

Pacific Life Global Funding II
$25,000,000,000
Global Debt Issuance Program

Pacific Life Global Funding II, a special purpose statutory trust organized in series and formed under the laws of the State of Delaware (the "**Issuer**"), may from time to time offer senior secured medium-term notes (the "**Notes**") pursuant to the global debt issuance program (the "**Program**") described in this Offering Memorandum (this "**Offering Memorandum**"). The Notes will be offered in separate series (each, a "**Series**" or "**Series of Notes**"), each of which may be comprised of one or more tranches (each, a "**Tranche**"). The specific terms of the Notes of any Series will be set forth in one or more applicable pricing supplements (each such document, the "**Pricing Supplement**"), which will complete this Offering Memorandum. The Issuer will use the net proceeds from the sale of each Series of Notes to purchase one or more funding agreements (each, a "**Funding Agreement**" and, together, the "**Funding Agreements**") from Pacific Life Insurance Company, a stock life insurance company domiciled in Nebraska ("**Pacific Life**").

The exclusive purposes of the Issuer are, and the Issuer shall have the power and authority, to (i) enter into certain agreements in connection with the Program; (ii) issue and sell the Notes, (iii) use the net proceeds from the sale of the Notes to purchase one or more Funding Agreements, (iv) pledge, collaterally assign and grant a security interest in the applicable Series Collateral (as defined herein) for any Series of Notes to the Indenture Trustee (as defined herein), (v) pay amounts due in respect of the Notes; and (vi) engage in only those other activities necessary or incidental thereto. The Issuer is organized in series, as permitted by Sections 3804(a) and 3806(b)(2) of the Delaware Statutory Trust Act (the "**Trust Act**"). In connection with the issuance of each Series of Notes, the Issuer will create a separate series of beneficial interests in a segregated pool of assets of the Issuer (each, a "**Series of the Issuer**"). The applicable Series of Notes and the related liabilities, obligations and expenses incurred, contracted for or otherwise existing with respect to such Series of the Issuer will be enforceable only against the assets of such Series of the Issuer and not against the assets of the Issuer generally or the assets of any other Series of the Issuer. The individual Series of the Issuer are not separate legal entities. Any reference to a "**Holder**" or "**Holders**" herein refers to the person in whose name a Note is registered.

The Notes of each Series will: (i) rank pari passu with respect to each other; (ii) be secured by one or more Funding Agreements; (iii) bear interest at a fixed or floating rate payable on such dates as set forth in the applicable Pricing Supplement, or bear no interest at all; (iv) mature 90 days or more from the date of issue; (v) not be obligations of Pacific Life or any of its subsidiaries or affiliates or any other person; (vi) not be insurance contracts, insurance policies or funding agreements; and (vii) not benefit from any insurance guaranty fund coverage or any similar protection.

The Irish Stock Exchange plc, trading as Euronext Dublin ("**Euronext Dublin**"), has approved this Offering Memorandum as a Listing Particulars. Application will be made to Euronext Dublin for the Notes issued during the period of 12 months from the date of this Offering Memorandum to be admitted to the Official List (the "**Official List**") and trading on its Global Exchange Market (the "**GEM**"). Such approval relates only to the Notes of any Series, which are to be admitted to trading on the GEM. The GEM is not a regulated market for the purposes of Directive 2014/65/EU, as amended ("**MiFID II**").

This Offering Memorandum is not a prospectus for purposes of Article 8 of Regulation (EU) 2017/1129, as amended (the "**EU Prospectus Regulation**").

The price and amount of Notes to be issued under the Program, up to the Authorized Amount (as defined herein), will be determined by the Issuer and each relevant Purchasing Agent (as defined herein) at the time of issue in accordance with prevailing market conditions**.**

For a discussion of certain factors that should be considered in connection with an investment in the Notes, see "Risk Factors" beginning on page 11.

THE NOTES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR ANY STATE OR FOREIGN SECURITIES LAWS AND, UNLESS SO REGISTERED, MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND APPLICABLE STATE OR FOREIGN SECURITIES LAWS. ACCORDINGLY, THE NOTES WILL BE OFFERED AND SOLD (A) IN THE UNITED STATES OF AMERICA, ONLY TO PERSONS REASONABLY BELIEVED TO BE "QUALIFIED INSTITUTIONAL BUYERS" (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT) AND (B) IN "OFFSHORE TRANSACTIONS" TO PERSONS OTHER THAN "U.S. PERSONS" (EACH AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT). PROSPECTIVE PURCHASERS THAT ARE QUALIFIED INSTITUTIONAL BUYERS ARE HEREBY NOTIFIED THAT THE ISSUER MAY BE RELYING ON THE EXEMPTION FROM THE PROVISIONS OF SECTION 5 OF THE SECURITIES ACT PROVIDED BY RULE 144A. SEE "PURCHASE AND TRANSFER RESTRICTIONS."

This Offering Memorandum constitutes a "Listing Particulars" for the purpose of listing on the Official List and trading on the GEM.

Arranger for the Program
Goldman Sachs & Co. LLC

U.S. Purchasing Agents	**Non-U.S. Purchasing Agents**
Goldman Sachs & Co. LLC	Goldman Sachs International
ANZ Securities	ANZ
Barclays	Barclays
BMO Capital Markets	BMO Nesbitt Burns Inc.
BNP PARIBAS	BNP PARIBAS
BofA Securities	BofA Securities
Citigroup	Citigroup
Credit Agricole CIB	Crédit Agricole CIB
Deutsche Bank Securities	Deutsche Bank
HSBC	HSBC
J.P. Morgan	J.P. Morgan
Mizuho	Mizuho
Morgan Stanley	Morgan Stanley
MUFG	MUFG
PNC Capital Markets LLC	RBC Capital Markets
RBC Capital Markets	SMBC
SMBC Nikko	TD Securities
TD Securities	Wells Fargo Securities
US Bancorp	
Wells Fargo Securities	

Offering Memorandum dated March 19, 2026

NOTICE TO ARKANSAS RESIDENTS ONLY

The Notes may not be purchased by, offered, resold, pledged or otherwise transferred to an insurer domiciled in the State of Arkansas, a health maintenance organization, farmers' mutual aid association or other Arkansas domestic company regulated by the Arkansas Insurance Department.

NOTICE TO INDIANA RESIDENTS ONLY

The Indiana Insurance Department has stated that Indiana domestic insurers should contact the Indiana Insurance Department before purchasing the Notes.

NOTICE TO U.K. INVESTORS ONLY

U.K. MiFIR PRODUCT GOVERNANCE/TARGET MARKET

The Pricing Supplement in respect of any Series of Notes may include a legend entitled "*U.K. MiFIR Product Governance*" which will outline the target market assessment in respect of the Notes of any such Series and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**U.K. distributor**") should take into consideration the target market assessment; however, a U.K. distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the "**U.K. MiFIR Product Governance Rules**") is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue of Notes about whether, for the purpose of the U.K. MiFIR Product Governance Rules, any Purchasing Agent subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arranger nor the Purchasing Agents nor any of their respective affiliates will be a manufacturer for the purpose of the U.K. MiFIR Product Governance Rules.

PROHIBITION ON SALES TO U.K. RETAIL INVESTORS

The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the U.K. For these purposes, a "**retail investor**" means a person who is one not a professional client as defined in point (8) of Article 2(1) of Regulation (EU) 600/2014 as it forms part of domestic law in the United Kingdom (the "**U.K**.").

Consequently, (i) for Notes to be issued prior to 6 April 2026, no key information document required by Regulation (EU) No 1286/2014, as it forms part of domestic law in the U.K. (the "**U.K. PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the U.K. has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the U.K. may be unlawful under the U.K. PRIIPs Regulation and (ii) for Notes to be issued on or after 6 April 2026, no disclosure document required by the U.K. Financial Conduct Authority Product Disclosure Sourcebook ("DISC") for offering, selling or distributing the Notes or otherwise making them available to retail investors in the U.K. has been prepared and therefore offering, selling or distributing the Notes or otherwise making them available to any retail investor in the U.K. may be unlawful under DISC and the Consumer Composite Investments (Designated Activities) Regulations 2024).

The communication of this Offering Memorandum, any amendment or supplement hereto, any related Pricing Supplement and any other document or materials relating to the issue of the Notes offered hereby is not being made, and this Offering Memorandum, any amendment or supplement hereto, any related Pricing Supplement and such other documents and/or materials have not been approved, by an authorized person for the purposes of Section 21 of the U.K.'s Financial Services and Markets Act 2000, as amended (the "**FSMA**"). Accordingly, this Offering Memorandum, any amendment or supplement hereto, any related Pricing Supplement and such other documents and/or materials are not being distributed to, and must not be passed on to, the general public in the U.K.

This Offering Memorandum, any amendment or supplement hereto, any related Pricing Supplement and such other documents and/or materials are for distribution only to persons who (i) have professional experience in matters relating to investments and who fall within the definition of investment professionals (as defined in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "**Financial Promotion Order**")), (ii) fall within Article 49(2)(a) to (d) of the Financial Promotion Order, (iii) are outside the U.K., or (iv) are other persons to whom it may otherwise lawfully be communicated or distributed under the Financial Promotion Order (all such persons together being referred to as "**relevant persons**"). This Offering Memorandum, any amendment or supplement hereto, any related Pricing Supplement and such other documents and/or materials are directed only at relevant persons and must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this Offering Memorandum, any amendment or supplement hereto, any related Pricing Supplement and any other document or materials relate will be engaged in only with relevant persons. Any person in the U.K. that is not a relevant person should not act or rely on this Offering Memorandum, any amendment or supplement hereto, any related Pricing Supplement or any other documents and/or materials relating to the issue of the Notes offered hereby or any of their contents.

NOTICE TO EEA INVESTORS ONLY

None of this Offering Memorandum, any amendment or supplement hereto, or any related Pricing Supplement is a prospectus for the purposes of the EU Prospectus Regulation.

MiFID II PRODUCT GOVERNANCE / TARGET MARKET

The Pricing Supplement in respect of any Series of Notes may include a legend entitled "*MiFID II Product Governance*" which will outline the target market assessment in respect of the Notes of any such Series and which channels for distribution of the Notes are appropriate. Any person subsequently offering, selling or recommending the Notes (an "**EU distributor**") should take into consideration the target market assessment; however, an EU distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the target market assessment) and determining appropriate distribution channels.

A determination will be made in relation to each issue of Notes about whether, for the purpose of the MiFID Product Governance rules under EU Delegated Directive 2017/593, as amended (the "**MiFID Product Governance Rules**"), any Purchasing Agent subscribing for any Notes is a manufacturer in respect of such Notes, but otherwise neither the Arranger nor the Purchasing Agents nor any of their respective affiliates will be a manufacturer for the purpose of the MiFID Product Governance Rules.

PROHIBITION ON SALES TO EEA RETAIL INVESTORS

The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("**EEA**"). For these purposes, a "**retail investor**" means a person who is one (or both) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or (ii) a customer within the meaning of Directive (EU) 2016/97, as amended (the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II.

Consequently, no key information document required by Regulation (EU) No 1286/2014, as amended (the "**PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

RATINGS

Each Series of Notes to be issued under the Program will be rated or unrated. Where a Series of Notes is to be rated, such rating will not necessarily be the same as the rating assigned to Notes already issued. Where a Tranche of Notes is rated, the applicable rating(s) will be specified in the relevant Pricing Supplement. A security rating is not a recommendation to buy, sell or hold securities and may be subject to review, revision, suspension, reduction or withdrawal at any time by the assigning rating agency.

The rating of the Program by A.M Best Company ("**AM Best**"), Moody's Investors Service, Inc. ("**Moody's**") and the rating of the Notes by Fitch Ratings, Inc. ("**Fitch**"), Moody's and S&P Global Ratings, acting through Standard & Poor's Financial Services LLC ("**S&P**"), is based primarily upon the insurance financial strength rating of Pacific Life. The rating of the Notes will be monitored and is subject to reconsideration at the sole discretion of AM Best, Fitch, Moody's and S&P. AM Best, Fitch, Moody's and S&P will each change their rating of the Notes in accordance with any change in the financial strength rating of Pacific Life or with any change in the priority status under the state jurisdiction governing funding agreements issued by Pacific Life.

STABILIZATION

In connection with any Series of Notes, the Purchasing Agent or Purchasing Agents (if any) named as the stabilizing manager(s) (the "**Stabilizing Manager(s)**") (or persons acting on behalf of any Stabilizing Manager) in the applicable Pricing Supplement may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, stabilization may not necessarily occur. Any stabilization action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Tranche of Notes is made and, if begun, may cease at any time, but it shall, in any event, end no later than the earlier of 30 days after the issue date of the relevant Series of Notes and 60 days after the date of the allotment of the relevant Series of Notes. Any such stabilizing or over-allotment must be conducted by the relevant Stabilizing Manager(s) (or persons acting on behalf of any Stabilizing Manager(s)) in compliance with all relevant laws, guidelines and regulations. For a description of these activities, *see* "Plan of Distribution."

RESPONSIBILITY STATEMENT

Each of the Issuer and Pacific Life accepts responsibility for the information contained in this Offering Memorandum. Having taken all reasonable care to ensure that such is the case, and to the best of their knowledge, the information contained in this Offering Memorandum is in accordance with the facts and does not omit anything likely to affect the import of such information.

NOTICE TO INVESTORS

The Notes will be offered from time to time by the Issuer to or through one or more of the Purchasing Agents acting as principals. The Purchasing Agents, individually or in a syndicate, may purchase the Notes, as principals from the Issuer for resale to investors and other purchasers at varying prices relating to prevailing market prices at the time of resale as determined by any such Purchasing Agent(s) or, if so specified in the applicable Pricing Supplement, for resale at a fixed offering price.

The Issuer is not a subsidiary or an affiliate of Pacific Life, or any of its subsidiaries or affiliates. The obligations of the Issuer evidenced by the Notes will not be obligations of, and will not be guaranteed by, any other person, including, but not limited to, Pacific Life or any of its subsidiaries or affiliates. The obligations of Pacific Life under the Funding Agreements will not be obligations of, and will not be guaranteed by, any other person. The Series Collateral for each Series of Notes is the sole source of distributions on the Notes of such Series.

Under the Purchase Agreement (as defined herein), each Purchasing Agent has made, or will make, certain representations, warranties and covenants to the Issuer and Pacific Life. *See* "Plan of Distribution." No representation or warranty is made or implied by any Purchasing Agent or any of their respective affiliates to purchasers of Notes, and none of the Purchasing Agents nor any of their respective affiliates makes any representation or warranty, or accepts any responsibility to purchasers of Notes, as to the accuracy or completeness of the information contained in this Offering Memorandum. The Purchasing Agents do not take any responsibility

for any acts or omissions of the Issuer or any other person (other than the relevant Purchasing Agent) in connection with any issue and offering of Notes under the Program.

Neither the delivery of this Offering Memorandum, including any amendment or supplement hereto, nor any applicable Pricing Supplement nor the offering, sale or delivery of any Note shall create, in any circumstances, any implication that (i) the information contained in this Offering Memorandum is true subsequent to the date hereof or subsequent to the date upon which this Offering Memorandum has been most recently amended or supplemented, (ii) there have been no adverse changes in the financial situation of the Issuer or Pacific Life subsequent to the date hereof or subsequent to the date upon which this Offering Memorandum has been most recently amended or supplemented or (iii) any other information supplied in connection with the Notes is correct at any time subsequent to the date on which it is supplied, or, if different, the date indicated in the document containing such information.

This Offering Memorandum may only be used for the purpose for which it has been prepared and should be read and construed in accordance with any amendment or supplement hereto and, in relation to any Series of Notes, should be read and construed in accordance with each applicable Pricing Supplement. Any statement contained in this Offering Memorandum, including in any amendment or supplement hereto, shall be deemed to be modified or superseded for the purpose of this Offering Memorandum to the extent that a statement contained in any subsequent amendment, supplement or applicable Pricing Supplement is inconsistent with, modifies or supersedes such statement.

Each of the Issuer and Pacific Life has confirmed to the Purchasing Agents that this Offering Memorandum (read and construed in accordance with any amendment or supplement hereto and, in relation to any Series of Notes, read and construed in accordance with each applicable Pricing Supplement) does not and, at the time of sale and the issue date for a particular Tranche of Notes will not, contain any untrue statement of a material fact or fail to state any material fact necessary in order to make statements herein, in light of the circumstances under which they were made, not misleading. Such confirmation by each of the Issuer and Pacific Life is limited to the extent any untrue statements or omissions of material fact or alleged untrue statements or omissions were made in reliance upon and in conformity with any written information furnished by any of the Purchasing Agents to the Issuer or Pacific Life expressly for use in this Offering Memorandum (read and construed in accordance with any amendment or supplement hereto and, in relation to any Series of Notes, read and construed in accordance with each applicable Pricing Supplement).

The offering of the Notes is being made in reliance upon an exemption from registration under the Securities Act for an offer and sale of securities that does not involve a public offering. Each purchaser of Notes in making its purchase will be deemed to have made certain acknowledgments, representations, warranties, and agreements as set forth under "Purchase and Transfer Restrictions." The Notes have not been and will not be registered under the Securities Act or any state or foreign securities laws and, unless so registered, may not be offered, sold, pledged or otherwise transferred except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state or foreign securities laws. Accordingly, the Notes will be offered and sold (a) in the United States, only to persons reasonably believed to be "qualified institutional buyers" (as defined in Rule 144A under the Securities Act) and (b) in "offshore transactions" to persons other than "U.S. persons" (each as defined in Regulation S under the Securities Act). *See* "Purchase and Transfer Restrictions."

The Notes may not be transferred to, or acquired or held by, or acquired with the "plan assets" of, any Plan or other Plan Asset Entity or any Non-ERISA Plan (each as defined under "ERISA and Other Benefit Plan Considerations") or any entity the assets of which are treated as including the assets of a Non-ERISA Plan, unless the purchase, holding and disposition of the Notes by or on behalf of such plan or entity (i) in the case of a Plan or Plan Asset Entity, is exempt from the prohibited transaction provisions of Section 406 of the U.S. Employee Retirement Income Security Act of 1974, as amended ("**ERISA**"), and Section 4975 of the U.S. Internal Revenue Code of 1986, as amended (the "**Code**"), under U.S. Department of Labor (the "**DOL**") Prohibited Transaction Class Exemption ("**PTCE**") 96-23, PTCE 95-60, PTCE 91-38, PTCE 90-1 or PTCE 84-14, the Service Provider Exemption (as defined under "ERISA and Other Benefit Plan Considerations") or another applicable exemption, or (ii) in the case of a Non-ERISA Plan or entity the assets of which are treated as including the assets of a Non-ERISA Plan, will not violate any Similar Laws (as defined under "ERISA and Other Benefit Plan Considerations"). *See* "ERISA and Other Benefit Plan Considerations" and "Purchase and Transfer Restrictions."

Because the primary asset of the relevant Series of the Issuer will be one or more Funding Agreements issued by Pacific Life, there is a risk that the transfer of the Notes of the applicable Series could subject the parties to such transfer to regulation under the insurance laws of jurisdictions implicated by the transfer. Among other things, it is likely that if the Notes were to be deemed to be contracts of insurance, the ability of a holder to sell the Notes in secondary market transactions or otherwise would be substantially impaired and, to the extent any such sales could be effected, the proceeds realized from any such sales would be materially and adversely affected. *See* "Risk Factors —Risk Factors Related to the Notes—If the Notes were deemed to be contracts of insurance or participations in the Funding Agreements, the Holders of the Notes could be subject to certain regulatory requirements and the marketability and market value of the Notes could be reduced."

None of the Purchasing Agents will be under any obligation to make a market in the Notes and, to the extent that such market making is commenced by any of the Purchasing Agents, it may be discontinued at any time. The Notes are subject to substantial restrictions on transfer as set forth under "Purchase and Transfer Restrictions." Given the restrictions on and risks related to transfer, there is no assurance that a secondary market will develop or, if it does develop, that it will provide holders of the Notes with adequate liquidity or that such liquidity will be sustained. Further, the ability of the Purchasing Agents to make a market in the Notes may be impacted by changes in regulatory requirements applicable to the marketing, holding and trading of, and issuing quotations with respect to, the Notes. Prospective investors should proceed on the assumption that they may have to bear the economic risk of an investment in the Notes until the Stated Maturity Date (as defined herein) of such Notes.

No person is authorized by the Issuer or Pacific Life in connection with any offering made hereby to give any written information or to make any representation other than as contained in this Offering Memorandum (read and construed in accordance with any amendment or supplement hereto and, in relation to any Series of Notes, read and construed in accordance with each applicable Pricing Supplement) and, if given or made, such written information or representation must not be relied upon as having been authorized by any of the Issuer, Pacific Life, the Arranger for the Program (as set forth on the cover of this Offering Memorandum) or any of the Purchasing Agents.

Neither this Offering Memorandum, including any amendment or supplement hereto nor any applicable Pricing Supplement constitutes an offer or an invitation to subscribe for or purchase any Notes in any jurisdiction in which it is unlawful to make such an offer or such an invitation to subscribe and should not be considered as a recommendation by any of the Issuer, Pacific Life, the Arranger or any of the Purchasing Agents that any recipient of this Offering Memorandum or any applicable Pricing Supplement should subscribe for or purchase any Notes. Each recipient of this Offering Memorandum, read as a whole and construed in accordance with any amendment or supplement hereto and, in relation to any Series of Notes, read and construed in accordance with each applicable Pricing Supplement, shall be deemed to have made its own investigation and appraisal of the condition (financial and otherwise) of the Issuer and Pacific Life.

In making an investment decision in the Notes, investors must rely on their own examination of the Issuer and Pacific Life, including the merits and risks involved. The Notes have not been approved or recommended by the U.S. Securities and Exchange Commission (the "SEC") or any other federal, state or foreign securities commission or securities regulatory authority or any insurance or other regulatory body. Furthermore, the foregoing authorities have not reviewed this document nor confirmed or determined the adequacy or accuracy of this document. Any representation to the contrary may be criminal.

PRESENTATION OF FINANCIAL INFORMATION

Unless the context otherwise requires, in this Offering Memorandum, (1) references to "**Pacific Life**" refer to Pacific Life Insurance Company, (2) references to "**PL&A**" refer to Pacific Life & Annuity Company, a direct, wholly owned subsidiary of Pacific Life, (3) references to "**Pacific LifeCorp**" refer to Pacific LifeCorp, the direct parent of Pacific Life, and (4) references to "**PMHC**" refer to Pacific Mutual Holding Company, the direct parent of Pacific LifeCorp.

Unless otherwise indicated, the financial information contained in this Offering Memorandum is based on the audited statutory basis financial statements of Pacific Life as of December 31, 2025 and 2024 and for each of the three years in the period ended December 31, 2025 (including the notes thereto, the "**Statutory Basis Financial Statements**"), attached as Annex A hereto, and financial information as of December 31, 2023 has been derived from Pacific Life's audited statutory basis financial statements, not included in this Offering Memorandum.

Pacific Life's Statutory Basis Financial Statements were prepared in conformity with accounting practices prescribed or permitted by the Nebraska Department of Insurance ("**NE DOI**"). The National Association of Insurance Commissioners' ("**NAIC**") Accounting Practices and Procedures Manual ("**NAIC SAP**") has been adopted as a component of prescribed or permitted practices by the NE DOI. NAIC SAP and accounting practices prescribed or permitted by the NE DOI ("**NE SAP**") differ in certain respects, which in some cases may be material, from accounting principles generally accepted in the United States of America ("**U.S. GAAP**"). *See* Notes 1 and 2 to Pacific Life's Statutory Basis Financial Statements included in this Offering Memorandum.

NE SAP also differs in certain respects from international financial reporting standards adopted pursuant to the procedure of Article 3 of Regulation (EC) No. 1606/2002 ("**IFRS**") and there may be material differences in the financial information had IFRS been applied.

FORWARD-LOOKING INFORMATION

This Offering Memorandum does, and any supplement hereto and any Pricing Supplement may, contain information that includes or is based upon forward-looking statements that is intended to enhance the reader's ability to assess Pacific Life's future financial and business performance. These statements appear in a number of places throughout this Offering Memorandum and include statements regarding Pacific Life's intentions, beliefs, assumptions or current expectations concerning, among other things, financial position, results of operations, cash flows, prospects, growth strategies or expectations, customer retention, the potential future response or responses to any contagious disease or pandemic, the outcome (by judgment or settlement) and costs of legal, administrative or regulatory proceedings, investigations or inspections, including collective, representative or class action litigation, and the impact of prevailing economic conditions. Forward-looking statements are based on the beliefs and assumptions of Pacific Life's management, and are subject to risks and uncertainties. Generally, statements that are not about historical facts, including statements concerning Pacific Life's possible or assumed future actions or results of operations, are forward-looking statements. Forward-looking statements include, but are not limited to, statements that represent Pacific Life's beliefs concerning future operations, strategies, financial results or other developments, and contain words and phrases such as "may," "believes," "intends," "anticipates," "plans," "estimates," "expects," "should" or similar expressions.

Forward-looking statements are not guarantees of performance, and the Issuer and Pacific Life caution you not to rely on them. Because these forward-looking statements are based on estimates and assumptions that are subject to significant business, economic and competitive uncertainties, many of which are beyond the Issuer or Pacific Life's control or are subject to change, actual results or other outcomes could differ materially from those expressed or implied in the forward-looking statements. The following risks and uncertainties, among others, may have such an effect:

- Significant deterioration or disruption in economic conditions in the equity and credit markets and the global economy may adversely affect Pacific Life's business and profitability;

- Pacific Life's investment portfolio is subject to risks that could diminish the value of the invested assets and the amount of investment income, which could have an adverse effect on results of operations or financial condition;

- If aggregate reserves for life and annuity contracts are inadequate, Pacific Life may be required to increase reserves, which could adversely affect results of operations and financial condition;

- Interest rate fluctuations that could adversely affect business profitability and require an increase to reserves or capital requirements and subject Pacific Life to additional collateral posting requirements;

- Adverse capital and credit market conditions could significantly affect Pacific Life's ability to meet liquidity needs, access to capital and its cost of capital, including capital that may be required by subsidiaries. Under such conditions, Pacific Life may seek additional debt capital but may be unable to obtain it;

- An inability to access credit facilities to finance Pacific Life's growth and refinance its existing debt could adversely affect Pacific Life's results of operations and financial condition;

- Pacific Life's membership in the Federal Home Loan Bank ("**FHLB**") subjects it to potential liquidity and other risks;

- Losses due to defaults by others, including issuers of investment securities, reinsurers and derivative counterparties, insolvencies of insurers in jurisdictions where Pacific Life writes business and other factors could adversely affect the value of investments, the realization of amounts contractually owed, result in assessments or additional capital requirements or reduce profitability or sources of liquidity;

- Changes in the laws and regulations relating to retirement products and services, including the latest U.S. Department of Labor Fiduciary Rule, could adversely affect business activity, results of operations and financial condition;

- Pacific Life may experience difficulties in marketing and distributing products through the current and future distribution channels;

- Changes in accounting requirements could negatively impact reported results of operations and reported financial condition;

- A downgrade or potential downgrade in financial strength ratings could harm Pacific Life's competitive position and could have a material adverse effect on liquidity, results of operations and financial condition;

- Intense competition could adversely affect Pacific Life's ability to maintain or increase market share or profitability, including as a result of technological advancements in the insurance industry;

- Changes in U.S. federal income tax law or in the income tax laws of other jurisdictions impacting Pacific Life could make some of its products less attractive to consumers and also increase Pacific Life's tax cost;

- Pacific Life's valuation of its investment portfolio may include methodologies, estimations and assumptions that are subject to differing interpretations and could result in changes to investment valuations that may materially adversely affect results of operations and financial condition;

- The inability of Pacific Life's hedging strategies and activities to effectively hedge the risks that it seeks to mitigate leaving Pacific Life exposed to unanticipated risk, and, even if effective, the risk that Pacific Life's hedging strategies and activities may reduce its results of operations and capital and surplus in certain circumstances;

- Legal and regulatory actions are inherent in Pacific Life's business and could adversely affect results of operations or financial condition or harm Pacific Life's businesses or reputation;

- The uncertainty and loss in value associated with reliance upon models that do not perform the task or capture the risk that they were designed for, resulting in erroneous decision making which could adversely affect Pacific Life's operations, results of operations and financial condition;

- Lack of available, affordable or adequate reinsurance could adversely affect Pacific Life's results of operations and financial condition;

- Changes in discount rate, expected rate of return and life expectancy could adversely affect Pacific Life's results of operations and financial condition;

- Profitability may decline if mortality experience or policyholder behavior experience differ significantly from pricing expectations;

- Inability to attract and retain key personnel could adversely impact Pacific Life's ability to execute key operational functions and could adversely affect its operational controls;

- Pacific Life's risk management policies and procedures may prove to be ineffective and leave Pacific Life exposed to unidentified or unanticipated risk, which could negatively affect businesses or result in losses;

- Fluctuations in foreign currency exchange rates could adversely affect profitability, financial condition and cash flows, as well as increase the volatility of results;

- Interruption in telecommunication, information technology and other operational systems, or failure to maintain the security, confidentiality or privacy of sensitive data residing on such systems, could harm Pacific Life's business, operations, results of operations, financial condition and reputation;

- A sustained economic recession or depression, the occurrence of natural or man-made disasters or other unanticipated events or global climate change could have a material adverse effect on Pacific Life's business, financial condition and results of operations; and

- The other risks and uncertainties identified in this Offering Memorandum.

Consequently, such forward-looking statements should be regarded solely as Pacific Life's current plans, estimates or beliefs. Pacific Life does not intend, and does not undertake, any obligation to update any forward-looking statements to reflect future events or circumstances after the date of such statements. Given such limitations, the Issuer and Pacific Life caution investors not to place undue reliance on these forward-looking statements in making a decision whether to invest in the Notes.

You should review carefully the section captioned "Risk Factors" in this Offering Memorandum for a more complete discussion of risks and uncertainties relating to an investment in the Notes.

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OVERVIEW OF THE PROGRAM

The following is a brief description of the Program only and should be read in conjunction with the rest of this Offering Memorandum, any amendments or supplements hereto, and, in relation to the Notes, in conjunction with each applicable Pricing Supplement and, to the extent applicable, the Description of the Notes set out herein.

Issuer.....Pacific Life Global Funding II, a special purpose statutory trust organized in series and formed under the laws of the State of Delaware.

Issuer Legal Entity Identifier (LEI).....6354003EUPCHXTWUU869

Pacific Life.....Pacific Life Insurance Company is a Nebraska-domiciled stock life insurance company.

Series of the Issuer.....The Issuer is organized in series, as permitted by Sections 3804(a) and 3806(b)(2) of the Trust Act. In connection with the issuance of each Series of Notes, the Issuer will create a separate Series of the Issuer. The applicable Series of Notes and the related liabilities, obligations and expenses incurred, contracted for or otherwise existing with respect to such Series of the Issuer will be enforceable only against the assets of such Series of the Issuer and not against the assets of the Issuer generally or the assets of any other Series of the Issuer. The individual Series of the Issuer are not separate legal entities. *See* "Description of the Issuer—The Issuer is Organized in Series."

Assets.....The primary assets of the Issuer will be the Funding Agreements issued by Pacific Life. In addition, Pacific Life has agreed to pay certain expenses and other liabilities of the Issuer. *See* "Description of the Issuer—Expenses of the Issuer."

Since Pacific Life will be the sole obligor under the applicable Funding Agreement (or Funding Agreements), the ability of the Issuer to meet its obligations, and the ability of the investors to receive payments from the Issuer, with respect to a particular Series of Notes, will be principally dependent upon Pacific Life's ability to perform its obligations under each Funding Agreement securing the Notes of the relevant Series. However, investors will have no direct contractual rights against Pacific Life under any such Funding Agreement. In connection with the offering and sale of a Series of Notes, the Issuer will pledge, collaterally assign and grant a security interest in the applicable Series Collateral to the Indenture Trustee. Accordingly, recourse to Pacific Life under each such Funding Agreement and other components of the applicable Series Collateral will be enforceable only by the Indenture Trustee as a secured party on behalf of Holders of such Series of Notes and each other person on whose behalf the Indenture Trustee is or will be holding a security interest in the applicable Series Collateral.

The Funding Agreements will be held in an account for the Indenture Trustee in the State of Delaware by Wilmington Trust, National Association (in such capacity, the "**Collateral Safekeeper**"), in accordance with a Safekeeping Agreement, dated as of June 10, 2020 (the "**Safekeeping Agreement**") among the Issuer, the Collateral Safekeeper and the Indenture Trustee.

Series Collateral	The obligations of the Issuer under each Series of Notes will be secured by a first priority perfected security interest in favor of the Indenture Trustee in the "**Series Collateral**," which will consist of (i) each Funding Agreement related to the applicable Series, (ii) all proceeds in respect of each Funding Agreement related to the applicable Series, (iii) all books and records of the Issuer pertaining to the foregoing and (iv) all benefits, rights, privileges and options of the Issuer pertaining to the foregoing.
Arranger	Goldman Sachs & Co. LLC (the "**Arranger**").
Purchasing Agents	Goldman Sachs & Co. LLC, Goldman Sachs International, ANZ Securities, Inc., Australia and New Zealand Banking Group Limited, Barclays Capital Inc., Barclays Bank PLC, BMO Capital Markets Corp., BMO Nesbitt Burns Inc., BNP Paribas Securities Corp., BNP PARIBAS, BofA Securities, Inc., Merrill Lynch International, Merrill Lynch Canada Inc., Citigroup Global Markets Inc., Citigroup Global Markets Limited, Credit Agricole Securities (USA) Inc., Crédit Agricole Corporate and Investment Bank, Deutsche Bank Securities Inc., Deutsche Bank AG, London Branch, HSBC Securities (USA) Inc., HSBC Bank plc, J.P. Morgan Securities LLC, J.P. Morgan Securities plc, Mizuho Securities USA LLC, Mizuho International plc, Morgan Stanley & Co. LLC, Morgan Stanley & Co. International plc, MUFG Securities Americas Inc., MUFG Securities EMEA plc, PNC Capital Markets LLC, RBC Capital Markets, LLC, RBC Dominion Securities Inc., RBC Europe Limited, Royal Bank of Canada, Sydney Branch, SMBC Nikko Securities America, Inc., SMBC Bank International plc, TD Securities (USA) LLC, TD Securities Inc., The Toronto-Dominion Bank, U.S. Bancorp Investments, Inc., Wells Fargo Securities, LLC and Wells Fargo Securities International Limited (each, a "**Purchasing Agent**").
Administrative Trustee	Pursuant to the Trust Agreement (as defined herein), Wilmington Trust, National Association, will be the sole administrative trustee of the Issuer generally and with respect to each Series of the Issuer (in such capacity, the "**Administrative Trustee**"). The Administrative Trustee will not be obligated in any way to make payments under or in respect of the Notes. The Administrative Trustee has not participated in the preparation of this Offering Memorandum and is not affiliated with Pacific Life, the Trust Beneficial Owner (as defined herein), the Series Beneficial Owner (as defined herein), the Indenture Trustee or any of their respective affiliates.
Deposit	An amount of U.S. $1,000 contributed by the Trust Beneficial Owner to the Issuer (the "**Deposit**").
Trust Beneficial Owner and Series Beneficial Owner	GSS SPV Services I, Inc. (the "**Trust Beneficial Owner**") is the sole owner of a beneficial interest in the Deposit, which is a general asset of the Issuer, and will be the sole beneficial owner of each Series of the Issuer (each, a "**Series Beneficial Owner**"). Neither the Trust Beneficial Owner nor the Series Beneficial Owner is affiliated with Pacific Life, the Administrative Trustee, the Indenture Trustee, the Calculation Agent (as defined below) or any of their respective affiliates.
No Guarantee	The Issuer is not a subsidiary or affiliate of Pacific Life, or any of its subsidiaries or affiliates. The obligations of the Issuer evidenced by the Notes will not be obligations of, and will not be guaranteed by, any other person, including, but not limited to, Pacific Life or any of its subsidiaries or affiliates.

Funding Agreements.....Funding Agreements are unsecured obligations of Pacific Life and, in the event of Pacific Life's insolvency, will be subject to the provisions of the Nebraska Revised Statutes, Chapter 44 ("Nebraska Insurance Law") Section 44-4842, which establishes the priority of claims from the estate of an insolvent Nebraska insurance company. Willkie Farr & Gallagher LLP, special counsel for Pacific Life, has opined that, subject to the limitations, qualifications and assumptions set forth in its opinion letter, in any liquidation proceedings relating to Pacific Life, under Nebraska law as in effect on the date of this Offering Memorandum, the claims with respect to scheduled payments under each Funding Agreement would be accorded a priority in liquidation equal to that of policyholders of Pacific Life (*i.e.*, would rank pari passu with the claims of policyholders) and superior to the claims of general creditors of Pacific Life.

Each Series of Notes will be secured by all of the Funding Agreements issued by Pacific Life in respect of the one or more Tranches of Notes comprising such Series of Notes.

