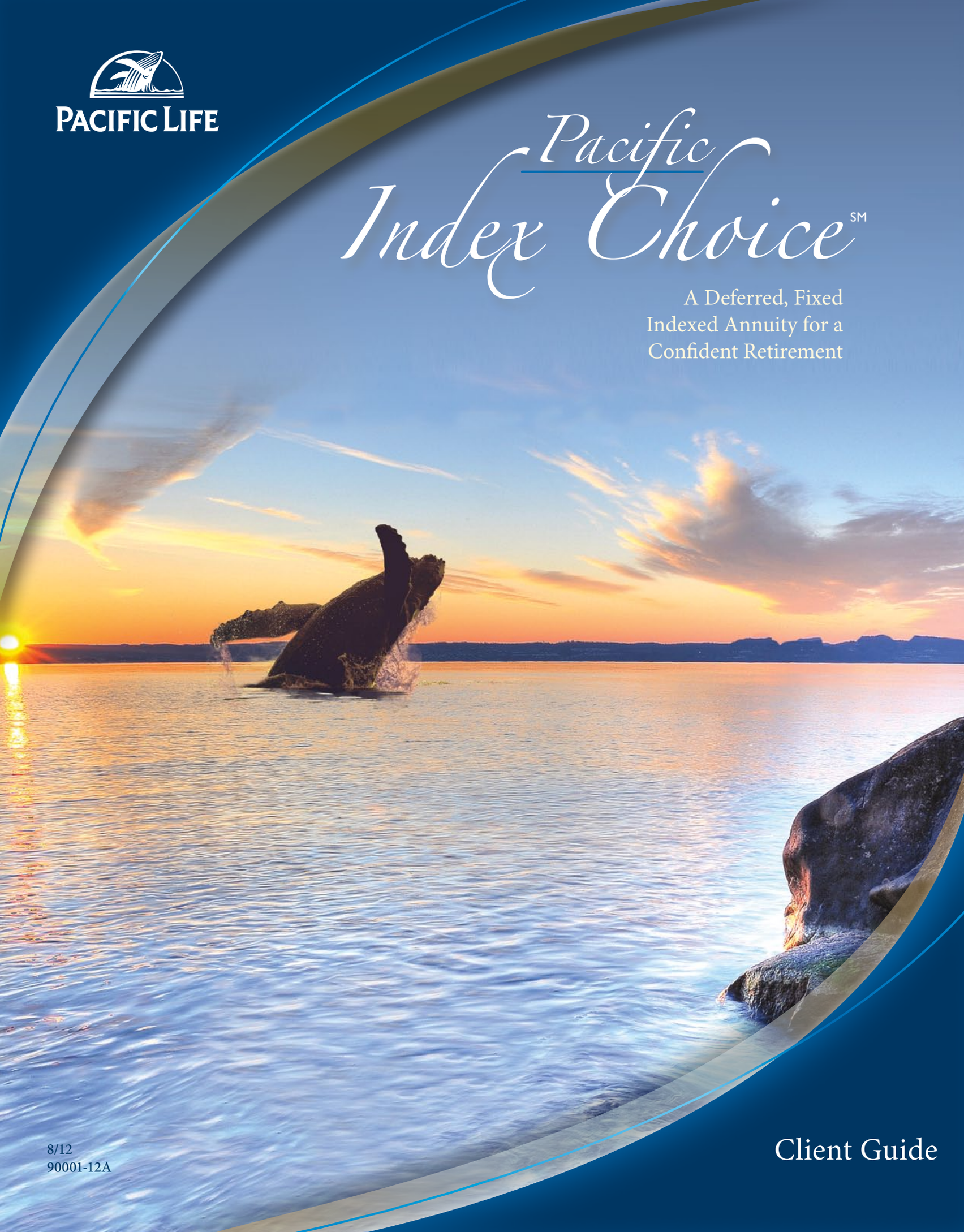
PACIFIC LIFE

Pacific Index Choice℠

A Deferred, Fixed Indexed Annuity for a Confident Retirement



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Client Guide

The Power to Help You Succeed

Pacific Life has more than 140 years of experience, and we remain committed to providing quality products, service, and stability to meet your needs today and throughout your lifetime.

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It's essential for you to choose a strong and stable company that can help you achieve your future income needs. For generations, individuals and their families have relied on the strength of Pacific Life to help protect their financial security.

- Pacific Life Insurance Company is organized under a mutual holding company structure and operates for the benefit of its policyholders and contract owners.
- We have achieved ongoing recognition for high-quality service standards.
- We offer products that address market environments during all stages of your life.
- We maintain strong financial strength ratings from major independent rating agencies.

Ratings may change. For more information and current financial strength ratings, please visit our website.

While ratings can be objective indicators of an insurance company's financial strength and can provide a relative measure to help select among insurance companies, they are not guarantees of the future financial strength and/or claims-paying ability of a company. The independent third party from which this annuity is purchased, including the broker/dealer, the insurance agency from which this annuity is purchased, and any affiliates of those entities make no representations regarding the quality of the analysis conducted by the rating agencies. The rating agencies are not affiliated with the above-mentioned entities nor were they involved in any rating agency's analysis of the insurance companies.

Insurance products are issued by Pacific Life Insurance Company in all states except New York and in New York by Pacific Life & Annuity Company. Product availability and features may vary by state.

