

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

Affordable Guaranteed Universal Life Insurance

## HOW TO USE PL PROMISE GUL WITH YOUR CLIENTS



PACIFIC LIFE

Pacific Life Insurance Company

## Guarantee to Age 90 with the Option to Extend Year-by-Year

**GOAL:** Affordable guaranteed death benefit protection with ability to adjust on the fly

### SCENARIO:

James, age 50, needs income protection for his family in the event of his untimely death. While he may only need income protection for the 20 years he expects to continue working, he also wants to leave a financial legacy for his family to help make their lives easier once he is gone. He wants the certainty of guaranteed life insurance coverage at premiums affordable enough to ensure he can still invest in his retirement. James' financial professional\* recommends **PL Promise GUL**, offering \$1 million death benefit, a no-lapse<sup>2</sup> guarantee and affordable premiums. Through *Pacific Life's streamlined underwriting process*, James qualifies for Standard Nonsmoker rate class without requiring medical labs or exams.

\*In order to sell life, insurance a financial professional must be a properly licensed and appointed life insurance producer.



With guidance from his financial professional, James considers a few premium options to leverage flexibility with peace of mind for the future:

- **Option 1:**  
Purchase a no-lapse guarantee to age 90 with an annual premium of \$8,725
- **Option 2:**  
Purchase a no-lapse guarantee to age 100 with an annual premium of \$11,203
- **Option 3:**  
Purchase a no-lapse guarantee to age 90 and invest the difference of the 2 premiums (\$2,478 annually) into a financial product designed for growth. If he lives past 90, he may access the accumulated savings to pay additional no-lapse premiums into the life insurance policy and extend the death benefit coverage year-by-year as needed.

1 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.

2 The Lifetime No-Lapse Guarantee Rider (form #R17LYFNL or ICC17 R17LYFNL, based on state of policy issue) is included in the policy. The Lifetime Duration No-Lapse guarantee, 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 will no longer be in effect. If the no-lapse feature is no longer in effect, 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.



## APPROACH:

James chooses to purchase PL Promise GUL with a guarantee to age 90 and invests the difference in premiums, earning a net 3.75% interest annually (5% growth rate and a 25% tax on the gain).

- ✓ At age 90, his accumulated savings will be \$222,054.
- ✓ If James lives past age 90, the catch-up premium, or the amount needed to keep the life insurance policy in place to age 100, is \$54,443 annually. He can opt to be automatically billed a tiered premium in the future. Starting at age 90, Pacific Life will bill James \$54,443 each year to extend his guarantee to age 100.
- ✓ If James needs to extend the death benefit coverage beyond age 90, his accumulated savings used as life insurance premium payments will carry him another six years.
- ✓ If James lives past age 94, he will need to dip into his additional savings to pay an incremental \$54,443/year.

	No-Lapse Guarantee to Age 90	No-Lapse Guarantee to Age 100	Invest the Difference
Annual Premium	\$8,725	\$11,203	
Total Premiums Paid to Age 90	\$349,004	\$448,139	\$222,054

**Accumulated Savings** from investing the difference between the guarantee to age 90 vs. guarantee to age 100 annual premium amounts assuming a net 3.75% annual interest rate (based on a 5% growth rate with 25% tax on the gain).

Values are rounded to the nearest dollar in the chart above and may vary slightly from the quote.

## RESULT:

**PL Promise GUL provides affordable guaranteed death benefit protection with flexibility to use catch-up premiums.**

## Premiums by Competitor

PL Promise GUL tops the chart for full pay (annual) premiums versus comparable policies as shown below.

Competitor	Product	Premium for \$1M Death Benefit (male, age 50)
<b>Pacific Life</b>	<b>PL Promise Guaranteed UL</b>	<b>\$8,725</b>
Protective	Lifetime Assurance UL 9-21	\$10,572
American National	Signature Guaranteed UL	\$10,644
Penn Mutual	Guaranteed Protection UL®	\$11,103
Nationwide®	No-Lapse Guarantee UL II	\$11,750
Protective	Advantage Choice <sup>SM</sup> UL 9-21	\$12,007
North American	Custom Guarantee® (Gen 9)	\$12,158
New York Life	NYL Custom UL Guarantee AD118	\$12,417
Penn Mutual	Protection Universal Life <sup>SM</sup>	\$12,680
Corebridge Financial	Secure Lifetime GUL 3	\$13,528
Prudential®	PruLife® Founders Plus UL (2021)	\$13,630
MassMutual	Universal Life Guard	\$16,890

Premiums shown for standard nonsmoker rate class, no-lapse guarantee universal life insurance, solve to guarantee the death benefit to age 90.

\* Source: LifeTrends competitive data as of March 6, 2023.

\* Premium values shown are based on data from non-affiliated companies as of 3/6/2023. American National Signature Guaranteed UL (SGUL18), Corebridge Financial Secure Lifetime GUL 3 (ICC18-318-54P), MassMutual Universal Life Guard (ICC18ULG), Nationwide No Lapse Guarantee UL II (ICC18-NWLA-570), New York Life NYL Custom UL Guarantee AD118 (ICC18-318-54P), North American Custom Guarantee (Gen 9) (LS170), PennMutual Guaranteed Protection UL (ICC18-PI-FL), PennMutual Protection Universal Life (ICC19-PI-CUL), Protective Advantage Choice UL 9-21 (ICC12-UL20 7-12), Protective Lifetime Assurance UL (9-21) (ICC12-UL22 1-13), Prudential PruLife Founders Plus UL (2021) (IULPR-2020 or ICC20-IULPR). Competitor information presented based on publicly available data received directly from LifeTrends. Pacific Life PL Promise GUL rates are effective 3/27/2023.

While we believe it is accurate, we cannot assure you that this is the most current information. Please contact the company for a current illustration or quote. Underwriting criteria will differ from company to company; we attempted to use comparable risk classes across all companies.

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/quoted, 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/quoted, 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.

## THE POWER OF PACIFIC

For more than 150 years, Pacific Life has helped millions of individuals and families with their financial needs through a wide range of life insurance products, annuities, and mutual funds, and offers a variety of investment products and services to individuals, businesses, and pension plans. Whether your goal is to protect loved ones or grow your assets for retirement, Pacific Life offers innovative products and services that provide value and financial security for current and future generations. Pacific Life counts more than half of the 100 largest U.S. companies as its clients and has been named one of the 2023 World's Most Ethical Companies® by the Ethisphere Institute. For additional company information, including current financial strength ratings, visit [www.PacificLife.com](http://www.PacificLife.com).

*Pacific Life refers to Pacific Life Insurance Company and its affiliates, including Pacific Life & Annuity Company. Client count as of June 2022 is compiled by Pacific Life using the 2022 FORTUNE 500® list.*

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**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.

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

Investment and Insurance Products: Not a Deposit	Not Insured by any Federal Government Agency	
Not FDIC Insured	No Bank Guarantee	May Lose Value