Authorized Amount.....The maximum aggregate principal amount of Notes permitted to be outstanding at any one time under the Program (the "**Authorized Amount**") is $25,000,000,000 (or the equivalent in one or more foreign currencies). For this purpose, any Notes denominated in another currency shall be translated into U.S. dollars at the date of the Terms Agreement using the spot rate of exchange for the purchase of such currency against payment of U.S. dollars being quoted by the Paying Agent on such date. The Authorized Amount may be increased from time to time, subject to compliance with the relevant provisions of the Purchase Agreement, dated June 10, 2020 (as amended or modified from time to time, the "**Purchase Agreement**"), among the Issuer, Pacific Life and the Purchasing Agents.

Notes.....The Notes may be issued in multiple series. Each Series of Notes may be comprised of one or more Tranches issued on different issue dates; provided, that such additional Tranche of Notes must be issued in a "qualified reopening" or otherwise be treated as part of the same issue of the previously issued Tranche of Notes for U.S. federal income tax purposes. The Issuer may only issue a Series of Notes, or a Tranche of Notes related to such Series, if Pacific Life has issued or will simultaneously issue one or more Funding Agreements or supplemental Funding Agreements to the Issuer, which will constitute an asset of the applicable Series of the Issuer and will become a part of the applicable Series Collateral. The Notes of a Series will all be subject to identical terms, except that the issue date, the issue price, the amount and date of the first payment of interest may be different in respect of different Tranches (provided that for U.S. federal income tax purposes, all Notes of a Series will be treated as having the same issue date, issue price and, with respect to Holders, adjusted issue price). The Notes of each Tranche of a Series will all be subject to identical terms in all respects.

Indenture and Series Indentures.....Each Series of Notes will be issued under, subject to and entitled to the benefits of the Indenture, dated as of June 10, 2020 (as amended or modified from time to time, the "**Indenture**"), among the Issuer and Citibank, N.A. in its capacity as Indenture Trustee (the "**Indenture Trustee**"), U.S. Dollar Paying Agent (the "**U.S. Dollar Paying Agent**"), Registrar (the "**Registrar**") and Calculation Agent (the "**Calculation Agent**"), and Citibank, N.A., London Branch in its capacity as Foreign Currency Paying Agent (the "**Foreign Currency Paying Agent**") and,

together with the U.S. Dollar Paying Agent, each a "**Paying Agent**" and, together, the "**Paying Agents**") and a separate Series Indenture (as defined herein) by and between the Issuer and the Indenture Trustee. Each Series Indenture will incorporate the Indenture, which shall provide the terms that govern each separate Series Indenture thereunder, unless any such Series Indenture specifies otherwise. Any Tranche of Notes issued under a Series Indenture will constitute a single Series with any other Tranche(s) of Notes designated by the Issuer as being part of such Series.

Indenture Trustee.....Citibank, N.A.

U.S. Dollar Paying Agent .....Citibank, N.A., with respect to Notes that are denominated in U.S. Dollars.

Foreign Currency Paying Agent.....Citibank, N.A., London Branch, with respect to Notes that are denominated in, or provide for payments determined by reference to, non-U.S. currency ("**Foreign Currency Notes**").

Registrar.....Citibank, N.A.

Irish Listing Agent.....Arthur Cox Listing Services Limited

Calculation Agent.....Citibank, N.A. or as specified from time to time in the applicable Pricing Supplement. The Issuer reserves the right to terminate the appointment of a Calculation Agent at any time by giving no less than thirty (30) days' prior written notice and appoint a successor.

Additional Agents.....As specified from time to time in the applicable Pricing Supplement. The Registrar, the Paying Agents, the Irish Listing Agent and the Calculation Agent together with any such additional agents as specified in the applicable Pricing Supplement are referred to as the "**Agents**."

Ratings.....Financial strength ratings of Pacific Life as of February 28, 2026:

(i)	AM Best:	A+
(ii)	Fitch:	AA-
(iii)	Moody's:	Aa3
(iv)	S&P:	AA-

The foregoing ratings reflect each rating agency's opinion of Pacific Life's financial strength, capacity to honor its financial commitments, operating performance and ability to meet its obligations to policyholders, as applicable, and are not evaluations directed toward the protection of investors. Therefore, such ratings should not be relied upon when making any investment decision and may be subject to review, revision, suspension, reduction or withdrawal at any time by the assigning rating agency.

Currency.....Each Series of Notes may be denominated in any currency or currencies as specified from time to time in the applicable Pricing Supplement, subject to compliance with all applicable legal and/or regulatory and/or central bank requirements. Payments in respect of Notes may be made in and/or linked to any currency or currencies other than the currency in which such Notes are denominated. All Tranches of Notes within the same Series will be denominated in and payments in respect thereof will be made in and/or linked to the same currency or currencies.

Maturities.....Any maturity of 90 days or longer, as indicated in the applicable Pricing Supplement, or such other minimum or maximum maturity that may be

allowed or required from time to time by the relevant central bank or equivalent body (however designated) or any laws or regulations applicable to the Issuer or the currency in which the relevant Notes are denominated. *See* "Description of the Notes—General—Maturities."

Issue Price.....Notes may be issued at an issue price which is equal to, less than or more than their principal amount and shall be specified in the applicable Pricing Supplement.

Form of Notes and Clearance.....The Notes may be offered and sold in the United States only, outside the United States only or in and outside the United States simultaneously as part of a global offering. Depending on where the relevant Notes are offered and in what currency the Notes are issued, the Notes will clear through one or more of The Depository Trust Company ("**DTC**"), Euroclear Bank SA/NV ("**Euroclear**") and/or Clearstream Banking S.A. ("**Clearstream, Luxembourg**") or such other clearing system as may be specified in the applicable Pricing Supplement.

Notes sold pursuant to an offering made in the United States only will be issued in accordance with Rule 144A under the Securities Act and will clear through DTC. Unless otherwise provided in the applicable Pricing Supplement, such Notes will initially be represented by one or more DTC Global Notes (as defined herein) deposited with a custodian for, and registered in the name of a nominee of, DTC. Notes represented by DTC Global Notes will trade in DTC's Same-Day Funds Settlement System and secondary market trading activity in such Notes will therefore settle in same-day funds.

Except as described under "Description of the Notes—Global Clearance and Settlement," Notes sold outside of the United States in accordance with Regulation S will initially be represented by one or more Temporary Global Notes (as defined herein). Beneficial interests in a Temporary Global Note will be exchanged for one or more Permanent Global Notes (as defined herein) following the expiration of a period that commences upon the completion of the distribution of the Notes of the applicable Tranche and the date of the closing of the offering, whichever is later, as determined and certified by the applicable Purchasing Agent, and continues for 40 consecutive days (the "**Distribution Compliance Period**").

Except as described below, Notes sold pursuant to an offering made outside the United States only will initially be represented by one or more Temporary Global Notes, as described above, and upon exchange therefor will be represented by one or more Permanent Global Notes deposited (i) in the case of U.S. dollar denominated Notes with a common depositary for, and registered in the name of a nominee of, DTC and (ii) in the case of non-U.S. dollar denominated Notes with a common depositary for, and registered in the name of a nominee of, Euroclear and/or Clearstream, Luxembourg, as the case may be.

Subject to the Notes sold outside of the United States in accordance with Regulation S initially being represented by one or more Temporary Global Notes and the subsequent exchange of beneficial interests in each such Temporary Global Note for beneficial interests in one or more Permanent Global Notes, as described above, such Notes may be represented (i) solely by one or more DTC Global Notes deposited with a custodian for, and registered in the name of a nominee of, DTC or, (ii) alternatively, (a) by one

or more DTC Global Notes so deposited and registered in respect of Notes sold in the United States and (b) by one or more separate Global Notes (as defined in the Indenture) deposited with a common depositary for, and registered in the name of a nominee of, Euroclear and/or Clearstream, Luxembourg, as the case may be, in respect of Notes sold outside the United States.

Beneficial interests in a Global Note will be exchangeable for Definitive Notes (as defined herein) only if such exchange is permitted by applicable law (including, without limitation, Regulation S) and (i) any clearing corporation with which any Global Note is deposited and which is or whose nominee is the Holder of such Global Note shall have notified the Issuer that it or its nominee is unwilling or unable to continue as the depositary and Holder of such Global Note and a successor clearing corporation or nominee, as applicable, is not appointed within 90 days; (ii) an Event of Default (as defined herein) shall have occurred and the maturity of the Notes of such Series shall have been accelerated in accordance with the terms of the Indenture, the applicable Series Indenture and the Notes of such Series; or (iii) the Issuer shall have decided in its sole discretion that the Notes of such Series should no longer be evidenced solely by one or more Global Notes. The Definitive Notes issued in exchange for beneficial interests in any Global Note shall be of like tenor and of an equal aggregate principal amount, in authorized denominations. Such Definitive Notes shall be registered in the name or names of such person or persons as the relevant clearing system shall instruct the Registrar. It is expected that such instructions may be based upon directions received by DTC from DTC participants with respect to ownership of beneficial interests in the DTC Global Notes. Except as provided above, owners of beneficial interests in a Global Note will not be entitled to receive physical delivery of Definitive Notes and will not be considered the registered Holders of such Notes for any purpose.

References to Euroclear and/or Clearstream, Luxembourg in this Offering Memorandum shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing systems as may be specified in any applicable Pricing Supplement.

Pricing Options.....The Issuer may issue Notes that bear interest as fixed-rate Notes ("**Fixed Rate Notes**") or floating-rate Notes ("**Floating Rate Notes**") or any combination thereof. Such Notes will bear interest payable as set forth in the applicable Pricing Supplement. The Issuer may also issue Discount Notes or Amortizing Notes (each as defined herein) or any other form of Notes, in each case, as specified in the applicable Pricing Supplement.

Payments.....The Issuer will be obligated to make payments of principal of, any premium and interest on any Notes in the currency in which such Notes are denominated. Unless the context otherwise permits or requires, in this Offering Memorandum: (i) "principal", with respect to Discount Notes, means such amounts as shall be due and payable as specified in the terms of the applicable Discount Notes; and (ii) "interest" with respect to a Discount Note which by its terms bears interest only after maturity, means interest payable after maturity. Subject to the provisions of the applicable Pricing Supplement, payments of principal of, any premium and interest on any other Global Notes will be made in the currency in which such Notes are denominated or as otherwise specified in the applicable Pricing Supplement.

Redemption	If (a) Pacific Life is obligated to withhold or deduct any Taxes (as defined below) with respect to any payment made under a Funding Agreement or any related contract between Pacific Life and the Issuer, or (b) in the opinion of independent counsel selected by Pacific Life, as a result of any change in or amendment to United States tax laws (or any regulations or rulings thereunder) or any change in position of the U.S. Internal Revenue Service ("**IRS**") regarding the application or interpretation thereof (including, but not limited to, Pacific Life's receipt of a written adjustment from the IRS in connection with an audit) there is a material probability that (i) Pacific Life will become obligated to withhold or deduct any Taxes with respect to any payment made under a Funding Agreement or any related contract between Pacific Life and the Issuer or (ii) the Issuer is, or will be within 90 days of the date thereof, subject to more than a *de minimis* amount of Taxes, then Pacific Life may terminate, with respect to (a) and (b)(i), the applicable Funding Agreement and, with respect to (b)(ii), any Funding Agreement, and the Issuer will redeem the Notes of the related Series at a redemption price of 100% of the principal amount of such Series of Notes plus any accrued and unpaid interest thereon. *See* "Description of the Notes—Redemption and Repurchase of Notes—Tax Redemption."
Denominations of Notes	Subject to the provisions of the applicable Pricing Supplement or as otherwise provided below, the Notes of a Series will be issued, with respect to U.S. dollar-denominated Notes, in minimum denominations of $2,000 and integral multiples of $1,000 in excess thereof. Any Notes admitted to the Official List and trading on the GEM or offered to the public in any member state of the EEA or in the U.K. will be issued in minimum denominations of €100,000 (or the equivalent thereof in another currency at the time of issue); and integral multiples of €1,000 (or the equivalent thereof in another currency at the time of issue) in excess thereof. Any Notes in respect of which the issue proceeds are received by the Issuer in the U.K. or the activity of issuing such Notes is carried on from an establishment maintained by the Issuer in the U.K. and which have a maturity of less than one year must (a)(i) have a minimum denomination and redemption value of £100,000 (or its equivalent in other currencies), and (ii) be issued only to persons (x) whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or (y) who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses; or (b) be issued in other circumstances that do not constitute a contravention of Section 19 of the FSMA by the Issuer.
Redenomination	If so specified in the applicable Pricing Supplement, the Issuer may redenominate Notes issued in the currency of a country that subsequently participates in the third stage of the European economic and monetary union, or otherwise participates in the European economic and monetary union in a manner with similar effect to such third stage, into Euro. The provisions relating to any such redenomination will be contained in the applicable Pricing Supplement.
Status of the Notes	The Notes of each Series will be direct, unconditional, secured and unsubordinated non-recourse obligations incurred by the Issuer with respect to the relevant Series of the Issuer and will rank equally among themselves without any preference. The Notes of each Series will be secured primarily by one or more Funding Agreements issued by Pacific Life to the Issuer. The Notes of each Series will not be obligations of Pacific Life or any of its

	subsidiaries or affiliates or any other person. The Notes of each Series will not be insurance contracts, insurance policies or funding agreements, and will not benefit from any insurance guaranty fund coverage or any similar protection.
Listing.....	This Offering Memorandum has been approved by Euronext Dublin as a Listing Particulars. Application will be made to Euronext Dublin for the Notes issued during the period of 12 months from the date of this Offering Memorandum to be admitted to the Official List and trading on the GEM. However, Notes may be listed and/or admitted to trading on another securities exchange or market which is not a regulated market or not listed and/or admitted to trading on any market or securities exchange. Each applicable Pricing Supplement will indicate whether or not the Notes of that Series will be listed, and, if the Notes will be listed, on which securities exchange. This Offering Memorandum constitutes a "Listing Particulars" for the purpose of listing on the Official List and trading on the GEM. If any European and/or national legislation is adopted and is implemented or takes effect in Ireland in a manner that would require either Pacific Life or the Issuer to publish or produce its financial statements according to accounting principles that are materially different from NE SAP or that would otherwise impose requirements on either of Pacific Life or the Issuer that such entity in good faith determines are impracticable or unduly burdensome, Pacific Life or the Issuer may elect to de-list any Notes. Each of Pacific Life and the Issuer will use its reasonable efforts to obtain an alternative admission to listing, trading and/or quotation for the Notes by another listing authority, exchange and/or system outside the EU, as the Issuer, Pacific Life and the relevant Purchasing Agent(s) may decide. If such an alternative admission is not available to Pacific Life or the Issuer, or is, in either such entity's opinion, unduly burdensome, an alternative admission may not be obtained. Prior notice of any delisting and/or alternative admission will be given by the Issuer or Pacific Life to the relevant Purchasing Agent(s). Notice of any de-listing and/or alternative admission will be given as described in "General Information—Notices" herein.
U.S. Federal Income Taxation.....	Prospective purchasers of the Notes should carefully consider the U.S. federal income tax consequences of the purchase, ownership and disposition of the Notes set forth under "U.S. Federal Income Tax Considerations" herein and additional tax disclosure that may be included in the applicable Pricing Supplement.
Use of Proceeds.....	The Issuer will use the proceeds from the sale of each Series of Notes issued under the Program, net of discounts and commissions or similar applicable compensation, to purchase one or more Funding Agreements from Pacific Life.
Purchase and Transfer Restrictions.....	The Notes have not been, and will not be, registered under the Securities Act and may not be offered, sold, pledged or otherwise transferred except as described under "Purchase and Transfer Restrictions." The Notes will be offered and sold (a) in the United States only to persons reasonably believed to be "qualified institutional buyers" (as defined in Rule 144A under the Securities Act) and (b) in "offshore transactions" to persons other than "U.S. persons" (each as defined in Regulation S under the Securities Act).

In addition, because the primary assets of the Issuer consist of Funding Agreements issued by Pacific Life, there is a risk that the transfer of the Notes could subject the parties to the transfer to regulation under the insurance laws of the jurisdictions implicated by the transfer. Among other things, it is likely that if the Notes were to be deemed to be contracts of insurance, the ability of a holder to sell the Notes in secondary market transactions or otherwise would be substantially impaired and, to the extent any such sales could be effected, the proceeds realized from any such sales would be materially and adversely affected. *See* "Risk Factors—Risk Factors Related to the Notes—If the Notes were deemed to be contracts of insurance or participations in the Funding Agreements, the Holders of the Notes could be subject to certain regulatory requirements and the marketability and market value of the Notes could be reduced."

Certain additional restrictions will apply to sales made in Australia, Canada, Dubai, the EEA, Hong Kong, Ireland, Japan, Switzerland, Taiwan, the United Arab Emirates, the U.K. and Singapore, and other restrictions may apply in connection with a particular issuance of Notes. *See* "Plan of Distribution."

ERISA and Other Benefit Plan Considerations.....Prospective purchasers of the Notes should carefully consider the restrictions on purchases, ownership and disposition of the Notes set forth under "Purchase and Transfer Restrictions" and "ERISA and Other Benefit Plan Considerations."

Absence of Market for the Notes.....The Notes have no established trading market and there is no assurance that a secondary market will develop for the Notes. Although application may be made for the Notes to be admitted to the Official List and trading on the GEM, Notes may be listed and/or admitted to trading on another securities exchange or market which is not a regulated market or not listed and/or admitted to trading on any market or securities exchange. No Purchasing Agent will be under any obligation to make a market in the Notes and, to the extent that such market making is commenced by any Purchasing Agent, it may be discontinued at any time. The Notes are subject to substantial restrictions on transfer as set forth under "Purchase and Transfer Restrictions." Given the restrictions on and risks related to transfer, there is no assurance that a secondary market will develop or, if it does develop, that it will provide holders of the Notes with adequate liquidity or that such liquidity will be sustained. Further, the ability of the Purchasing Agents to make a market in the Notes may be impacted by changes in regulatory requirements applicable to the marketing, holding and trading of, and issuing quotations with respect to, the Notes. Prospective investors should proceed on the assumption that they may have to bear the economic risk of an investment in the Notes until the Stated Maturity Date of such Notes.

Governing Law.....The Notes, the Indenture and each relevant Series Indenture will be governed by, and construed in accordance with, the laws of the State of New York, except as required by mandatory provisions of law and except to the extent that the validity or perfection of the ownership of, and security interest in, the relevant Funding Agreement(s) of the relevant Series of the Issuer or remedies under the Indenture and the relevant Series Indenture in respect thereof may be governed by the laws of a jurisdiction other than the State of New York. The Trust Agreement and each Series Trust Agreement (as defined in the Trust Agreement) will be governed by, and construed in accordance with, the laws of the State of Delaware. Each Funding

	Agreement will be governed by, and construed in accordance with, the laws of the State of Delaware.
Other Information	Pacific Life may from time to time make certain information available on its website at www.pacificlife.com. **The information contained on or connected to Pacific Life's website is not a part of this Offering Memorandum, and you should not rely on any such information in making your decision whether to purchase Notes**.
Risk Factors	Before investing, prospective investors should consider carefully all of the information set forth in this Offering Memorandum and, in particular, prospective investors should evaluate the risks described under "Risk Factors."

RISK FACTORS

Prospective investors should consider carefully, in addition to the other information contained in this Offering Memorandum, any amendment or supplement hereto and any applicable Pricing Supplement, the following factors before purchasing the Notes.

Risk Factors Related to the Notes

Holders will not have any direct contractual rights against Pacific Life under any Funding Agreements and the claims of Holders are limited to the amount of the applicable Series Collateral.

The obligations of the Issuer under the Notes of a Series, the Indenture and the applicable Series Indenture are payable only from the Series Collateral for such Series of Notes. *See* "Description of the Notes—General—Security; Limited Recourse." If any Event of Default shall occur with respect to any Series of Notes, the right of the Holders of the Notes of such Series and the Indenture Trustee on behalf of such Holders and other persons for whose benefit the Indenture Trustee is or will be holding a security interest in such Series Collateral, will be limited to a proceeding against such Series Collateral. None of the Holders of the Notes of such Series nor the Indenture Trustee on behalf of such Holders and other persons for whose benefit the Indenture Trustee is or will be holding a security interest in such Series Collateral, will have the right to proceed against the Series Collateral for any other Series of Notes or against Pacific Life or the other Non-Recourse Parties (as defined in "Description of the Notes—Non-Recourse Enforcement") to enforce the Notes or in the case of any deficiency judgment remaining after foreclosure of any property including the Series Collateral. All claims of Holders of Notes of a Series in excess of amounts received by the relevant Series of the Issuer under each related Funding Agreement and other Series Collateral will be extinguished. In addition, Holders of a Series of Notes waive any defenses, claims or assertions of conflict of interest principles, duty of loyalty principles or other breach of fiduciary duties to the extent that any such conflict or breach arises from the performance by Wilmington Trust, National Association, of express duties set forth in the Trust Agreement, any Series Trust Agreement or the Safekeeping Agreement in its capacities as Administrative Trustee and Collateral Safekeeper.

Following an Event of Default under the relevant Series of Notes, payments of certain expenses will precede payments under the relevant Series of Notes.

Any funds collected by the Indenture Trustee following an Event of Default, and any funds that may then be held or thereafter received by the Indenture Trustee and each Agent as security with respect to the Notes of any Series, will be applied first to the payment of certain costs and expenses of the Administrative Trustee and the Indenture Trustee, and any of their predecessors and their respective agents and attorneys for all Series of Notes outstanding (the foregoing payments, the "**First Priority Payments**"). The funds will next be applied to the payment of certain costs and expenses of the Collateral Safekeeper and each Agent, and any of their predecessors and their respective agents and attorneys for all Series of Notes outstanding (the foregoing payments, the "**Second Priority Payments**"). Following that, the funds will be applied to the payment of the amounts then due and unpaid on the Notes of such Series, ratably, without preference or priority of any kind, according to the aggregate principal amounts due and payable on such Notes. The amounts remaining after the payment of the First Priority Payments and the Second Priority Payments may be insufficient to satisfy in full the payment obligations the Issuer has to the Holders of Notes of a particular Series following the occurrence of an Event of Default.

There is no previous market for the Notes to be issued, and future liquidity of the Notes may be limited.

This Offering Memorandum has been approved by Euronext Dublin as a Listing Particulars. Application will be made to Euronext Dublin for any Series of Notes issued during the twelve months from the date of this Offering Memorandum to be admitted to the Official List and trading on the GEM. However, the Notes of any particular Series may be listed and/or admitted to trading on another securities exchange or market which is not a regulated market or not listed and/or admitted to trading on any market or securities exchange. Moreover, no previous market exists for the Notes of any particular Series and no assurances can be given that any market will develop with respect to the Notes of any particular Series. The Purchasing Agents and the Arranger are under no obligation to make a market in the Notes and to the extent that such market making is commenced, it may be

discontinued at any time. Further, the ability of the Purchasing Agents to make a market in the Notes may be impacted by changes in regulatory requirements applicable to the marketing, holding and trading of, and issuing quotations with respect to, the Notes, which may materially adversely affect the liquidity and trading prices for the Notes. There is no assurance that a secondary market will develop or, if it does develop, that it will provide holders of the Notes with liquidity of investment or that it will continue for any period of time. The Notes have not been and will not be registered under the Securities Act or any state or foreign securities law and transfers of Notes are subject to substantial transfer restrictions. A holder of Notes of any Series may not be able to liquidate its investment readily, and the Notes may not be readily accepted as collateral for loans. It is likely that if the Notes were to be deemed to be contracts of insurance, the ability of a holder to offer, sell or transfer the Notes in a secondary market transaction or otherwise would be substantially impaired and, to the extent any such sale or transfer could be effected, the proceeds realized from such sale or transfer could be materially and adversely affected. Investors should proceed on the assumption that they may have to hold the Notes until their Stated Maturity Date. *See* "Purchase and Transfer Restrictions."

If the Notes were deemed to be contracts of insurance or participations in the Funding Agreements, the Holders of the Notes could be subject to certain regulatory requirements and the marketability and market value of the Notes could be reduced.

The laws and regulations of the 50 states of the United States of America (the "**United States**" or "**U.S.**") and the District of Columbia (the "**Covered Jurisdictions**") contain broad definitions of the activities that may constitute the business of insurance or the distribution of insurance products. Because the primary asset of the relevant Series of the Issuer will be one or more Funding Agreements issued by Pacific Life, it is possible that insurance regulators in one or more jurisdictions could take the position that (i) the issuance of the Notes by the relevant Series of the Issuer constitutes the indirect issuance of a funding agreement or other insurance product and (ii) the distribution, transfer, sale, resale or assignment of the Notes constitutes the production or sale of a funding agreement or other insurance product. If such a position were to be taken in any Covered Jurisdiction, the underlying activity and the persons conducting such activity (including the relevant Series of the Issuer, Pacific Life, a Purchasing Agent, an investor or such other person) could become subject to regulation under the insurance laws of one or more of the Covered Jurisdictions, which could, among other effects, require such persons to be subject to regulatory licensure or other qualification and levels of compliance that cannot practically be achieved. Failure to comply with such requirements could subject such persons to regulatory penalties. In addition, any such failure to comply with, or the threat of, any such regulation could reduce liquidity with respect to the Notes, prevent an investor from transferring the Notes and reduce the marketability and market value of the Notes. Therefore, any such regulation or threat of such regulation by any one or more Covered Jurisdictions could result in an investor either being unable to liquidate its investment in the Notes or, upon any such liquidation, receiving a value significantly less than the initial investment in the Notes.

Pacific Life currently believes that (1) the Notes should not be subject to regulation as participations in the Funding Agreement themselves or otherwise constitute insurance contracts under the insurance laws of the Covered Jurisdictions and (2) the Notes should not subject the Issuer, any investor or any person who acquires the Notes directly or indirectly from such investor and/or persons engaged in the sale, solicitation or negotiation or purchasing the Notes in the Covered Jurisdictions to regulation as doing an insurance business or engaging in the sale, solicitation or negotiation of insurance, as contemplated by the insurance laws in the Covered Jurisdictions by virtue of their activities in connection with the purchase, resale and/or assignment of the Notes. There are, however, variations in the insurance laws of the Covered Jurisdictions, subtle nuances in their application, and a general absence of any consistent pattern of interpretation or enforcement. Insurance regulatory authorities have broad discretionary powers in administering the insurance laws of their respective jurisdictions, including the authority to modify or withdraw a regulatory interpretation, impose new rules and take a position contrary to Pacific Life's. In addition, insurance laws of states are known to change from time to time, which could result in a change in Pacific Life's current opinion of the treatment of the Notes in a particular Covered Jurisdiction. Likewise, state courts are not bound by any regulatory interpretations and could take a position contrary to Pacific Life's. Consequently, there can be no assurance that the purchase, resale, transfer or assignment of the Notes will not subject the parties to such transaction to regulation or enforcement proceedings under the insurance laws of one or more Covered Jurisdictions.

If Notes are redeemed, an investor may not be able to reinvest the redemption proceeds in a security offering of comparable return.

The Issuer is required to redeem the Notes of a Series as described herein if Pacific Life exercises its right to terminate the Funding Agreement(s) related to such Series upon the occurrence of certain tax events. *See* "Description of the Notes—Tax Redemption" and "Description of Certain Terms and Conditions of Funding Agreements—Tax Redemption." If the Funding Agreement(s) related to a Series of Notes is subject to termination by Pacific Life at its option, the Issuer will redeem the Notes of such Series if Pacific Life so chooses to terminate the related Funding Agreement(s). In case of any redemption of Notes, an investor may not be able to reinvest the redemption proceeds in a comparable security at an effective interest rate as high as that of the Notes being redeemed. Pacific Life's termination right under the relevant Funding Agreement(s) also might adversely impact an investor's ability to sell the Notes.

Any Notes denominated in a foreign currency are subject to exchange rate and exchange control risks.

The information set forth below is directed to prospective purchasers who are U.S. residents. The Issuer disclaims any responsibility to advise prospective purchasers who are residents of countries other than the United States of any matters arising under foreign law that may affect the purchase of, or holding of, or receipt of payments on, the Notes. Such persons should consult their own legal and financial advisors concerning these matters.

An investment in a Note that is denominated or payable in, or the payment of which is linked to the value of, currencies other than U.S. dollars entails significant risks. These risks include the possibility of significant changes in rates of exchange between the U.S. dollar and the relevant foreign currencies and the possibility of the imposition or modification of exchange controls by either the United States or foreign governments. These risks generally depend on economic and political events over which the Issuer and Pacific Life have no control.

In recent years, rates of exchange between U.S. dollars and some foreign currencies have been highly volatile, and this volatility may continue in the future. Fluctuations in any particular exchange rate that have occurred in the past are not necessarily indicative, however, of fluctuations that may occur during the term of any Note. Depreciation against the U.S. dollar of the currency in which a Note is payable would result in a decrease in the effective yield of the Note below its coupon rate and could result in an overall loss. In addition, depending on the specific terms of a currency-linked Note, changes in exchange rates relating to any of the relevant currencies could result in a decrease in its effective yield and in a loss of all or a substantial portion of the value of such Note.

Foreign exchange rates can either float or be fixed by sovereign governments. Exchange rates of most economically developed nations are permitted to fluctuate in value relative to the U.S. dollar and to each other. However, from time to time governments may use a variety of techniques, such as intervention by a country's central bank or the imposition of regulatory controls or taxes to influence the exchange rates of their currencies. Governments may also issue a new currency to replace an existing currency or alter the exchange rate or relative exchange characteristics by a devaluation or revaluation of a currency. These governmental actions could change or interfere with currency valuations and currency fluctuations that would otherwise occur in response to economic forces, as well as in response to the movement of currencies across borders. The Issuer will not make any adjustment or change in the terms of the Notes in the event that exchange rates should become fixed, or in the event of any devaluation or revaluation or imposition of exchange or other regulatory controls or taxes, or in the event of other developments affecting the U.S. dollar or any applicable foreign currency. The holder of such Notes will bear those risks.

If the principal of, any premium or interest on, any Note are payable in a Specified Currency (as defined herein) other than U.S. dollars, which are not available due to the imposition of exchange controls or other circumstances beyond the control of the Issuer, the Issuer will be entitled to satisfy its obligations to Holders of the Notes by making such payment in U.S. dollars on the basis of the most recently available bid quotation determined on the applicable determination date related to such payment from a leading foreign exchange bank in London or New York City selected by Pacific Life for the purchase of U.S. dollars with the Specified Currency for settlement on such payment date of the aggregate amount of the Specified Currency payable to all Holders of Notes denominated other than in U.S. dollars scheduled to receive U.S. dollar payments. Any payment made under such

circumstances in U.S. dollars where the required payment is other than in U.S. dollars will not constitute an "Event of Default" under the Notes.

Furthermore, the Issuer may (if so specified in the applicable Pricing Supplement) without the consent of the Holder of any Note, redenominate all, but not less than all, of the Notes of any Series on or after the date on which the Member State of the EU in whose national currency such Notes are denominated has become a participant member in the third stage of the European economic and monetary union, as more fully set out in the applicable Pricing Supplement.

Each prospective purchaser of Notes should consult its own financial, legal and tax advisors as to any specific risks entailed by an investment by such purchaser in Notes that are denominated in, or the payment of which is related to the value of, foreign currency, as such Notes are not an appropriate investment for purchasers who are unsophisticated with respect to foreign currency transactions.

An Event of Default under a Series of Notes may not constitute an "Event of Default" under the applicable Funding Agreement(s).

In certain circumstances, an Event of Default under a Series of Notes may not constitute an event of default under the applicable Funding Agreement(s). In such a case, it is possible that the obligations of the Issuer under any Series of Notes may be accelerated while the obligations of Pacific Life under the applicable Funding Agreement(s) may not be similarly accelerated. If this occurs, the Indenture Trustee may have no or limited ability to proceed against the applicable Series Collateral and Holders of Notes may not be paid in full or in a timely manner upon such acceleration. *See* "Description of the Notes—Events of Default" and "Description of Certain Terms and Conditions of the Funding Agreements—Events of Default."

The Issuer has limited resources and therefore its ability to make timely payments with respect to a Series of Notes depends entirely on Pacific Life making payments under the related Funding Agreements.

The Issuer is a special purpose statutory trust created on April 29, 2020 under the laws of the State of Delaware and organized in series as permitted by Sections 3804(a) and 3806(b)(2) of the Trust Act. The exclusive purposes of the Issuer are to (i) enter into certain agreements in connection with the Program; (ii) issue and sell the Notes, (iii) use the net proceeds from the sale of the Notes to purchase one or more Funding Agreements, (iv) pledge, collaterally assign and grant a security interest in the applicable Series Collateral for any Series of Notes to the Indenture Trustee, (v) pay amounts due in respect of the Notes; and (vi) engage in only those other activities necessary or incidental thereto. The net worth of the Issuer on the date hereof is approximately $1,000 and is not expected to increase materially. The Issuer's principal assets are Funding Agreements issued by Pacific Life.

In connection with the issuance of each Series of Notes, the Issuer will create a separate Series of the Issuer. The applicable Series of Notes and the related liabilities, obligations and expenses incurred, contracted for or otherwise existing with respect to such Series of the Issuer will be enforceable only against the assets of such Series of the Issuer and not against the assets of the Issuer generally or the assets of any other Series of the Issuer. The Notes of each Series will be secured by, among other things, one or more Funding Agreements. No Notes of a Series will have any right to receive payments under a Funding Agreement related to any other Series. Accordingly, the Issuer will only be able to make timely payments with respect to a Series of Notes if Pacific Life has made all required payments under the Funding Agreement securing such Series of Notes.

In the event that any amount due with respect to a Funding Agreement is subject to withholding or deduction for or on account of any present or future Taxes (as defined herein), Pacific Life is not required to make any payment to the Issuer with respect to such Taxes and the Issuer will be deemed for all purposes to have received cash in an amount equal to such withholding or deduction, and the Issuer shall not be required to actually pay, or cause to be paid, to any Holder all of the amounts which would have been received by such Holder in the absence of such Taxes. Any such withholding or deduction will not give rise to an Event of Default or any independent right or obligation to redeem the Notes of such Series.

The obligations of the Issuer evidenced by the Notes will not be obligations of, and will not be guaranteed by, any other person, including, but not limited to, Pacific Life or any of its subsidiaries or affiliates. None of these

entities nor any agent, trustee or beneficial owner of the Issuer or of any Series of the Issuer is under any obligation to provide funds or capital to the Issuer generally or with respect to any Series of the Issuer, except with respect to certain indemnity obligations of Pacific Life. In addition, the Notes may not benefit from any insurance guaranty fund coverage or any similar protection. For more information on Pacific Life's indemnity obligations, *see* "Description of the Issuer—Expenses of the Issuer."

The Funding Agreements are unsecured obligations of Pacific Life. If the Funding Agreements were not treated as insurance contracts, they would be accorded the same priority in a liquidation or dissolution of Pacific Life as its other general unsecured obligations.

The Funding Agreements are unsecured obligations of Pacific Life and, in the event of Pacific Life's insolvency, will be subject to the provisions of Section 44-4842 of the Nebraska Insurance Law which establishes the priority of distribution of claims from the estate of an insolvent Nebraska insurance company. Willkie Farr & Gallagher LLP, special counsel for Pacific Life, has opined that, subject to the limitations, qualifications and assumptions set forth in its opinion letter, in any liquidation proceedings relating to Pacific Life, under Nebraska law as in effect on the date of this Offering Memorandum, the claims with respect to scheduled payments under each Funding Agreement would rank pari passu with the claims of policyholders of Pacific Life and in a superior position to the claims of general creditors of Pacific Life. The opinion of Willkie Farr & Gallagher LLP is based upon certain facts, assumptions and qualifications (as set forth therein), is only an opinion and does not constitute a guarantee, and is not binding upon any court, including, without limitation, a court presiding over a liquidation proceeding of Pacific Life under the Nebraska Insurance Law. Additionally, in the event of Pacific Life's insolvency, there is no assurance that claims under the Funding Agreement(s) would be eligible for coverage by the Nebraska Life & Health Insurance Guaranty Association or by any other insurance guarantee fund or similar protection.

Holders of Notes below certain minimum denominations may not be able to receive Definitive Notes and in such situations may not be entitled to the rights in respect of such Notes.

Any Notes admitted to the Official List and trading on the GEM or offered to the public in any member state of the EEA or in the U.K., will be issued in minimum denominations of €100,000 (or the equivalent thereof in another currency at the time of issue) and integral multiples of €1,000 (or the equivalent thereof in another currency at the time of issue) in excess thereof (the "**Specified Denominations**"). However, for so long as any Series of Notes is in global form and Euroclear and Clearstream, Luxembourg so permit, the Pricing Supplement may provide that such Series of Notes in global form shall be tradeable in minimum denominations of €100,000 and integral multiples of €1,000 thereafter (or the equivalent thereof in another currency at the time of issue), although if a Global Note is exchanged for Definitive Notes, at the option of the relevant Holder, the Notes shall be tradeable only in principal amounts of at least €100,000. In these circumstances, a Holder holding Notes having a nominal amount which cannot be represented by a Definitive Note in the Specified Denomination will not be able to receive a Definitive Note in respect of such Notes and will not be able to receive interest or principal or be entitled to vote in respect of such Notes. As a result, a Holder who holds Notes in Euroclear or Clearstream, Luxembourg in an amount less than the Specified Denominations may need to purchase or sell, on or before the relevant date on which the Regulation S Temporary Global Note or Regulation S Permanent Global Note are to be exchanged for Definitive Notes, a principal amount of Notes such that the Holders of the Notes hold the Notes in an aggregate principal amount of at least the Specified Denominations.