No bank guarantee • Not a deposit • May lose value
Not FDIC/NCUA insured • Not insured by any federal government agency

Prepare for a Secure Retirement

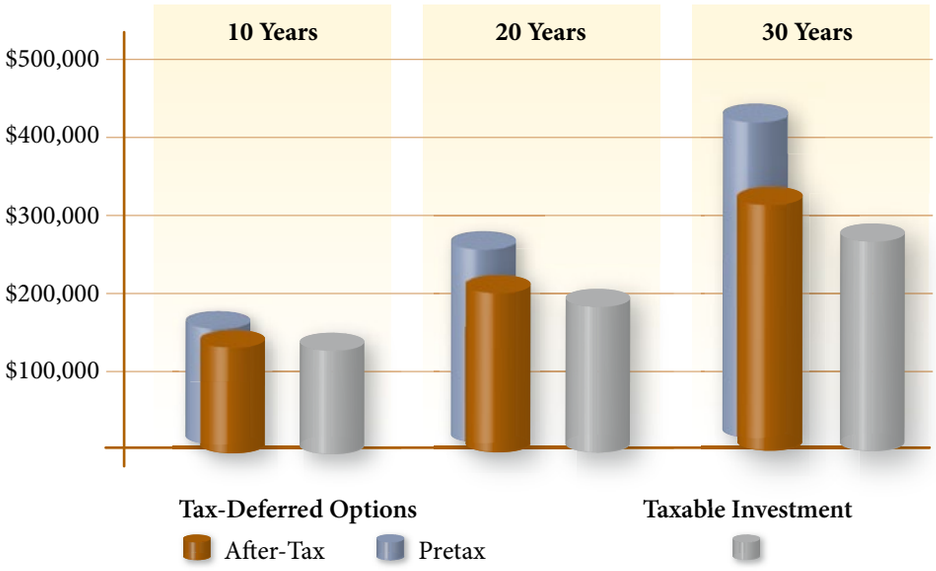
As you develop your retirement strategy, it's important to determine how you will protect and grow your assets. Pacific Index Choice may be right for you if you are looking for:

- Tax deferral
- Safety of principal
- Growth potential without being invested in the market
- Access to your money
- Lifetime income
- Beneficiary protection

Pacific Index Choice is a deferred, fixed indexed annuity. It provides safety of principal and has the potential to earn interest based on the positive movement of two offered indexes and a fixed account that provides a guaranteed interest rate.*

The Power of Tax Deferral

Because an annuity is tax-deferred, interest will compound without current income tax. Your money grows faster because you don't pay taxes on the interest earned until you withdraw it or it is distributed to you. The graph below illustrates the benefits of tax deferral.



A $100,000 initial purchase payment, compounded at 5% annually over 10, 20, and 30 years, grows with taxes deferred. After 30 years, the $100,000 has grown to $432,194. Once taxes are paid on the lump-sum distribution, the after-tax amount is $322,570—still much more than the $268,729 accumulated in a taxable investment over the same time period.

Assumes a 33% ordinary income tax rate, assessed yearly on the taxable investment and at period-end on the tax-deferred example. Actual tax rates may vary for different taxpayers and assets from that illustrated (e.g., capital gains and qualified dividend income). Actual performance of your investment also will vary. Lower maximum tax rates on capital gains and dividends would make the investment return for the taxable investment more favorable, thereby reducing the difference in performance between the example shown. Consider your personal investment time horizon and income tax brackets, both current and anticipated, when making an investment decision. Hypothetical returns are not guaranteed and do not represent performance of any particular investment. If Pacific Index Choice charges were included (9% maximum withdrawal charge), the tax-deferred performance would be significantly lower.

IRAs and qualified plans—such as 401(k)s and 403(b)s—are already tax-deferred. Therefore, a deferred annuity should be used only to fund an IRA or qualified plan to benefit from the annuity's features other than tax deferral. These features include lifetime income and death benefit options.

**Pacific Index Choice 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 you prepare for your future. Guarantees, including interest rates and income payments, are backed by the claims-paying ability of Pacific Life.*

Potential for Growth

With Pacific Index Choice, you are not invested in the market and therefore will never lose your principal because of market performance. However, the value of your contract does have the potential to grow. You will receive an immediate increase to your contract value with the credit enhancement and have the potential to earn interest through the Interest-Crediting Options.

Immediate Credit Enhancement

At the time you purchase your contract, a percentage of your purchase payment will automatically be added to your contract value. The amount of the credit is determined at contract issue and will vary based on the initial guaranteed period you select. For example, if you purchase Pacific Index Choice with $100,000 and the immediate credit enhancement for the period you select is 2% ($100,000 x 2% = $2,000), your beginning contract value is $102,000.

Credit enhancements are not counted as purchase payments, are treated as additional earnings for tax purposes, and are not returned under the free-look provision. If the death benefit is payable in the first year, the credit enhancement will be recaptured on a proportionate basis (except in Connecticut).

Earn Interest with the Interest-Crediting Options

Because your retirement strategy is unique, Pacific Index Choice provides you with options for how to earn interest in your contract. With the help of your financial professional, you can customize your contract by determining how best to allocate your purchase payment.

Determine *How to Earn Interest—Fixed Account Option and/or Index-Linked Options*

There are two ways to potentially grow your contract value:

- **The Fixed Account Option** earns a guaranteed interest rate for a specified period of time. The rate is guaranteed to be no less than 1%.
- **The Index-Linked Options** earn interest based on any positive movement of an index. With Pacific Index Choice, you can link potential growth to two indexes—one with a U.S. market focus and the other international.

