

AN OPPORTUNITY FOR MUTUAL SOLUTIONS

with a Pacific Life Structured Settlement Annuity and
Index-Linked Annuity Payment Adjustment Rider



A STRATEGY TO OPEN NEW DOORS

Finding a settlement solution that provides both the claimant and defendant with opportunities isn't always easy to do, which can lead to settlement delays. Pacific Life offers a structured settlement annuity strategy that may help.

Settlement Payments with Potential Growth

When workers' compensation claimants choose a structured settlement, they can look forward to many years of steady, guaranteed income. But is a fixed-payment settlement the right choice? With the rising cost of living and increasing medical costs, claimants may need additional income. A **Pacific Life structured settlement annuity with the optional Index-Linked Annuity Payment Adjustment (ILAPA)** rider can provide claimants with the opportunity to increase tax-free benefits that could lead to more financial security.

Something to Gain. Nothing to Lose.

Based on the movement of the S&P 500® index, ILAPA payments also can increase annually up to 5%, but will never decrease—even if the index declines or remains flat. Because of the potential growth opportunity and stability provided, the ILAPA rider may make it possible to settle cases sooner. Coming to an agreement sooner can help the defendant save money in the long run and helps the claimant feel confident that he/she can hedge inflation while preserving the current benefit level.

Let's look at how a Pacific Life structured settlement annuity with the ILAPA rider may provide a solution for both the claimant and the defendant by helping to quickly settle a complex workers' compensation case.

A well-planned strategy may include one or more structured settlement solutions to fit an individual claimant's needs and goals. The following hypothetical example is for illustrative purposes only.

Meet Mina

- Mina is a claimant in a workers' compensation case. After sustaining a severe injury at work, she is no longer able to continue working in the same capacity as before the accident. She is therefore forced to accept a significantly lower income in the form of workers' compensation payments.
- For several years, she has rejected several settlement offers from her previous employer, the defendant, out of concern that the proposed amounts will not cover the costs of rising inflation or potential medical expenses throughout her lifetime.
- This case stagnation harms both Mina and the defendant. On one hand, Mina may never receive the compensation she feels is fair to begin rebuilding her life. On the other, the defendant remains liable and continues to provide monthly workers' compensation benefits.



All guarantees are subject to the claims-paying ability and financial strength of the issuing insurance 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.

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ILAPA IN ACTION

This hypothetical example shows what Mina’s benefit payments would look like based on a sampling of annual returns of the S&P 500® index throughout the last 30 years.

Assumptions

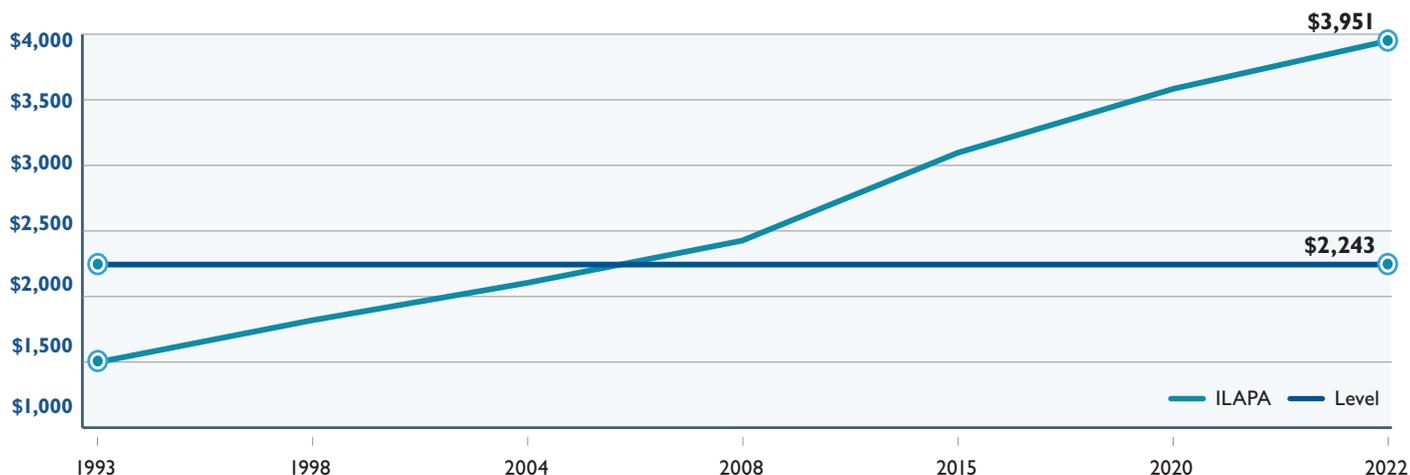
- Mina is a 45-year-old woman with a rated age of 52 and is looking to replace a portion of her monthly income. From her settlement, Mina is looking convert \$1,000,000 into future income streams.
- Using a portion of her settlement, which is equal to \$500,000, Mina looks to incorporate a Pacific Life structured settlement annuity with the ILAPA rider (Life with 30-Year Period Certain).
- With the remaining \$500,000, Mina elects a structured settlement annuity with a fixed-level benefit payment (Life with 30-Year Period Certain).

At the end of 30 years, Mina’s **monthly fixed-level payment remains at \$2,243.86**, and her **monthly ILAPA payment is \$3,951.47**, which is \$1,707.61 more than the fixed-level monthly payment.

Year	S&P Annual Return	Fixed-Level	ILAPA	
		Monthly Payment	Annual Return (Max 5%)	Monthly Payment
1993	8.64%	\$2,243.86	5.00%	\$1,494.53
1998	30.77%	\$2,243.86	5.00%	\$1,816.62
2004	4.63%	\$2,243.86	4.63%	\$2,102.96
2008	-38.90%	\$2,243.86	0.00%	\$2,425.86
2015	-5.64%	\$2,243.86	0.00%	\$3,096.08
2020	14.56%	\$2,243.86	5.00%	\$3,584.10
2022	-	\$2,243.86	-	\$3,951.47
Assumed Total Expected Benefit		\$1,112,954		\$1,582,801

Over time, Mina receives **almost \$470,000 more in benefits using a Pacific Life structured settlement annuity with the ILAPA rider** than a structured settlement annuity with a fixed-level benefit payment.

Payments Over Time (December 31, 1993 - December 31, 2022)



For more information about
the Index-Linked Annuity Payment Adjustment rider,
contact the Structured Settlements team today at
(877) 784-0622, option 1,
or visit PacificLifeStructures.com.

Pacific Life, its affiliates, its 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.

The Index-Linked Annuity Payment Adjustment rider is not a security and does not participate directly in the stock market or any index, so it is not an investment. It is an insurance product designed to help a claimant prepare for his/her future.

Selecting the Index-Linked Annuity Payment Adjustment rider may result in a varying benefit amount based on the annuity type and period selected.

Pacific Life & Annuity Company will issue annuity policies if ANY of the following occur inside the state of New York: solicitation, sales, negotiation of settlement, court/legal action, or claimant/payee residence.

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The index is not available for direct investment, and index performance does not include reinvestment of dividends.

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Pacific Life & Annuity Company's home office is located in Phoenix, AZ. Pacific Life Insurance Company's home office is located in Omaha, NE.

Contract Form Series: ICC11:10-1213

Rider Series: ICC13:20-1280

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

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Comprehensive Structured Settlement Solutions™