Ratings of the Program and any rated Series of Notes may not reflect all risks of an investment in such Series of Notes and may change in accordance with the financial strength rating of Pacific Life.

In the event that the Program generally or a specific Series of Notes is rated by a credit rating agency, the ratings of the Program or such Series of Notes will primarily reflect the financial strength rating of Pacific Life and any change in the priority status of funding agreements under Nebraska law. Any rating is not a recommendation to purchase, sell or hold any particular security, including the Notes. Such ratings do not comment as to the market price or suitability of the Notes for a particular investor. In addition, there can be no assurance that a rating will be maintained for any given period of time or that a rating will not be lowered or withdrawn in its entirety. The ratings of the Program or any rated Series of Notes issued under the Program may not reflect the potential impact of all risks related to structure and other factors on any trading market for, or trading value of, such Series of Notes.

The Benchmark used by a Series of Floating Rate Notes may be modified or discontinued and such Floating Rate Notes may bear interest by reference to a rate other than the Benchmark used as the Initial Rate Basis, which could adversely affect the value of such Floating Rate Notes.

If, during the term of any Series of Floating Rate Notes using a Benchmark as the Initial Rate Basis, Pacific Life determines that a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to such Benchmark, Pacific Life, in its sole discretion will select a Benchmark Replacement, including the Benchmark Replacement Adjustment, the sum of which will constitute the base rate in accordance with the benchmark transition provisions set forth under "Description of the Notes – Pricing Options – Floating Rate Notes– Benchmark Replacement" below or in the applicable Pricing Supplement. In addition to changes to the base rate, upon the occurrence of a Benchmark Transition Event, Pacific Life, in its sole discretion, may also make technical, administrative or operational changes described in the benchmark transition provisions or in the applicable Pricing Supplement which may be made to the interest rate determination if Pacific Life, as agent of the Issuer, determines in its sole discretion that such changes are required. *See* "Description of the Notes—Pricing Options—Floating Rate Notes—Benchmark Replacement."

In the case of a Benchmark Transition Event, the benchmark transition provisions expressly authorize Pacific Life to make Benchmark Replacement Conforming Changes from time to time with respect to, among other things, the determination of Interest Reset Periods and the timing and frequency of determining rates and making payments of interest. The application of a Benchmark Replacement and Benchmark Replacement Adjustment, and any implementation of Benchmark Replacement Conforming Changes, could result in adverse consequences to the amount of interest payable on any Series of Floating Rate Notes, which could adversely affect the return on, value of and market for such Series of Floating Rate Notes. Further, there is no assurance that the characteristics of any Benchmark Replacement will be similar to the then-current Benchmark that it is replacing, or that any Benchmark Replacement will produce the economic equivalent of the then-current Benchmark that it is replacing. *See* "Description of the Notes–Pricing Options–Floating Rate Notes-Benchmark Replacement." Following a Benchmark Transition Event, the interests considered in making the determinations described above may be adverse to the interests of a Holder of any Series of Floating Rate Notes using a Benchmark as the initial base rate. The selection of a Benchmark Replacement and Benchmark Replacement Adjustment, and any decisions made by Pacific Life in connection with implementing a Benchmark Replacement with respect to any Series of Floating Rate Notes using a Benchmark as the initial base rate, could result in adverse consequences to the applicable interest rate on such Series of Floating Rate Notes, which could adversely affect the return on, value of and market for such securities. Further, there is no assurance that the characteristics of any Benchmark Replacement and/or Benchmark Replacement Adjustment will be similar to the Benchmark that was cancelled or discontinued or that any Benchmark Replacement and related Benchmark Replacement Adjustment will produce the economic equivalent of the Benchmark that was cancelled or discontinued.

If a Series of Floating Rate Notes is linked to the Secured Overnight Financing Rate ("SOFR"), SOFR may be more volatile than other benchmark or market rates, and result in greater interest rate fluctuations on the applicable Notes.

Since the initial publication of the SOFR, daily changes in SOFR have, on occasion, been more volatile than daily changes in other benchmark or market rates. Although changes in Compounded SOFR (as defined herein) have not been as volatile as changes in daily levels of SOFR, the return on and value of any Series of Floating Rate Notes linked to SOFR may still fluctuate more than floating rate securities that are linked to less volatile rates. In addition, the volatility of SOFR has reflected the underlying volatility of the overnight U.S. Treasury repo market. The Federal Reserve Bank of New York has at times conducted operations in the overnight U.S. Treasury repo market in order to help maintain the federal funds rate within a target range. There can be no assurance that the Federal Reserve Bank of New York will continue to conduct such operations in the future, and the duration and extent of any such operations is inherently uncertain. The effect of any such operations, or of the cessation of such operations to the extent they are commenced, is uncertain and could be materially adverse to investors in a Series of Floating Rate Notes linked to SOFR.

Compounded SOFR for a Series of Floating Rate Notes with respect to a particular Interest Period will only be capable of being determined near the end of the relevant Interest Period, therefore it may be difficult for investors to reliably estimate the amount of interest payable.

The Compounded SOFR rate applicable to a particular Interest Period and, therefore, the amount of interest payable with respect to such Interest Period will be determined on the Interest Determination Date for such Interest Period. Because each such date is near the end of such Interest Period, investors will not know the amount of interest payable with respect to a particular Interest Period until shortly prior to the related Interest Payment Date and it may be difficult for investors to reliably estimate the amount of interest that will be payable on each such Interest Payment Date. In addition, some investors may be unwilling or unable to trade such Floating Rate Notes without changes to their information technology systems, both of which could adversely impact the liquidity and trading price of such Series of Floating Rate Notes.

SONIA (and rates based thereon, such as Compounded Daily SONIA) for a Series of Floating Rate Notes with respect to a particular Interest Period will only be capable of being determined near the end of the relevant Interest Period, therefore it may be difficult for investors to reliably estimate the amount of interest payable.

SONIA (and rates based thereon, such as Compounded Daily SONIA) applicable to a particular Interest Period and, therefore, the amount of interest payable with respect to such Interest Period will be determined on the Interest Determination Date for such Interest Period. Because each such date is near the end of such Interest Period, investors will not know the amount of interest payable with respect to a particular Interest Period until shortly prior to the related Interest Payment Date and it may be difficult for investors to reliably estimate the amount of interest that will be payable on each such Interest Payment Date. In addition, some investors may be unwilling or unable to trade such Floating Rate Notes without changes to their information technology systems, both of which could adversely impact the liquidity and trading price of such Series of Floating Rate Notes.

Pacific Life may make determinations with respect to any Series of Floating Rate Notes, which may adversely affect the value of the Notes.

Pacific Life may make certain determinations with respect to a Series of Floating Rate Notes as further described in "Description of the Notes." In addition, if a Benchmark Transition Event and its related Benchmark Replacement Date have occurred, Pacific Life will make certain determinations with respect to such Series of Floating Rate Notes in Pacific Life's sole discretion as further described in "Description of the Notes." Any of these determinations may adversely affect the value of such Series of Floating Rate Notes, the return on the Floating Rate Notes and the price at which investors can sell the Floating Rate Notes. Moreover, certain determinations may require the exercise of discretion and the making of subjective judgments, such as with respect to Compounded SOFR or the occurrence or non-occurrence of a Benchmark Transition Event, Benchmark Replacement Date and any Benchmark Replacement Conforming Changes. These potentially subjective determinations may adversely affect the value of such Series of Floating Rate Notes, the return on the Floating Rate Notes and the price at which investors can sell the Floating Rate Notes.

Risk Factors Related to Pacific Life's Business

Significant deterioration or disruption in economic conditions in the equity and credit markets and the global economy may materially and adversely affect Pacific Life's business, results of operations, financial condition and liquidity.

Pacific Life's business, results of operations, financial condition and liquidity are materially affected by conditions in the global capital markets and the economy generally. Concerns over the impact of currency fluctuations and volatility, inflation, tensions in international trade, trade disputes and the implementation of tariffs, liquidity and solvency concerns relating to the banking system and regulatory action in response thereto by federal, state or foreign regulators, the availability and cost of credit, supply chain shortages, energy costs, pandemics and governments' response thereto, and geopolitical issues, including international conflicts and disputes, could lead to increased volatility and diminished expectations for the economy and the markets. Further, factors such as consumer spending, business investment, government spending and the federal deficit, the volatility and strength of the capital markets and inflation affect the business and economic environment and, ultimately, the amount and profitability of Pacific Life's business. In economic conditions characterized by higher unemployment, lower family income, lower business investment and lower consumer spending, the demand for Pacific Life's financial and insurance products could be adversely affected. A general economic slowdown could adversely affect Pacific Life's returns on and value of Pacific Life's investment portfolio.

The second Trump administration has introduced new risks and uncertainties to the global economy. These include the risks associated with the United States implementing or threatening to implement new tariff barriers and the responses of the nations targeted by those tariffs. These actions may depress economic growth in the United States, the targeted nations and globally, increase inflation, disrupt global supply chains and increase volatility in financial markets, including currency and interest rate markets. The administration's tendency to depart from previous United States policy creates uncertainty about future United States government actions, which may result in new economic and geopolitical risks that cannot be accurately predicted.

Significant volatility or disruption in domestic or foreign credit markets, including as a result of social or political unrest or instability, could have an adverse impact on Pacific Life's results of operations or financial condition. Volatility or disruption in the credit markets could also impact Pacific Life's ability to efficiently access financial solutions for purposes of issuing long-term debt for financing purposes, Pacific Life's ability to obtain financial solutions for purposes of supporting certain insurance products for capital management purposes or result in an increase in the cost of existing securitization structures.

Volatility in equity markets may also discourage prospective purchasers of variable separate account products, such as variable annuities ("**VA**"), variable life insurance and indexed general account products, that have returns linked to or based in part upon the performance of equity markets and may cause some existing customers to withdraw cash values or reduce investments in those products. The amount of policy fees received from variable products is affected by the performance of the equity markets, increasing or decreasing as markets rise or fall. Decreases in policy fees could materially and adversely affect the profitability of Pacific Life's VA products.

In addition to the factors above, in an economic downturn characterized by higher unemployment, lower family income, lower corporate earnings, lower business investment and lower consumer spending, the demand for certain financial and insurance products may be adversely affected. In addition, Pacific Life may experience an elevated incidence of lapses or surrenders of policies, and some of Pacific Life's policyholders may choose to defer paying insurance premiums or stop paying insurance premiums altogether.

Pacific Life's investment portfolio is subject to several risks that may diminish the value of its invested assets, which could impact its revenues and net income.

Continued volatility in the global capital markets, weakness in the economy, complications in international trade flows and a stop-start economic recovery may have an adverse effect on Pacific Life, in part because Pacific Life has a large investment portfolio and also because such events can influence customer behavior. Economic declines, credit market illiquidity and disruption in financial markets could adversely affect Pacific Life in several ways, including:

- *Defaults and other than temporary impairments.* Pacific Life is subject to the risk that the issuers of or other obligors with respect to bonds may default on principal and interest payments owed to Pacific Life. As of December 31, 2025, the net carrying amount and fair value of Pacific Life's bonds was $91.5 billion and $88.2 billion, respectively. Pacific Life is subject to the risk of other than temporary impairments ("**OTTI**") in its investments in bonds, mortgage loans, real estate investments, private equity funds and other investments. During the years ended December 31, 2025 and 2024, Pacific Life recognized $102 million and $68 million, respectively, in OTTI in its investments in bonds, mortgage loans, real estate investments, private equity funds and other investments.

  Volatility in the capital markets, economic uncertainty, acts of corporate fraud or other events that adversely affect the issuers of securities in Pacific Life's investment portfolio could cause the value of its investment portfolio and its net earnings to continue to decline and rates of default to increase. A ratings downgrade affecting particular issuers, obligors or securities could also have a similar effect. Any event decreasing the value of these securities other than on a temporary basis could cause significant declines in the value of Pacific Life's investment portfolio, which could have a material adverse effect on its business, results of operations, financial condition and liquidity.

- *Residential mortgage exposures.* Pacific Life maintains $3.2 billion of holdings in residential mortgage backed securities and $1.3 billion of residential mortgage loans as of December 31, 2025. Higher than expected rates of default or loss severities on Pacific Life's residential mortgage loan investments and the assets underlying its residential mortgage backed securities may adversely affect the value of such assets. A significant number of the mortgages underlying Pacific Life's residential mortgage loans are concentrated in certain geographic areas. Any event that adversely affects the economic or real estate market in any of these areas could have a disproportionately adverse effect on Pacific Life's residential mortgage loans. A decline in home prices, the concern over further introduction of or changes to government policies aimed at altering prepayment behavior, changes in U.S. tax law related to home ownership, including mortgage interest and property tax deductibility, and/or changes in availability of housing-related credit may impact expected prepayment speeds, which may lower the valuations of residential mortgage loans. In general, any material decline in the economy or significant problems in a particular real estate market would likely cause a decline in the value of residential properties securing the mortgages in that market, thereby increasing the risk of delinquency, default and foreclosure. This could, in turn, harm Pacific Life's business, results of operations, financial condition and liquidity.

- *Commercial mortgage loan portfolio defaults and delinquencies and other commercial mortgage exposures.* Pacific Life's commercial mortgage loan portfolio faces both delinquency and default risk. Pacific Life has $19.5 billion of commercial mortgage loans making up the majority of the mortgage loan balance of $21.9 billion as of December 31, 2025. Pacific Life also has exposure to commercial mortgage loans through purchases of commercial mortgage-backed securities Any geographic or sector concentration of Pacific Life's commercial mortgage loans may have adverse effects on its investment portfolios and, consequently, on Pacific Life's results of operations or financial condition. While Pacific Life seeks to mitigate these risks by having a broadly diversified commercial loan portfolio, events or developments that have a negative effect on any particular geographic region or sector may have a greater adverse effect on Pacific Life's investment portfolio to the extent that the portfolio is concentrated. In addition, legislative proposals that would require modifications to the terms of commercial mortgage loans, an increase in the delinquency rate of and defaults under Pacific Life's commercial loan portfolio, including as a result of changes to working practices and policies, or an increase in defaults or OTTI affecting its portfolio of commercial mortgage loans, could harm Pacific Life's business, results of operations, financial condition and liquidity.

- *Increased costs relating to guaranteed minimum benefits.* Weak performance in the equity markets could increase Pacific Life's exposure to losses from certain annuity products that include guaranteed minimum benefit riders. These include guaranteed minimum death benefits ("**GMDB**"). GMDB generally provide a benefit if the annuitant dies and the contract value is less than a specified amount, which may be based on the premium paid, a contract value on a specified date or premiums paid increased by an annual interest rate

factor, all of which are adjusted for amounts withdrawn. A decline in the equity markets causing the contract value to fall could result in additional GMDB claims and reserves. The net amount at risk ("**NAR**") related to GMDB represents the amount of death benefit in excess of the current contract holder account balance. GMDB NAR was $0.3 billion and $0.3 billion as of December 31, 2025 and 2024, respectively.

Additionally, Pacific Life offers certain annuity contracts with guaranteed minimum withdrawal benefit ("**GMWB**") features. GMWB are guaranteed living benefits ("**GLBs**") that provide, subject to certain restrictions, a percentage of a contract holder's guaranteed payment base will be available for withdrawal each year, either for a specified period or for life starting no earlier than age 59.5, regardless of market performance. VA GMWB NAR represents the protected balance, as defined in the contract, in excess of account value at the end of the period. Fixed Annuity ("**FA**") GMWB NAR represents the present value of estimated future excess benefit payments at the end of the period. As of December 31, 2025 and 2024, GMWB NAR for VA and FA contracts were $2.6 billion and $2.4 billion, respectively.

Pacific Life also offers guaranteed minimum income benefits ("**GMIB**"), which are GLBs that provide the VA contract holders a guaranteed minimum annuitization rate over a specified holding period. Generally, a declining financial market will reduce the contract value and require additional reserves to be established. GMIB NAR represents the amount of estimated annuitization benefits in excess of the current contract holder account balance at the end of the period. As of December 31, 2025 and 2024, GMIB NAR was $101 million and $146 million, respectively.

Pacific Life also offers guaranteed minimum accumulation benefits ("**GMAB**") riders on certain VA contracts. GMAB is a GLB that guarantees net principal over specific holding periods. GMAB NAR represents the difference between guaranteed benefits and account value at the end of the period. As of December 31, 2025 and 2024, GMAB NAR was $5 million and $5 million, respectively.

Fluctuations in reserves relating to Pacific Life's product liabilities together with changes in the valuation of derivatives, including derivatives entered into in connection with these products or to satisfy other risk management objectives, may have a material adverse effect on Pacific Life's total statutory capital and surplus; in addition, Pacific Life's hedging strategies may reduce its results of operations and capital and surplus in certain circumstances.

Pacific Life enters into a variety of derivative instruments with a number of counterparties in order to hedge various risks, including risks associated with certain guaranteed minimum benefit riders and indexed linked guarantees contained in a variety of Pacific Life products. Pacific Life's derivative hedges are designed to reduce Pacific Life's economic exposure with the understanding that their impact on accounting results may not be perfectly correlated with valuation changes for risk exposure on a statutory basis.

Pacific Life's statutory capital and surplus is very sensitive to fluctuations in reserves relating to its guaranteed minimum benefit riders and indexed linked guarantees included in various Pacific Life products and to changes in the valuations of derivatives. The valuation of both derivative instruments and reserves depends on a variety of factors, including changes in interest rates, equity market movements and changes in the volatility of equity markets. Under statutory accounting, reserves are generally determined using regulatory prescribed methodologies. As such, changes in the valuation of derivatives used to hedge risk exposure in connection with a particular product may not fully offset changes in the valuation of statutory reserves related to that product. Such differences may have a material adverse effect on Pacific Life's total statutory capital and surplus. Pacific Life may also enter into derivatives transactions as part of its macro hedging program to satisfy Pacific Life's risk management objectives that may not have offsetting reserve movements on a statutory basis, which may also have a material adverse effect on Pacific Life's total statutory capital and surplus. As an example, during periods of increasing equity market prices and increasing market interest rates, the value of Pacific Life's derivatives entered into in connection with its product liabilities or for other risk management purposes could decrease by an amount greater than total decrease in the statutory reserves, therefore reducing Pacific Life's statutory capital and surplus.

Changes in interest rates can impact spread margins, thereby affecting profitability, negatively affecting liquidity and significantly affecting the value of Pacific Life's bond portfolio.

Periods of high or increasing rates have the potential to negatively affect Pacific Life's profitability in the following principal ways:

- The income from certain Pacific Life insurance and annuity products is derived from the spread between the crediting rate Pacific Life pays under the contracts and the rate of return it is able to earn on its investments supporting such contracts. In a rising interest rate environment, Pacific Life may face competitive pressure to increase crediting rates on such contracts. In response, Pacific Life may increase its crediting rates more quickly than corresponding changes to the rates Pacific Life earns on its investments, thereby reducing its spreads in respect of such contracts. If rates continue to rise, Pacific Life may be unable to replace investments with higher yielding assets, without incurring realized investment losses to fund the higher crediting rates necessary to keep interest sensitive products competitive. This could further reduce spreads Pacific Life earns or result in declining sales.

- In addition, in periods of increasing interest rates, life insurance policy loans, surrenders and withdrawals may increase as policyholders seek investments with higher perceived returns. This could result in cash outflows requiring Pacific Life to incur increased funding cost through utilization of liquidity facilities or realized investment losses through selling of invested assets at a time when the prices of those assets are adversely affected by the increase in market interest rates.

In addition to risk related to a rising interest rate environment, periods of low interest rates could also have the potential to negatively affect Pacific Life's profitability in the following principal ways:

- Low or declining interest rates generally decrease the yield earned on Pacific Life's bond portfolio. For universal life ("**UL**") business, which accounts for a majority of Pacific Life's in force life insurance business, and for certain annuities, low or declining interest rates could reduce the spread Pacific Life earns. Although Pacific Life is able to reduce the interest credited rates to reflect Pacific Life's own decreasing investment returns, Pacific Life cannot reduce interest credited rates below the minimum interest rates guaranteed in the underlying contracts.

- In periods of low interest rates, Pacific Life generally needs to reinvest the proceeds from the maturity, redemption, prepayment or sale of bonds from its portfolio at a lower rate of interest than the rate Pacific Life had been receiving on those securities. In addition, in periods of low interest rates, proceeds from new product sales would be invested in lower yielding assets which could impact crediting rates and benefits that Pacific Life can offer through its products and potentially impact its sales.

Trading within Pacific Life's bond portfolio in a rapidly rising interest rate environment could cause the interest maintenance reserve ("**IMR**") liability balance of Pacific Life to become negative because of realized capital losses from the sale of fixed income investments or termination of hedging derivatives that are attributable to changes in market interest rates. Under NAIC SAP, these losses would not be immediately recognized in net income but are deferred to the IMR liability and amortized to net investment income over the estimated remaining maturity of the investment sold or the item hedged by the terminated derivative. To the extent the net IMR liability balance is positive, the unamortized portion of the net realized capital gains is deferred on the balance sheet and does not immediately increase surplus. To the extent the net IMR liability balance is negative, the unamortized portion of the net realized capital losses would be immediately recognized as a reduction in surplus to the extent that a negative IMR liability balance is considered a non-admitted asset.

In August 2023, the NAIC adopted an interim solution with regard to the treatment of an insurer's negative IMR balance, which may occur when a rising interest rate environment causes an insurer's IMR balance to become negative as a result of bond sales executed at a capital loss. Previous statutory accounting guidance required the non-admittance of negative IMR, which can result in lower reported surplus and risk-based capital ("**RBC**") ratios. The NAIC's interim statutory accounting guidance Interpretation 23-01, Net Negative (Disallowed) Interest Maintenance

Reserve ("**INT 23-01**"), effective until December 31, 2026, permits an insurer with an authorized control level RBC ratio greater than 300% to admit negative IMR for an amount up to 10% of its general account capital and surplus, subject to certain restrictions and reporting obligations. The NAIC is developing a long-term solution for the accounting treatment of negative IMR. Pacific Life had admitted negative IMR of $204 million and $95 million for the year ended December 31, 2025 and 2024, respectively. *See* Note 1 to Pacific Life's Statutory Basis Financial Statements included in this Offering Memorandum.

Finally, in addition to rising or declining interest rates, volatile interest rates may also reduce the liquidity of bonds, including privately placed bonds which could adversely impact the value that Pacific Life would receive when monetizing its bond holdings.

Adverse developments affecting the financial services industry, such as events or concerns involving liquidity, defaults or non-performance by financial institutions or transactional counterparties, could adversely affect Pacific Life's business operations and its results of operations and financial condition.

Events involving liquidity, defaults, non-performance or other adverse developments that affect financial institutions, transactional counterparties or companies in the financial services industry or the financial services industry generally, or concerns involving such events or other similar events could have adverse effects on Pacific Life's business operations and its results of operations and financial condition. If banks and financial institutions enter receivership or become insolvent in the future in response to financial conditions affecting the banking system and financial markets, Pacific Life's ability to access its existing cash, cash equivalents and investments may be impaired, and it could be exposed to losses from instruments held at such banks and financial institutions, in each case, which could have a material adverse effect on its business, results of operations and financial condition. In addition, if any parties with whom Pacific Life conduct business are unable to access funds pursuant to such instruments or lending arrangements with such a bank or financial institution, such parties' ability to pay their obligations to Pacific Life or to enter into new commercial arrangements requiring additional payments to Pacific Life could be adversely affected.

Adverse capital and credit market conditions may significantly affect Pacific Life's access to capital and may affect its ability to meet liquidity needs or refinancing requirements in the future.

Pacific Life's results of operations, financial condition, cash flows and statutory capital and surplus position could be materially adversely affected by volatility, uncertainty and disruption in the capital and credit markets.

Pacific Life needs liquidity to pay its operating expenses, interest on Pacific Life's debt and to replace certain maturing liabilities. Pacific Life's liquidity needs or its need for additional capital could increase materially and rapidly for a variety of reasons, many of which are outside Pacific Life's control. For example, some of Pacific Life's insurance and investment products entitle holders to surrender their policies or withdraw funds prior to maturity, for any reason and on limited notice, in exchange for specified cash amounts (although these may be subject to specified withdrawal penalties), which could cause a need for more liquidity. While Pacific Life owns a significant amount of liquid assets, a certain portion of its assets are relatively illiquid. If Pacific Life experiences unexpected withdrawal or surrender activity, Pacific Life could exhaust its liquid assets, and, if Pacific Life is unable to access capital on favorable terms, be forced to liquidate other assets, perhaps at a loss or on other unfavorable terms. If Pacific Life is forced to dispose of assets at a loss or on unfavorable terms, it could have an adverse effect on Pacific Life's financial condition, the degree of which would vary in relation to the magnitude of the unexpected surrender or withdrawal activity.

Similarly, future impairments in Pacific Life's investment portfolio, if severe enough, could cause Pacific Life to seek additional capital. Pacific Life's principal capital resources come from insurance premiums, deposits to policyholder account balances, investment income, sales, maturities, calls and principal repayments of investments and cash flows from other operations. Pacific Life's principal sources of liquidity to meet unexpected cash outflows are its portfolio of liquid assets, net operating cash flow and investment income. Other sources of liquidity include a variety of short-term financing instruments, including Pacific Life's credit facilities, unsecured repurchase agreement ("**repo**") lines, securities lending cash release, FHLB, and Federal Agricultural Mortgage Corporation

("**FAMC**") access, affiliate lending and, under appropriate market conditions, commercial paper. Without sufficient liquidity, Pacific Life would curtail its operations, and its business would suffer.

In the event market or other conditions have an adverse impact on Pacific Life's capital and liquidity needs beyond expectations and its current sources do not satisfy its needs, Pacific Life would have to seek additional financing. The availability of additional financing will depend on a variety of factors such as market conditions, regulatory considerations, the general availability of credit, the overall availability of credit to the financial services industry, Pacific Life's credit ratings and credit capacity, as well as the possibility that customers or lenders could develop a negative perception of Pacific Life's long- or short-term financial prospects if it incurs large investment losses or if the level of its business activity decreases due to a market downturn. Pacific Life's access to funding through FAMC could additionally be limited by adverse changes in the business or performance of FAMC or changes in federal law or other events over which Pacific Life may have no control. Through its agreement with FAMC, executed in March 2025, Pacific Life can borrow up to $900 million by issuing funding agreements to a subsidiary of FAMC. As of December 31, 2025, Pacific Life had $100 million of fixed rate funding agreements issued to FAMC.

Disruptions, uncertainty or volatility in the capital and credit markets may also limit Pacific Life's access to capital required to operate its business, most significantly Pacific Life's insurance operations. Such market conditions may limit Pacific Life's ability to refinance existing credit facilities, satisfy statutory capital and surplus requirements and access the capital necessary to grow its business. Pacific Life's business, results of operations, financial condition, cash flows and statutory capital and surplus position could be materially adversely affected by disruptions in the financial markets.

Pacific Life's membership in the FHLB subjects it to potential liquidity and other risks.

Pacific Life is a member of the FHLB, which allows Pacific Life to borrow against certain of its investments eligible under the FHLB regulations to be posted as collateral. If such sources of borrowing by Pacific Life were to no longer be available to it, for example, because the FHLB changes its definition of eligible collateral or the value of the collateral pledged for these borrowings declines for any reason and Pacific Life needs to post additional collateral in the form of cash or other eligible securities, the liquidity of Pacific Life could be materially adversely affected. Additionally, if Pacific Life's creditworthiness falls below the minimum required by the FHLB or if legislative or other political actions cause changes to the FHLB mandate or to the eligibility of life insurance companies to be members of the FHLB system, Pacific Life may lose access to this funding and be required to find other sources to replace it. Through its membership, Pacific Life has issued funding agreements to the FHLB in exchange for cash advances. The funding agreement liabilities for these deposit-type contracts were $2.3 billion as of December 31, 2025 and $1.7 billion as of December 31, 2024, respectively. *See* Note 7 to Pacific Life's Statutory Basis Financial Statements included in this Offering Memorandum.

The impairment of other financial institutions, including issuers of investment securities, reinsurers and derivative instrument counterparties, could materially and adversely affect the value of Pacific Life's investments, reduce its profitability or otherwise have a material adverse effect on Pacific Life's results of operations, financial condition or liquidity.

Issuers of securities Pacific Life holds, customers, trading counterparties, counterparties under swaps and other derivative contracts, reinsurers, clearing agents, exchanges, clearing houses and other financial intermediaries and guarantors may default on their obligations to Pacific Life due to bankruptcy, insolvency, lack of liquidity, adverse economic conditions, operational failure, fraud or other reasons. Such defaults could have a material adverse effect on Pacific Life's results of operations, financial condition or liquidity. Pacific Life may be limited in its ability to recover amounts owed to it by counterparties, such as derivatives counterparties, due to, among other things, contractual provisions that U.S. Federal banking regulators required banks to add to derivatives and other "qualified financial contracts," such as repurchase agreements, that impose temporary stays on Pacific Life's ability to close-out such contracts upon the insolvency of the counterparty or to exercise cross-default rights.

In addition, Pacific Life uses derivative instruments to hedge various risks, including risks associated with certain guaranteed minimum benefit riders contained in many of Pacific Life's VA products. Pacific Life enters into a variety of derivative instruments, including, but not limited to, listed and over-the-counter ("**OTC**") options and OTC interest rate, total return, and currency swaps with a number of counterparties and exchange traded futures with clearing houses. Pacific Life's obligations under its many products are not changed by its hedging activities and Pacific Life is liable for its obligations even if its derivative counterparties do not pay it. Such defaults could have a material adverse effect on Pacific Life's financial condition, results of operation or liquidity.

In addition, stress on financial institutions could result in a decrease in the availability of investment grade derivative instrument counterparties which could negatively affect Pacific Life's ability to hedge its business risks and have a material adverse effect on its results of operations, financial condition or liquidity. The impairment of financial institutions could materially and adversely affect the value of Pacific Life's investments, reduce its profitability or otherwise have a material adverse effect on Pacific Life's results of operations, financial condition or liquidity. However, Pacific Life does hold collateral against all of its derivative exposure to mitigate these risks.

Regulatory developments could have an adverse effect on Pacific Life's business, results of operations and financial condition.

Pacific Life is subject to comprehensive regulation and supervision throughout the United States and in other jurisdictions in which Pacific Life conducts business. State insurance laws regulate most aspects of Pacific Life's insurance business, and Pacific Life and its U.S. insurance subsidiaries are regulated by the insurance departments of the states in which they are domiciled and the states in which they are licensed. U.S. state insurance regulators and international insurance regulators also supervise internationally active insurance groups ("**IAIG**s"). State insurance regulators, federal regulators and the NAIC continually re-examine existing laws and regulations, and may impose changes in the future that put further regulatory burdens on insurers, including Pacific Life and PL&A. Such changes may have a material adverse effect on Pacific Life's business, results of operations and financial condition. State laws grant insurance regulatory authorities broad administrative powers with respect to, among other things:

- licensing companies and agents to transact business;
- calculating the value of assets to determine compliance with statutory requirements;
- mandating certain insurance benefits;
- regulating certain premium rates;
- reviewing and approving policy forms;
- regulating unfair trade and claims practices, including through the imposition of restrictions on marketing and sales practices, distribution arrangements and payment of inducements;
- privacy, data protection and cybersecurity;
- regulating the use of algorithms, predictive models and other so-called automated decision-making tools (also known as artificial intelligence or "**AI**"), particularly when such activities involve the use of consumer personal information;
- establishing statutory capital, surplus and reserve requirements and solvency standards;
- fixing maximum interest rates on insurance policy loans and minimum rates for guaranteed crediting rates on life insurance policies and annuity contracts;
- approving changes in control of insurance companies;

- restricting the payment of dividends and other transactions between affiliates; and
- regulating the types, amounts and valuation of investments.

Currently, the U.S. federal government does not directly regulate the business of insurance. However, the Dodd Frank Wall Street Reform and Consumer Protection Act ("**Dodd-Frank**") made sweeping changes to the regulation of financial services entities, products and markets and required federal agencies to adopt a broad range of new rules and regulations implementing Dodd-Frank. These rules and regulations generally provide for enhanced federal supervision of financial institutions, including insurance companies that represent a systemic risk to the financial stability of the economy and are designated by the Financial Stability and Oversight Council ("**FSOC**") as a non-bank systemically important financial institution ("**SIFIs**"). The FSOC modified the designation process by adopting an activities-based approach for identifying and addressing potential risks to financial stability, and it enhanced the analytical process, engagement and transparency of the designation process. There are currently no such nonbank financial companies designated by FSOC as SIFIs. In 2023, the FSOC adopted final guidance (the "**2023 Guidance**") establishing a new process for designating certain financial companies as non-bank SIFIs. The revised process is based on the consideration of risk factors set forth in a new analytic framework, such as leverage, liquidity risk and maturity mismatch, interconnections, operational risks, complexity or opacity, inadequate risk management, concentration, and destabilizing activities, regardless of whether such risks arise from activities, firms or otherwise. Under the 2023 Guidance, the FSOC is no longer required to conduct a cost-benefit analysis and an assessment of the likelihood of a non-bank financial company's material financial distress before considering the designation of the company. The revised process could have the effect of simplifying and shortening FSOC's procedures for designating certain financial companies as SIFIs, which would subject them to additional supervision, examination, and regulation. Any such designation would create uncertainties for the non-bank financial company regarding the likelihood, frequency or impact of any formal or informal regulatory or supervisory actions or inquiries: the scope of applicable regulatory or supervisory requirements or restrictions and the related compliance measures and internal controls; and the permissibility of certain activities or transactions.

Certain provisions of Dodd-Frank are or may become applicable to Pacific Life, its competitors or those entities with which Pacific Life does business, including, but not limited to: the establishment of a comprehensive federal regulatory regime with respect to derivatives; the establishment of consolidated federal regulation and resolution authority over non-bank SIFIs; changes to the regulation of broker-dealers and investment advisors; and changes to the regulation of reinsurance. Dodd-Frank also established the Federal Insurance Office ("**FIO**") within the Department of the Treasury, which has the authority, among other things, to participate in the negotiations of international insurance agreements for the United States, as well as to collect information about the insurance industry and recommend prudential standards. While not having general supervisory or regulatory authority over the business of insurance, the director of the FIO performs various functions with respect to insurance, including serving as a non-voting member of the FSOC and making recommendations to the FSOC regarding insurers to be designated for more stringent regulation. The director is also required to submit an annual report to Congress and the President on the insurance industry and any other information as deemed relevant by the director or requested by the relevant congressional committees. Federal legislation and administrative policies in several areas can significantly and adversely affect insurance companies. These areas include regulation of systemically important financial services firms, securities regulation, derivatives regulation, mortgage regulation, pension regulation, health care regulation, privacy, tort reform legislation and taxation.

Dodd-Frank also created the Consumer Financial Protection Bureau ("**CFPB**") an independent bureau in the Federal Reserve System with jurisdiction over credit, savings, payment and other consumer financial products and services, other than, among other things, investment products already regulated by the SEC or the U.S. Commodity Futures Trading Commission ("**CFTC**"). Certain of Pacific Life's subsidiaries sell products that may be regulated by the CFPB. In addition, Dodd-Frank includes a framework of regulation of the derivatives markets which requires clearing of certain types of transactions historically traded OTC which imposes margin requirements and certain reporting obligations. The requirements for swaps and other derivatives regulated by the CFTC and SEC have been largely implemented. Pacific Life uses derivatives to mitigate a wide range of risks in connection with its business, including those arising from Pacific Life's VA products with guaranteed benefit features. The derivative

clearing, margin and reporting requirements of Dodd-Frank may impact Pacific Life's business by increasing its hedging costs, including costs of trading swaps and security-based swaps.

Variable life and annuity contracts and mutual funds offered by Pacific Life, and the investment advisory services provided in connection with these products, are subject to regulation under the federal securities laws administered by the SEC. The distribution process for variable life and annuity contracts and mutual funds offered by Pacific Life is subject to regulation by the SEC, the Financial Industry Regulatory Authority ("**FINRA**") a securities self-regulatory organization, and regulation by those states in which Pacific Life offers securities products, or conducts other securities-related activities. Pacific Life could be restricted in the conduct of its securities-related business should Pacific Life fail to comply with such laws and regulations. Future laws and regulations, or the interpretation thereof, could also materially adversely affect Pacific Life's business, results of operations and financial condition by increasing its expenses in having to comply with these laws and regulations.