  S&P 500® Index: This index offers a market capitalization-weighted index of 500 companies in leading industries of the U.S. economy.

  MSCI All Country World Index (ACWI®): This index is a free float-adjusted market capitalization-weighted index that is designed to measure the equity market performance of developed and emerging markets. The MSCI ACWI® consists of 45 country indexes comprising 24 developed and 21 emerging-market country indexes.

The Product and its MSCI ACWI® Index-Linked Options referred to herein are not sponsored, endorsed, or promoted by MSCI, and MSCI bears no liability with respect to any such Products or any index on which such Products are based. The Policy Contract contains a more detailed description of the limited relationship MSCI has with Pacific Life Insurance Company and any related products.

Standard & Poor's, S&P and S&P 500 are registered trademarks of Standard & Poor's Financial Services LLC ("S&P") have been licensed for use by Pacific Life Insurance Company. The Product is not sponsored, endorsed, sold or promoted by Standard & Poor's Financial Services LLC, S&P Dow Jones Indices LLC, or their respective affiliates, and neither Standard & Poor's Financial Services LLC, S&P Dow Jones Indices LLC, or their respective affiliates make any representation regarding the advisability of purchasing such Product.

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

Choose *the Method(s) for Crediting Any Index-Linked Interest to Your Contract*

If you make an allocation to an Index-Linked Option, there are three methods for how any earned interest may be added to your contract. These are called the **Interest-Crediting Methods.**

- **1-Year Point-to-Point Option:** Interest is credited annually based on the index return over one contract year.
- **2-Year Point-to-Point Option:** Interest is credited every two years based on the index return over two contract years.
- **Declared Index Interest Option:** A fixed interest rate is credited annually when the index return is positive.

Please note: Additional purchase payments are permitted within the first 60 days of contract issue. Interest will be credited proportionally based on the index return from the time the additional purchase payment is made to the end of the index term. This period may be less than the time frames listed above.

Select *the Initial Guaranteed Period*

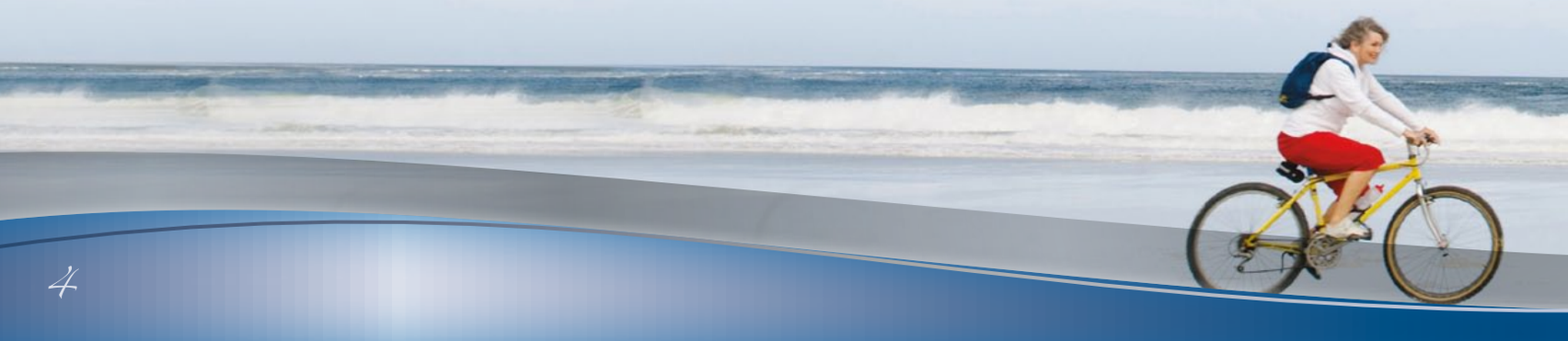
This selection may be based on your retirement time horizon or when you believe you'll need to access your contract value for retirement. There are three initial guaranteed periods to choose from:

- 6-Year
- 8-Year
- 10-Year

All initial guaranteed periods may not be available in all firms.

The initial guaranteed period determines:

- The interest rates that will be earned on the Fixed Account Option and the Declared Index Interest Option, as well as the time period the rates are guaranteed.
- Any caps applied to the Index-Linked Options and the time period the cap is guaranteed. A cap is the maximum amount of interest that can be earned for the index term.
- When you'll have full access to your contract value without incurring a withdrawal charge. The initial guaranteed period corresponds to the withdrawal charge schedules discussed on page 12.



Putting It All Together

Interest-Crediting Options

Your allocation options are called the Interest-Crediting Options. You may allocate your purchase payment to one or any combination of the seven. Additionally, on each contract anniversary, you may transfer money to and from the Fixed Account Option and any Index-Linked Option where the term has ended.

1 Fixed Account Option + **6** Index-Linked Options (2 Indexes x 3 Interest-Crediting Methods) = **7** Interest-Crediting Options

The table below summarizes the Interest-Crediting Options and how interest is earned.

	Indexes	How Interest Is Credited	When Interest Is Credited	Length of Time the Initial Interest Rate and/or Cap Is Guaranteed
Fixed Account Option	N/A	Fixed interest rate	Daily	Fixed interest rate is declared at contract issue and guaranteed for initial guaranteed period.
Index-Linked Options	S&P 500® and MSCI ACWI®	1-Year Point-to-Point subject to a cap	Annually at end of 1-year term	Cap is declared at contract issue and guaranteed for initial guaranteed period.
		2-Year Point-to-Point subject to a cap	Biannually at end of 2-year term	
		Declared Index Interest Option	Annually at end of 1-year term	Fixed interest rate is declared at contract issue and guaranteed for initial guaranteed period.

