

BULLETIN

A Communication from
the Life Insurance Division



DATE: December 18, 2017

TO: Broker General Agencies, Office Administrators, and Technical Staff

SUBJECT: Introducing: PL Promise Conversion UL Product for PL Promise Term Conversions

Category	
<input type="checkbox"/>	Administration
<input type="checkbox"/>	Compliance
<input type="checkbox"/>	Marketing
<input checked="" type="checkbox"/>	Product
<input type="checkbox"/>	Risk Selection
<input type="checkbox"/>	Miscellaneous

Beginning January 1, 2018, PL Promise Conversion UL universal life insurance (UL) will be available upon conversion from existing PL Promise Term life insurance policies, in states where approved.¹ We will not accept applications or requests for conversions until January 1, 2018, but you may begin quoting the new product in WinFlex as of December 18, 2017.

PL Promise Conversion UL

- Available without additional underwriting upon conversion from PL Promise Term^{2,3}
- Competitively priced guaranteed No-Lapse UL design⁴
- Return of premium feature in policy years 15, 20, and 25⁵
- Up to 150% of normal compensation paid upon early conversion⁶

Learn more about the PL Promise.
Access Your Marketing Toolkit at PLExpress.PacificLife.com/landing.html.

1. PL Promise Conversion UL (Policy Form #P17LYCUL or ICC17 P17LYCUL, based on state of policy issue) is available upon conversion from PL Promise Term (Policy Form #P16LYT or ICC16 P16LYT and S16LYT 10, S16LYT 15, S16LYT 20, S16LYT 25, or S16LYT 30, based on level premium period chosen and state of policy issue).
2. Conversion from PL Promise Term to PL Promise Conversion UL is available at any time during the term policy's level premium period, prior to insured's attained age 70. No underwriting required. The issue of the conversion product is subject to approval of the application and the new policy will incur monthly policy charges.
3. There are circumstances in which replacing your client's existing life insurance or annuity can benefit your client. As a general rule, however, replacement is not in your client's best interest. 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 detailed information to your client and discuss whether replacement is in your client's best interest.
4. The No-Lapse guarantee, depending on how your client structures the policy, has a maximum duration of the insured's lifetime, subject to certain limits. If the 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. If policy loans or withdrawals are taken, additional premiums may be required to keep the no-lapse guarantee in force. The No-Lapse Guarantee Rider (form #R17LYFNL or ICC17 R17LYFNL, based on state of policy issue) is included in the policy at no additional charge.

5. PL Promise Conversion UL may be surrendered within 60 days after the 15th, 20th, or 25th policy anniversary for the enhanced surrender value, which is the lesser of 35% of the policy's death benefit or a percentage of total premiums paid less withdrawals: 50% in year 15, 75% in year 20, and 100% in year 25. Proceeds are reduced by any loan balance.
6. Early conversion is in years 1-4 for PL Promise Term 10-year term; 1-7 for 15-year term; 1-9 for 20-year term; 1-12 for 25-year term; and 1-14 for 30-year term.

Pacific Life remains committed to making it easier for Brokerage General Agents (BGAs) and life insurance producers to do business with us.

To ensure you and your producers have the most current information related to Marketing Materials, Producer status, Commissions, and Pending Case status, we invite you to access the ProducerBay website by clicking on the link: <http://producerbay.pacificlife.com/>. If you have questions or trouble accessing the ProducerBay website, please contact us at LynDistributorServices@PacificLife.com or (844) 238-4872.

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