In addition to the laws and regulatory bodies listed above, Pacific Life Re Global Limited ("**RGBM**"), an indirect, wholly owned subsidiary of Pacific LifeCorp, and Pacific Life Re International Limited ("**RIBM**"), RGBM's direct, wholly owned subsidiary, are subject to Bermudian laws and regulations and the regulatory oversight of the Bermuda Monetary Authority in Bermuda. Through it branches in the United Kingdom ("**U.K.**"), Canada, Singapore and South Korea, RIBM is also subject to the legal and regulatory regimes in those regions. Pacific Life Re (Australia) Pty Limited ("**PLRA**"), an affiliate of Pacific Life and indirect, wholly owned subsidiary of Pacific LifeCorp, is subject to Australian laws and regulations and the regulatory oversight of the Australian Prudential Regulation Authority. Changes to regulation could result in a change in the demand for RGBM's, RIBM's and PLRA's services or changes in the cost of, or ability of these affiliated companies to perform, those services. Pacific Life Re Limited ("**PLRL**"), an affiliate of Pacific Life and indirect, wholly owned subsidiary of Pacific LifeCorp, was subject to U.K. laws and regulations and the regulatory oversight of the Prudential Regulation Authority and Financial Conduct Authority. As of January 1, 2023, PLRL no longer has any insurance business as this has been transferred to RIBM. On December 18, 2023, the Board of PLRL appointed, effective January 1, 2024, insolvency practitioners to enable a member's voluntary liquidation of PLRL in 2026.

Assessments are levied against Pacific Life and its U.S. insurance subsidiaries as a result of mandatory participation in various types of state guaranty associations. The amounts of such assessments are highly unpredictable and could increase significantly if there is an increase in the number or size of insurance companies which become insolvent or subject to rehabilitation. *See* "Regulation— U.S. Insurance Regulation—Guaranty Associations and Similar Arrangements."

The implementation of principle-based reserving ("**PBR**") could ultimately adversely affect Pacific Life's ability to write certain products and efficiently manage their associated risks. As a result, Pacific Life may need to increase prices and/or reduce sales of certain products, modify certain products or find alternate financing sources, any of which could adversely affect Pacific Life's competitiveness, capital and financial condition and results of operations.

Other NAIC or state insurance regulatory actions, such as changes to RBC calculations, may adversely impact Pacific Life's business from time to time. *See* "Regulation—Insurance Regulation—General" for information on principle-based reserving.

The European Union's ("**EU**") General Data Protection Regulation ("**EU GDPR**"), which became effective in May 2018, imposes numerous technical and operational obligations on controllers and processors with respect to the processing of personal data. The U.K. has implemented the EU GDPR into U.K. law by means of section 3 of the European Union (Withdrawal) Act 2018 (the "**UK GDPR**" and, together with the EU GDPR, the "**GDPR**") as amended and supplemented by the U.K. Data Protection Act 2018. The UK GDPR imposes substantially the same obligations on controllers and processors as the EU GDPR with certain limited amendments via the recently enacted UK Data (Use and Access) Act 2025 including, without limitation, amendments relating to reasonable and proportionate searches in response to data subject access requests. The GDPR has direct effect where an entity is established in the European Economic Area ("**EEA**") or the U.K. (as applicable) and has extraterritorial effect where an entity established outside of the EEA or the U.K. (as applicable) *inter alia* processes personal data in relation to: (i) the offering of goods or services targeted to individuals in the EEA and/or the U.K. (as applicable) or (ii) the

monitoring of the behavior of individuals in the EEA and/or the U.K. (as applicable). The GDPR imposes various obligations on controllers, including, among others: (a) accountability and transparency requirements, requiring controllers to demonstrate and record compliance with the GDPR and to provide detailed information to individuals regarding the processing of their personal data; (b) requirements to process personal data lawfully including specific requirements for obtaining valid consent where consent is the lawful basis for processing; (c) obligations to consider data protection when any new products or services are developed and designed (including, e.g., to limit the amount of personal data processed); (d) obligations to comply with individual's data protection rights; and (e) an obligation to report certain personal data breaches to the data protection supervisory authority without undue delay (and no later than 72 hours) after becoming aware of the personal data breach and to affected individuals. In addition, the GDPR prohibits the international transfer of personal data to jurisdictions that the European Commission or U.K. Government (as applicable) does not recognize as having an 'adequate' level of data protection unless a data transfer mechanism has been put in place or a derogation under the GDPR can be relied on. In certain cases e.g., where transfers are made in reliance on Standard Contractual Clauses ("**SCC**"s), companies must also carry out a so-called transfer privacy impact assessment ("**TIA**"). A TIA, among other things, assesses laws governing access to personal data in the recipient country and considers whether supplementary measures that provide privacy protections additional to those provided under SCCs will need to be implemented to ensure an 'essentially equivalent' level of data protection to that afforded in the EEA or U.K. (as applicable). The GDPR provides data protection supervisory authorities with enforcement powers (including, for example, the ability to restrict processing activities and to impose fines of up to €20 million (under the EU GDPR) or £17.5 million (under the UK GDPR), or 4% of an organization's total worldwide annual turnover for the preceding financial year, whichever is higher. Individuals also have a right to compensation, as a result of an organization's breach of the GDPR which has affected them, for financial or non-financial losses (e.g., distress).

Compliance with applicable laws and regulations is time consuming and personnel-intensive, and changes in these laws and regulations may materially increase Pacific Life's direct and indirect compliance costs and other expenses of doing business, thus potentially having an adverse effect on Pacific Life's results of operations, financial condition or liquidity.

From time to time, regulators raise issues during examinations or audits of Pacific Life's insurance affiliates and subsidiaries that could, if determined adversely, have a material impact on Pacific Life. Pacific Life cannot predict whether or when regulatory actions may be taken that could adversely affect its operations and financial condition. In addition, the interpretations of regulations by regulators may change and statutes may be enacted with retroactive impact, particularly in areas such as accounting or statutory reserve requirements. *See* "Regulation."

Changes to comply with potential laws or regulations which impose fiduciary or best interest standards similar to the latest U.S. Department of Labor Fiduciary Rule in connection with the sale of Pacific Life's products could materially increase its costs, decrease its sales and otherwise have a material adverse effect on its business.

Regulators continue to propose or adopt fiduciary rules, best interest standards and other similar laws and regulations applicable to the sale of annuity and life insurance products. These rules, standards, laws and regulations generally require financial professionals providing investment recommendations to act in the client's best interest, which generally requires the adviser to put the client's interest ahead of their own interest. Pacific Life faces uncertainty regarding the adoption of these rules and regulations, including that the SEC, Department of Labor ("**DOL**") and state insurance departments may adopt potentially conflicting or overlapping standards.

For example, on April 23, 2024, the DOL issued a final "**Fiduciary Advice Rule**" that generally requires investment advisers providing investment recommendations to plans subject to ERISA or retirement accounts subject to Section 4975 of the Code to act in the client's best interest and expands the scope of what constitutes fiduciary "investment advice" to ERISA plans, individual retirement accounts ("**IRAs**") and other plans subject to Section 4975 of the Code. In particular, the Fiduciary Advice Rule states that a recommendation to "rollover" assets from a qualified retirement plan to an IRA can be considered fiduciary investment advice if the facts and circumstances indicate that the recommendation meets the investment advice test of the regulation. The DOL also

released, on April 23, 2024, final amendments to Prohibited Transaction Exemption ("**PTE**") 2020-02, which provides relief for receipt of compensation by financial professionals in connection with their investment recommendations, PTE 84-24, which provides relief, among other things, for receipt of commissions by insurance agents, broker-dealers and others in connection with the sale of insurance and annuity contracts to ERISA plans and other longstanding PTEs that apply to particular investments.

The Fiduciary Advice Rule, and amendments to the PTEs, could have an adverse effect on sales of annuity products through its independent distribution partners, as a significant portion of its annuity sales are to IRAs. The Fiduciary Advice Rule could also impact sales of certain institutional products and cause disruption in that market and could lead to changes to Pacific Life's compensation practices and product offerings and increased litigation risk, which could adversely affect its results of operations and financial condition. Pacific Life may also need to take certain additional actions in order to comply with, or assist its distributors in their compliance with the Fiduciary Advice Rule. The future of the Fiduciary Advice Rule is still uncertain as a result of certain litigation. In this regard, on July 25 and 26, 2024, two federal district courts entered separate stays of the effective date of the Fiduciary Advice Rule and the prohibited transaction exemption amendments and, in September 2024, the DOL filed a notice of appeal with respect to one of the court's opinions that applies the stay on a national level. On February 11, 2025 and again on April 14, 2025, the DOL filed motions requesting that the appeals court hold its appeal, and the court of appeals agreed. On November 24, 2025, the DOL dropped their appeal of the stay orders, resulting in the cases reverting back to the district courts for further proceedings. Therefore, it is uncertain whether, or when, the Fiduciary Advice Rule or the amendments to the prohibited transaction exemptions will become effective.

On June 5, 2019, the SEC adopted a package of rules and interpretations designed to enhance the quality and transparency of the duties owed by broker-dealers to retail investors and to reaffirm, and in some cases clarify, certain aspects of an investment adviser's fiduciary duty under the Securities Exchange Act of 1934, as amended (the "**Exchange Act**"). Included in this package was the Regulation Best Interest, which requires, as of June 30, 2020, that broker-dealers act in the best interest of retail investors, without placing the interests of the broker-dealer ahead of the interests of the retail investor, when making recommendations regarding securities transactions, account types or investment strategies. To meet this best interest standard, a broker-dealer must satisfy four component obligations including a disclosure obligation, a care obligation, a conflict of interest obligation and a compliance obligation. The SEC rules do not include a private right of action.

Regulation Best Interest and other potential fiduciary rules may fundamentally change the way financial advisors, agents and financial institutions do business. These rules may impact the way in which Pacific Life's products are marketed and offered by its distribution partners, which could have an impact on customer demand, impact the margins Pacific Life makes on its products or increase compliance costs and burdens.

Certain states have proposed and/or adopted laws or regulations that would impose fiduciary duties on certain broker-dealers. The Massachusetts Securities Division has adopted a regulation that applies a fiduciary duty to recommendations made by broker-dealers, but consistent with Massachusetts Uniform Securities Act, the regulation does not apply to insurance products, including VA and life insurance products. The SEC has not indicated an intent to pre-empt state regulation in this area, and some of the state proposals would allow for a private right of action. In April 2025, the North American Securities Administrators Association ("**NASAA**") adopted a broker-dealer conduct model rule which incorporates the core principles and definitions from Regulation Best Interest and SEC guidance, defines these principles and their components for purposes of state law, and makes other changes consistent with Regulation Best Interest.

In February 2020, the NAIC adopted revisions to its Suitability in Annuity Transactions Model Regulation ("**SAT Model Regulation**") to apply a "best interest" standard to the sale of annuities to better align state standards with the SEC's Regulation Best Interest. All states have either adopted the amended SAT Model Regulation or have adopted their own standards of conduct. Any future changes in such laws and regulations, could adversely impact the way Pacific Life markets and sells its annuity products.

The SEC's Regulation Best Interest is changing the way broker-dealers sell securities, especially complex securities, such as VAs, to customers. Such regulations may have more expansive application than the DOL's latest

fiduciary rule, which would be limited to sales to ERISA plans and IRAs only, because they would apply to non-retirement assets as well. For example, Regulation Best Interest applies to broker-dealer sales of securities such as VAs to all retail investors. Moreover, Pacific Life believes the rule may impact sales of other annuity products that are not securities even if it is limited in application to sales of securities such as VAs because it could be difficult for distributors to segregate their sales processes (*i.e.*, apply the same policies and procedures to both FAs and VAs), and because the rule applies to recommendations that a customer sell securities in order to fund the purchase of non-securities products.

These or other actions by the SEC, the DOL, state insurance and securities departments or other regulators to impose a fiduciary or best interest standard on insurance and securities market participants may result in differing and potentially conflicting laws and regulations. While it remains uncertain what impact these rules and potential rules would have on Pacific Life's annuity products and other businesses, it could experience a material decline in sales of products, such as VAs and FAs. Regulators in enforcement actions and plaintiffs' attorneys in litigation could also find it easier to attempt to extend fiduciary status to, or to claim fiduciary or contractual breach by, financial professionals who would not be deemed fiduciaries under prior law. Such laws and regulations may have a material adverse impact on the industry and on Pacific Life's business.

Pacific Life may experience difficulties in marketing and distributing products through its current and future distribution channels.

Although Pacific Life distributes its products through a wide variety of distribution channels, Pacific Life does maintain relationships with certain key distributors. Pacific Life may periodically negotiate the terms of these relationships, and there can be no assurance that such terms will remain acceptable to Pacific Life or such third parties. An interruption in certain key relationships could materially affect Pacific Life's ability to market its products and could have a material adverse effect on Pacific Life's business, operating results and financial condition. A distributor may elect to suspend, alter, reduce or terminate their distribution relationships with Pacific Life for various reasons, including changes in its distribution strategy, adverse developments in Pacific Life's business, adverse rating agency actions or concerns about market related risks. Pacific Life is also at risk that key distribution partners may merge, change their business models in ways that affect how its products are sold, or terminate their distribution contracts with Pacific Life, or that new distribution channels could emerge and adversely impact the effectiveness of Pacific Life's distribution efforts. An increase in bank and broker-dealer consolidation activity could increase competition for access to distributors, result in greater distribution expenses and impair Pacific Life's ability to market products through these channels. Consolidation of distributors and/or other industry changes may also increase the likelihood that distributors will try to renegotiate the terms of any existing selling agreements to terms less favorable to Pacific Life. When Pacific Life's products are distributed through unaffiliated firms, Pacific Life may not be able to monitor or control the manner of their distribution despite its training and compliance programs. If Pacific Life's products are distributed by such firms in an inappropriate manner, or to customers for whom they are unsuitable, Pacific Life may suffer reputational and other harm to its business.

Pacific Life's products and services are sold through intermediaries, and the misrepresentation of its products or services or a failure to properly perform services could have an adverse effect on Pacific Life's revenues and income.

Pacific Life is reliant on intermediaries to describe and explain its products to their potential customers, and although Pacific Life takes precautions to avoid this result, such intermediaries may be deemed to have acted on its behalf. While Pacific Life has controls in place to monitor risks of how its products and services are sold, the intentional or unintentional misrepresentation of Pacific Life's products and services in advertising materials or other external communications, or inappropriate activities by its personnel or an intermediary, could result in liability for Pacific Life and have an adverse effect on its reputation and business prospects, as well as lead to potential regulatory actions or litigation.

New accounting rules, changes to existing accounting rules, or the grant or rescission of permitted accounting practices to Pacific Life or its affiliated insurance companies could have an adverse effect on Pacific Life's business, results of operations or financial condition.

The NAIC provides standardized insurance industry accounting and reporting guidance through its Accounting Practices and Procedures Manual (the "**Manual**"), which all states have adopted by regulation subject to certain state prescribed differences. Changes to the Manual or modifications by the various state insurance departments may affect the statutory capital and surplus of Pacific Life and its U.S. insurance subsidiaries. NAIC SAP and various components of NAIC SAP (such as actuarial reserving methodologies) are subject to ongoing review by the NAIC and its task forces and committees as well as state insurance departments in an effort to address emerging issues and otherwise improve or modify financial reporting. Various proposals either are currently or have previously been pending before committees and task forces of the NAIC, some of which, if enacted, would negatively affect Pacific Life and some of which could positively impact Pacific Life. The NAIC is also currently working to reform state insurance regulation in various areas. Pacific Life cannot predict whether or in what form such reforms will be enacted and, if so, whether the enacted reforms will positively or negatively affect its business and financial condition.

In August 2023, Pacific Life implemented the accounting practices allowed under INT 23-01 discussed above. See "Risk Factors—Risk Factors Related to Pacific Life— Changes in interest rates can impact spread margins, thereby affecting profitability, negatively affecting liquidity and significantly affecting the value of Pacific Life's bond portfolio."

In addition, NAIC SAP provides that state insurance departments may permit or prescribe insurance companies domiciled therein to depart from NAIC SAP. Effective January 1, 2022 the NE DOI approved a permitted accounting practice, allowing Pacific Life to calculate the policy reserves for funding agreements based on a methodology that differs from NAIC SAP. Policy reserves for funding agreements are calculated based on Statement of Statutory Accounting Principles ("**SSAP**") No. 52, Deposit-Type Contracts, and the reserving methodologies in Appendices A-820 and A-822 which utilizes a reference rate in the valuation interest rate calculation based on an average of a historical 12-month period ending on June 30 of the calendar year of issue or purchase. In the permitted practice, Pacific Life utilizes a reference rate in the valuation interest rate calculation based on the day of the funding agreement issuance which results in a policy reserve less than or equal to the NAIC SAP policy reserve. The NAIC's Life Actuarial Task Force has adopted Amendment Proposal Form 2024-05 for the 2025 Valuation Manual, which allows a monthly determination of the statutory maximum valuation rate for Pacific Life's funding agreements, with domiciliary Commissioner approval. Pacific Life received Commissioner approval to determine statutory maximum valuation rates as described in Valuation Manual Section II Subsection 3(C) for contracts issued on or after January 1, 2017 (the operative date of the Valuation Manual), effective January 1, 2025. Pacific Life shall continue to determine statutory maximum valuation rates using the same methodology for future valuations. Pacific Life's permitted practice was no longer used subsequent to December 31, 2024. Additional changes in accounting requirements of NAIC SAP could negatively impact Pacific Life's business, results of operations or financial condition. *See* "Summary of Statutory Basis Financial Information".

The NAIC, through its Principles-Based Bond Definition Project, adopted comprehensive revisions to statutory accounting guidance to establish a principles-based framework for determining whether a debt security qualifies for reporting as a bond on Schedule D-1, as opposed to Schedule BA (Other Long-Term Invested Assets), which is subject to higher risk-based capital charges. The revised guidance emphasizes the substance of an investment and requires evaluation of whether a security represents a creditor relationship with a fixed schedule of one or more future payments and otherwise qualifies as a bond within the scope of SSAP No. 26 or SSAP No. 43. This resulted in new reporting and disclosure requirements and revised statutory classification considerations that may affect regulatory reporting and associated risk-based capital charges. Securities that do not meet the principles-based bond definition are required to be reported in accordance with other applicable SSAPs, including SSAP No. 21, and reflected on Schedule BA or other appropriate schedules.

Effective January 1, 2025, Pacific Life adopted the revisions to SSAP No. 21, Other Admitted Assets, SSAP No. 26, Bonds, SSAP No. 41, *Surplus Notes*, and SSAP No. 43, *Asset-Backed Securitie*s, as promulgated by the NAIC pursuant to the Principles-Based Bond Definition Project. *See* Note 1 to Pacific Life's Statutory Basis Financial Statements included in this Offering Memorandum.

Pacific Alliance Reinsurance Company of Vermont ("**PAR Vermont**") is a direct, wholly owned subsidiary of Pacific Life and a Vermont based special purpose financial insurance company subject to regulatory supervision by the Vermont Department of Financial Regulation ("**Vermont Department**"). PAR Vermont is an accredited authorized reinsurer in Nebraska. Pacific Life cedes flexible duration no lapse guarantee rider ("**FDNLGR**") benefits to PAR Vermont. In connection with this reinsurance, PAR Vermont has an excess of loss ("**XOL**") reinsurance agreement where the XOL Asset Value is included as an admitted asset in PAR Vermont's statutory basis financial statements, as approved by the Commissioner of the Vermont Department. As a result, the XOL Asset Value is included in total adjusted capital for PAR Vermont's RBC calculation, otherwise PAR Vermont's RBC would have been below the Mandatory Control Level. The XOL Asset Value is not recorded as an admitted asset at Pacific Life. *See* Note 10 to Pacific Life's Statutory Basis Financial Statements included in this Offering Memorandum.

Pacific Baleine Reinsurance Company ("**PBRC**") is a direct, wholly owned subsidiary of Pacific Life and a Vermont based special purpose financial insurance company subject to regulatory supervision by the Vermont Department. PBRC is an accredited authorized reinsurer in Nebraska. Pacific Life cedes certain level term life insurance and FDNLGR benefits to PBRC. In connection with this reinsurance, PBRC has a note facility, enhanced by a third-party reinsurer, that allows for an issuance of a promissory note ("**Promissory Note**"), that is included as an admitted asset in PBRC's statutory basis financial statements, as approved by the Commissioner. As a result, the Promissory Note is included in total adjusted capital for PBRC's RBC calculation, otherwise PBRC's RBC would have been below the Mandatory Control Level. The Promissory Note is not recorded as an admitted asset at Pacific Life. *See* Note 10 to Pacific Life's Statutory Basis Financial Statements included in this Offering Memorandum.

Pacific Life cannot predict what permitted and prescribed practices the NE DOI or the Vermont Department may allow or mandate in the future. Moreover, although in general with respect to regulations and guidelines, states defer to the interpretation of the domiciliary state regulator, neither the action of the domiciliary state regulator nor action of the NAIC is binding on a state. Accordingly, a state could choose to follow a different interpretation. Pacific Life can give no assurance that future changes to NAIC SAP or components of NAIC SAP or the grant of permitted accounting practices will not have a negative impact on it.

Downgrades or potential downgrades in Pacific Life's ratings could harm its competitive position and could have a material adverse effect on your investment in the Notes.

Ratings are an important factor in the competitive position of life insurance companies. Nationally recognized statistical rating organizations ("**NRSROs**") assign Pacific Life and PL&A financial strength/claims paying ability ratings, based on their evaluations of the ability of Pacific Life and PL&A to meet their respective financial obligations. These ratings indicate the NRSRO's view of Pacific Life's ability to meet its obligations to its insureds. In certain of Pacific Life's markets, ratings are important competitive factors. NRSROs continually review the financial performance and condition of insurers, including Pacific Life and PL&A. These financial strength/ claims paying ability ratings are of interest to policyholders and holders of Pacific Life debt securities, but are not ratings of the Notes offered hereby and do not reflect an evaluation of the safety and security of the Notes.

The NAIC has also been focused on insurers' use of ratings by NRSROs and other credit rating providers (collectively "**CRPs**") for rating certain of their investments, instead of submitting such investments to the NAIC's Securities Valuation Office ("**SVO**"). Certain investments are subject to an exemption from filing with the SVO if they have been assigned a current, monitored rating by certain approved CRPs that meet specified requirements. The NAIC's designation of an investment held by an insurance company affects the RBC charge applied to such investment and therefore impacts the insurer's overall RBC ratio.

In November 2024, the NAIC adopted an amendment to the Manual, which sets forth procedures for the SVO staff to identify and evaluate a filing exempt security with an NAIC designation determined by a rating that appears to be an unreasonable assessment of investment risk. The procedures include, without limitation, sending an information request to insurers that hold the security under review and determining whether the NAIC designation is three or more notches different than the SVO's assessment, which allows the SVO to request the removal of the CRP credit rating from the filing exempt process. At any time during the process, an alternate CRP credit rating may

be requested and if one is received, it will be incorporated in the filing exempt process. The amendment to the Manual is scheduled to become effective on January 1, 2026.

The NAIC's Financial Condition (E) Committee launched a holistic review of the insurance regulatory framework related to insurer investment risk regulation in August 2023. The primary objective is to highlight areas where the insurance regulatory framework and the SVO can be enhanced in order to strengthen oversight of insurers' investments in complex assets, such as structured securities. More specifically, the NAIC is focused on the SVO's discretion to review NAIC designations for individual investments, the appropriate extent of SVO reliance on CRPs, and oversight of the development of new RBC charges for collateralized loan obligations ("**CLOs**") and other structured securities. The proposed changes to modernize investment oversight include: (i) reducing or eliminating "blind" reliance on CRPs while continuing to utilize them by implementing a due diligence framework that oversees the effectiveness of CRPs and (ii) bolstering the SVO's portfolio risk analysis capabilities by investing in a risk analytics tool and adding specialized personnel.

A negative outlook on Pacific Life's ratings or a downgrade in Pacific Life's ratings, the announcement of a potential downgrade or customer concerns about the possibility of a downgrade, could have a material adverse effect on Pacific Life's business, results of operations or financial condition. These direct or indirect effects could include:

- reducing new sales of insurance products, annuities and other investment products;
- requiring Pacific Life to modify some of its existing products or services to remain competitive, or introduce new products or services;
- materially increasing the number or amount of policy surrenders and withdrawals by contract holders and policyholders;
- adversely affecting Pacific Life's ability to maintain reinsurance assumed or obtain new reinsurance or obtain it on reasonable pricing terms; and
- increasing Pacific Life's cost of borrowing and limiting access to the capital markets.

For OTC derivative transactions, Pacific Life enters into legally enforceable master netting agreements which provide for the netting of payments and receipts with a single counterparty. The OTC agreements may include a termination event clause associated with financial strength ratings assigned by certain independent rating agencies. If these financial strength ratings were to fall below a specified level, as defined within each counterparty master netting agreement, or if one of the rating agencies were to cease to provide a financial strength rating, the counterparty could terminate the master netting agreement with payment due based on the net estimated fair value of the underlying derivatives. As of December 31, 2025, Pacific Life's financial strength ratings were above the specified level.

In addition, any downgrade or potential downgrade in the ratings assigned to the Notes or to Pacific Life's ratings in general could have a material adverse effect on the trading prices of, and the liquidity of any market for, the Notes.

Pacific Life faces strong competition in all of its business areas.

All of the areas of business in which Pacific Life operates, including insurance, annuities and reinsurance, are highly competitive. Pacific Life competes with a large number of other insurers and non-insurance financial service companies, such as banks, broker-dealers, investment managers and mutual funds, many of whom have greater financial resources than Pacific Life does. Competitiveness in the insurance and reinsurance business is affected by various factors including, but not limited to, price, financial strength ratings, size and strength of distribution force, range of product lines, product quality, servicing ability, name recognition and general reputation. Banks, with their pre-existing customer bases for financial services products, may pose increasing competition in the future.

Recent technological advancements in Pacific Life's business areas present new and fast-evolving competitive risks. As companies increase use of AI, machine learning, quantum computing and other technology as part of their business strategy, Pacific Life will be at a competitive disadvantage if its competitors are more effective in their utilization of such technology, which could adversely affect Pacific Life's results of operations and financial condition.

Changes in U.S. federal or state tax laws could have a material adverse effect on Pacific Life's business or results of operations.

The attractiveness to Pacific Life's customers of many of its products is due, in part, to favorable tax treatment. Current U.S. federal income tax laws generally permit the tax-deferred accumulation of earnings on the premiums paid by the holders of annuities and life insurance products. Taxes, if any, are payable on income attributable to a distribution under the contract for the year in which the distribution is made. Death benefits under life insurance contracts generally may be received free of U.S. federal income tax. From time to time, Congress has considered legislation that could reduce or eliminate the relative benefits of the deferral of taxation for Pacific Life's insurance and annuity products, which could make these products less attractive to consumers. Future legislation of this type could reduce or eliminate the deferral of taxation on some annuity or insurance products, or could have the effect of reducing or deferring the taxes imposed on the income from alternative investment options.

From time to time, legislative changes to the taxation of companies that purchase and hold corporate owned life insurance ("**COLI**") with respect to their officers, directors and employees have been proposed, which could materially increase the tax cost associated with the ownership of COLI policies, and could have a significant adverse effect on the market for such products. Pacific Life cannot predict whether, or in what form, legislation that could affect the tax treatment of COLI products will ultimately be enacted or what the impact of any such legislation would be on Pacific Life's business or results of operations, but any such legislation could have a material adverse effect on its business or results of operations.

Effective January 1, 2023, the Inflation Reduction Act imposes a 15% Corporate Alternative Minimum Tax ("**CAMT**") on corporations with three-year average adjusted financial statement income over $1.0 billion. The CAMT is payable to the extent the CAMT liability exceeds the regular corporate income tax liability; however, any CAMT paid would be available as a credit with indefinite carryover that could reduce future regular tax in excess of CAMT. Additionally, the Organization for Economic Co-operation and Development continues to develop its Base Erosion and Profit Shifting ("**BEPS**") project, including a proposed 15% global minimum tax. Significant details of the BEPS project remain uncertain and the implementation of BEPS by participating jurisdictions and the interaction of such rules with the U.S. tax system is similarly uncertain. Separately, on December 27, 2023, the Bermuda Corporate Income Tax Act 2023 was enacted. As of the fiscal year beginning January 1, 2025, the Bermuda Corporate Income Tax Act applies a 15% corporate income tax rate to certain Bermuda tax resident entities and permanent establishments. The CAMT, and other changes to tax laws and regulations in the United States or other jurisdictions in which Pacific Life does business, including as a result of the implementation of the BEPS proposals, could adversely impact its results of operation and financial condition.

Federal, state, or even foreign tax authorities may enact laws, change regulations or add new types of taxes. Change in tax laws or interpretations of such laws could have a material adverse effect on Pacific Life's business or results of operations and make its products less attractive to consumers.

Rulings by the U.S. Internal Revenue Service and changes in U.S. federal tax laws could affect certain U.S. federal income tax benefits that Pacific Life realizes in connection with variable life insurance and annuity products, which could have a material adverse effect on Pacific Life's results of operations or financial condition for open tax years prior to 2018.

Pacific Life realizes certain U.S. federal income tax benefits in connection with its variable life insurance and VA products. These benefits reduce Pacific Life's U.S federal income tax liability, and include a dividends received deduction ("**DRD**") associated with the separate accounts that Pacific Life establishes and maintains in connection with variable life insurance and VA products. During 2007, the U.S. Internal Revenue Service ("**IRS**") issued Revenue Ruling 2007-54, which provided the IRS's interpretation of tax law regarding the computation of the separate account DRD. On September 25, 2007, the IRS issued Revenue Ruling 2007-61, which suspended Revenue Ruling 2007-54 and indicated the IRS would address the proper interpretation of tax law in a regulation project that is on the IRS's priority guidance plan. The IRS later issued Revenue Ruling 2014-7, which superseded Revenue Ruling 2007-54 and Revenue Ruling 2007-61. With the enactment of the TCJA on December 22, 2017, separate account DRD computations have been modified effective January 1, 2018. Therefore, Pacific Life does not expect that any of the rulings described above will affect separate account DRD computations post 2017. However, in open tax years before 2018, Pacific Life could still lose a substantial amount of separate account DRD tax benefit, which could have a material adverse effect on its results of operations or financial condition.

Some of Pacific Life's investments are relatively illiquid and are in asset classes that have been experiencing significant market valuation fluctuations.

Pacific Life holds certain investments that lack liquidity, such as privately placed fixed income securities, illiquid Rule 144A securities, private equity securities, below-investment-grade securities, investments in subsidiaries, assets pledged as collateral or otherwise encumbered or restricted, equity real estate including real estate joint ventures and other limited partnership interests. Many of these assets have limitations on redemptions and trading, which may cause them to be less liquid than more conventional asset classes, such as publicly traded bonds and stocks. Additionally, Pacific Life may be required to provide capital to certain of the entities in which it invests in connection with capital calls issued by such entities, and the timing and amount of such capital contributions can be difficult to predict.

If Pacific Life were to require significant amounts of cash on short notice in excess of cash on hand and Pacific Life's portfolio of liquid investments was insufficient (*e.g.*, if Pacific Life was required to return or post collateral in connection with Pacific Life's investment portfolio due to policyholders surrendering policies, taking withdrawals or other actions, derivatives transactions or securities lending activities), Pacific Life could have difficulty selling its illiquid investments in a timely manner, be forced to sell them for less than Pacific Life otherwise would have been able to realize or both, particularly in light of adverse current market conditions.

A decline in Pacific Life's RBC measures could result in a decline in its ratings, increased scrutiny by state insurance regulators and have a material adverse effect on Pacific Life's business, results of operations or financial condition.

Pacific Life and its U.S. insurance subsidiaries are subject to RBC standards and other minimum statutory capital and surplus requirements imposed under the laws of their respective states of domicile. The RBC standards, which are based upon the RBC Model Act adopted by the NAIC, require Pacific Life and its U.S. insurance subsidiaries to report their results of RBC calculations annually to the state departments of insurance and the NAIC. *See* "Regulation."

In any particular year, each of Pacific Life's and PL&A's statutory capital and surplus amounts and RBC ratios may increase or decrease depending on a variety of factors—the amount of statutory income or losses generated by Pacific Life and PL&A (which itself is sensitive to equity market and credit market conditions), the amount of additional capital it must hold to support its business growth, changes in equity market levels, the value of certain fixed income and equity securities in its investment portfolio, the value of certain derivative instruments that

do not qualify for hedge accounting treatment, changes in interest rates and foreign currency exchange rates, as well as changes to the NAIC RBC formulas. Certain of these factors are outside of Pacific Life's control. Increases in the amount of required statutory reserves reduce the statutory capital and surplus used in calculating RBC ratios.

In addition, in some cases, statutory capital and surplus amounts and RBC ratios may vary based on the calculations, formulas and methodologies that U.S. state insurance regulators require or permit Pacific Life to use. Calculations, formulas and methodologies may vary from company to company or from year to year. Pacific Life can give no assurance whether U.S. state insurance regulators will permit or require Pacific Life to use the calculations, formulas and methodologies that Pacific Life believes to be most appropriate or that Pacific Life has used in the past, and the regulators' failure to do so could have a significant negative impact on Pacific Life's statutory capital and surplus amounts or RBC ratios. Similarly, Pacific Life cannot predict whether or when U.S. state insurance regulators will permit or require Pacific Life's competitors to use calculations, formulas and methodologies that could put Pacific Life at a competitive disadvantage.

If Pacific Life or any of its U.S. insurance subsidiaries were to fail to meet applicable RBC requirements or minimum statutory capital and surplus requirements, Pacific Life or such subsidiary could be subject to examination or corrective action imposed by state insurance regulators, including limitations on their ability to write additional business, state supervision or seizure or liquidation. Pacific Life's statutory capital and surplus and RBC ratios have a significant influence on its financial strength and claims paying ratings. To the extent that Pacific Life's statutory capital and surplus resources were to be deemed insufficient to maintain a particular rating by one or more rating agencies, Pacific Life could seek to improve its statutory capital and surplus position, including through operational changes, capital relief transactions and potentially issuing new capital. If Pacific Life was not able to improve its statutory capital and surplus position in such a scenario for any reason, any ratings downgrade that followed could have a material and adverse effect on its business, results of operations, financial condition or liquidity. *See* "Risk Factors—Downgrades or potential downgrades in Pacific Life's ratings could harm its competitive position and could have a material adverse effect on your investment in the Notes."

Litigation and regulatory investigations are common in the life insurance industry and may result in significant financial losses and harm to Pacific Life's reputation.

Pacific Life faces a significant risk of litigation and regulatory investigations and other actions in the ordinary course of operating its business. In connection with Pacific Life's insurance operations, plaintiffs' lawyers may bring or are bringing class actions and individual suits relating to suitability, sales or underwriting practices, claims payments and procedures, product design, disclosure, administration, denial or delay of benefits and breaches of fiduciary or other duties. Plaintiffs in such lawsuits against Pacific Life may seek very large or indeterminate damages, including punitive and treble damages, and the damages claimed and the amount of any probable and estimable liability, if any, may remain unknown for substantial periods of time. Pacific Life is also subject to various regulatory inquiries from time to time, such as information requests and books and record examinations, from state and federal regulators and other authorities.

A substantial legal liability or a significant regulatory action against Pacific Life could have a material adverse effect on its business, results of operations or financial condition. Moreover, even if Pacific Life ultimately prevails in the litigation, regulatory action or investigation, Pacific Life could suffer significant reputational harm, which could have a material adverse effect on its business, results of operations and financial condition, including Pacific Life's ability to attract new customers, retain current customers and recruit and retain employees.

Uncertainty or any loss in value resulting from erroneous decision making due to Pacific Life's reliance upon models that do not perform the task or capture the risk that they were designed for could adversely affect Pacific Life's operations, results of operations, financial condition and liquidity.

Models utilized by Pacific Life's business are primarily used to project future cash flows associated with pricing products, calculating reserves and valuing assets, as well as in evaluating risk and determining capital requirements, among other uses, and are based on prescribed or best estimate assumptions and projections which may be inaccurate. Models used by Pacific Life's business may not operate properly and could contain errors related to model inputs, data, assumptions, calculations or output. In addition, a model may be misspecified for its intended purpose, misused or produce incorrect or inappropriate results. As Pacific Life's businesses continue to grow and evolve, the number and complexity of models it utilizes expands, increasing its exposure to error in the design, implementation or use of models, including the associated input data and assumptions. Business decisions based on incorrect or misused model output and reports could have a material adverse impact on Pacific Life's results of operations.

In addition, Pacific Life performs model reviews which are conducted by experienced professionals with the requisite authority, independence and technical ability to effectively challenge the models. The ongoing model reviews process could give rise to adjustments to models that may adversely impact Pacific Life's results of operations. As a result, these methods may not fully predict future exposures, which can be significantly greater than Pacific Life's historical measures indicate.