For the Index-Linked Options, no interest is earned or credited on amounts withdrawn prior to the end of an index term.

Growth and Protection

Index-Linked Options in Action

Meet Lisa

Lisa is 55 years old, plans to retire in 10 years, and considers herself a conservative to moderate investor. She is looking to protect $100,000, a portion of her retirement savings, but also wants to be sure that her money will grow if there is an increase in the market. By purchasing Pacific Index Choice, Lisa's $100,000 initial purchase payment is guaranteed not to lose value due to negative market performance, and she can also take advantage of any positive movement in an index without actually being invested in the market.

Assumptions for the following three hypothetical examples:

- Lisa elects to use the S&P 500® index and the 10-year initial guaranteed period (which is also the withdrawal charge period).*
- Initial purchase payment: $100,000 on December 31, 2000. There is an assumed 2% immediate credit enhancement for the 10-year period. This means that Lisa's beginning contract value is $102,000.
- Lisa does not take any withdrawals.

**A 10-year period is used in these examples to help demonstrate how the Interest-Crediting Methods work in both up and down markets using actual S&P 500® index returns and hypothetical rates and caps. Pacific Index Choice offers shorter initial guaranteed periods and corresponding withdrawal charge periods, and these may vary by state and the firms through which the product is offered. This product was not available in 2000. For more information on withdrawal charges, refer to page 12.*

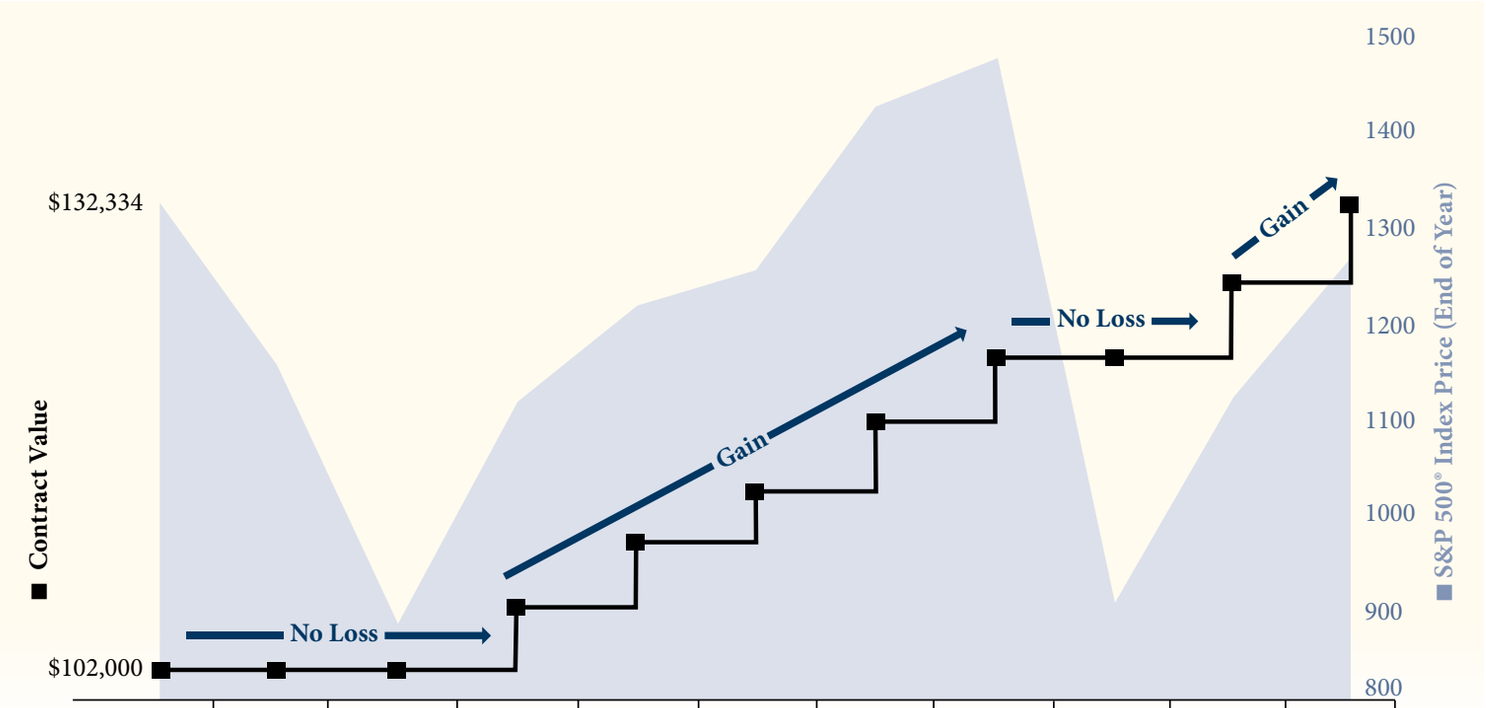
To help demonstrate how the Interest-Crediting Methods work, it is assumed that the entire $100,000 is allocated to the Index-Linked Option on day one. However, as described on page 5, Lisa has the ability to allocate her $100,000 among one or any combination of the Interest-Crediting Options.

