC Model Rules](#) prior to submitting it to Pacific Life, which can better prepare the material for approval and save valuable time.
- Present the form and content of Sales Material in a complete and clear manner, and not in a format that is ambiguous or misleading.
- Design Sales Material to clearly indicate that insurance products are the subject of the presentation, and to clearly identify the type of insurance being sold.
- No insurance producer may use the terms, “financial planner,” “investment advisor,” “financial consultant” or “financial counseling” in such a way to imply that you are engaged in an advisory business in which compensation is unrelated to sales, unless true.
- Clarify features of the concept versus features of life insurance, annuity, registered index-linked annuity (RILA) when presenting a concept using life insurance. Do not refer to a contract or its elements by using any of the following, or similar, terms: investment; investment plan; insured investment plan; investment premiums; founder's plan; charter plan; interest plan; savings; savings plan; private pension plan; retirement plan; deposit; contribution; expansion plan; profit/profits; profit sharing; passbook; mutual fund; mutual fund with term wrapper; emergency fund; liquidity account.
- Avoid exaggerations when describing insurance products and their benefits. It is generally inappropriate to describe life insurance and annuity, benefit or feature as: innovative; unique; specially designed; unparalleled; superior.
- Do not emphasize the investment or tax features of life insurance and annuity to such a degree that the Sales Material would mislead the purchaser to believe the contract is anything other than life insurance or annuity.
- Write to the audience of the Sales Material, e.g., client or financial professional.
- For any citation mention, include a copy of supporting documentation as part of the review, e.g., National Underwriter, Revisiting The Executive Bonus Plan, April 9, 2023. These should be as current as possible and no older than five years. Retain such materials for your own records.
- Clearly include the primary purpose of life insurance as being death benefit protection and annuity for retirement.
- If including a third-party reference include a disclosure indicating that they are not affiliated with the creator of the material.

Product

General

- Avoid representing life insurance and annuity as anything other than an insurance product, e.g., Life insurance is not an investment, annuity is not a CD.
- Clearly identify the name of the insurer whenever a specific insurer or product is being described. For purposes of Pacific Life, the names of the insurers are Pacific Life Insurance Company (for all states except New York) and Pacific Life & Annuity Company (in all states including New York).
- Clearly identify the product being discussed, e.g., Term insurance, whole life, indexed and/or variable universal life, fixed annuity, variable and/or fixed indexed annuity, and/or registered index-linked annuity (RILA).
- Clearly identify any rider(s) and that additional charges may be incurred.
- Do not discuss a hypothetical product with any values or data.

Variable

- Prominently disclose the name of the FINRA member which may also include a fictional name by which the member is commonly recognized, or which is required by any state or jurisdiction; reflect any relationship between the member and any non-member or individual who is also named; if it includes other names, reflect which products or services are being offered by the member.

Distributor Language - The FINRA member firm names must appear in bold face type.

- In general, the Selling Broker Dealer must be disclosed when a specific financial professional is named, when material is created for a specific Broker Dealer, on client approved presentations used by a financial professional, and on illustrations.

Example: Securities offered through [Broker Dealer] by [distribution channel].

- Variable Life Insurance product performance comparisons are not appropriate for use with the public and may only be used with life insurance producers.

Long Term Care

- Sales Material shall not use words, or phrases such as "all", "full", "complete", "comprehensive", "unlimited", "up to", "as high as", "this policy will help fill some of the gaps that Medicare and your present insurance leave out", or similar words or phrases, if such use exaggerates a benefit beyond the terms of the policy.
- Sales Material must include a provision that the rider has exclusions, limitations, and/or reductions and terms under which the rider may be continued or discontinued.
- Sales Material that refer to an **acceleration of death benefits** shall clearly and concisely disclose the following: Tax laws relating to accelerated death benefits are complex. Receipt of accelerated death benefits may affect eligibility for public assistance programs such as Medicaid. Clients are advised to consult with qualified and independent legal and tax advisors for more information.