Reinsurance and retrocessional coverage may not be available, affordable or adequate.

Pacific Life regularly purchases reinsurance for certain risks associated with its life insurance and annuity businesses to limit potential losses, reduce exposure arising from larger mortality risks, diversify risks and provide additional capacity for future growth. While reinsurance agreements generally bind the reinsurer for the life of the business reinsured, a change in market conditions or mortality expectations may decrease the availability of or increase the cost of reinsurance. Such changes could decrease Pacific Life's capacity to write new business, result in the assumption of more risk with respect to those policies Pacific Life issues or increase expenses for in force policies and adversely affect its financial strength and profitability.

As part of risk management related to Pacific Life's reinsurance business, Pacific Life obtains retrocessional reinsurance, or reinsurance for reinsurers. As with all reinsurance coverage, a change in market conditions may decrease the availability or increase the cost of retrocessional coverage.

In addition, Pacific Life is subject to credit risk with respect to reinsurance because the cession of risk to reinsurers generally does not relieve Pacific Life of its obligations to its policyholders. To address this risk, Pacific Life monitors the credit worthiness and volume of reinsurance activity with specific counterparties to avoid concentration of business with individual reinsurance partners and mitigate counterparty credit risk. Despite these procedures and controls, if reinsurance counterparties default on their obligations to Pacific Life due to bankruptcy, insolvency, lack of liquidity, adverse economic conditions, operational failure, fraud or other reasons, such defaults could have a material adverse effect on Pacific Life's results of operations, financial condition or liquidity.

Deviations in assumptions regarding future persistency, mortality and interest rates used in calculating reserve amounts could have a material adverse impact on Pacific Life's results of operations or financial condition.

Pacific Life establishes and carries reserves to pay future policyholder benefits and claims. The process of calculating reserve amounts for an insurance organization involves the use of a number of estimates and assumptions including those related to persistency (how long a contract stays in force), mortality (the relative incidence of death in a given time or place) and interest rates (the rates expected to be paid or received on financial instruments, including insurance or investment contracts). Since Pacific Life cannot precisely determine the amount or timing of actual future benefits and claims, actual results could differ significantly from those assumed. Inaccuracies in one or more of these estimates and assumptions could have a material adverse effect on Pacific Life's results of operations or financial condition. Moreover, if Pacific Life concludes that its reserves, together with future premiums, are insufficient to cover future policy benefits and claims, Pacific Life would be required to increase its reserves and incur income statement charges for the period in which it makes the determination, which would also adversely affect Pacific Life's results of operations and financial condition.

Pacific Life's profitability may decline if mortality rates or persistency rates differ significantly from its pricing expectations.

Pacific Life sets prices for many of its insurance and annuity products based upon expected claims and payment patterns, using assumptions for mortality, persistency and interest rates. Natural or man-made disasters, or a pandemic, could cause a materially adverse deviation from expected mortality claims. In addition, significant changes in mortality could emerge gradually over time, due to changes in the natural environment, the health habits of the insured population, effectiveness of treatment for disease or disability or other factors. In addition, Pacific Life could fail to accurately anticipate changes in other pricing assumptions, including changes in interest and inflation rates. The development of a secondary market for life insurance, including life settlements or "viaticals" and investor owned life insurance, could cause actual persistency rates to differ from those assumed and therefore adversely affect the profitability of existing business and Pacific Life's pricing assumptions for new business. Significant negative deviations in actual experience from Pacific Life's pricing assumptions could have a material adverse effect on the profitability of its products.

Pacific Life's assumed reinsurance contracts expose it to mortality risk, which is the risk that the level of death claims may differ from that which it assumed in pricing its reinsurance contracts. Pacific Life's risk analysis and underwriting processes are designed with the objective of controlling the quality of the business and establishing appropriate pricing for the risks it assumes. Among other things, these processes rely heavily on Pacific Life's underwriting, its analysis of mortality trends, lapse rates and expenses and their effect on mortality.

Pacific Life's earnings are significantly influenced by the claims paid under its insurance and reinsurance contracts and will vary from period to period depending upon the amount of claims incurred and whether mortality or lapse experience is less favorable than the mortality or lapse rates that it used in pricing a reinsurance agreement. There is only limited predictability of claims experience within any given month or year. Pacific Life's future experience may not match its pricing assumptions or its past results. As a result, Pacific Life's results of operations could be materially adversely affected.

Pacific Life might be unable to attract and retain key personnel.

The success of Pacific Life's business largely depends on its ability to attract and retain its senior management and other key personnel. Strong competition exists for well-qualified personnel, including actuaries, portfolio managers and information technology specialists, with demonstrated ability. The loss of key members of Pacific Life's senior management or other key personnel, or its inability to attract and retain additional well-qualified personnel, could harm its financial strength and decrease its profitability. Pacific Life also relies upon the knowledge and experience of employees involved in functions that require technical expertise in order to provide for sound operational controls for its overall enterprise, including the accurate and timely preparation of required regulatory filings and statutory basis financial statements and operation of internal controls. A loss of such employees could adversely impact Pacific Life's ability to execute key operational functions and could adversely affect its operational controls.

Pacific Life may be exposed to unidentified or unanticipated risks, which could negatively affect its business or result in losses.

Pacific Life has devoted significant resources to its enterprise risk management ("**ERM**") policies and procedures and expects to continue to do so in the future. Nonetheless, Pacific Life's policies and procedures to identify, monitor and manage risks may not be fully effective. Many of Pacific Life's methods of managing risk and exposures are based upon its use of observed historical market behavior or statistics based on historical models. As a result, these methods may not predict future exposures, which could be significantly greater than the historical measures indicate. Other risk management methods depend upon the evaluation of information regarding markets, clients, catastrophe occurrence or other matters that is publicly available or otherwise accessible to Pacific Life, which may not always be accurate, complete, up-to-date or properly evaluated. Management of operational, legal and regulatory risks requires, among other things, policies and procedures to record properly and verify a large number of transactions and events, and these policies and procedures may not be fully effective.

The risk factors described in this Offering Memorandum or otherwise identified by Pacific Life as part of its risk management processes may not be the only risks facing it. Additional risks and uncertainties not currently known, or that Pacific Life currently deems to be immaterial, may materially adversely affect its business, results of operations or financial condition.

Pacific Life is exposed to foreign currency risk.

Pacific Life is a multi-national company with operations in other countries and, as a result, is exposed to foreign currency risk to the extent that exchange rates of foreign currencies are subject to adverse change over time. The U.S. dollar value of Pacific Life's net investments in foreign operations, its foreign currency transaction settlements and the periodic conversion of the foreign-denominated earnings to U.S. dollars (Pacific Life's reporting currency) are each subject to adverse foreign exchange rate movements.

Security breaches, cyberattacks, denial of service attacks, data security incidents, other disruptions to, or vulnerabilities in, Pacific Life's information technology systems and infrastructure, or those of its customers, partners, counterparties, or other third-party service providers on which it relies, could delay or interrupt service to Pacific Life's customers, damage its reputation or expose it to significant liability, and materially adversely affect its business and financial results.

Pacific Life relies heavily on computer systems, as well as those of its third-party service providers (collectively, "**Computer Systems**"), to conduct business, including for customer service, marketing and sales activities, customer relationship management, and the preparation of statutory basis financial statements. Pacific Life maintains policies, standards, controls, procedures, automation, and backup plans designed to prevent or mitigate interruptions or failures of its Computer Systems. Nevertheless, these Computer Systems may be damaged, disrupted, or rendered inoperable due to natural disasters; telecommunications or other critical infrastructure failures; power outages; acts of war or terrorism; computer viruses; AI misconfiguration or misuse; physical or electronic security breaches, including breaches by computer hackers and cyberterrorists. In addition, Computer

Systems may be adversely affected by intentional or inadvertent misuse or error by authorized users or other similar events or disruptions. Such events may include attempts to gain improper access to Pacific Life's confidential and proprietary information, or to the confidential and proprietary information of its customers, business partners, or workforce. Notwithstanding any operational or technical security procedures or controls that Pacific Life or its third-party service providers and business partners have implemented; there is no assurance that such procedures or controls will be sufficient to prevent all data security related incidents from occurring. Any actual or perceived network, system, application, or data breach could result in operational disruptions or the misappropriation of information, including, but not limited to, interruption to Computer Systems availability, denial of access to and misuse of applications. Such events could also lead to increased regulatory scrutiny, enforcement actions, as well as exposure to litigation risk, all of which could adversely affect Pacific Life's business, results of operations, financial condition, and liquidity.

Failure to comply with expanding federal, state and international laws and regulations relating to data privacy, data protection, national security, cybersecurity security and consumer protection (collectively "Laws"), could adversely affect Pacific Life's business, results of operations, financial condition, and intra-group data sharing.

Pacific Life collects, shares, uses, transmits, stores, maintains, and otherwise processes personal information and other sensitive data relating to its customers and employees. It is subject to numerous Laws that govern the collection, use and protection of such data and personal information. These Laws are subject to change and states have begun enacting more comprehensive privacy laws and regulations addressing consumer rights to data protection or transparency that may affect Pacific Life's privacy and security practices or its use of data and technologies. Such Laws may be interpreted and applied differently over time and from jurisdiction to jurisdiction, and it is also possible that they will be interpreted and applied in ways that may have a material and adverse impact on Pacific Life's business, results of operations and financial condition. The regulatory frameworks of these Laws are continuously evolving and developing and, as a result, interpretation and implementation standards and enforcement practices are likely to remain uncertain for the foreseeable future. Many jurisdictions have enacted laws requiring companies to notify individuals of data security breaches involving certain types of personal data that are likely to result in a high risk to the rights and freedoms of these individuals, and in some cases Pacific Life's agreements with certain customers may require it to notify them in the event of a security incident. Additionally, some jurisdictions require Pacific Life to implement and maintain reasonable measures to safeguard its information systems and the personal information or confidential information stored thereon. *See* "Regulation—U.S. Insurance Regulation— Privacy of Consumer Information and Cybersecurity" for a further discussion of the risks applicable to Pacific Life.

The primary U.S. privacy law applicable to Pacific Life's privacy program is the Gramm-Leach-Bliley Act (the "**GLBA**") which mandates certain consumer privacy disclosures and requirements with respect to disclosures of personal nonpublic financial information, along with obligations to safeguard such data. In addition, certain states have enacted financial privacy laws that provide for additional data privacy rights and restrictions on data uses, as well as some broader privacy laws to which some of Pacific Life's business data may be subject. For example, the California Consumer Privacy Act (the "**CCPA**"), which went into effect on January 1, 2020, imposes obligations on businesses that collect the personal information of California residents, and provides California residents certain privacy rights, including, among other things, to access, correct and delete their personal information held by such businesses, opt out of certain personal information sharing, and receive detailed information about how their personal information is used. The California Privacy Rights Act (the "**CPRA**"), enacted in 2021 and in effect as of January 1, 2023, amended the CCPA, including by giving California residents additional data privacy rights, such as the ability to limit use of certain sensitive personal information, provided for certain restrictions on the use of cross-contextual advertising, established restrictions on the retention of personal information, expanded the types of data breaches subject to the CCPA's private right of action, and provided for increased penalties for CCPA violations concerning California residents under the age of 16. In addition, the CPRA established the California Privacy Protection Agency to implement the law through rulemakings, enforcement, and other activities. The CCPA, as amended, provides for civil penalties for violations, as well as a private right of action for data breaches. A growing number of states have also enacted, or are considering, similar comprehensive general consumer privacy laws which may further complicate Pacific Life's compliance efforts and add layers of complexity to the use of data and

technology in the U.S. market. While several of these laws include broad, entity-wide exclusions for businesses or data subject to the GLBA and state-level financial privacy laws, it is not certain that these laws will continue to maintain GLBA exceptions or how these exceptions will be interpreted.

As mentioned above, the GDPR imposes numerous technical and operational obligations on controllers and processors with respect to the processing of personal data. It has direct effect where an entity is established in the EEA or the U.K. (as applicable) and has extraterritorial effect where an entity established outside of the EEA or the U.K. (as applicable) inter alia processes personal data in relation to: (i) the offering of goods or services targeted to individuals in the EEA and/or the U.K. (as applicable) or (ii) the monitoring of the behavior of individuals in the EEA and/or the U.K. (as applicable). The GDPR provides data protection supervisory authorities with enforcement powers, including, for example, the ability to restrict processing activities and to impose fines of up to €20 million (under the EU GDPR) or £17.5 million (under the UK GDPR) or 4% of an organization's total worldwide annual turnover for the preceding financial year, whichever is higher. Individuals also have a right to compensation, as a result of an organization's breach of the GDPR which has affected them, for financial or non-financial losses (e.g., distress).

Regulators and legislators in many jurisdictions are closely following advances in AI, including generative AI, and adopting or considering the adoption of legislation and regulations requiring companies to restrict certain uses, or impose strict governance over the use of AI that uses personal or sensitive information or has the potential to impact decisions made about an individual (e.g., regarding automated decision-making). Laws and regulatory approaches vary, ranging from jurisdictions imposing rigorous pre-deployment testing to customer disclosure and opt-out provisions. Pacific Life may be subject to industry-specific cybersecurity or privacy requirements, non-discrimination rules or generally applicable business requirements regarding the development, deployment, use or adoption of AI technologies. Application of and interpretation of these evolving regulatory requirements could subject Pacific Life to material risks that may have an adverse impact of its business, results of operations and financial condition.

Pacific Life is also subject to multiple laws governing the security of personal data and its IT systems. *See* "Regulation—U.S. Insurance Regulation—*Privacy of Consumer Information and Cybersecurity*" for a further discussion of such laws applicable to Pacific Life. Moreover, in the event of a security or privacy breach, Pacific Life may be compelled to publicly disclose information to fulfill notification obligations under applicable laws, or to dispel inaccurate perceptions of its results of operations or financial condition. Such disclosures could lead to negative publicity and may cause Pacific Life's current and prospective customers to lose confidence in the effectiveness of its data security measures. Notifying stakeholders of breaches could also require Pacific Life to expend significant capital and other resources to respond to and alleviate problems caused by the actual or perceived security or privacy breach. A security or privacy breach could lead to claims by consumers or other relevant stakeholders that Pacific Life has failed to comply with its legal or contractual obligations to safeguard personal or other sensitive information. As a result, it could be subject to legal action or consumers could end their relationships with Pacific Life. Further, defending a suit, regardless of its merit, could be costly, divert management attention and harm Pacific Life's reputation. Moreover, if a high profile security or privacy breach occurs with respect to another similar provider, customers may lose trust in the security and privacy of the business model and underlying technology generally, which could adversely impact Pacific Life's ability to retain existing customers or attract new ones.

Ongoing efforts to comply with applicable U.S. and foreign privacy, data protection, and data security laws and regulations may cause Pacific Life to incur substantial costs or require Pacific Life to change its business practices and compliance procedures in a manner adverse to its business, take on more onerous obligations in its contracts, restrict its ability to collect, use and disclose data, or in some cases, impact its ability to operate in certain jurisdictions. Failure to comply with these laws could result in government investigations, sanctions or enforcement actions (which could include civil or criminal penalties), private litigation, claims, or public statements against Pacific Life and/or adverse publicity and could negatively affect its operating results and business. Claims that Pacific Life has violated individuals' privacy rights, failed to comply with privacy, data protection, and data security laws applicable to it, or breached its contractual obligations, even if Pacific Life is not found liable, could be expensive and time consuming to defend and could have a material adverse effect on its business, reputation,

financial performance and operations. Furthermore, the costs of compliance with, and other burdens imposed by, the laws, regulations and policies that are applicable to the businesses of Pacific Life's customers may limit the adoption and use of, and reduce the overall demand for, its products and services.

As cyber threats continue to evolve, including those driven by advancement in AI and sophisticated social engineering techniques, Pacific Life may be required to deploy additional controls and resources to continue to strengthen its cybersecurity program, harden systems and networks and investigate and remediate information security vulnerabilities. Despite these efforts, Pacific Life's systems , facilities, and data, as well as those of its third-party service providers, remain potentially susceptible to a range of privacy and information security incidents. These may include data breaches, malware, coordinated attacks, data loss, phishing or other social engineering attacks, ransomware, denial of service attacks and other threats stemming from malicious actors, technological flaws or human error. The growing use of AI by threat actors poses persistent complex challenges to corporate security programs and the personnel who oversee and manage them. Emerging AI technologies have significantly enhanced the sophistication, speed and scale of cyber threats. While Pacific Life maintains a comprehensive cybersecurity program, the dynamic nature of AI-driven attacks, coupled with novel social engineering techniques, introduces heightened levels of unpredictability and risk. As a result, despite our ongoing investments in security infrastructure, workforce training and threat intelligence, there can be no assurance that Pacific Life will be successful in preventing all cybersecurity incidents or mitigating all potential impacts and threats. In the event of a cyberattack, Pacific Life may be required to expend significant resources in the response, containment and mitigation of the attack as well as in defense against potential claims regarding the same.

The development of AI, including generative AI, and its use and anticipated use by Pacific Life or third parties on whom Pacific Life relies, may increase Pacific Life's operational risks.

The growth and availability of AI technologies, including generative AI, presents significant opportunities but also complex challenges, including with respect to balancing and mitigating potential risks of harm posed by the development or deployment of AI technologies. Pacific Life expects to use AI to help deliver products and services to its customers and to support critical functions, and also expects third parties on whom Pacific Life relies to do the same. However, there are significant risks involved in developing and deploying AI and there can be no assurance that the use of AI will be beneficial to Pacific Life's business, including its efficiency or profitability.

AI may be misused or introduce enhanced or novel security risks, and that risk is increased by the relative newness of the technology and the speed at which it is being developed. In addition, the models or datasets on which AI systems are trained may be flawed, incomplete or biased, or may function in an unexpected manner. For example, the use of AI on inaccurate data sets could result in inaccurate or biased decisions, damaging Pacific Life's reputation, or creating potential legal liabilities. The misuse of AI technologies could expose Pacific Life to legal or regulatory risk, lead to financial losses, damage customer relationships or cause reputational harm. Pacific Life's competitors may also adopt AI more quickly or more effectively, which could cause competitive harm to Pacific Life.

State treasury and insurance department initiatives with respect to unclaimed property may result in liabilities for Pacific Life if it or its reinsurers are not compliant.

Laws and regulations have been adopted that require life insurers to search for unreported deaths. The National Conference of Insurance Legislators has adopted the Model Unclaimed Life Insurance Benefits Act (the "**Unclaimed Benefits Act**") and legislation has been enacted in most states that is similar to the Unclaimed Benefits Act, although each state's version differs in some respects. The Unclaimed Benefits Act imposes requirements on insurers to periodically compare their in force life insurance and annuity contracts and retained asset accounts against the U.S. Social Security Administration's Death Master File or a similar database, investigate any potential matches to confirm the death and determine whether benefits are due, and to attempt to locate the beneficiaries of any benefits that are due or, if no beneficiary can be located, escheat the benefit to the state as unclaimed property. Additional states in which Pacific Life does business may consider adopting legislation similar to the Unclaimed Benefits Act. Pacific Life cannot predict whether such legislation will be proposed or enacted in additional states.

The occurrence of natural or man-made disasters or other unanticipated events could result in loss or disclosure of confidential information, damage to Pacific Life's reputation and impairment of its ability to conduct business effectively.

In the event of a natural disaster or extreme weather conditions, such as a major earthquake, blizzard or hurricane, or other catastrophic events like an epidemic, pandemic, industrial accident, blackout, terrorist attack, cyberattack, war, telecommunications or other critical infrastructure failure, geo-political event or any other event beyond Pacific Life's control, unanticipated issues with its disaster recovery systems could hinder its ability to resume operations promptly and efficiently.

Additionally, Pacific Life's capacity to store, retrieve and safeguard valuable data, including maintaining the security, integrity, availability, confidentiality or privacy of sensitive data such as personal and/or identifying information of its customers or business partners, and its ability to conduct computer-based data processing or transmissions could be compromised. This could materially affect its business operations, results of operations and financial condition.

Furthermore, any failure in Pacific Life's backup and recovery processes or disaster recovery systems could damage its reputation, subject it to regulatory penalties, sanctions or other legal claims, result in a loss of customers and revenue and negatively impact its business and financial outcomes.

In addition, Pacific Life is reliant on third-party administrators for the provision of certain administrative services necessary to operate its business. If such third-parties fail to deliver contracted services, Pacific Life may be unable to meet certain legal, regulatory, financial or customer obligations. Failure to perform, or poor performance by, its third-party administrators, including, for example, if a third-party administrator fails to meet contractual requirements, fails to comply with applicable laws and regulations, suffers a cyberattack or other security breach, or fails to maintain adequate internal controls, could result in an increase in customer complaints, regulatory intervention and financial harm to Pacific Life, which could adversely affect its reputation and business prospects.

Pacific Life's financial results may be materially adversely affected by global climate changes.

Atmospheric concentrations of carbon dioxide and other greenhouse gases have increased dramatically since the industrial revolution, resulting in a gradual increase in global average temperatures. These trends are expected to continue in the future, and have the potential to affect nearly all sectors of the economy to varying degrees.

Changes in temperatures and air quality may materially adversely affect Pacific Life's mortality experience. For example, increases in the level of pollution and airborne allergens may cause an increase in upper respiratory and cardiovascular diseases. Similarly, climate changes could increase the frequency and severity of natural disasters. Climate change may affect asset prices, as well as general economic conditions. For example, rising sea levels may lead to decreases in real estate values in coastal areas. Additionally, government policies to slow climate change (*e.g.*, setting limits on carbon emissions) may have a material adverse effect on the economy as a whole. Economic deterioration as a result of climate change may have a material adverse effect on the value of Pacific Life's investments and on its overall profitability.

In 2022, the NAIC adopted a new disclosure standard for insurers to report their climate-related risks as part of its annual Climate Risk Disclosure Survey, which applies to insurers that meet the reporting threshold of $100 million in countrywide direct premium and are licensed in one of the participating jurisdictions. The new disclosure standard is consistent with the international Task Force on Climate-Related Financial Disclosures' framework for reporting climate-related financial information. Pacific Life submits its Climate Risk Disclosure Survey to the NAIC each year in August.

Pacific Life may not be able to protect its intellectual property rights and it may become subject to third-party claims of intellectual property infringement, each of which may harm its business.

Pacific Life relies on a combination of contractual rights and copyright, trademark, patent and trade secret laws to establish and protect its intellectual property, and Pacific Life cannot assure you that it will be able to adequately obtain, maintain, protect, defend and enforce its intellectual property rights. Effective intellectual property rights protection may be unavailable, limited, or subject to change in some countries where Pacific Life does business. Moreover, any changes in, or unexpected interpretations of, intellectual property laws in any jurisdiction may compromise Pacific Life's ability to enforce its intellectual property rights.

Although Pacific Life uses a broad range of measures to protect its intellectual property rights, third parties may infringe, misappropriate or otherwise violate its intellectual property rights. Pacific Life has litigated, and may in the future litigate, to enforce and protect its intellectual property and to determine its scope, validity or enforceability, which could divert management attention and resources away from Pacific Life's core business operations and may not prove successful. Even if Pacific Life is successful, litigation could be time consuming and result in substantial cost.

Additionally, Pacific Life may be subject to costly litigation in the event that another party alleges its operations or activities infringe upon, misappropriate or otherwise violate their intellectual property rights, including patent rights or rights granted under a license arrangement. Third parties may have, or may eventually be issued, patents or other intellectual property rights that could be infringed, misappropriated or otherwise violated by Pacific Life's products, methods, processes or services or could limit its ability to offer certain product features. Any such intellectual property claims and any resulting litigation could result in significant expense and liability for damages, and in some circumstances Pacific Life could be enjoined from utilizing and benefiting from certain patents, copyrights, trademarks, trade secrets or licenses, or alternatively could be required to enter into costly licensing arrangements with third parties, all of which could have an adverse effect on Pacific Life's business, results of operations and financial condition.

Additionally, because of the substantial amount of discovery required in connection with intellectual property litigation, there is a risk that some of Pacific Life's confidential information could be compromised by disclosure during this type of litigation. The loss of intellectual property protection, disclosure of confidential information or the inability to secure or enforce the protection of Pacific Life's intellectual property assets could harm its reputation and have an adverse effect on its business.

USE OF PROCEEDS

The proceeds from the sale of each Series of Notes issued under the Program, net of discounts and commissions or similar applicable compensation, will be used immediately by the Issuer to purchase one or more Funding Agreements from Pacific Life.

DESCRIPTION OF THE ISSUER

*This section provides an overview of the material provisions of the Amended and Restated Trust Agreement, dated as of June 10, 2020 (the "**Trust Agreement**"), between the Administrative Trustee, the Trust Beneficial Owner and the Series Beneficial Owner, and the Certificate of Trust (the "**Certificate of Trust**") filed with the Secretary of State of the State of Delaware on April 29, 2020. These documents are not restated in their entirety and prospective investors should read the actual documents.*

General

The Issuer is a special purpose statutory trust created on April 29, 2020 and formed under the laws of the State of Delaware pursuant to the Trust Agreement and the filing of the Certificate of Trust for the purpose of, among other things, issuing the Notes. The exclusive purposes of the Issuer are, and the Issuer shall have the power and authority, to: (i) enter into certain agreements in connection with the Program; (ii) issue and sell the Notes; (iii) use the net proceeds from the sale of the Notes to purchase one or more Funding Agreements; (iv) pledge, collaterally assign and grant a security interest in the applicable Series Collateral for any Series of Notes to the Indenture Trustee; (v) pay amounts due in respect of the Notes; and (vi) engage in only those other activities necessary or incidental thereto.

The principal executive office of the Issuer is located at Pacific Life Global Funding II, c/o: Wilmington Trust, National Association, Rodney, Square North, 1100 North Market Street, Wilmington, Delaware 19890, Attn: Corporate Trust Administration; its telephone number is (302) 636-6000; and its facsimile number is (302) 636-4140. The organization identification number of the Issuer is 7952717. The Issuer's LEI Code is 6354003EUPCHXTWUU869.

The Issuer is Organized in Series

The Trust Agreement provides that the Issuer will be organized in series, as permitted by Sections 3804(a) and 3806(b)(2) of the Trust Act.

In connection with the issuance of each Series of Notes, the Issuer will: (i) create a separate Series of the Issuer pursuant to a Series Trust Agreement (as defined in the Trust Agreement); (ii) issue and sell the Notes of such Series of Notes with respect to the applicable Series of the Issuer; (iii) purchase each related Funding Agreement from Pacific Life and procure the other components of the Series Collateral with respect to the applicable Series of the Issuer; and (iv) pledge, collaterally assign and grant to the Indenture Trustee, for the benefit of the holders of such Notes, a first priority perfected security interest in and to the Series Collateral. *See* "Description of the Notes—General—Security; Limited Recourse."

Accordingly, the applicable Series of Notes and the liabilities, obligations and expenses related thereto will constitute debt, liabilities, obligations and expenses incurred, contracted for or otherwise existing with respect to the applicable Series of the Issuer. The Series Collateral for the applicable Series of Notes will constitute the assets of, and be associated with, such Series of the Issuer.

Although the applicable Series of the Issuer will not be a separate legal entity, the Trust Act provides that, if the Issuer complies with all applicable statutory requirements, the debts, liabilities, obligations and expenses incurred, contracted for or otherwise existing with respect to a particular Series of the Issuer will be enforceable only against the assets of such Series of the Issuer and not against the assets of the Issuer generally or the assets of any other Series of the Issuer. In addition, under the Trust Act, none of the debts, liabilities, obligations and expenses incurred, contracted for or otherwise existing with respect to the Issuer generally or any other Series of the Issuer will be enforceable against the assets of such Series of the Issuer. Notice of this limitation on liabilities of each Series of the Issuer is set forth in the Certificate of Trust.

Administrative Trustee

Wilmington Trust, National Association, will be the sole administrative trustee of the Issuer generally and with respect to each Series of the Issuer, and has agreed, under the terms of the Trust Agreement to provide certain administrative services to the Issuer generally and with respect to each Series of the Issuer until such time the relevant Series Trust is terminated. A Series Trust shall be terminated following the payment to each of the Holders of the relevant series of Notes, and the Series Beneficial Owner of all amounts required to be paid to them pursuant to such series of Notes, the relevant Series Indenture, the Trust Agreement, the relevant Series Trust Agreement and other program documentation. Under the Trust Agreement, the Administrative Trustee may resign at any time upon 60 days' notice to the Trust Beneficial Owner and the Indenture Trustee and may also be removed by the Trust Beneficial Owner for cause in case of the Administrative Trustee being adjudged bankrupt or subject to analogous proceedings. The resignation or removal of the Administrative Trustee shall become effective upon appointment by the Trust Beneficial Owner of a successor Administrative Trustee and the acceptance of such appointment by the successor Administrative Trustee. The Administrative Trustee has not participated in the preparation of this Offering Memorandum and will not be obligated in any way to make any payments under or in respect of the Notes. The Administrative Trustee is not affiliated with Pacific Life, the Trust Beneficial Owner, the Series Beneficial Owner, the Indenture Trustee or any of their respective affiliates.

Trust Beneficial Owner and Series Beneficial Owner

The Trust Beneficial Owner will be the sole owner of a beneficial interest in the Trust generally and the Deposit of the Issuer. After the payment in full to the Holders of a Series of Notes of all amounts required to be paid to them and the satisfaction of all other expenses and liabilities of the relevant Series of the Issuer, GSS SPV Services I, Inc., as the Series Beneficial Owner, will be entitled to receive any remaining Series Property (as defined in the Trust Agreement) of the relevant Series of the Issuer. As such, the Series Beneficial Owner will be the sole "beneficial owner" of each Series of the Issuer (as defined and used in Sections 3801(b) and 3806(b)(2) of the Trust Act). Neither the investment by the Trust Beneficial Owner nor any investment by the Series Beneficial Owner will be secured by the Series Collateral relating to any Series of Notes.

No Affiliation

None of Pacific Life or any of its officers, directors, subsidiaries or affiliates owns any beneficial interest in the Issuer nor has any of these persons or entities entered into any agreement with the Issuer other than: (i) a license agreement pursuant to which, among other things, Pacific Life Insurance Company has granted to the Issuer a non-exclusive license to use the name "Pacific Life Global Funding II" as provided therein in connection with the Program; (ii) the Support Agreement (as defined herein); (iii) the Purchase Agreement; and (iv) the Funding Agreements and certain other documents contemplated by the Program in connection with the issue and sale of the Funding Agreements and the Notes of each Series.

None of Pacific Life or any of its officers, directors, subsidiaries or affiliates is affiliated with the Trust Beneficial Owner, the Series Beneficial Owner, the Administrative Trustee or the Indenture Trustee.

Records and Financial Statements

As required by the Trust Act:

- separate and distinct records (directly or indirectly, including through a nominee or otherwise) will be maintained for each Series of the Issuer; and

- the assets associated with each such Series of the Issuer will be held in such separate and distinct records and maintained separately from the assets of the Issuer generally and from the assets of each other Series of the Issuer.

Delaware law does not require that the Issuer, either generally or with respect to any Series of the Issuer, prepare financial statements. Although the Issuer commenced operations on June 10, 2020, the Issuer has not prepared financial statements as of the date of this Offering Memorandum, and it is not anticipated that any such financial statements will be prepared with respect to the Issuer generally or with respect to any Series of the Issuer.

Expenses of the Issuer

The Issuer has entered into a Support and Expenses Agreement, dated as of June 10, 2020 (the "**Support Agreement**"), with Pacific Life, pursuant to which Pacific Life has agreed to indemnify the Issuer with respect to any and all of the costs, losses, damages, claims, actions, suits, expenses (including reasonable fees and expenses of counsel), disbursements, taxes, penalties and liabilities of any kind or nature of the Issuer, other than the following: (i) any obligation of the Issuer to make any payment to any Holder in accordance with the terms of the Notes; (ii) any obligation or expense of the Issuer to the extent that such obligation or expense has actually been paid utilizing funds available to the Issuer from payments under the applicable Funding Agreements; (iii) any cost, loss, damage, claim, action, suit, expense, disbursement, tax, penalty and liability of any kind or nature whatsoever resulting from or relating to any insurance regulatory or other governmental authority asserting that: (a) the Notes are, or are deemed to be, (1) participations in the Funding Agreements or (2) contracts of insurance; or (b) the offer, purchase, sale and/or transfer of the Notes (1) constitute the conduct of the business of insurance or reinsurance in any jurisdiction or (2) require the Issuer, any Purchasing Agent, or any Holder to be licensed as an insurer, insurance agent or broker in any jurisdiction; (iv) any withholding taxes imposed on or with respect to payments made under any Funding Agreement, the Indenture, any Series Indenture or any Note; and (v) any cost, loss, damage, claim, action, suit, expense, disbursement, tax, penalty and liability of any kind or nature whatsoever resulting from or relating to the acts or failures to act of any Service Provider (as defined in the Support Agreement) to the extent that such Service Provider would not be entitled to indemnification or payment from the Issuer in connection with any such act or failure to act pursuant to the terms of any agreement between the Issuer and such Service Provider in effect on the date of the Support Agreement.

Safekeeping Agreement

The Issuer has entered into the Safekeeping Agreement with the Collateral Safekeeper and the Indenture Trustee, pursuant to which the Issuer has appointed the Collateral Safekeeper as safekeeper for the Indenture Trustee with respect to each Funding Agreement that is pledged and collaterally assigned to the Indenture Trustee pursuant to the Indenture and each relevant Series Indenture, and that comes into the physical custody or possession of the Collateral Safekeeper under the Safekeeping Agreement. The Funding Agreements will be held in an account for the Indenture Trustee in the State of Delaware by the Collateral Safekeeper.

Governing Law

The Trust Agreement is, and each Series Trust Agreement will be governed by, and construed in accordance with, the laws of the State of Delaware.

CAPITALIZATION OF THE ISSUER

The following table presents the Issuer's capitalization.

	As of February 28, 2026
Debt:	
Short-Term Debt	$0
Medium-Term Debt[1]	14,877,196,514
Total Debt[1]	$14,877,196,514
Equity:	
Paid in Capital	1,000
Retained Earnings	0
Accumulated Other Comprehensive Income	0
Total Equity	1,000
Total Capitalization[1]	$14,877,197,514

[1] For purposes of calculating medium-term debt, total debt and total capitalization of the Issuer, any Notes not denominated in U.S. dollars have been converted into U.S. dollars using the spot exchange rate for the relevant currency in effect at the time of sale on the date of the applicable Pricing Supplement.

CAPITALIZATION OF PACIFIC LIFE

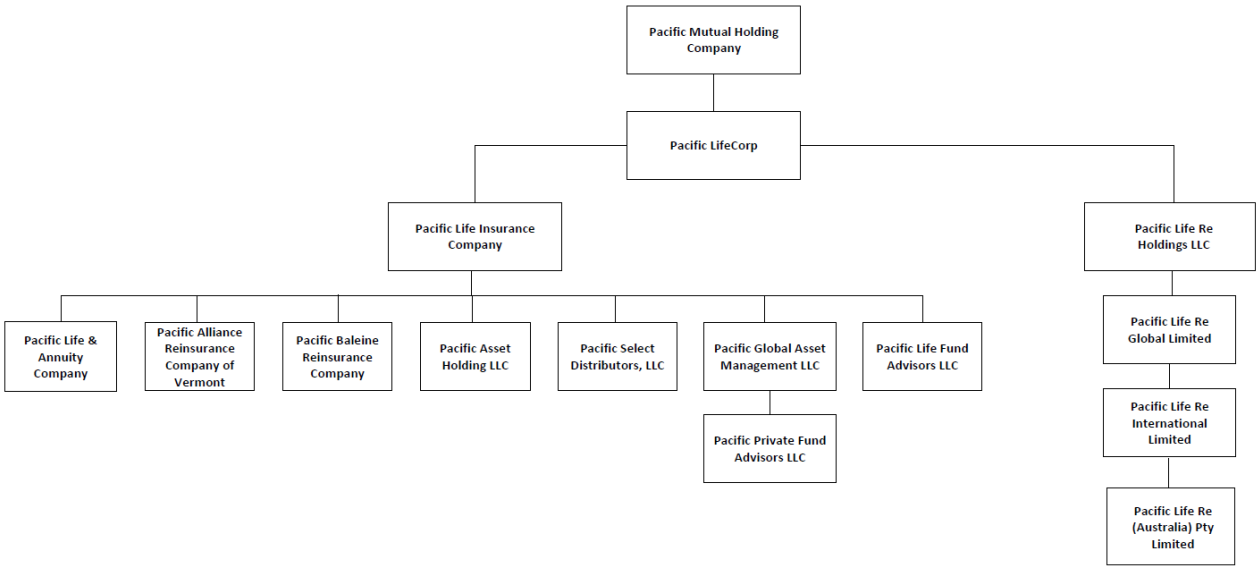
Pacific Life's Statutory Statements of Admitted Assets, Liabilities and Capital and Surplus includes its surplus and AVR. The amount by which the admitted assets of Pacific Life exceed its liabilities is referred to as surplus. The AVR stabilizes surplus from fluctuations in the value of the investment portfolio (other than fluctuations in the value of certain fixed income investments due to interest rate changes) of Pacific Life.