Let's take a look at how each of the Interest-Crediting Methods work . . .

1-Year Point-to-Point Option in Action

At the end of the contract year, the price of the index is compared to its price at the beginning of the contract year. A positive percentage change equal to the index return is credited to the contract, up to a maximum amount called the cap. If the percentage change is zero or negative, the contract value remains the same and will not have a loss.

This example assumes the hypothetical cap at contract issue for the 10-year initial guaranteed period is 4%.



End of Year	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
S&P 500® Index Return	–13.04%	–23.37%	26.38%	8.99%	3.00%	13.62%	3.53%	–38.49%	23.45%	12.78%
% Credited to Contract Value	0.00%	0.00%	4.00%	4.00%	3.00%	4.00%	3.53%	0.00%	4.00%	4.00%

What Happens to Lisa's Contract:

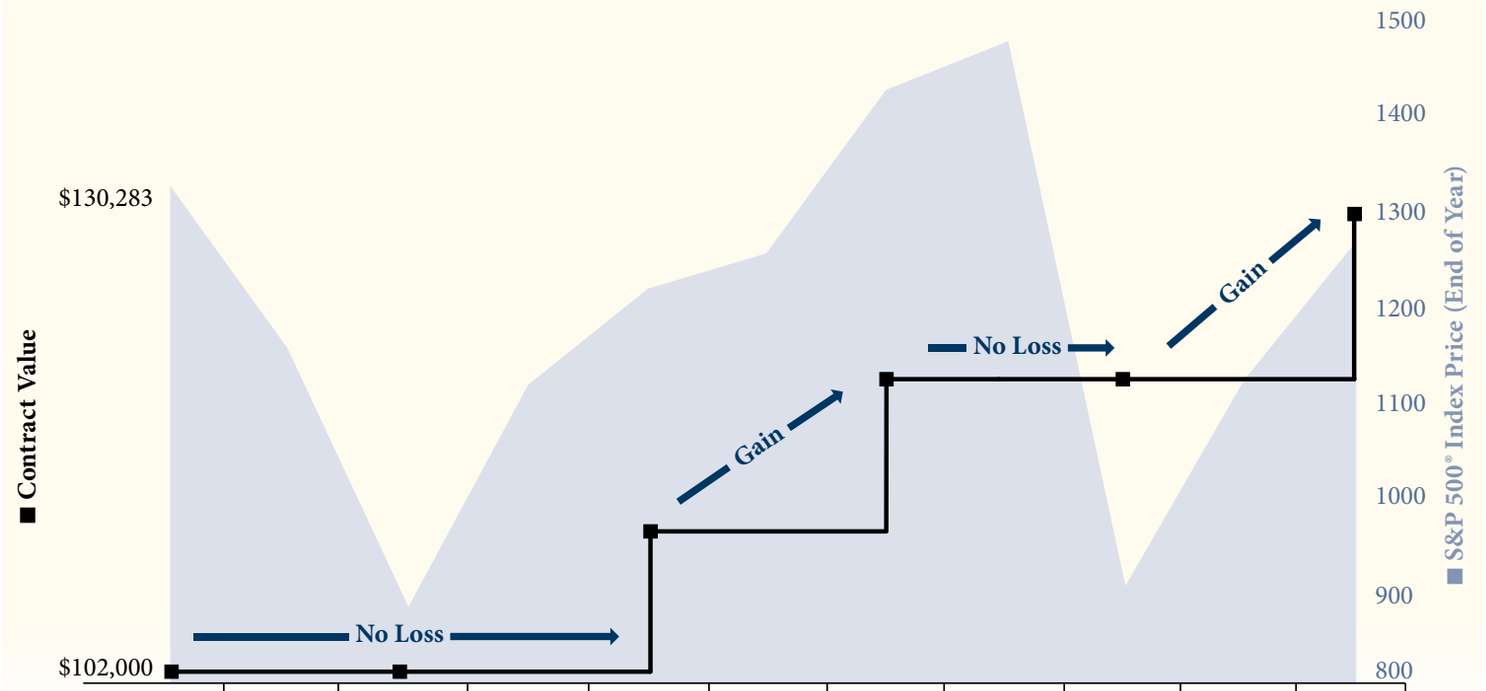
Flat or Negative Index Return **Contract Value Remains the Same (No Loss)**	At the end of 2001, even though the S&P 500® index returned –13.04% for the year, Lisa's contract value remained steady at $102,000 and there was no loss.
Positive Index Return—Less Than the Cap **Contract Is Credited with the % Index Change (Gain)**	At the end of 2005, the S&P 500® index returned 3% for the year, so Lisa's contract was credited with 3% interest.
Positive Index Return—More Than the Cap **Contract Is Credited with the % Cap (Gain)**	At the end of 2010, the S&P 500® index returned 12.78% for the year, so Lisa's contract was credited with 4% interest.

At the end of 10 years, Lisa's contract value is $132,334.

2-Year Point-to-Point Option in Action

This option is similar to the 1-Year Point-to-Point Option except that it compares the index price at the end of two contract years instead of one. Interest is credited to the contract at the end of the second year.

This example assumes the hypothetical cap at contract issue for the 10-year initial guaranteed period is 8.50%.