The following table sets forth the actual capitalization of Pacific Life as of December 31, 2025 and 2024, prepared in accordance with NAIC SAP. The AVR is included in the following table even though such reserve is shown as a liability on Pacific Life's Statutory Statements of Admitted Assets, Liabilities and Capital and Surplus. This treatment is consistent with the general view of the insurance industry and NAIC SAP. In addition, such reserve is included as part of total adjusted capital for RBC purposes.

(in millions)	December 31,	
	2025	2024
Capital and surplus:		
Common stock	$30	$30
Gross paid-in and contributed surplus	2,536	2,536
Other surplus adjustments	77	80
Special surplus funds	554	491
Unassigned surplus	9,175	7,557
Surplus notes	2,205	1,455
Total capital and surplus	14,577	12,149
AVR	2,955	2,050
Total capital and surplus and AVR	$17,532	$14,199

BUSINESS OF PACIFIC LIFE

The following chart shows PMHC, Pacific LifeCorp and their primary subsidiaries, including Pacific Life.



Overview

Pacific Life is a Nebraska stock life insurance company that was initially organized in 1868. Pacific Life is a direct, wholly owned subsidiary of Pacific LifeCorp, a Delaware stock holding company. Pacific LifeCorp is a direct, wholly owned subsidiary of PMHC, a Nebraska mutual insurance holding company. PL&A is an Arizona stock life insurance company and a wholly owned subsidiary of Pacific Life.

PMHC and Pacific LifeCorp were created in 1997 when Pacific Life converted into a mutual insurance holding company structure. Under Pacific Life's mutual insurance holding company structure, certain owners of policies of insurance and annuity contracts (other than funding agreements and certain other types of contracts) issued by Pacific Life are automatically members of PMHC. Members of PMHC have the right to elect the directors of PMHC, to vote on other matters coming to a vote of the members at annual and special meetings and to receive distributions of surplus in the event of the dissolution or liquidation of PMHC. Under Nebraska law and Pacific Life's organizational and conversion documents, PMHC must at all times own at least 51% of the outstanding voting stock of Pacific LifeCorp, and Pacific LifeCorp must at all times own all of the voting stock of Pacific Life.

Pacific Life transferred its legal domicile from the State of California to the State of Nebraska, effective August 24, 2005. PMHC transferred its legal domicile from the State of California to the State of Nebraska, effective June 29, 2007, in order to reunite PMHC and Pacific Life under one regulatory authority. *See* "Pacific Life's Mutual Insurance Holding Company Structure." Pacific Life's principal administrative office is located at 700 Newport Center Drive, Newport Beach, California, in an office building it owns.

Pacific Life's primary business operations include (1) providing life insurance, annuity and workforce benefits products[2]; (2) offering to individuals, businesses and pension plans a variety of investment products and services; and (3) offering a comprehensive range of wholesale life risk management products to other insurers and reinsurers. Pacific Life has been in business for nearly 160 years. Pacific Life is a Fortune 500 company headquartered in Newport Beach, California and has been named one of the 2026 World's Most Ethical Companies® by the Ethisphere Institute[3]. Pacific Life is the 15th largest life insurance company in the United States based on statutory admitted assets[4]. As of December 31, 2025, Pacific Life's total admitted assets were $240.4 billion, total capital and surplus was $14.6 billion and life insurance in force, net of reinsurance was $230.4 billion. Pacific Life is licensed to conduct business in all U.S. states except New York. In New York, individual life insurance and annuity products are available through PL&A. Product availability and features vary by state.

Pacific Life believes it is well positioned to compete effectively based upon a number of strengths, including its strong statutory capital and surplus position and investment performance, disciplined financial management strategies, innovative, customer-driven product offerings, productive and diversified distribution systems, sophisticated asset/liability management capabilities and customer service orientation. In addition, Pacific Life intends to continue to seek new business opportunities through acquisitions and strategic alliances. Pacific Life has been successful historically in growing its business significantly through assumptions and acquisitions of business, as well as through organic growth. Management intends to selectively participate in such transactions in the future with the goal of improving Pacific Life's position in existing markets or entering desirable new market areas.

On May 19, 2022, Pacific Life announced its entrance to the workforce benefits marketplace with a plan to phase in a comprehensive suite of group ancillary insurance options. Beginning with the 2024 enrollment year, the initial products offered included group dental, vision and term life insurance and three supplemental health products were later introduced mid-year. In late 2024, short-term and long-term disability products were added to the portfolio for coverage dates beginning January 2025.

[2] Workforce benefits products are currently issued by PL&A

[3] 2026 Ethisphere's World's Most Ethical Companies, data as of March 18, 2026.

[4] A.M. Best Company, Inc. Best's Statistical Study Top 200 U.S. Life/Health Writers - Total Admitted Assets - 2024, data as of July 2025.

Pacific Life's liability portfolio[5], which has a weighted average duration of 5.9 years, consisted of the following products as of December 31, 2025:

Aggregate Reserves and Deposit Liabilities by Product

	December 31 2025 *(in Millions)*
Retail life products	
Whole life	$9,971
Universal life	9,530
Indexed universal life	8,141
Variable universal life	3,862
Term life	264
Other	88
Annuity products	
Fixed indexed annuities	18,297
Structured settlement annuities	15,349
Fixed annuities	12,398
Variable annuities	1,236
Registered Index-Linked Annuities	33
Institutional products	
Medium-term funding agreements	23,732
Institutional fixed annuities	4,476
Pension risk transfer	2,142
Short-term funding agreements	1,421
Defined contribution lifetime income	76
Reinsurance products	2,116
	$113,132

As of December 31, 2025, the account value of Pacific Life's annuity and life insurance in force was 83% and 52% surrender protected, respectively. As of December 31, 2025, 19% of the account value of life insurance in force has secondary guarantees.

Retail Life Insurance Products

Pacific Life provides a broad range of retail life insurance products through multiple distribution channels operating in the affluent, broad and corporate markets.

Retail life insurance products include UL, indexed universal life ("**IUL**"), variable universal life ("**VUL**"), including private placement variable universal life insurance ("**PPLI**"), whole life, including interest sensitive whole life ("**ISWL**"), and term life. These products are designed to meet the needs of corporations for key person insurance (e.g., COLI) and benefit funding and the needs of individuals and small businesses for life insurance, asset accumulation and estate planning goals.

[5] Includes aggregate reserves and liabilities for deposit-type contracts.

As of December 31, 2025 and 2024, these life insurance products represented 28% of Pacific Life's total admitted assets. For the years ended December 31, 2025 and 2024, these life insurance products contributed a net loss from operations after tax of $931 million and $1.6 billion, respectively, on net premiums and deposits[6] received of $5.7 billion and $3.4 billion, respectively. For the year ended December 31, 2025, the increase in premiums is due to higher sales and Pacific Life exercising an on demand available excess reserve relief feature on a reinsurance agreement with a third party. *See* - Note 9 to Pacific Life's Statutory Basis Financial Statements included in this Offering Memorandum and "Management's Discussion and Analysis on Pacific Life" for further detail. The decrease in net loss from operations after tax was primarily driven by an increase in premiums mentioned above. Offsetting the net loss from operations after tax were $2.1 billion and $1.8 billion, respectively, in net realized capital gains net of tax, primarily due to equity derivatives used to hedge certain products which were market driven, for the years ended December 31, 2025 and 2024.

Pacific Life's products have sustained strong sales momentum in the individual life market and Pacific Life consistently and profitably expanded its presence in this market. Pacific Life has ranked among the top ten in total life insurance sales for each of the past 17 years.[7] For the year ended December 31, 2025, Pacific Life was ranked first of 60 companies in the United States for total life insurance sales[8], second of 22 companies in the United States for VUL insurance sales[9], and first of 29 companies in the United States for IUL[10]. Pacific Life has maintained its overall momentum and strong position in total industry sales by significantly increasing its sales of general account products through new product features and riders. In addition, Pacific Life has maintained a presence in the business market, including corporate-owned and corporate-sponsored sales.

The following table shows direct premiums and deposits[11] for Pacific Life's retail life insurance products:

Life Insurance Premiums and Deposits by Product

	Years Ended December 31	
	2025	**2024**
	(in Millions)	
Indexed universal life	$3,070	$2,647
Variable universal life	2,765	1,448
Term life	582	485
Universal life	555	547
Whole life	110	125
Other	6	2
	$7,088	$5,254

Products. The principal life products marketed and sold include UL, IUL, VUL, PPLI and term life. Pacific Life's products may be sold to employers as key person insurance or to fund non-qualified employee benefit plans.

[6] Includes premiums and annuity considerations for life and accident and health contracts and deposits received for deposit-type contracts, net of reinsurance.

[7] LIMRA International, Confidential Sales Report, Grand Total All Product Types, 2008- 2025. Sales rankings based on planned recurring premiums.

[8] LIMRA International, Confidential Sales Report, Grand Total All Product Types, Fourth Quarter 2025. Sales rankings based on planned recurring premiums.

[9] LIMRA International, Confidential Sales Report, Total Variable Universal Life, Fourth Quarter 2025. Sales rankings based on planned recurring premiums.

[10] LIMRA International, Confidential Sales Report, Total Indexed Universal Life, Fourth Quarter 2025. Sales rankings based on planned recurring premiums.

[11] Includes direct premiums and annuity considerations for life and accident and health contracts and deposits received for deposit-type contracts.

The life products offer a range of sophisticated riders that allow policies to be tailored to customer needs in a variety of advanced sales applications. Pacific Life also offers other riders, such as waiver of premium, accidental death benefits, accelerated death benefits for terminal illness and accelerated death benefits for chronic illness.

In general, for UL and IUL type products, insurance charges are assessed over the life of the insured, and the timing and amount of premium payments needed to fund these charges may be either fixed or flexible depending on the product. UL insurance products provide flexible premiums and death benefits. Premiums in excess of policy charges on UL type products are credited to the account value of the policy. The account value is also credited with interest at a rate that Pacific Life sets and periodically adjusts. IUL offers indexed account value options that credit interest based in part on the performance of a specified index, for instance, the Standard & Poor's Financial Services LLC ("**S&P**") 500® Index. Cost of insurance and administrative charges are deducted from the account value. These products have maximum cost of insurance guarantees and minimum interest crediting rate guarantees. Within the constraints of actual experience and these guarantees, the insurer has the right to change policy charges and interest crediting rates and other non-guaranteed elements. Flexible premium UL and IUL allows the policyholder to select and change premium levels and amounts of death benefits within guidelines established by the terms of the policy.

Certain UL products offer no lapse guarantee riders that allows insurance coverage to continue after the account value has been exhausted, provided certain conditions are met. An additional monthly charge may be assessed for this rider.

VUL has similar features to flexible premium UL, except that amounts paid into such policies net of charges are typically allocated by policyholders to separate accounts. There are no minimum interest rate guarantees on amounts allocated to the separate account. The policyholder may select a wide range of separate account investment options available through a number of variable account portfolios, including money market, domestic and international equity, bond and balanced funds. The policyholder bears the investment risk for funds invested in the separate account. The policyholder also has the option of allocating the account value to a fixed account with a minimum interest rate guarantee. Depending on the product, the policyholder may also have the option of allocating to indexed accounts. The fixed and indexed accounts are backed by Pacific Life's general account. Generally, the policyholder makes account value transfers between investment options within the separate account. The annual transfer limits between the separate account and the general account vary by contract. *See* "Business of Pacific Life —Separate Accounts."

Term products include ten-year, 15-year, 20-year, 25-year and 30-year term insurance. These term insurance products generally provide level death benefit coverage with level premiums for the indicated period followed by annually increasing rates to age 95. The policies may be converted to permanent life products during the conversion period which depends on the product.

Factors taken into account in setting charges or premiums include assumptions considered prudent by management for current and future investment returns, expenses, persistency and mortality. The long-term profitability of these products is affected by the degree to which future experience deviates from these assumptions. Most of Pacific Life's individual life insurance products are designed to permit periodic pricing adjustments that, among other things, reflect such experience through the payment of interest and mortality credits. Pacific Life's strategy for life insurance products recognizes the need to be responsive to the changing needs of its customers through product design and constant competitive analysis.

Distribution. Pacific Life has successfully marketed individual life products utilizing a multi-channel distribution strategy through four primary distribution channels: independent brokers, financial institutions, M Financial, wirehouses and Brokerage General Agencies ("**BGAs**").

The primary distributor of Pacific Life's life insurance products are independent life insurance brokers that interface through Pacific Life's nationwide network of regional sales offices. These independent producers generated 54% and 61% of new policy sales activity for life insurance products for the years ended December 31, 2025 and 2024, respectively.

Financial institutions accounted for 15% and 14% of the new sales activity for the years ended December 31, 2025 and 2024, respectively.

M Financial is an association of highly successful and independently owned and operated insurance and financial services producers in approximately 150 offices across the country. Each M Financial producer has an ownership position in M Life Insurance Company ("**M Life**"), a producer-owned reinsurance company. Typically, for M proprietary life insurance products, Pacific Life cedes a portion of each policy written by M Financial producers to M Life. The business produced by M Financial over its 40-plus year relationship with Pacific Life has achieved profitable results, and commensurate portions of those results have been ceded to M Life via a reinsurance arrangement. Pacific Life continues to rank as one of M Financials' top financial companies as measured by annualized commissionable premiums. M Financial has a number of offices specializing in sales to large firms for the funding of non-qualified benefit plans. M Financial generated 21% and 13% of new sales activity for the years ended December 31, 2025 and 2024, respectively.

Regional and national wirehouses accounted for 10% and 12% of the new sales activity for the years ended December 31, 2025 and 2024, respectively.

BGAs are independent producers and financial institutions contracted to represent or wholesale an insurance company's products to independent insurance brokers. Brokers then sell the policies to their clients. BGAs may provide a wide variety of supportive services for individual brokers which may include providing illustrations, processing applications, tracking cases and answering underwriting-requirement questions. BGAs represent multiple insurance companies' products. Pacific Life is actively adding select BGAs as part of its continued expansion into the broad market.

Annuity Products

Pacific Life offers a diversified range of VA and FA products, as well as structured settlement annuities ("**SSA**"), through multiple distribution sources. These products are designed to assist with the long-term financial and retirement needs of individuals and small businesses. Further, Pacific Life supports advisors with a range of professional planning resources to address client needs for securing retirement income today and in future years.

As of December 31, 2025 and 2024, annuity products represented 44% and 47% of Pacific Life's total admitted assets, respectively. For the years ended December 31, 2025 and 2024, these annuity products contributed a loss from operations after tax of $97 million and $29 million, respectively, on premiums and annuity considerations and deposits[12] received of $15.0 billion and $10.9 billion, respectively. The increase in net loss from operations after tax in 2025 as compared to 2024 was driven primarily by an increase in commissions due to increase in premiums partially offset by investment spreads due to higher interest rates. For the years ended December 31, 2025 and 2024, there were $265 million and $63 million, respectively, of realized capital gains, net of tax primarily impacted by derivatives hedging the VA and FA products driven by equity market performance and by interest rate movement on the VA products.

As of December 31, 2025, Pacific Life was ranked tenth of 57 for total annuity sales[13], fifth of 37 for traditional VA sales (excluding RILA)[14], seventh of 56 for fixed-rate deferred annuity sales (excluding SSA)[15], second of 8 for SSA sales[16] and ninth of 23 for RILA[17].

[12] Includes premiums and annuity considerations for life and accident and health contracts and deposits received for deposit-type contracts, net of reinsurance.

[13] LIMRA, U.S. Individual Annuities Sales Survey, Total Annuity Sales, Fourth Quarter 2025.

[14] LIMRA, U.S. Individual Annuities Sales Examination, Variable Annuity Breakout, Fourth Quarter 2025.

[15] LIMRA, U.S. Individual Annuities Sales Survey, Fixed Annuity Sales Breakout, Fourth Quarter 2025.

[16] LIMRA, U.S. Individual Annuities Sales Survey, Structured Settlements Trend, Fourth Quarter 2025.

[17] LIMRA, U.S. Individual Annuities Sales Survey, Registered Index-Linked Annuities Trend, Fourth Quarter 2025.

The following table shows direct premiums and deposits[18] for Pacific Life's annuity products:

Annuity Premiums and Deposits by Product

	Years Ended December 31	
	2025	**2024**
	(in Millions)	
Fixed annuities	$4,590	$1,981
Fixed indexed annuities	2,204	3,105
Variable annuities	4,013	3,909
Registered index-linked annuities	2,363	3
Structured settlement annuities	1,820	1,984
	$14,990	$10,982

Products. The principal annuity products offered include a mix of VA, FA, including fixed indexed annuities ("**FIA**") and structured products, such as SSA. During December 2024, Pacific Life launched its RILA product.

Pacific Life markets VA products offering a broad range of features and services. Surrender charge periods vary by product and multiple annuitization options are available. Most VA products allow for optional riders that provide living and/or death benefits for an additional charge for all riders. Other product and service options available include online contract management for contract owners and registered representatives and an asset allocation program with automatic rebalancing.

The VA products provide similar investment options to VUL products with the contract owner bearing the investment risk for funds invested in the separate account (subject, where applicable, to the guaranty features described below). For a description on guarantee features, *see* "Risk Factors—Risks Factors Related to Pacific Life's Business— Pacific Life's investment portfolio is subject to several risks that may diminish the value of its invested assets, which could impact its revenues and net income". The contract owner may select from a wide range of separate account investment options that are available through the Pacific Select Fund ("**PSF**") and additional variable insurance trusts. Additionally, some contract owners may allocate the account value to a fixed account. Pacific Life continues to offer new innovative annuity products and monitor new investment options and fund managers.

The FA products provide contract owners with stable returns backed by Pacific Life's general account. FA offerings include book value, market value adjusted, deferred income and single premium immediate annuities.

RILA is a type of long-term annuity investment that can help grow retirement savings while offering some protection from market fluctuations. While the investment's growth is tied to a market index, a protective buffer reduces downside risk if the index declines.

SSA guarantee payments are made either over an annuitant's life or for certain guaranteed periods or both, and are structured to meet the unique needs of the beneficiary of a personal injury settlement.

FIA is a type of long-term insurance product that offers principal protection with the opportunity for growth based on the performance of one or more market indices. Interest is credited based on positive index performance, subject to features such as caps, participation rates, or spreads.

[18] Includes direct premiums and annuity considerations for life and accident and health contracts and deposits received for deposit-type contracts.

Distribution. Annuity products are marketed through independent distribution channels. Current retail annuities are obtained through regional broker-dealers, registered investment advisors, insurance marketing organizations ("**IMOs**"), wirehouses and financial institutions. Regional broker-dealers are typically FINRA-independent financial planners. Registered investment advisory firms provide financial planning, investment advisory and wealth management services for clients in a fiduciary capacity. IMOs offer insurance products and services to insurance agents or agencies. Wirehouses include regional firms and larger national firms. Financial institution distributors include banks and credit unions.

Certain FAs are also offered to consumers directly through licensed producers through a program called Producer Alliance. Future efforts primarily focus on expanding existing distribution channels and obtaining a greater level of product penetration. SSAs are marketed through independent agents.

Institutional Products

Pacific Life provides a range of pension risk transfer ("**PRT**"), defined contribution lifetime income, stable value, institutional FAs and financing products to institutional customers.

As of December 31, 2025 and 2024, institutional products represented 20% and 18%, respectively, of Pacific Life's total assets. For the years ended December 31, 2025 and 2024, these institutional products contributed a net gain from operations after tax of $170 million and $204 million, respectively. The decrease in net gain from operations, net of tax was driven by an increase in ceded premiums. For the years ended December 31, 2025 and 2024, institutional products contributed net realized capital losses, net of tax of $7 million and $8 million, respectively.

As of December 31, 2025, Pacific Life was ranked fifth of 23 companies in the United States for PRT sales.[19] As of December 31, 2025, Pacific Life was ranked fifth in stable value wrap managed assets[20] and fifth in issuances of funding agreement-backed notes.[21]

The following table shows direct premiums and deposits[22] for Pacific Life's institutional products:

Institutional Premiums and Deposits by Product

	Years Ended December 31	
	2025	**2024**
	(in Millions)	
Medium-term funding agreements	$9,238	$6,480
Short-term funding agreements	4,686	6,571
Pension risk transfer	2,711	2,523
Institutional fixed annuities	1,385	1,041
Defined contribution lifetime income	114	30
	$18,134	$16,645

Products. Institutional products include PRT, defined contribution lifetime income, stable value, institutional FAs, and funding agreements.

[19] LIMRA, U.S. Group Annuity Risk Transfer Survey, Fourth Quarter 2025.

[20] Based on proprietary data sources.

[21] Based on proprietary data sources.

[22] Includes direct premiums and annuity considerations for life and accident health contracts and deposits received for deposit-type contracts.

PRT products are designed to meet the needs of defined benefit plan sponsors who wish to transfer the liability accrued under their plan to an insurance company. These contracts are typically purchased at plan termination or a spinoff for premium typically paid as lump sum at inception of the contract.

Defined contribution lifetime income products include single premium immediate annuities, qualified longevity annuity contracts, group deferred annuity contracts and group VA contracts with guaranteed lifetime benefit riders, which are utilized within defined contribution plans to provide immediate or deferred annuities for plan participants at retirement.

Stable value products include synthetic guaranteed investment contract ("**GIC**") products and group FA that provide capital preservation and a stable crediting rate over time. Synthetic GIC products are designed to meet the needs of stable value funds in the 401(a), 401(k), 457 and 529 markets. Synthetic GICs earn a fee for providing a guarantee of principal for benefit payments and periodically reset interest rates while allowing the plan to retain ownership of the underlying assets.

Institutional FAs are typically structured as an unallocated group annuity contract backed by the general account. They are designed for institutional clients, such as health savings account custodians or retirement plan sponsors.

Funding agreements include funding agreement-backed notes and commercial paper issued to institutional investors via medium term note, short term note and commercial paper programs. They also include funding agreements issued to the FHLB of Topeka and FAMC that are secured by approved collateral pledged to the FHLB of Topeka and FAMC, respectively. The pledged collateral for these programs is held in custodial accounts. Short-term funding agreements include funding agreements with maturities less than 12 months. Medium-term funding agreements have maturities greater than 12 months. Funding agreements are used for spread lending purposes in which Pacific Life earns a spread primarily derived from the difference between investment income earned and the amount credited to the customer. *See* Note 7 to Pacific Life's Statutory Basis Financial Statements included in this Offering Memorandum.

Distribution. PRT, defined contribution lifetime income, and stable value products are offered through plan sponsors, consultants and stable value managers or other partnerships. Funding agreements and institutional FAs are offered to institutional investors.

Reinsurance Products

Pacific LifeCorp, through its indirect subsidiaries, offers a range of products including reinsurance of life insurance, critical illness, income protection and annuity and longevity risk to insurance and annuity providers in the U.K., Europe, Canada, Australia and select markets in Asia. The reinsurance products also include the retrocession business, which assumes mortality risks from other life reinsurers. The retrocession business serves clients primarily in the United States, Canada, Europe, Asia and Australia.

The reinsurance business is conducted through various subsidiaries and branches. The principal operating subsidiaries are RGBM, RIBM and PLRA. RGBM and RIBM are life reinsurance companies domiciled in Bermuda and are wholly owned subsidiaries of Pacific Life Re Holdings LLC ("**PLRH LLC**"). RIBM is a direct subsidiary of RGBM. The retrocession business is primarily written through Pacific Life and RGBM. RIBM provides reinsurance to life insurance and annuity providers, including protection, longevity swaps and single premium annuity products, in the U.K., Europe, Canada and to insurers in select markets in Asia. RIBM also writes business in Australia through a retrocession with its affiliate, PLRA, which provides and administers a comprehensive range of life reinsurance products in Australia.

As of December 31, 2025 and 2024, the reinsurance products represented 1% of Pacific Life's total assets. For the years ended December 31, 2025 and 2024 these products contributed net gain from operations after tax of $151 million and $62 million, respectively, on premiums of $110 million and ($375) million, respectively. There was $5 million and $7 million in net realized capital gains net of tax for the years ended December 31, 2025 and

2024, respectively. Net gain from operations increased primarily due to higher ceded commissions paid in 2024 as a result of an amendment to a retrocession agreement, partially offset by net gain in 2024 due to the termination of two reinsurance treaties which did not reoccur in 2025. This is further offset by higher taxes, due to higher profits in current year.

Products. Reinsurance products offered through Pacific LifeCorp indirect subsidiaries consist of protection, savings and retirement and capital solutions products.

Protection products are generally term insurance products mostly linked to residential mortgages, covering death, critical illness or disability , or income protection risks which are primarily reinsured on a risk premium basis. The life retrocession business in Pacific Life assumes mortality risks from other life reinsurers, with a small amount of morbidity risk as part of larger treaties. The vast majority of business assumed is Yearly Renewable Term ("**YRT**"). In recent years, mortality risks assumed have primarily been sourced from excess retention pools. The majority of new business originates from the United States and Canada.

Savings and retirement products primarily support pension plans and insurers of such plans to manage longevity risk and provide protection against changes in mortality improvement and the specific risk of higher-than-expected pension or annuity payments.

RIBM has reinsured a significant share of its annuity business to Pacific Life on a quota share basis. RIBM retrocedes to Pacific Life longevity swap reinsurance business on both a facultative and automatic basis. As of December 31, 2025 and 2024, $13 million and $17 million, respectively, of reserves were assumed by Pacific Life under this automatic agreement. As of December 31, 2025 and 2024, $174 million and $173 million, respectively, of longevity swap reserves were assumed by Pacific Life under facultative agreements. RIBM retroceded to Pacific Life the single premium reinsurance business under facultative retrocession agreements. As of December 31, 2025 and 2024, $1.9 billion and $1.8 billion, respectively, of reserves were assumed by Pacific Life under these agreements.

Capital solutions products offer reinsurance solutions to optimize clients' balance sheets due to non-economic regulatory or accounting treatment, with a focus on markets in Asia, continental Europe and the United States.

Distribution. Reinsurance products are offered directly to insurers and reinsurers, as well as through brokers and consultants.

Workforce Benefits Products

Beginning with the 2024 enrollment year Pacific Life has offered workforce benefits products consisting of group dental, vision and term life insurance. Three supplemental health products were introduced mid-year 2024. In late 2024, short-term and long-term disability products were added to the portfolio for coverage dates beginning January 2025. These products are offered through PL&A. Most of PL&A's workforce benefit products are available in all states other than New York.

As of December 31, 2025 and 2024, workforce benefits had net loss from operations of $59 million and $56 million, respectively, primarily due to an increase in general expenses attributed to business growth, including salaries and benefit employee costs.

Products. Pacific Life's workforce benefits solutions are designed to meet the needs of small and mid-sized employers who wish to offer their employees a competitive benefits package designed to improve their health and financial security. Group dental and vision plans each leverage nationwide networks of dentists and vision care providers who have agreed to provide services at negotiated terms. Basic and voluntary group life insurance plans offer affordable, guaranteed issue, term life insurance protection against the financial risks of unexpected or premature death. Short and long term disability products provide income protection for employees and their dependents in the event the employee is disabled and unable to work. Voluntary, supplemental health products,

including critical illness, accident and hospital indemnity plans, complement primary major medical insurance and offer employees additional financial assistance for things like deductibles, co-insurance and other out-of-pocket expenses typically not covered by a major medical plan.

Distribution. Workforce benefits products are distributed through national and regional independent insurance brokers and benefits consultants, leveraging strategic partnerships with benefit administration platforms and quoting platforms.

Corporate

Included in Corporate are all other assets, liabilities and activities not allocated to any products. Corporate also provides various corporate administrative and investment management services on behalf of the product lines, the majority of which are allocated to the products at cost. Additionally, included in Corporate are the following activities: (i) the portfolio of surplus assets of Pacific Life, (ii) Pacific Life's financing activities (including the issuance of short- and long-term debt), (iii) securities lending and (iv) other corporate activities.

As of December 31, 2025 and 2024, Corporate represented 6% and 4%, respectively, of Pacific Life's total assets. For the years ended December 31, 2025 and 2024, Corporate reported a net gain (loss) from operations after tax of $60 million and ($230) million, respectively. Corporate had net realized capital losses from operations of $112 million and $72 million net of tax for the years ended December 31, 2025 and 2024, respectively. The gain from operations was mainly driven by higher subsidiary distributions reflected in net investment income due to real estate investment sales, along with increased tax benefits from operations as realized gains are taxed as capital gains.

Principal Subsidiaries and Affiliates

Pacific Life & Annuity Company

PL&A is a stock life insurance company domiciled in Arizona and is a direct, wholly owned subsidiary of Pacific Life. PL&A markets and distributes life insurance and annuities. PL&A has been deemed to be commercially domiciled in the state of New York and subject to certain requirements under New York insurance law that do not otherwise apply to New York-licensed insurers domiciled outside New York.

Pacific Alliance Reinsurance Company of Vermont

PAR Vermont is a direct, wholly owned subsidiary of Pacific Life and a Vermont-based special purpose financial insurance company subject to regulatory supervision by the Vermont Department. PAR Vermont is an accredited authorized reinsurer in Nebraska. Pacific Life cedes FDNLGR benefits to PAR Vermont. For further discussion, *see* Note 10 to Pacific Life's Statutory Basis Financial Statements included in the Offering Memorandum.

Pacific Baleine Reinsurance Company

PBRC is a direct, wholly owned subsidiary of Pacific Life and a Vermont-based special purpose financial insurance company subject to regulatory supervision by the Vermont Department. PBRC is an accredited authorized reinsurer in Nebraska. Pacific Life cedes certain level term life insurance and FDNLGR benefits to PBRC.

Pacific Asset Holding LLC

Pacific Asset Holding LLC ("**PAH**") is a direct, wholly owned subsidiary of Pacific Life that finances and invests in commercial real estate properties and joint ventures, mortgage loans and other private equity investments.

Pacific Select Distributors, LLC

Pacific Select Distributors, LLC ("**PSD**") primarily serves as the distributor of registered investment-related products and services, principally variable life and VA contracts, issued by Pacific Life and its wholly owned life insurance subsidiary, PL&A. PSF and unaffiliated Variable Interest Trusts are the investment vehicle provided to Pacific Life's variable life insurance policyholders and variable annuity contract owners. PSD offers limited retail broker-dealer services that include selling variable annuities issued by Pacific Life and PL&A to customers advised by third-party fiduciaries such as trust companies and registered investment advisers. With respect to these sales, PSD acts as the broker-dealer of record for the initial sale, but does not receive commissions or any form of consideration.

Pacific Private Fund Advisors LLC

Pacific Private Fund Advisors is a wholly owned SEC registered investment adviser with core focus on private market investments.

Pacific Life Fund Advisors LLC

Pacific Life Fund Advisors LLC ("**PLFA**") is a subsidiary of Pacific Life with two members: Pacific Life as managing member with 99% interest and PL&A with the remaining 1% interest. PLFA serves as the investment adviser for the PSF, the investment vehicle provided to Pacific Life's and PL&A's variable life insurance policyholders and VA contract owners. PLFA charges advisory and other fees based primarily on annual percentages of the average daily net assets of each of the underlying portfolios.

Pacific Life Re Global Limited

RGBM is an indirect, wholly owned subsidiary of Pacific LifeCorp. RGBM assumes U.S. life and annuity retrocession businesses through reinsurance agreements with Pacific Life, as well as other non-U.S. life retrocession business. The U.S. life and annuity retrocession businesses retroceded by Pacific Life to RGBM are comprised of YRT reinsurance treaties and group annuity treaties. Pacific Life retrocedes statutory reserves for the majority of the underlying YRT U.S. treaties on a 100% coinsurance basis to RGBM. Pacific Life cedes certain group annuities under a coinsurance with funds withheld agreement and a modified coinsurance agreement as well as, certain Term Life policies under a coinsurance agreement to RGBM. *See* Note 10 to Pacific Life's Statutory Basis Financial Statements included in this Offering Memorandum.

Pacific Life Re International Limited

RIBM is an indirect, wholly owned subsidiary of Pacific LifeCorp and a direct, wholly owned subsidiary of RGBM. RIBM was incorporated in Bermuda in 2019 and provides reinsurance to life insurance and annuity providers.

Pacific Life Re (Australia) Pty Limited

PLRA is an affiliate of Pacific Life and an indirect, wholly owned subsidiary of Pacific LifeCorp. PLRA is engaged in providing reinsurance which includes individual and group life, disability and critical illness and income protection reinsurance in Australia.

Underwriting

Insurance underwriting consists of the evaluation, selection, and classification of risks in accordance with approved product pricing, Pacific Life's established risk-tolerance levels, and its financial and operational objectives. The underwriting framework is designed to support appropriate reserving, anticipated death-benefit obligations, operational and administrative cost recovery, and prudent risk management that protects and delivers value to policyholders. Pacific Life underwriters are required to review applications in accordance with internal underwriting guidelines, applicable regulatory requirements, and reinsurer-supported standards to ensure accurate assessment and pricing of risk.

In determining insurability, the underwriting process may consider a range of factors, including but not limited to an applicant's medical history, laboratory test results, tobacco or nicotine use, motor vehicle records, avocational activities, and occupation. Underwriting criteria for each product are supported by reinsurer requirements and are reviewed and validated through periodic reinsurance audits. *See* "—Reinsurance." An insurance policy is issued only after all relevant risk factors have been evaluated, an underwriting decision has been made, the risk has been appropriately priced, and the offer has been accepted by the proposed insured or applicant. Pacific Life's underwriting approach incorporates its own mortality experience and is benchmarked against industry and reinsurer standards and best practices. Risk classification is intended to fairly differentiate applicants based on reasonably anticipated mortality, financial characteristics, and individual behavioral factors. Actual claims experience may deviate from expected or priced assumptions and may reflect emerging trends not previously identified. In such circumstances, Pacific Life employs a range of actuarial, underwriting, and risk-management measures to help ensure that actual claims experience remains consistent with long-term expected results.

Product Pricing

Pricing for life insurance and annuity products at Pacific Life follows our enterprise pricing policy, which is aligned to our risk appetite and is governed as part of our enterprise risk management framework. Product pricing is based on our current best-estimate assumptions that represent our most realistic expectations for future outcomes, informed by the latest available data. These assumptions drive projections of future cash flows, estimated reserves, and determine the capital needed to support each product. Future cash flows may include asset returns, expenses, commissions, hedging, reinsurance, withdrawals, loans, surrenders, death benefits, and taxes. The assumptions used to produce these cash flows are developed and approved through our assumption governance framework. Reserves that are based on a regulatory framework, such as the U.S. NAIC framework, often include margins for conservatism to account for uncertainty in the underlying assumptions. These margins are added to key best-estimate assumptions such as mortality, lapse, and expenses. The cost of capital allocated to products is included in pricing to capture additional risks that are not already covered by the margins in the reserves. Cost of capital refers to the lower yield on assets backing capital relative to the higher yield that could be achieved if these assets were deployed to support other business activities. Pacific Life's long-term profitability is affected by the degree to which actual experience deviates from these assumptions used in pricing.

For the institutional products, Pacific Life considers the legitimacy of the parties and the transaction, its legal authority to issue the contract or agreement, the eligibility requirements and benefit provisions of the pension plan, medical records if applicable, the expected range of potential cash flows under the contract or agreement, any permitted withdrawals and/or discontinuance provisions, the investment strategy to be employed, and special administrative issues and contract structuring and pricing. A contract or agreement is not issued until recognized risk factors have been evaluated and the extent of the risks has been determined.

For workforce benefits products, pricing reflects the specific risk demographics of each group quoted, including the age, gender, and salary of its members, as well as the geographic location, industry of work, and plan design features included in the quote. Commissions and other fee expenses are also directly considered into the pricing. If prior claims experience is provided, the underwriting team will evaluate the historical cost relative to the pricing assumption and the overall risk assessment of the group. Workforce benefits product pricing is set in one to four year rate guarantees and is renegotiated when the customer policy comes up for renewal. Pricing can be

changed over time to reflect the actual experience of the group or overall experience of the Pacific Life block of business.

Reinsurance

Pacific Life has ceded reinsurance agreements with other external insurance companies to limit potential losses, reduce exposure arising from larger risks, manage capital efficiently and provide additional capacity for future growth and has assumed reinsurance agreements intended to offset reinsurance costs. Pacific Life also cedes business to its affiliated insurance companies including PAR VT and PBRC, both of which are wholly owned subsidiaries of Pacific Life domiciled in Vermont, and RGBM.

As part of its risk management process, Pacific Life routinely evaluates its reinsurance programs and may change retention limits, reinsurers or other features at any time.

The ceding of risk does not discharge Pacific Life from its primary obligations to contract owners. To the extent that the assuming companies become unable to meet their obligations under reinsurance contracts, Pacific Life remains liable. Pacific Life evaluates the financial strength and stability of each reinsurer prior to entering into each reinsurance contract and throughout the period that the reinsurance contract is in place. *See* "Risk Factors—Risk Factors Related to Pacific Life's Business—Reinsurance and retrocessional coverage may not be available, affordable or adequate."

Life Insurance

Pacific Life utilizes reinsurance for its life insurance business to mitigate and manage certain risks as well as support the strategic goals and growth of the business. Risk management includes, but is not limited to, reducing insurance risk in the pricing process, controlling claims volatility and allowing for more efficient capital management.

Pacific Life has several reinsurance programs in effect to support its business objectives, some of which cede amounts to reinsurers in excess of the retention limits and others, which cede quota share amounts of insurance contract risks to reinsurers. Effective April 1, 2025, the maximum mortality risk retention is $30 million on a single life and $35 million on joint life coverage.

Certain NAIC Actuarial Guideline ("**AG**") 38 statutory reserves relating to FDNLGRs issued after June 30, 2005 through September 30, 2010 on UL insurance products were ceded from Pacific Life to PAR Vermont under reinsurance agreements.

The NAIC Valuation of Life Insurance Policies Model Regulation ("**Regulation XXX**") reserves for certain term products issued from June 1, 2013 to December 31, 2014 as well as the AG 38 reserves on certain FDNLGR for certain policies issued from 2009 through December 31, 2014 were ceded from Pacific Life to PBRC. Additionally, Regulation XXX and AG 38 reserves on certain FDNLGRs and term insurance products issued from January 1, 2015 to December 31, 2019 are ceded from Pacific Life to PBRC under a separate reinsurance agreement which is subject to AG 48.

Security is not required for statutory reserve credits taken by Pacific Life since both PAR Vermont and PBRC are accredited as authorized reinsurers in Nebraska. PAR Vermont and PBRC were accredited in August 2011 and December 2013, respectively. An XOL reinsurance agreement with a maximum commitment amount of $1.5 billion and expiration date of December 1, 2044, support the statutory reserves at PAR Vermont. As of December 31, 2025, the XOL Asset Value amounted to $847 million. Reserves in excess of economic reserves are supported at PBRC by a note facility with a maximum commitment amount of $1.6 billion. Through this facility, PBRC issued a surplus note with a maturity date of December 2046 and received a promissory note in return with a maturity date of December 2041. As of December 31, 2025, the promissory note amounted to $1,047 million and was held in a trust with Pacific Life as the beneficiary. Both the XOL reinsurance agreement and the note facility are non-recourse to Pacific LifeCorp and its affiliates, other than PAR Vermont and PBRC, respectively.

As part of a strategic alliance, Pacific Life also reinsures risks associated with policies written by M Financial, an independent producer group. Policy risks are transferred to this producer group's reinsurance company M Life using YRT and modified coinsurance ("**Modco**") forms of reinsurance. This pertains to all qualified life business produced by M Financial with M Life. Pacific Life has had a reinsurance arrangement with M Financial for over 40 years, and the current agreement has been in effect since 2021. Pacific Life utilizes a flexible Modco reinsurance arrangement where the majority of policies are reinsured up to or at 50% quota share but can be reinsured up to 100%. All assets associated with business reinsured on a Modco basis remain with, and under the control of, Pacific Life.

To manage capital more efficiently, Pacific Life reinsures a portion of in force IUL business issued from 2005 to 2022 to a third-party reinsurer using coinsurance with funds withheld and YRT.

Effective December 2025, Pacific Life entered into a 100 percent quota share, coinsurance agreement to cede certain Term Life policies to RGBM, which is recognized as a Reciprocal Jurisdiction Reinsurer in Nebraska, to achieve capital efficiencies.

Annuities

Pacific Life reinsures a portion of its VA business under coinsurance and Modco arrangements. GLBs on VA contracts issued from January 1, 2007 to March 31, 2009 and contracts issued from April 1, 2015 to March 31, 2017 are partially reinsured by third party reinsurers. These reinsurance arrangements are used to offset a portion of Pacific Life's exposure to the VA GLBs for the lives of the host VA contracts issued.

Pacific Life reinsures a quota share of new business premiums of certain FA contracts under a reinsurance treaty with a third-party subject to a cap. Pacific Life ceased ceding new business effective January 1, 2024 based on the cap. Pacific Life entered into this arrangement to grow its FA business and optimize the balance sheet, including capital efficiencies. The obligations under this treaty are secured by a trust account for the benefit of Pacific Life.

Institutional

Pacific Life utilizes reinsurance agreements with RGBM to achieve capital efficiencies. Effective September 2024, Pacific Life entered into a coinsurance with funds withheld agreement to cede certain group annuities to RGBM, and in September 2025, Pacific Life amended and restated this existing agreement to cede an additional block of certain group annuities. Effective September 2025, Pacific Life entered into a modified coinsurance agreement to cede certain other group annuities to RGBM.

Reinsurance

Retrocession agreements related to longevity swap and pension risk transfer reinsurance business are assumed by Pacific Life from RIBM on both a facultative and automatic basis. Single premium pension business provides protection related to investment risk and longevity risks associated with pension schemes. Pacific Life assumes the single premiums reinsurance business from RIBM under facultative retrocession agreements.

Enterprise Risk Management

Pacific Life's enterprise-wide risk management framework defines objectives, establishes risk appetites, tolerances and limits and specifies practices for risk management. The framework supports risk management activities in the operating divisions, ensuring that a disciplined, consistent approach is applied to the practice of risk management. The risk management program is designed to avoid excessive risks that could endanger Pacific Life's survival, modify the risk profile to support sustainable earnings, promote risks that diversify and reduce total company risk, optimize risk adjusted returns, and provide transparency of risks in internal and external reporting. Pacific Life's risk management policies provide a consistent approach to measurement, mitigation, control, and monitoring of risk exposures. Key risks managed via Pacific Life's risk management framework include interest rate risk, equity market risk, credit risk, currency risk, liquidity risk, insurance risk and operational risk, including with respect to cybersecurity.

Pacific Life has a dedicated ERM group which is responsible for establishing risk management policies and standards at the enterprise level as well as the aggregation, monitoring and coordination of risk measurement and management on an enterprise-wide basis. In addition, ERM is engaged in Pacific Life's risk and portfolio management decisions, as well as its product development process. ERM works with Pacific Life's operating businesses to assure comparability and compatibility of risk measurement results.

Pacific Life has risk management programs that include a process that applies qualitative and/or quantitative analysis of the risk exposures with appropriate reporting to senior management. The analysis is used to monitor quarterly enterprise-wide risks. There are also risk identification programs to identify the current key risks that may impact the business. Exposures to these risks are assessed on a qualitative and/or quantitative basis. Risk control programs are documented and action plans are established for mitigating the exposure. The key risks are monitored by senior management and reported to a committee of PMHC's Board of Directors ("**PMHC Board**") on an annual basis or more frequently, if necessary.

Asset/Liability Management

A key objective of asset/liability management is to ensure that cash flows produced by Pacific Life's assets are sufficient to meet payment obligations to our clients and policyholders. The asset/liability management philosophy is that invested assets should be diversified, high credit quality and reflect the characteristics of product liabilities. To this end, Pacific Life has established investment portfolios supporting each principal line of business that are well diversified, predominantly investment grade and aligned with the structure of the corresponding liabilities.

Pacific Life's asset/liability management program is managed collaboratively by a team of experienced professionals across multiple disciplines, including risk management, investment and actuarial. The matching relationship between assets and liabilities is regularly analyzed and monitored across the enterprise and down to principal lines of business as part of the ongoing asset/liability management process.

Separate Accounts

Insurers are permitted to establish separate investment accounts in which assets backing certain products are held. The investments in each separate account are maintained separately from those in other separate accounts and the general account. Pacific Life has a commingled separate account for PRT group annuity contracts. Pacific Life and PL&A both have pooled separate accounts for multiple customers, as well as separate accounts that fund variable life insurance and VA products sold to individuals and certain group annuity contracts offered through plan sponsors. As of December 31, 2025 and 2024, $83.0 billion and $72.1 billion, respectively, were held in separate accounts. Except in certain limited situations permitted by applicable law, separate account assets are not available to fund the liabilities of Pacific Life and PL&A and would not be available to support the Notes or fund payments to general account creditors in a liquidation or rehabilitation of Pacific Life or PL&A.

Separate accounts for PRT and other institutional group annuity contracts offer insulation to plan sponsors with guaranteed benefit payments to covered participants. Separate accounts for variable life insurance and VA products offer individuals the opportunity to participate in the investment results of third-party variable insurance trusts and the PSF, an open-end, management investment company, organized as a Delaware statutory trust and registered under the Investment Company Act of 1940, as amended (the "**Investment Company Act**"). The PSF consisted of 62 available investment options as of December 31, 2025. A wide array of investment options is available from the PSF. Twelve of the portfolios are managed by PLFA, six portfolios are co-managed by PLFA and the other portfolios are managed by nationally recognized money managers under PLFA's supervision.

For variable life insurance and VA products and certain group annuity contracts offered through plan sponsors, the investment results of separate account assets typically pass through directly to policyholders and contract owners allocated to the separate account options so that an insurer derives fees from, but bears no investment risk on, these assets. However, for variable products with certain guarantees, Pacific Life bears the risk that the investment results of the separate account assets will not meet the minimum guaranteed rates of performance. Should the minimum rates of return not be met on these separate account products, the general account is liable for the shortfall. For PRT products, Pacific Life also bears the risk that the investment results of the separate accounts will not meet the guaranteed benefit payments and the general account is liable for any shortfall.

Separate accounts are also used in connection with RILAs. RILA contract owners do not have any interest in or claim to the separate account assets and do not share in the investment experience of the separate account assets. Pacific Life may invest the separate account assets in any assets permitted under Nebraska Insurance Law, including hedging instruments, and may move assets from the separate account to the general account and vice versa. RILAs provide guarantees for a defined amount of equity loss protection and upside participation. To the extent the separate account assets are insufficient to meet Pacific Life's obligations under the RILA, such guarantees are backed by and subject to Pacific Life's financial strength and claims-paying ability.

Legal Proceedings

Pacific Life is a respondent in a number of legal proceedings, some of which involve allegations for extra contractual damages.

Although Pacific Life is confident of its position and the likelihood of an unfavorable outcome is low, it remains possible that a judge or jury could rule against Pacific Life. In the opinion of management, the outcome of such proceedings is not likely to have a material adverse effect on Pacific Life's financial condition. Pacific Life believes adequate provision has been made in its statutory basis financial statements for all probable and reasonably estimable losses for litigation claims against Pacific Life. For a further discussion, *see* Note 18 to Pacific Life's Statutory Basis Financial Statements included in this Offering Memorandum.

Dividends Received Deduction

Pacific Life realizes certain U.S. federal income tax benefits in connection with its variable life insurance and VA products. These benefits reduce Pacific Life's U.S. federal income tax liability, and include a DRD

associated with the separate accounts that Pacific Life establishes and maintains in connection with variable life insurance and VA products. *See* "—Separate Accounts." During 2007, the IRS issued Revenue Ruling 2007-54, which provided the IRS's interpretation of tax law regarding the computation of the separate account DRD. On September 25, 2007, the IRS issued Revenue Ruling 2007-61, which suspended Revenue Ruling 2007-54 and indicated the IRS would address the proper interpretation of tax law in a regulation project that is on the IRS's priority guidance plan. The IRS later issued Revenue Ruling 2014-7, which superseded Revenue Ruling 2007-54 and Revenue Ruling 2007-61. With the enactment of the TCJA on December 22, 2017, separate account DRD computations have been modified effective January 1, 2018. Therefore, Pacific Life does not expect that any of the rulings described above will affect separate account DRD computations post 2017. However, in open tax years before 2018, Pacific Life could still lose a substantial amount of separate account DRD tax benefit, which could have a material adverse effect on its financial condition or results of operations. *See* "Risk Factors—Risk Factors Related to Pacific Life's Business—Rulings by the U.S. IRS and changes in U.S. federal tax laws could affect certain U.S. federal income tax benefits that Pacific Life realizes in connection with variable life insurance and annuity products, which could have a material adverse effect on Pacific Life's results of operations or financial condition for open tax years prior to 2018."

Ratings

An insurer's financial strength rating represents an opinion by the issuing agency regarding the ability of an insurance company to meet its financial obligations to its policyholders and contract holders. A rating is an opinion of the rating agency only and not a statement of fact or recommendation to purchase, sell or hold any security, policy or contract. These ratings do not imply approval of Pacific Life's products and do not reflect any indication of their performance. There can be no assurance that Pacific Life's ratings will continue for any given period of time or that they will not be adjusted or withdrawn. Additionally, rating agencies may change their rating methodology, which could have a material impact on Pacific Life's financial strength ratings. Pacific Life's financial strength ratings as of February 28, 2026 are set forth in the chart below.

Rating Agency	Rating	Rating Scale	Ratings Outlook
S&P	AA- (Very Strong)	Fourth highest of 20 ratings	Stable
Moody's	Aa3 (Excellent)	Fourth highest of 21 ratings	Stable
Fitch	AA- (Very Strong)	Fourth highest of 21 ratings	Stable
A.M. Best	A+ (Superior)	Second highest of 13 ratings	Stable

Pacific Life's ratings are of interest to policyholders and holders of its debt securities (including the notes offered hereby). Pacific Life's ratings do not reflect an evaluation of the safety and security of the notes.

For a discussion of risks relating to Pacific Life's ratings, *see* "Risk Factors—Risk Related to Pacific Life's Business—Downgrades or potential downgrades in Pacific Life's ratings could harm its competitive position and could have a material adverse effect on your investment in the Notes."

Employees

As of December 31, 2025, Pacific Life had approximately 3,700 employees. None of its employees are covered by a collective bargaining agreement. Pacific Life believes that its employee relations are satisfactory.

Properties

Pacific Life's principal administrative office is located at 700 Newport Center Drive, Newport Beach, California, in an office building it owns. Pacific Life also owns and leases office space at various locations across the globe, with significant operations in Omaha, Nebraska, and London, England. Other principal leases include smaller regional offices. Pacific Life believes that its current and planned facilities are adequate for its present needs in all material respects.

SUMMARY STATUTORY FINANCIAL INFORMATION

Pacific Life is required to prepare statutory basis financial statements in accordance with NE SAP, which is a comprehensive basis of accounting different from U.S. GAAP.

The NAIC SAP, has been adopted as a component of prescribed or permitted practices by the NE DOI. Prescribed statutory accounting practices include state laws and regulations. Additionally, the Director has the right to permit other specific practices, which deviate from prescribed practices.

The NE DOI approved a permitted accounting practice, effective January 1, 2022, allowing Pacific Life to calculate the policy reserves for funding agreements based on a methodology that differs from the NAIC SAP. Policy reserves for funding agreements are calculated based on SSAP No. 52, Deposit-Type Contracts, and the reserving methodologies in Appendices A-820 and A-822 which utilizes a reference rate in the valuation interest rate calculation based on an average of a historical twelve-month period ending on June 30 of the calendar year of issue or purchase. In the permitted practice, Pacific Life utilizes a reference rate in the valuation interest rate calculation based on the day of the funding agreement issuance which results in a policy reserve less than or equal to the NAIC SAP policy reserve. *See* Note 1 to Pacific Life's Statutory Basis Financial Statements included in this Offering Memorandum.

The NAIC's Life Actuarial Task Force has adopted Amendment Proposal Form 2024-05 for the 2025 Valuation Manual, which allows a monthly determination of the statutory maximum valuation rate for Pacific Life's funding agreements, with domiciliary Commissioner approval. Pacific Life received Commissioner approval to determine statutory maximum valuation rates as described in Valuation Manual Section II Subsection 3(C) for contracts issued on or after January 1, 2017 (the operative date of the Valuation Manual), effective January 1, 2025. Pacific Life shall continue to determine statutory maximum valuation rates using the same methodology for future valuations. Pacific Life's permitted practice was no longer used subsequent to December 31, 2024.

During 2024, Pacific Life applied Nebraska Insurance Law Section 44-2222 for the registered index-linked annuities ("**RILA**") products to align with how Pacific Life manages and measures the overall general account portfolio. The state prescribed practice allows for assets, other than derivatives, to be transferred between the general account and non-insulated Separate Account at book value instead of fair value in accordance with SSAP No. 56, *Separate Accounts*.

Summary Statutory Basis Financial Information

The following summary statutory basis financial information set forth in the following tables and other data for Pacific Life's business unless otherwise noted, has been prepared in accordance with NE SAP.

You should review these tables in conjunction with the Management's Discussion and Analysis of Pacific Life included elsewhere in this Offering Memorandum. The preparation of statutory basis financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the statutory basis financial statements and the reported amounts of revenues and expenses during the applicable reported period. Actual results may differ from such estimates. Additionally, the results for past accounting periods are not necessarily indicative of the results to be expected for any future accounting period.

Pacific Life's summary statutory basis financial information as of December 31, 2025 and 2024 and for each of the years ended December 31, 2025, 2024 and 2023 (other than "life insurance in force" and "employees" included in "Other Data") has been derived from Pacific Life's audited statutory basis financial statements, included in this Offering Memorandum. The summary statutory basis financial information for Pacific Life as of December 31, 2023 (other than "life insurance in force" and "employees" included in "Other Data") has been derived from Pacific Life's audited statutory basis financial statements, not included in this Offering Memorandum.

Statutory Statement of Operations and Changes in Capital and Surplus Data

	Years Ended December 31,		
	2025	**2024**	**2023**
Statement of Operations Data:		***(in Millions)***	
Revenues:			
Premiums and annuity considerations	$18,161	$13,678	$3,955
Net investment income	4,640	3,946	3,818
Reserve adjustments on reinsurance ceded	965	(1,023)	(526)
Separate account fees	1,473	1,406	1,329
Other income	525	394	169
Total revenues	25,764	18,401	8,745
Benefits and expenses:			
Current and future policy benefits	22,543	16,624	7,702
Commission expense	1,597	1,563	1,078
Operating expenses	2,081	1,787	1,177
Total benefits and expenses	26,221	19,974	9,957
Net gain (loss) from operations before federal income taxes	(457)	(1,573)	(1,212)
Federal income tax expense (benefit)	243	79	(26)
Net gain (loss) from operations	(700)	(1,652)	(1,186)
Net realized capital gains (losses), less tax	2,266	1,830	1,237
Net income	1,566	178	51
Changes in capital and surplus:			
Change in net unrealized capital gains (losses), less tax	475	470	81
Change in net deferred income tax	(70)	58	94
Change in nonadmitted assets	137	147	233
Change in asset valuation reserve	(905)	(627)	(252)
Surplus contributed to separate accounts	(104)	(120)	(198)
Other changes in surplus in separate accounts	117	120	198
Net change in surplus notes	750	—	(133)
Reinsurance gain deferral	517	134	—
Dividend to stockholders	(50)	—	—
Prior period adjustment	—	—	21
Other surplus adjustments for derivatives	(3)	(3)	(8)
Change in other surplus transactions	(2)	—	3
Net change in capital and surplus	2,428	357	90
Capital and surplus at beginning of period	12,149	11,792	11,702
Capital and surplus at end of period	$14,577	$12,149	$11,792

Statutory Statements of Admitted Assets, Liabilities and Surplus Data

	December 31,		
	2025	**2024**	**2023**
Statements of Admitted Assets, Liabilities and Capital and Surplus:		***($ in Millions)***	
Admitted assets:			
Bonds	$91,537	$82,251	$76,921
Preferred stocks	57	1	1
Common stocks	754	755	687
Mortgage loans	21,862	19,596	18,648
Real estate	63	70	120
Cash, cash equivalents and short-term investments	2,431	2,864	3,018
Contract loans	8,795	8,527	8,187
Derivatives	3,866	3,209	2,530
Securities lending reinvested collateral assets	5,523	1,793	3,096
Other invested assets	18,554	13,563	10,710
Investment income due and accrued	1,117	945	957
Net deferred tax asset	824	1,009	746
Other assets	2,070	2,516	2,038
Separate account assets	82,989	72,114	65,576
Total admitted assets	$240,442	$209,213	$193,235
Liabilities and capital and surplus			
Liabilities:			
Aggregate reserves	$75,450	$73,036	$72,346
Liability for deposit-type contracts	37,682	28,797	22,005
Transfers to separate accounts due or accrued, net	(776)	(467)	(492)
Funds held under coinsurance	15,144	13,259	11,620
Other liabilities	12,421	8,275	8,965
Asset valuation reserve	2,955	2,050	1,423
Separate account liabilities	82,989	72,114	65,576
Total liabilities	225,865	197,064	181,443
Capital and surplus:			
Common stock	30	30	30
Paid-in surplus	2,536	2,536	2,536
Other surplus adjustments	77	80	83
Special surplus funds	554	491	231
Unassigned surplus	9,175	7,557	7,457
Surplus notes	2,205	1,455	1,455
Total capital and surplus	14,577	12,149	11,792
Total liabilities and capital and surplus	$240,442	$209,213	$193,235
Other Data:			
Life insurance in force, net of reinsurance	$230,371	$284,403	$236,291
Employees	3,690	3,419	3,213

MANAGEMENT'S DISCUSSION AND ANALYSIS OF PACIFIC LIFE

Overview

The following discussion and analysis of Pacific Life's statutory basis financial condition and results of operations should be read in conjunction with the "Summary— Summary Statutory Basis Financial Information."

Pacific Life's total revenues are derived principally from premiums and annuity considerations, net investment income from its general account assets, separate account related fees and other income. Pacific Life's benefits and expenses consist principally of insurance benefits provided to policyholders and beneficiaries, changes to reserves, commissions and operating expenses.

2025 Significant Transactions or Notable Items

The NAIC's Life Actuarial Task Force has adopted Amendment Proposal Form 2024-05 for the 2025 Valuation Manual, which allows a monthly determination of the statutory maximum valuation rate for Pacific Life's funding agreements, with domiciliary commissioner approval. Pacific Life received Commissioner approval to determine statutory maximum valuation rates as described in VM Section 11, Subsection 3(C) for contracts issued on or after January 1, 2017 (the operative date of the Valuation Manual), effective January 1, 2025. Pacific Life shall continue to determine statutory maximum valuation rates using the same methodology for future valuations. Pacific Life's permitted practice was no longer used subsequent to December 31, 2024.

Effective January 2025, Pacific Life adopted revisions to SSAP No. 21, *Other Admitted Assets*, SSAP No. 26, *Bonds*, SSAP No. 41, *Surplus Notes*, and SSAP No. 43, *Asset-Backed Securities*, as part of the Principles Based Bond Definition Project.

In March 2025, Pacific Life entered into an agreement with FAMC, under which Pacific Life can borrow up to $900 million by issuing funding agreements to a subsidiary of FAMC. As of December 31, 2025 Pacific Life had $100 million of fixed rate funding agreements issued to FAMC.

In April 2025, Pacific Life executed a novation agreement transferring term life business reinsured from other direct writers to Hannover Life Reassurance Company of America ("**HLRUS**"). Under the terms of the novation, HLRUS assumed all of the Pacific Life's rights and obligations thereunder and became the direct reinsurer with the ceding companies. Pacific Life derecognized assumed reserves of $113 million, net of ceded impact of $92 million, offset by a cash settlement of $15 million for a net gain of $6 million.

In July 2025, the One Big Beautiful Bill Act (the "**OBBBA**") was enacted into law. The legislation includes a broad range of tax reform provisions affecting businesses, including extensions and modifications to certain provisions of the TCJA, as well as expansions and accelerations of provisions under the Inflation Reduction Act. While most provisions are effective January 1, 2026, certain provisions are retroactive to an earlier date in 2025. Pacific Life has evaluated the impact of OBBBA and concluded that it does not have a material impact on the financial statements for the year ended December 31, 2025.

Effective September 2025, Pacific Life entered into a modified coinsurance agreement to cede certain Group Annuities to RGBM. As part of this new agreement, Pacific Life recognized a gain in aggregate write-ins for gains and losses in surplus (line 53) of $139 million. Pacific Life will recognize these gains in the income statement with corresponding reductions in surplus during future periods as earnings emerge from the business reinsured in accordance with NAIC SAP Appendix A-791.

Effective September 2025, the Pacific Life also amended and restated its existing coinsurance with funds withheld agreement with RGBM, originally effective September 2024, to cede an additional block of certain Group Annuities. As part of this new agreement, Pacific Life recognized reserve credit of $2.5 billion and a gain in aggregate write-ins for gains and losses in surplus (line 53) of $200 million. Pacific Life will recognize these gains in the income statement with corresponding reductions in surplus during future periods as earnings emerge from the business reinsured in accordance with NAIC SAP Appendix A-791.

In September 2025, with the approval of the Director of the NE DOI, Pacific Life issued $750 million surplus notes at a fixed interest rate of 5.95%, maturing on September 15, 2055 (the "**2025 Surplus Notes**"). Interest is payable semiannually on March 15 and September 15. The 2025 Surplus Notes were offered and sold pursuant to Rule 144A and Regulation S under the Securities Act. Pacific Life may redeem all or a portion of the 2025 Surplus Notes at its option, subject to the prior approval of the Director of the NE DOI. Each payment of interest on and the repayment of principal of the 2025 Surplus Notes may be made only out of the Pacific Life's surplus and with the prior approval of the Director of the NE DOI. The 2025 Surplus Notes are unsecured and subordinated to all present and future senior indebtedness and policy claims of Pacific Life.

Effective December 2025, Pacific Life entered into a 100 percent quota share, coinsurance agreement to cede certain Term Life policies to RGBM. As part of this new agreement, Pacific Life recognized a reserve credit of $389 million and a gain in aggregate write-ins for gains and losses in surplus (line 53) of $184 million. Pacific Life will recognize these gains in the income statement with corresponding reductions in surplus during future periods as earnings emerge from the business reinsured in accordance with NAIC SAP Appendix A-791.

In August 2025, Pacific Life and PL&A entered into an Assumption Reinsurance Agreement (the ARA) with Guaranty Association Benefits Company (GABC) pursuant to which the Company and PL&A will assume all of the remaining GABC liabilities previously assumed by GABC under the Restructuring Agreement (as defined below, and such liabilities, the GABC Liabilities) which was approved by the Liquidation Order (as defined below). The GABC Liabilities consist of certain remaining annuity obligations of the insolvent Executive Life Insurance Company of New York (ELNY), as restructured and enhanced under that certain Agreement of Restructuring in Connection with the Liquidation of Executive Life Insurance Company of New York, dated April 2012 (the Restructuring Agreement). In April 2012, the Supreme Court of the State of New York, County of Nassau (the Liquidation Court) entered an Order of Liquidation and Approval of the ELNY Restructuring Agreement (the Liquidation Order), which approved the Restructuring Agreement. The Restructuring Agreement provides that GABC should seek to transfer all of its assumed liabilities to a commercial insurer; hence, GABC entered the ARA with Pacific Life and PL&A.

In December 2025, GABC gave public notice that it has petitioned the Liquidation Court for an order, in furtherance of the Liquidation Order to, inter alia, approve the ARA and the transactions it contemplates. A hearing on the petition is scheduled for March 2026 at the Liquidation Court. The assumption will have no significant impact to the Pacific Life's operations or surplus position.

Year Ended December 31, 2025 compared to Year Ended December 31, 2024

Total Company Overview

Capital and Surplus

As of December 31, 2025 and 2024, capital and surplus was $14.6 billion and $12.1 billion, respectively. The growth in 2025 of $2.5 billion was primarily driven by the increase in premiums due to Pacific Life exercising an on demand available excess reserve relief feature on a reinsurance agreement with a third party, issuance of the 2025 Surplus Notes and deferred gains associated with three separate reinsurance treaties. The increase was further supported by strong realized results from derivative activity and positive overall investment performance, with gains materially exceeding policyholder experience losses and related expenses. These increases are partially offset by increases in AVR due to a significant rise in unrealized gains for derivative and other invested assets due to strong equity market performance and the statutory strain of new business.

Financial Statement Line Analysis

The following table summarizes Pacific Life's premiums and annuity considerations, net of reinsurance by lines of business for the years ended December 31, 2025 and 2024:

($ in Millions)	Years Ended December 31,		Change	
	2025	**2024**	**$**	**%**
Fixed annuities [23]	$6,795	$5,087	$1,708	34 %
Deferred variable annuities	6,435	3,895	2,540	65 %
Indexed universal life	3,303	1,514	1,789	118 %
Universal, variable, group and other life	2,260	1,400	860	61 %
Term and whole life	128	460	(332)	(72)%
Other annuities	86	(389)	475	(122)%
Life contingent payout annuities [24]	(847)	1,710	(2,557)	(150)%
Other	1	1	—	— %
Total	$18,161	$13,678	$ 4,483	

Premiums and annuity considerations for 2025 were $18.2 billion compared to $13.7 billion for 2024. The $4.5 billion increase was the result of several factors. The increase in premiums was driven by increasing sales of certain deferred fixed annuity products due to Pacific Life's implementation of more competitive pricing. The increase in deferred variable annuities was primarily driven by positive market performance and new sales in RILA product that was launched at the end of 2024. The increase in net IUL premiums was primarily due to reversal of ceded premiums as a result of Pacific Life exercising an on demand available excess reserve relief feature on a reinsurance agreement with a third party and increase of VUL premiums was due to strong sales. Offsetting the increases, life contingent payout annuities premiums, which include PRT business, decreased due to higher ceded premiums. This was driven by the execution of amended and restated coinsurance funds withheld treaty for an additional block of PRT business, along with a new modified coinsurance treaty for a specific block of PRT business in 2025.

Net investment income, including amortization of the IMR, was $4.6 billion in 2025 and $3.9 billion for 2024. The increase of $0.7 billion was primarily due to growth in the bonds portfolio and higher yields as well as growth in the mortgage loan portfolio and higher average interest rates. There were also higher realized gains on private equity investments. Offsetting the increases were additional option amortization expenses primarily due to growth in the IUL products and FIA products and the related hedged activities.

Reserve adjustments on reinsurance ceded was $1.0 billion in 2025, up from ($1.0) billion in 2024. The primary factors behind the $2.0 billion increase was primarily driven by modified coinsurance reserve adjustment for the initial consideration of a new treaty executed in 2025 related to the PRT business and an increase in unaffiliated ceded treaties related principally to VUL products.

Other income, which consists of separate account net gain/(loss), commissions and expense allowances on reinsurance ceded, charges and fees for deposit-type contracts and other miscellaneous income was $525 million in 2025 compared to $394 million in 2024. The $131 million increase was primarily due to commissions earned upon the execution of two large reinsurance treaties and an amendment and restatement of coinsurance funds withheld treaty related to term business, and two specific blocks of PRT business in 2025.

[23] Includes deferred fixed annuities and deferred indexed annuities.
[24] Includes group and individual life contingent payout annuities such as SSA and PRT.

Current and future policy benefits consists of surrender benefits and withdrawals, increase in aggregate reserves, net transfers to or from the separate accounts, death and annuity benefits and dividends to policyholders.

The following table summarizes Pacific Life's current and future policy benefits by lines of business:

($ in Millions)	**Years Ended December 31,**		**Change**	
	2025	**2024**	**$**	**%**
Fixed annuities	$8,230	$6,436	$1,794	28 %
Deferred variable annuities	6,024	3,505	2,519	72 %
Universal, variable, group and other life	3,620	2,137	1,483	69 %
Indexed universal life	1,907	1,533	374	24 %
Life contingent payout annuities	1,418	2,447	(1,029)	(42)%
Term and whole life	198	287	(89)	(31)%
Other annuities	157	(415)	572	(138)%
Other	989	694	295	43 %
Total	$22,543	$16,624	$5,919	

The increase of $5.9 billion was driven by an increase in changes in reserves for deferred VA, which resulted from an increase in transfers to separate accounts due to new RILA business and an increase in surrender benefits and withdrawals, driven by policyholders reacting to market movement. FA increases are due to strong sales in certain deferred fixed annuity products. VUL products increased primarily driven by an increase to reserves due to new business in 2025. Additionally, in other, there was an increase in interest expense for deposit-type contracts primarily due to more issuances of funding agreements in 2025. Offsetting the increases to current and future policy benefits was a decrease in life contingent payout annuities as a result of ceded PRT business and a decrease in Term products due to an increase in ceded reserves from a new treaty arrangement.

Commission expense was $1.6 billion in 2025 and 2024.

Operating expenses, which include general insurance expenses, premium taxes and other insurance taxes (excluding federal income taxes), other deductions and the change in cash surrender value from COLI policies owned by Pacific Life, was $2.1 billion in 2025 compared to $1.8 billion in 2024. The increase of $0.3 billion was driven substantially due to the combination of higher ceded investment income on funds withheld to an affiliate coinsurance treaty executed in 2024, and a variety of higher general expenses including depreciation, legal and consulting fees and other functional expenses.

Pacific Life recorded a federal income tax expense (benefit) of $243 million and $79 million for the years ended December 31, 2025 and 2024, respectively. The primary factors contributing to the $164 million increase in tax expense incurred was due to an increase in pre-tax operating income, partially offset by the change in tax reserve adjustments related to IUL and FA products.

Pacific Life had net realized capital gains, net of tax and transfers to the IMR, of $2.3 billion and $1.8 billion for 2025 and 2024, respectively. Realized capital gains (losses) are primarily driven by terminations, maturities or mark to market of derivatives used to hedge against interest rate risk and equity exposure. The increase in net realized capital gains of $0.4 billion was primarily due to equity market performance in derivatives backing index linked products and lower interest rates during 2025.

Assets

As of December 31, 2025, Pacific Life had total admitted assets of $240.4 billion, an increase of $31.2 billion from $209.2 billion as of December 31, 2024.

Assets excluding separate accounts increased $20.4 billion, reaching $157.5 billion as of December 31, 2025 from $137.1 billion as of December 31, 2024. The growth was primarily driven by the investment of premiums and deposits from current year sales into bonds, mortgage loans and other invested assets. Positive market valuations further contributed to the growth in other invested assets. Derivative assets also rose, reflecting higher fair values on options due to strong equity market performance. In addition, securities lending reinvested collateral increased following the onboarding of a new asset manager in the third quarter of 2025 and the transition to a new securities lending agent for the program in the fourth quarter of 2024. *See* "—Investments" for a more detailed discussion.

Separate account assets were $83.0 billion and $72.1 billion as of December 31, 2025 and 2024, respectively. The increase in separate account assets of $10.9 billion was primarily due to favorable investment performance within the underlying funds as a result of improved equity market performance and an increase in investment purchases during 2025.

Liabilities

As of December 31, 2025, Pacific Life had total liabilities of $225.9 billion, an increase of $28.8 billion from $197.1 billion as of December 31, 2024.

Pacific Life's aggregate reserves increased $2.4 billion to $75.5 billion as of December 31, 2025 from $73.0 billion as of December 31, 2024. The increase was primarily a result of an increase in FA reserves driven by strong sales in certain deferred FA products and an increase in IUL reserves driven by the increase in premiums and positive equity performance during 2025 partially offset by an increase in reserve credit tied to a block of PRT business.

The liability for deposit-type contracts of $37.7 billion as of December 31, 2025 increased $8.9 billion from $28.8 billion as of December 31, 2024, primarily due to the issuance of additional funding agreements, net of funding agreement maturities and due to an increase in SSA, net of withdrawals during 2025.

Other liabilities of $12.4 billion as of December 31, 2025 increased $4.1 billion from $8.3 billion as of December 31, 2024 primarily due to an increase in payable for securities lending which aligns with the increase on the securities lending collateral asset and an increase in payable for securities due to certain investment purchases that have a longer settlement period. Slightly offsetting these increases was the decrease in reinsurance payable related to the financial impacts of higher sales of reinsured business during 2025.

Funds held under coinsurance was $15.1 billion and $13.3 billion as of December 31, 2025 and 2024, respectively. The increase of $1.9 billion was primarily due to an additional block of PRT ceded on an amended and restated treaty and to the growth of the coinsurance reserves on an existing block of ceded IUL business.

Separate account liabilities increased $10.9 billion from $72.1 billion as of December 31, 2024 to $83.0 billion as of December 31, 2025, consistent with the increase in separate account assets.

Asset Valuation Reserve

As of December 31, 2025 and 2024, Pacific Life had an AVR of $3.0 billion and $2.1 billion, respectively. Changes in AVR are driven by non-interest related gains and losses on the investment portfolio and an annual contribution based on factors set by the NAIC and is largely impacted by volume and quality of the investment portfolio. AVR increased $0.9 billion, which was primarily driven by growth in other invested assets and increased market value attributable to positive equity market performance. Derivatives also contributed to the increase in AVR due to realized capital gains on FIA options primarily driven by equity market movements.

Year Ended December 31, 2024 compared to Year Ended December 31, 2023

Capital and Surplus

As of December 31, 2024 and 2023, capital and surplus was $12.1 billion and $11.8 billion, respectively. The principal drivers for the $0.3 billion increase to capital and surplus in 2024 was due to strong net investment income primarily in bonds and mortgage loans from higher yielding investments and growth in the portfolios. The increase in net realized capital gains, net of taxes, was primarily driven by options used to hedge IUL products and option maturities on FA products in 2024 as a result of positive equity market performance. Unrealized capital gains increased, benefiting from favorable market valuations on derivative instruments and other invested assets also as a result of positive equity market performance. Additionally, Pacific Life reported a reinsurance gain deferral related to the Affiliate Reinsurance Agreement. The offsets to the increases in surplus were ceded commission expense paid due to an amended retrocession agreement as a result of a Pacific Life's strategic initiative and an increase in operating and commission expenses due to new business growth in 2024. The increase in AVR reduced surplus as a result of growth in investments and market impacts.