End of Year	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
S&P 500® Index Return	-33.36		37.75%		17.03%		-36.31%		39.23%	
% Credited to Contract Value	0.00%	0.00%	0.00%	8.50%	0.00%	8.50%	0.00%	0.00%	0.00%	8.50%

What Happens to Lisa's Contract:

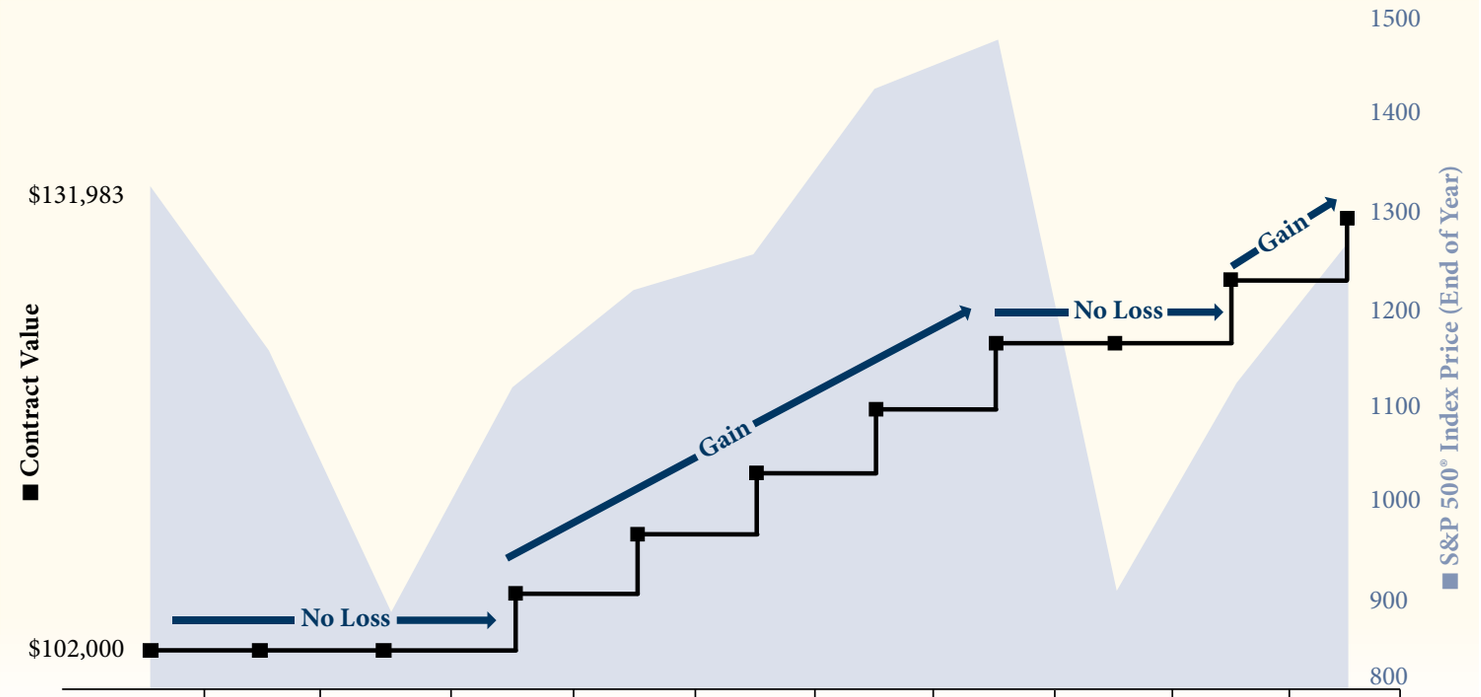
Flat or Negative Index Return **Contract Value Remains the Same (No Loss)**	At the end of 2002, even though the S&P 500® index returned –33.36% over two years, Lisa's contract value remained steady at $102,000 and there was no loss.
Positive Index Return—More Than the Cap **Contract Is Credited with the % Cap (Gain)**	At the end of 2006, the S&P 500® index returned 17.03% over two years, so Lisa's contract was credited with 8.50% interest.

At the end of 10 years, Lisa's contract value is $130,283.

Declared Index Interest Option in Action

At contract issue, an interest rate is declared and guaranteed for the initial guaranteed period that you choose. At the end of the contract year, the price of the index is compared to its price at the beginning of the year. If the percentage change is positive, your contract value will be credited with the declared interest rate. If it is negative, your contract value remains the same and will not have a loss.

This example assumes the hypothetical declared interest rate at contract issue is 3.75%.



End of Year	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
S&P 500® Index Return	–13.04%	–23.37%	26.38%	8.99%	3.00%	13.62%	3.53%	–38.49%	23.45%	12.78%
% Credited to Contract Value	0.00%	0.00%	3.75%	3.75%	3.75%	3.75%	3.75%	0.00%	3.75%	3.75%

What Happens to Lisa's Contract:

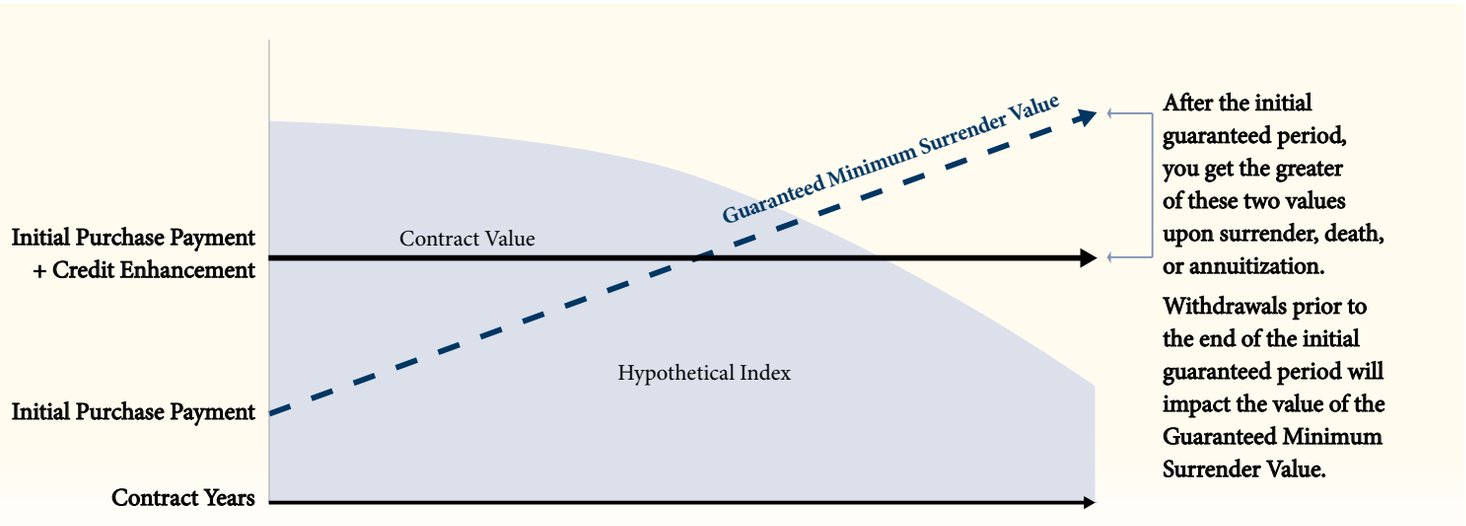
Negative Index Return **Contract Value Remains the Same (No Loss)**	At the end of 2001, even though the S&P 500® index returned –13.04%, Lisa's contract value remained steady at $102,000 and there was no loss.
Flat or Positive Index Return **Contract Is Credited with the Declared Interest Rate (Gain)**	At the end of 2003, the S&P 500® index returned 26.38%, so Lisa's contract was credited with 3.75% interest.

At the end of 10 years, Lisa's contract value is $131,983.

Access to Your Money

Full Withdrawals

If the selected index or indexes remain flat or have negative returns and your contract value earns no interest, you are still guaranteed growth in certain situations with the Guaranteed Minimum Surrender Value. Once you've reached the end of the initial guaranteed period, if you make a full withdrawal of your contract, or upon death or annuitization, you will receive at least your purchase payment (excluding any credit enhancements) accumulated at a fixed interest rate, adjusted for withdrawals and any withdrawal charges. The rate is declared at contract issue and is guaranteed to be no less than 1%.



Annuity withdrawals and other distributions of taxable amounts, including death benefit payouts, will be subject to ordinary income tax. For nonqualified contracts, an additional 3.8% tax may apply on net investment income beginning in 2013. If withdrawals and other distributions are taken prior to age 59½, an additional 10% federal tax may apply.

Partial Withdrawals

Because you can never predict the future, it's comforting to have the ability to access your money when you need it. Withdrawals may begin as soon as 30 days after contract issue and are available through:

- Systematic withdrawals: Withdraw at least $500 either monthly, quarterly, semiannually, or annually.
- Partial withdrawals: Withdraw $500 or more at any time.

Withdrawals without Charge

You may withdraw amounts up to 10% of your purchase payments in the first contract year and 10% of your contract value during the remainder of the withdrawal charge period (based on the contract value from the previous contract year) without a withdrawal charge or market value adjustment (MVA). See page 12 for details.

Additionally, you may take withdrawals without a charge for the following reasons:

- Required minimum distribution (RMD) withdrawals (calculated by Pacific Life).
- Withdrawals after the first contract year if diagnosed with a terminal illness (life expectancy of 12 months or fewer) except in California.
- Withdrawals after the first 90 days if confined to an accredited nursing home for 30 days or more, as long as you are not confined to a nursing home when the contract is issued (except in California).

Withdrawals that Incur a Charge

As described on page 4, you may select one of three initial guaranteed periods that corresponds to your withdrawal charge schedule. Withdrawal charges apply only during the initial guaranteed period when the amounts taken are more than those discussed under the "Withdrawals without Charge" section on the previous page.

6-Year

Contract year	1	2	3	4	5	6	7+
Charge per withdrawal	9%	8%	8%	7%	6%	4%	0%

8-Year

Contract year	1	2	3	4	5	6	7	8	9+
Charge per withdrawal	9%	8%	8%	7%	6%	4%	4%	3%	0%

10-Year

Contract year	1	2	3	4	5	6	7	8	9	10	11+
Charge per withdrawal	9%	8%	8%	7%	6%	4%	4%	3%	2%	1%	0%

All initial guaranteed periods may not be available in all firms.

Market Value Adjustment (MVA)

Withdrawal and annuity income payments before the end of the withdrawal charge period, in excess of 10% of the prior anniversary's contract value (10% of purchase payments in the first year), will be subject to an MVA (in addition to any applicable withdrawal charges), so you should carefully consider your income needs before you purchase a contract.

The MVA is based on a formula designed to respond to interest-rate movements. As a general rule, if interest rates have stayed the same or risen since contract issue, the MVA can reduce the amount withdrawn. If interest rates have fallen, the MVA can increase the amount withdrawn, up to a specified maximum. In no event will the MVA cause the withdrawal amount to be less than your Guaranteed Minimum Surrender Value.

There is no MVA assessed on withdrawals made once the withdrawal charge period has expired.

Please note, the MVA does not apply in Alaska, California, Iowa, Minnesota, Missouri, New Hampshire, Oklahoma, and Washington.

Create the Income You Need

With Pacific Index Choice, after the first contract anniversary, you may elect to receive annuity income payments for a specific period or for life (an MVA may apply). You may annuitize the greater of the contract value or the Guaranteed Minimum Surrender Value. Payments may be made monthly, quarterly, semiannually, or annually. Choose from the following options:

- **Life Only**—Periodic payments for life are guaranteed.
- **Life with Period Certain**—Periodic payments will be made for life and guaranteed for a minimum period of 5 to 30 years. If you die before the end of the period, your beneficiary will receive the remaining income. If you live longer than the period certain, you will continue to receive the income until you die.
- **Joint and Survivor Life**—Periodic payments are guaranteed over your lifetime (as the primary annuitant) and the lifetime of another person (as the secondary annuitant). The secondary annuitant does not need to be a spouse.
- **Period Certain**—Periodic payments will be made over a specific period, from 10 to 30 years. Other periods may be available.

If you decide to start taking annuity income payments from Pacific Index Choice during an index term, you do not lose out on potential interest crediting. You may receive an adjusted amount of interest based on the change in index price from the beginning of the term to the time you start income payments.

Who's Who in an Annuity?

Pacific Index Choice may be an optimal strategy to provide safety of principal and the potential for growth.

It's important to know who the key parties are in an annuity contract.

Owner

The owner makes the decisions about the annuity, such as how much money to put into the contract. The owner also names the annuitants and the beneficiaries.

Annuitant

The owner and the annuitant may or may not be the same person. Either way, it's the annuitant's life expectancy that is used to set the dollar amount of future annuity income.

Beneficiary

If the owner or annuitant dies before annuity payments begin, generally the beneficiary is the one who may have the right to receive the death benefit.

There may be one or more owners, annuitants, and beneficiaries.

Help Provide for Your Spouse and Heirs

While you're probably focusing on how to enjoy your retirement savings, it's important to think ahead and plan how to provide for your loved ones if you were to die unexpectedly. Pacific Index Choice offers built-in protection and a commitment to customer service that will be there for your family when they need it most.

For Your Spouse

You may wish to base your annuity contract on the lives of both you and your spouse. This way, no matter who dies first, the survivor is assured continued income payments. With the Joint and Survivor Life annuitization option, periodic payments are made during the lifetime of the primary annuitant. After the primary annuitant dies, periodic payments will be made for the remainder of the surviving spouse's life.

For Your Heirs

If death occurs before you start to take income payments, Pacific Index Choice can provide for your heirs. The greater of the contract value or the Guaranteed Minimum Surrender Value will pass directly to your designated beneficiaries, and they may avoid the delays and costs of probate. Additionally, if you die during an index term, your heirs do not lose out on potential interest crediting. They may receive an adjusted amount of interest based on the change in index price from the beginning of the term to the day Pacific Life receives, in satisfactory form, proof of death and instructions regarding payment.

Our Focus Is on You

Getting Started

Fixed annuities are long-term contracts designed for retirement.

Discuss with your financial professional whether Pacific Index Choice is appropriate for you. Consider your age, financial situation, and needs.

Pacific Index Choice allows you to protect your principal and potentially grow your contract value. With the help of your financial professional, follow these simple steps to get started:

1. Determine your retirement time horizon and select an initial guaranteed period.
2. Decide which Interest-Crediting Options may benefit you.
3. Purchase your deferred, fixed indexed annuity—Pacific Index Choice.

Ongoing Support

Pacific Life provides award-winning customer service and support to help you achieve your retirement goals.

Website

www.PacificLife.com

Go online and select "Annuities" under the heading Client Account Sign-In to view your account balance or make other transactions.

Personal Customer Service

(800) 722-4448

To speak with an annuity information specialist or to reach an automated line, call our toll-free number.

PACIFIC LIFE

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No guaranteed rate will be less than the minimum guaranteed rate stated in the contract. Pacific Life determines, at its discretion, annual interest rates in excess of the stated minimum guarantee in the contract.

Pacific Index Choice is named "Individual Limited Premium Deferred Fixed Annuity Contract" in the contract.

Not all products are available in all firms. Pacific Index Choice is not available in New York.

Pacific Life refers to Pacific Life Insurance Company and its affiliates, including Pacific Life & Annuity Company. Insurance products are issued by Pacific Life Insurance Company in all states except New York and in New York by Pacific Life & Annuity Company. Product availability and features may vary by state. Each insurance company is solely responsible for the financial obligations accruing under the products it issues. Insurance product and guarantees, including optional benefits are backed by the financial strength and claims-paying ability of the issuing insurance company. They are not backed by the independent third party from which this annuity is purchased, including the broker/dealer, by the insurance agency from which this annuity is purchased, or any affiliates of those entities and none makes any representations or guarantees regarding the claims-paying ability of the issuing insurance company.

Fixed annuities issued by Pacific Life are available through licensed, independent third parties.

Producer's name & firm:	State insurance license number:

Contract Form Series: 30-1209
90001-12A
Exp. 8/14