Financial Statement Line Analysis

The following table summarizes Pacific Life's premiums and annuity considerations, net of reinsurance by lines of business for the years ended December 31, 2024 and 2023:

($ in Millions)	**Years Ended December 31,**		**Change**	
	2024	**2023**	**$**	**%**
Fixed annuities	$5,087	$5,404	($317)	(6)%
Deferred variable annuities	3,895	2,575	1,320	51 %
Life contingent payout annuities	1,710	2,718	(1,008)	(37)%
Indexed universal life	1,514	(9,205)	10,719	(116)%
Universal, variable, group and other life	1,400	1,503	(103)	(7)%
Term and whole life	460	358	102	28 %
Other annuities	(389)	594	(983)	(165)%
Other	1	8	(7)	(88)%
Total	$13,678	$3,955	$ 9,723	

Premiums and annuity considerations for 2024 were $13.7 billion compared to $4.0 billion for 2023. The $9.7 billion increase was primarily due to a decrease in ceded premiums of $10.4 billion related to the Reinsurance Agreement under which Pacific Life started ceding certain IUL premiums to a reinsurer in 2023. Additionally, deferred variable annuities premiums increased due to strong sales as a result of improved equity markets.

Partially offsetting the increase in premiums was a decrease in other annuities primarily as a result of a retrocession treaty termination between Pacific Life and RIBM-UK. The treaty termination resulted in the reversal of previously recognized premiums with a corresponding release of reserves. Life contingent payout annuities which includes Pacific Life's PRT business had a reduction in premiums primarily as a result of the Affiliate Reinsurance Agreement.

Net investment income, including amortization of the IMR, was $3.9 billion in 2024 compared to $3.8 billion for 2023. The increase of $0.1 billion was primarily due to growth in the bonds portfolio and higher yields on new investments. Offsetting the increases were additional option amortization expenses primarily due to growth in the IUL products and fixed indexed annuity products and lower realized gains on private equity investments.

Reserve adjustments on reinsurance ceded was ($1.0) billion in 2024, up from ($0.5) billion in 2023. The primary factors behind the $0.5 billion increase in reserve adjustments were the activities related to ceded options

under the Reinsurance Agreement and the net reserve release on life modified coinsurance treaties, which was largely due to death claims on ISWL.

Other income, which consists of separate account net gain/(loss), commissions and expense allowances on reinsurance ceded, charges and fees for deposit-type contracts and other miscellaneous income was $394 million in 2024 compared to $169 million in 2023. The $225 million increase was mainly attributable to higher commissions and expense allowances on reinsurance ceded under the Reinsurance Agreement and Affiliate Reinsurance Agreement in 2024. Additionally, the separate account net loss from operations was smaller compared to 2023 due to an increase in investment income, which was a result of growth in the bond and mortgage loan portfolios driving higher yields.

Current and future policy benefits, which primarily consist of surrender benefits and withdrawals, increase in aggregate reserves, net transfers to or from the separate accounts, death and annuity benefits and dividends to policyholders. The following table summarizes Pacific Life's current and future policy benefits by line of business:

($ in Millions)	**Years Ended December 31,**		**Change**	
	2024	**2023**	**$**	**%**
Fixed annuities	$6,436	$6,551	($115)	(2)%
Deferred variable annuities	3,505	2,276	1,229	54 %
Life contingent payout annuities	2,447	3,415	(968)	(28)%
Universal, variable, group and other life	2,137	2,588	(451)	(17)%
Indexed universal life	1,533	(8,655)	10,188	(118)%
Term and whole life	287	363	(76)	(21)%
Other annuities	(415)	708	(1,123)	(159)%
Other	694	456	238	52 %
Total	$16,624	$7,702	$8,922	

The increase of $8.9 billion was primarily due to IUL products which increased as a result of a $11.3 billion reserve credit as a result of the Reinsurance Agreement settlement in 2023, partially offset by 2024 reinsurance activity ceding death claims and surrender benefits and withdrawals related to the Reinsurance Agreement. The increase attributable to deferred variable annuities was driven by higher surrender benefits and withdrawals due to policyholders reacting to market movement, net of changes in reserves and transfers to/from the separate accounts. The increases noted were partially offset by decreases in other annuities primarily as a result of a retrocession treaty.

Commission expense was $1.6 billion in 2024 as compared to $1.1 billion in 2023, an increase of $0.5 billion. The increase was primarily due to ceded commissions paid as a result of an amendment to a retrocession agreement in 2024 and an increase in commissions related to increased sales in certain life and annuity products.

Operating expenses, which include general insurance expenses, premium taxes and other insurance taxes (excluding federal income taxes), other deductions and the change in cash surrender value from corporate-owned life insurance policies owned by Pacific Life, was $1.8 billion in 2024 compared to $1.2 billion in 2023. The increase of $0.6 billion was primarily due to the settlement accrual for the funds withheld investment income related to the Reinsurance Agreement and an increase in general insurance expenses primarily related to higher salaries and wages, product enhancements and system configurations attributed to business growth.

Pacific Life utilizes derivative instruments to economically hedge identified product risks, and financial statement impacts are presented across its results of operations and capital and surplus. The tax impacts are included in the federal income tax expense (benefit). Pacific Life recorded a federal income tax expense (benefit) of $79 million and ($26) million for the years ended December 31, 2024 and 2023, respectively. The primary factors contributing to the $105 million increase in tax expense incurred was due to an increase in tax adjustment on

derivative gains, partially offset by the tax reserve change on IUL and FA products and decrease in pre-tax operating income.

Pacific Life had net realized capital gains, net of tax and transfers to the IMR, of $1.8 billion and $1.2 billion for 2024 and 2023, respectively. Realized capital gains (losses) are primarily driven by terminations, maturities or mark to market of derivatives used to hedge against interest rate risk and equity exposure. The increase in net realized capital gains of $0.6 billion was primarily due to net derivative gains hedging the IUL and FA products during 2024 as a result of the positive performance in the equity markets compared to 2023. In contrast, there were increases in realized capital losses on derivatives hedging the VA products and losses on futures contracts hedging certain variable annuity riders as a result of the performance in the equity markets. The S&P was up 23% in 2024.

Assets

As of December 31, 2024, Pacific Life had total admitted assets of $209.2 billion, an increase of $16.0 billion from $193.2 billion as of December 31, 2023.

Assets excluding separate accounts increased $9.4 billion, to $137.1 billion as of December 31, 2024 from $127.7 billion as of December, 31 2023, primarily due to investment of premiums and deposits received for current year sales into bonds, mortgage loans and other invested assets. Positive market valuations also contributed to the growth in other invested assets. Additionally, derivatives assets also increased due to the fair value on options driven by positive equity market performance. Derivatives collateral receivable increased due to an increase in derivatives in a liability position as a result of increasing interest rates requiring additional collateral. Partially offsetting the increases was a decrease in securities lending reinvested collateral primarily from the transition to a new securities lending agent for the program.

Separate account assets were $72.1 billion and $65.6 billion as of December 31, 2024 and 2023, respectively. The increase in separate account assets of $6.5 billion was primarily due to positive investment performance within the underlying funds as a result of stronger equity market performance and additional investment purchases in 2024.

Liabilities

As of December 31, 2024, Pacific Life had total liabilities of $197.1 billion, an increase of $15.7 billion from $181.4 billion as of December 31, 2023.

Pacific Life's aggregate reserves increased $0.7 billion to $73.0 billion as of December 31, 2024 from $72.3 billion as of December 31, 2023. The increase in reserves was noted in FA due to an increase in account value driven by the high interest rate environment coupled with net cash flow from premiums. IUL reserves increased primarily driven by strong equity market performance and increase in sales in certain IUL products, partially offset by reserve credits associated with the Reinsurance Agreement. Additionally, offsetting the increases were reserve credits associated with the Affiliate Reinsurance Agreement and higher benefit payments in 2024. Other annuities related to Pacific Life's reinsurance business noted a decrease in reserves related to a retrocession treaty termination between Pacific Life and RIBM.

The liability for deposit-type contracts of $28.8 billion as of December 31, 2024 increased $6.8 billion from $22.0 billion as of December 31, 2023, primarily due to the issuance of additional funding agreements, net of funding agreement maturities and an increase in structured settlement annuities due to higher premiums coupled with interest credited in 2024.

Other liabilities of $8.3 billion as of December 31, 2024 decreased $0.7 billion from $9.0 billion as of December 31, 2023 primarily due to a decrease in payable for securities lending and a decrease in payable for securities primarily related to a decrease in deferred financing options being purchased and funding of federal tax

credits, partially offset by an increase in derivatives collateral payable due to option valuation increases driven by the positive equity market performance.

Funds held under coinsurance was $13.3 billion and $11.6 billion as of December 31, 2024 and 2023, respectively. The increase of $1.7 billion was primarily due to the Affiliate Reinsurance Agreement which was effective in the third quarter of 2024 and activity related to the Reinsurance Agreement commencing at the beginning of 2024.

Separate account liabilities increased $6.5 billion from $65.6 billion as of December 31, 2023 to $72.1 billion as of December 31, 2024, consistent with the increase in separate account assets.

Asset Valuation Reserve

As of December 31, 2024 and 2023, Pacific Life had an AVR of $2.1 billion and $1.4 billion, respectively. Changes in AVR are driven by non-interest related gains and losses on the investment portfolio and an annual contribution based on factors set by the NAIC and is largely impacted by volume and quality of the investment portfolio. AVR increased $0.7 billion, which was primarily driven by growth in the investment portfolio, especially in bonds and mortgage loans. There was an increase in unrealized capital gains on derivatives and other invested assets due to positive performance in the equity markets, partially offset by realized capital losses on mortgage loans in 2024.

Risk-Based Capital

RBC is a method developed by the NAIC to measure the minimum amount of capital appropriate for an insurance company to support its overall business operations in consideration of its size and risk profile. The formulas for determining the amount of RBC specify various weighting factors that are applied to financial balances or various levels of activity based on the perceived degree of risk. Additionally, certain risks are required to be measured using actuarial cash flow modeling techniques, subject to formulaic minimums. The adequacy of a company's actual capital is measured by a comparison to the RBC results. Companies below minimum RBC requirements are classified within certain levels, each of which requires specified corrective action. As reported in Pacific Life's annual statutory basis financial statements filed with the NE DOI, Pacific Life's total adjusted capital and authorized control level RBC were:

	December 31,	
	2025	**2024**
	(in Millions)	
Total adjusted capital	$17,537	$14,203
Authorized control level RBC	$1,220	$1,411

For a discussion of risks relating to RBC, *see* "Risk Factors—Risk Factors Related to Pacific Life's Business—A decline in Pacific Life's RBC measures could result in a decline in its ratings, increased scrutiny by state insurance regulators and have a material adverse effect on Pacific Life's business, results of operations or financial condition."

Liquidity and Capital Resources

Pacific Life's principal cash flows are generally derived from insurance premiums, deposits to policyholder account balances, investment income, sales, maturities, calls and principal repayments of investments, fee income, borrowing proceeds and cash flows from other operations. The principal uses of these funds are investment purchases, payment of policy acquisition costs, payment of policyholder benefits, withdrawal of policyholder account balances, payment of taxes, payment of current operating expenses, borrowing payments, interest payments

and dividends paid to Pacific LifeCorp. Remaining funds not used as noted above are generally used to increase the asset base to provide funds to meet the need for future policy benefit payments and for writing new business.

Historically, Pacific Life has generated positive cash flows from operations. Net cash flows from operating activities can vary depending on the level and type of sales, particularly those of life insurance premiums and annuity considerations. Sales of variable products result in cash flows that are predominantly reflected in separate accounts. It is Pacific Life's objective to remain fully invested in investments with maturities and yields that it believes are matched to its product liabilities. As investments mature, are redeemed or sold, Pacific Life evaluates the available investment alternatives, reinvests according to existing and expected product liabilities and seeks to ensure that sufficient marketable assets and other sources of liquidity are in place to provide for large unexpected demands for cash.

Total cash, cash equivalents and short-term investments of $2.4 billion as of December 31, 2025 decreased $0.5 billion from $2.9 billion as of December 31, 2024 primarily due to net purchases of investment transactions offset by cash inflow from financing and miscellaneous sources and net cash from operations.

Net cash provided from operations was $4.6 billion for 2025 compared to $1.7 billion for 2024. The increase of $2.9 billion was primarily due to higher premiums and investment income from growth in sales and investment portfolio, respectively, partially offset by higher surrender benefits, a PRT reserve adjustment and an increase in net of transfers to separate accounts driven by new product growth for RILA and VUL-COLI.

Net cash flows used in investing activities was $18.9 billion for 2025 compared to $7.7 billion for 2024. The increase of $11.2 billion was due to the result of a net increase in investments acquired, primarily in bonds, mortgage loans due to significantly higher sales activity in 2025, partially offset by a decrease in working capital finance notes.

Net cash flows provided from financing and miscellaneous activities was $13.9 billion for 2025 compared to $5.8 billion for 2024. The increase of $8.1 billion was primarily due to an increase in securities lending activity, an increase in deposit-type contracts primarily in funding agreement issuance, exercising an on demand available excess reserve relief feature on a reinsurance agreement with a third party and the issuance of the 2025 Surplus Notes.

Total cash, cash equivalents and short-term investments of $2.9 billion as of December 31, 2024 decreased $0.1 billion from $3.0 billion as of December 31, 2023 primarily due to net purchases of investment transactions offset by cash inflow from financing and miscellaneous sources and net cash from operations.

Net cash provided from operations was $1.7 billion for 2024 compared to $3.3 billion for 2023. The decrease of $1.6 billion was primarily due to an increase in commissions, expenses paid and other deductions and an increase in benefit and loss related payments, net of transfers to (from) separate accounts, driven by higher surrenders and benefits withdrawals. There was ceded investment income related to the Reinsurance Agreement and ceded commissions paid related to the amended retrocession agreement in addition to higher commissions paid on deposit-type contracts.

Net cash flows used in investing activities was $7.7 billion for 2024 compared to $3.4 billion for 2023. The increase of $4.3 billion was due to the result of a net increase in investments acquired, primarily in bonds, mortgage loans and other invested assets mainly due to significantly higher sales activity in 2024, partially offset by a decrease in securities lending collateral receivable.

Net cash flows provided from financing and miscellaneous activities $5.8 billion for 2024 compared to $2.2 billion for 2023. The increase of $3.6 billion was primarily due to an increase in deposit-type contracts primarily in funding agreement issuances and structure settlement annuities.

The payment of dividends by Pacific Life to Pacific LifeCorp is subject to restrictions set forth in the Nebraska Insurance Laws. With respect to the payment of an extraordinary dividend by Pacific Life, these laws require (1) notification to the NE DOI for the declaration and payment of any extraordinary dividend and (2) approval by the NE DOI for accumulated dividends within the preceding 12 months that exceed the greater of 10% of unassigned statutory policyholder surplus as of the preceding December 31 or statutory net gain from operations for the preceding 12 months ended December 31. Based on this limitation and 2025 statutory results, Pacific Life could pay up to $0.9 billion in ordinary dividends or distributions to Pacific LifeCorp during 2026, subject to the ten business day notice period described above. Dividends in excess of such amount would be considered "extraordinary" dividends or distributions for purposes of Nebraska Insurance Law and would be subject to the 30-day notice and non-disapproval requirement described above. The Company paid a $50 million ordinary dividend in the form of cash to Pacific LifeCorp in December 2025. No dividends were paid during the year ended December 31, 2024.

Liquidity and Capital Sources and Requirements

Pacific Life has multiple liquidity needs that vary by product lines associated hedging and other uses. Factors that affect each product line's need for liquidity include interest rate levels, customer type, termination or surrender charges, federal income taxes, benefit levels and level of underwriting risk.

Pacific Life has liquidity risk from early contract owner and policyholder withdrawals. Pacific Life closely evaluates and manages this risk. Some policyholders can utilize policy loans provision that is another source of liquidity risk. Pacific Life closely evaluates and manages these risks. A significant portion of Pacific Life's life insurance, institutional and annuity products contain surrender charges for varying durations or fair value adjustments, reducing the risk that customers will seek withdrawals during the periods when surrender charges or fair value adjustments are in place. Surrender charges and fair value adjustments help Pacific Life to better plan the maturities of its invested assets by reducing the risk that future outflows will exceed anticipated levels. Beyond policyholder-driven liquidity risks, Pacific Life manages liquidity demands associated with derivatives margin requirements under its hedging strategies, which may vary with capital market conditions.

Pacific Life has several passive and active liquidity sources available to manage liquidity needs. Passive sources include premiums, deposits, reinsurance receivables and commissions, insurance charges and fees, derivatives margining, investment portfolio interest, maturities, sales, distributions, and dividends, etc. Pacific Life's active liquidity sources include cash and cash equivalents, utilization of contingent liquidity levers such as issuance of commercial paper, drawing on repo and credit facilities, securities lending cash release, invested asset dispositions, etc.

The following table describes Pacific Life's withdrawal characteristics of individual annuities, group annuities and deposit-type contracts combined for the general and separate account liabilities:

	December 31, 2025		December 31, 2024	
	Amount	% of Total	Amount	% of Total
	($ in Millions)			
Subject to discretionary withdrawal:				
With market value adjustment	$17,076	11 %	$16,362	12 %
At book value less current surrender charge of 5% or more	9,589	6 %	7,795	6 %
At fair value	51,208	34 %	48,796	37 %
Total with market value adjustment or at fair value	77,873	51 %	72,953	55 %
At book value without adjustment	14,282	10 %	11,797	9 %
Not subject to discretionary withdrawal	57,903	39 %	46,858	36 %
Total (gross)	150,058	100 %	131,608	100 %
Reinsurance ceded	4,583		2,689	
Total (net)	$145,475		$128,919	

As noted in the table above, 10% and 9% of these liabilities were subject to withdrawal at book value without adjustment as of December 31, 2025 and 2024, respectively. The remaining 90% and 91% of these liabilities were either subject to withdrawal with an adjustment or at fair value or were not subject to discretionary withdrawal as of December 31, 2025 and 2024, respectively. The products are designed in this manner to discourage early withdrawals and protect Pacific Life from liquidity risks. Pacific Life believes the structuring of products in this manner provides it with a stable block of liabilities that reduces its exposure to unexpected cash withdrawals and demands and the adverse financial effects that could occur. *See* Note 13 to Pacific Life's Statutory Basis Financial Statements included in this Offering Memorandum.

Pacific Life's surplus notes carrying value was $2.2 billion and $1.5 billion as of December 31, 2025 and 2024, respectively. Pacific Life had the following surplus notes outstanding as of December 31, 2025 and 2024.

		Carrying Value of Surplus Notes December 31,		
Date Issued	Interest Rate	2025	2024	Date of Maturity
		($ in Millions)		
06/15/2009	9.250%	$300	$300	06/15/2039
01/22/2013	5.125%	406	406	01/25/2043
10/24/2017	4.300%	749	749	10/24/2067
09/15/2025	5.950%	750	—	9/15/2055
Total		$2,205	$1,455	

Each payment of interest on and the repayment of principal of the surplus notes may only be made out of Pacific Life's surplus and with the prior approval of the Director of the NE DOI. *See* Note 8 to Pacific Life's Statutory Basis Financial Statements included in this Offering Memorandum.

Pacific Life's principal sources of liquidity to meet unexpected cash outflows are its portfolio of liquid assets and its net operating cash flow. Liquid assets include cash, short-term money market investments and other marketable securities. Furthermore, Pacific Life monitors and manages cash flows in order to maximize investment returns relative to client obligations and to minimize asset and liability cash flow mismatches.

Additional sources of liquidity include facilities for short-term borrowing to meet working capital requirements. Pacific Life maintains a commercial paper program with $1.0 billion of capacity as of December 31,

2025. There was no commercial paper debt outstanding as of December 31, 2025 and 2024. In addition, Pacific Life and Pacific LifeCorp maintain a $1.5 billion senior revolving credit facility with a maturity date of May 2030. Under the terms of the agreement, Pacific Life and Pacific LifeCorp may borrow up to the full commitment amount, while RIBM is a co-borrower with a sub-limit of $500 million. This facility serves as a back-up line of credit to the commercial paper program. Borrowings under this facility bear interest at variable rates. There were no amounts outstanding as of December 31, 2025 and 2024. The revolving credit facility has certain debt covenants and Pacific Life believes it was in compliance with those debt covenants as of December 31, 2025 and 2024. *See* Note 7 to Pacific Life's Statutory Basis Financial Statements included in this Offering Memorandum.

Pacific Life is a member of the FHLB of Topeka. Pacific Life is eligible to receive advances from the FHLB based on a percentage of Pacific Life's statutory general account assets provided it has sufficient available eligible collateral and is in compliance with the FHLB requirements, debt covenant restrictions and insurance law and regulations. Pacific Life's estimated maximum borrowing capacity (after taking into account required collateralized levels) was $9.2 billion and $7.8 billion as of December 31, 2025 and 2024, respectively. However, asset eligibility determination is subject to the FHLB's discretion and to the availability of qualifying assets at Pacific Life. Pacific Life receives advances under short-term debt arrangements to provide for additional liquidity, which are accounted for as borrowed money under SSAP No. 15, *Debt and Holding Company Obligations.* There was no debt outstanding with the FHLB as of December 31, 2025 and 2024.

Through its membership, Pacific Life has issued funding agreements to the FHLB in exchange for cash advances. The funding agreement liabilities for deposit-type contracts were $2.3 billion and $1.7 billion as of December 31, 2025 and 2024, respectively. *See* Note 7 to Pacific Life's Statutory Basis Financial Statements included in this Offering Memorandum.

In March 2025, Pacific Life entered into an agreement with the FAMC in which Pacific Life can borrow up to $900 million by issuing funding agreements to a subsidiary of the FAMC. As of December 31, 2025, Pacific Life had $100 million of fixed rate funding agreements with the FAMC. *See* Note 7 to Pacific Life's Statutory Basis Financial Statements included in this Offering Memorandum.

Capital Contributions to Affiliates and Dividends and Distributions from Affiliates

In prior years, the subsidiaries of Pacific Life have provided other sources of liquidity through the payment of distributions and dividends. Of the principal subsidiaries, only PLFA has made regular cash distributions to Pacific Life during the past few years. *See* Note 9 to Pacific Life's Statutory Basis Financial Statements included in this Offering Memorandum.

For the years ended December 31, 2025 and 2024, Pacific Global Asset Management ("**PGAM**"), a wholly owned subsidiary of Pacific Life, paid a $35 million and $21 million dividend, respectively, in the form of cash to Pacific Life.

The maximum amount of ordinary dividends that can be paid by PL&A to Pacific Life without restriction cannot exceed the lesser of 10% of unassigned statutory surplus as regards to policyholders as of the previous calendar year, or the statutory net gain from operations for the previous calendar year. Based on this limitation and 2025 statutory results, PL&A could pay up to $44 million in dividends to its parent in 2026 without prior regulatory approval. PL&A did not pay any dividends for the years ended December 31, 2025 and 2024.

Pacific Life believes that the above sources of liquidity are adequate to meet its anticipated cash obligations. However, there can be no assurance that future experience regarding benefits and surrenders will be similar to historic experience since withdrawal and surrender levels are influenced by many economic factors and Pacific Life's claims paying and financial strength ratings.

Investments

Pacific Life has a prudent investment philosophy and seeks to achieve competitive rates of return while carefully managing investment risk. Pacific Life's primary investment objective is the preservation of principal to ensure that it can meet contractual obligations to policyholders and general obligations. Pacific Life achieves this objective by maintaining a diversified portfolio to reduce credit risk, managing assets and liabilities to control interest rate risk and holding high quality marketable securities to meet liquidity demands.

Portfolio Composition

Pacific Life's long-term investment portfolio consists primarily of high quality public, private and 144A fixed income securities, contract loans and mortgage loans.

The following table summarizes Pacific Life's general account invested assets:

General Account Invested Assets

	December 31, 2025		December 31, 2024	
	Carrying Value	% of Total	Carrying Value	% of Total
	($ in Millions)			
Bonds				
Public bonds	$33,713	22 %	$33,938	25 %
144A bonds	28,924	19 %	26,172	20 %
Private bonds	28,900	19 %	22,141	17 %
Total bonds	91,537	60 %	82,251	62 %
Preferred stocks	57	— %	1	— %
Common stocks	754	— %	755	1 %
Mortgage loans	21,862	14 %	19,596	15 %
Real estate	63	— %	70	— %
Cash, cash equivalents and short-term investments	2,431	2 %	2,864	2 %
Contract loans	8,795	6 %	8,527	6 %
Derivatives	3,866	2 %	3,209	2 %
Securities lending reinvested collateral assets	5,523	4 %	1,793	1 %
Total excl. other invested assets	134,888	88 %	119,066	89 %
Other invested assets				
Working capital finance notes	768	1 %	632	1 %
Private equity funds	6,710	4 %	5,256	4 %
Other	11,076	7 %	7,675	6 %
Total other invested assets	18,554	12 %	13,563	11 %
Total	$153,442	100 %	$132,629	100 %

Major categories of investment income and related investment expense are summarized in the following table:

Investment Income and Related Investment Expense

	Years Ended December 31,	
	2025	**2024**
	(***in Millions***)	
Bonds	$4,294	$3,826
Common and Preferred stocks	12	11
Mortgage loans	1,096	927
Real estate	25	23
Contract loans	386	366
Cash, cash equivalents and short-term investments	129	141
Derivative instruments	(1,681)	(1,370)
Private equity funds	223	151
Other invested assets	528	166
Gross investment income	5,012	4,241
Investment expense	340	281
Net investment income (less amortization of IMR)	4,672	3,960
Amortization of IMR	(32)	(14)
Total	$4,640	$3,946

Gross investment income increased $771 million primarily due to growth in the bond portfolio and higher yield on new investments. Offsetting the increases was a decrease due to lower realized gains on other invested assets and higher hedging costs primarily related to growth in the IUL and FIA hedging programs which led to higher premium amortization expense in 2025 as compared to 2024.

Investment expense primarily includes allocated investment management expenses, interest expense on surplus notes net of deferred derivative gain amortization, depreciation on real estate and allocated investment taxes, licenses and fees.

Net realized capital gains (losses) are summarized in the following table and include OTTI of $102 million and $68 million for the years ended December 31, 2025 and 2024, respectively:

Net Realized Capital Gains (Losses)

	Years Ended December 31,	
	2025	**2024**
	(***in Millions***)	
Bonds	($174)	($191)
Common and Preferred stocks	1	2
Mortgage loans	4	(97)
Derivative instruments	2,345	1,982
Private equity funds	(2)	(3)
Other	14	29
Total pre-tax realized capital gains	2,188	1,722
Tax expense (benefit)	64	(8)
Net realized capital gains	2,124	1,730
Amounts transferred to IMR, net of tax	(142)	(100)
Net realized capital gains, after IMR transfers	$2,266	$1,830

Realized capital gains (losses) on investment transactions are determined on a specific identification basis. Pacific Life writes down all securities that are deemed to be other than temporarily impaired in the period the securities are deemed to be impaired.

Total net pre-tax realized capital gains were $2.2 billion and $1.7 billion in 2025 and 2024, respectively. The increase of $0.5 billion was primarily due to higher option terminations driven by favorable equity market performance in 2025, partially offset by lower unrealized gains due to lower year over year equity market increases.

See Note 3 to Pacific Life's Statutory Basis Financial Statements included in this Offering Memorandum for OTTI recorded in net realized capital gains (losses) by investment type for the years ended December 31, 2025 and 2024.

Fixed Income Securities

Pacific Life invests in privately placed fixed income securities to enhance the overall value of its portfolio, increase diversification and obtain higher yields than are possible with comparable quality publicly traded securities. Generally, private placements provide broader access to management information, strengthened negotiated protective covenants and call protection features. Privately placed securities are generally not freely tradable because of restrictions by federal and state securities laws and illiquid trading markets.

Pacific Life also invests in 144A securities, which share some of the same benefits as privately placed securities, such as protective covenants and call protection, but have better liquidity.

The portfolio's maturity distributions are primarily a function of Pacific Life's liability composition, but also reflect where Pacific Life's investment managers see relative value. Actual maturities may differ as a result of prepayments by the issuer. *See* Note 3 to Pacific Life's Statutory Basis Financial Statements included in this Offering Memorandum for the scheduled maturities of fixed income securities, short-term investments for the years ended December 31, 2025 and 2024.

Fixed Income Securities Credit Quality

The NAIC evaluates the investments of insurers for regulatory reporting purposes. Fixed income securities are assigned one of six categories called "NAIC Designations". NAIC Designations of "1" or "2" include fixed income securities considered investment grade, which would generally be equivalent to securities rated Baa3 or higher by Moody's or BBB- or higher by S&P and Fitch. NAIC Designations of "3" through "6" are referred to as below investment grade and would generally be equivalent to securities rated Ba1 or lower by Moody's or BB+ or lower by S&P and Fitch.

The following table presents the total fixed income portfolio by NAIC Designation:

Fixed Income Securities by NAIC Designation

	December 31, 2025			December 31, 2024		
NAIC Designation	Carrying Value	Fair Value	% of Fair Value	Carrying Value	Fair Value	% of Fair Value
			($ in Millions)			
1	$45,221	$43,546	49 %	$38,205	$35,887	47 %
2	41,606	40,090	46 %	39,563	36,673	48 %
Total investment grade	86,827	83,636	95 %	77,768	72,560	95 %
3	3,809	3,713	4 %	3,528	3,393	4 %
4	747	695	1 %	766	692	1 %
5	80	75	— %	138	114	— %
6	133	144	— %	77	67	— %
Total below investment grade	4,769	4,627	5 %	4,509	4,266	5 %
Total	$91,596	$88,263	100 %	$82,277	$76,826	100 %

See Note 3 to Pacific Life's Statutory Basis Financial Statements included in this Offering Memorandum for the amortized cost he amortized cost adjusted for OTTI, fair value and gross unrealized losses for fixed income securities where the fair value has declined and remained continuously below the adjusted amortized cost for less than 12 months and for 12 months or greater for the years ended December 31, 2025 and 2024.

Industry Diversification

Pacific Life has diversified its investment portfolio to limit exposure to any single industry, issuer or asset type. As a result of its diversification efforts, the risk of adverse events affecting a single industry, issuer or asset type having a material negative impact on the portfolio has been decreased. The maximum exposure to a single industry, issuer or asset type is limited to a set percentage of the securities portfolio. These limits are reviewed by the Management Investment Committee on a regular basis and modified as necessary to reflect changing market conditions for the industry, issuer or asset type. The following table sets forth the composition of Pacific Life's total fixed income portfolio by industry category:

Fixed Income Securities by Industry

	December 31, 2025			December 31, 2024		
Industry	**Carrying Value**	**Fair Value**	**% of Total Fair Value**	**Carrying Value**	**Fair Value**	**% of Total Fair Value**
			($ in Millions)			
Financials	$14,745	$14,460	16 %	$11,817	$11,170	14 %
Consumer non-cyclicals	9,436	8,747	10 %	9,488	8,540	11 %
Utilities	9,251	8,398	10 %	9,402	8,310	11 %
Mortgage-backed						
Residential	3,179	3,107	4 %	1,620	1,493	2 %
Commercial	4,240	4,115	5 %	3,912	3,687	5 %
Asset backed securities	7,195	7,138	8 %	6,198	5,993	8 %
Collateral loan obligation	6,836	6,850	8 %	6,002	6,035	8 %
Energy	6,125	6,020	7 %	5,566	5,269	7 %
Industrials	6,096	5,918	7 %	6,102	5,723	7 %
TMT*	5,997	5,798	7 %	5,473	5,126	7 %
Transportation	5,777	5,568	6 %	5,614	5,226	7 %
Real estate	3,935	3,833	4 %	3,591	3,362	4 %
Consumer cyclicals	3,246	3,062	3 %	3,137	2,874	4 %
Municipals	2,884	2,675	3 %	2,476	2,261	3 %
Foreign government	1,984	1,943	2 %	943	849	1 %
U.S. Government	426	399	— %	822	794	1 %
Other	244	232	— %	114	114	— %
Total	$91,596	$88,263	100 %	$82,277	$76,826	100 %

**TMT - Technology, Media, and Telecommunications*

Preferred and Common Stocks

Unaffiliated preferred and common stocks are selectively traded to provide enhanced returns. Pacific Life actively performs comprehensive market research, monitors market conditions and reviews credit risk in order to minimize impairment risks. Pacific Life continually reviews the amount and quality of securities held in its preferred and common stock portfolio and reviews them for OTTI at least on a quarterly basis.

Affiliated common stocks primarily include Pacific Life's investment in PL&A. Additionally, Pacific Life has common stock investments in the Pacific Funds Series Trust which are classified as affiliated because of Pacific Life's significant influence or beneficial interests.

Private Equity Funds and Other Invested Assets

These portfolios consist of investments in private equity limited partnerships, real estate joint ventures and hedge funds. These investments are intended to provide Pacific Life with higher returns than are available on traditional fixed income and equity securities.

Included in other invested assets are investments in subsidiaries and affiliates structured as limited liability companies and limited partnerships. The principal subsidiary is PAH with a carrying value of $9.0 billion as of December 31, 2025.

Derivatives

Pacific Life primarily utilizes derivative instruments to manage its exposure to interest rate risk, foreign currency risk, equity risk and credit risk. Derivative instruments are also used to manage the duration mismatch of general account assets and liabilities. Derivatives may be exchange-traded or contracted in the OTC market. Certain of Pacific Life's OTC derivatives are cleared and settled through central clearing counterparties whereas other OTC derivatives are entered on a bilateral bases with swap counterparties. Pacific Life utilizes a variety of derivative instruments including swaps, exchange-traded futures and options. *See* Note 5 to Pacific Life's Statutory Basis Financial Statements included in this Offering Memorandum for information about derivatives for the years ended December 31, 2025 and 2024.

Contract Loans

Contract loans are permitted to the extent of such policies' contractual limits. They represent loans to the policyholder on the security of the cash surrender value of the policy. As of December 31, 2025 and 2024, approximately 63% and 66%, respectively of the total contract loans of $8.8 billion and $8.5 billion, respectively, were at variable interest rates. The variable interest rate as of December 31, 2025 and 2024 was 5.63% and 5.52%, respectively. Variable interest rates are floored at 5.0%. Remaining contract loans were at various fixed interest rates, ranging from 1.25% to 8.70%.

Mortgage Loans and Real Estate

Mortgage loans of $21.9 billion represented 14% of the carrying value of Pacific Life's invested assets as of December 31, 2025. Of this total, substantially all were commercial mortgage loans, with residential and farm mortgage loans totaling $2.3 billion. Pacific Life's mortgage loan delinquency rate over the past five years has averaged 0.65% of its mortgage loan portfolio compared with 0.35% for the industry, based on statistics prepared by the American Council of Life Insurers.

Pacific Life makes commercial mortgage loans on general-purpose, income producing properties, including, among others, multi-family housing, office, retail, lodging and golf courses. In analyzing investment opportunities, Pacific Life considers diversification by geographic region and property type as well as property valuation and cash flow.

The following table summarizes Pacific Life's total mortgage loans (based on the underlying collateral) and real estate by property type:

Mortgage Loans and Real Estate by Property Type

	December 31, 2025		December 31, 2024	
	Net Carrying Value	% of Total	Net Carrying Value	% of Total
	($ in Millions)			
Apartments	$9,835	45 %	$8,517	43 %
Office	3,409	16 %	3,720	19 %
Retail	2,934	13 %	2,937	15 %
Industrial	2,013	9 %	1,284	7 %
Residential	1,287	6 %	851	4 %
Lodging	1,172	5 %	1,161	6 %
Agriculture	1,027	5 %	945	5 %
Mobile Home Communities	212	1 %	212	1 %
Parking	28	— %	28	— %
Golf Courses	8	— %	11	— %
Total	$21,925	100 %	$19,666	100 %

A major part of Pacific Life's mortgage loan and real estate strategy is to concentrate on certain types of properties and then diversify holdings across different geographical regions. When looking at a particular region, high priority is given to the effects of demographic trends on the property types selected.

The following table summarizes Pacific Life's mortgage loans (based on the underlying collateral) and real estate by geographic region:

Mortgage Loans and Real Estate by Geographic Region

	December 31, 2025		December 31, 2024	
	Net Carrying Value	% of Total	Net Carrying Value	% of Total
	($ in Millions)			
Atlantic	$7,306	33 %	$6,139	31 %
Pacific	6,161	28 %	6,171	31 %
South Central	2,573	12 %	1,938	10 %
North Central	2,541	11 %	2,192	11 %
Mountain	1,925	9 %	1,819	9 %
New England	1,268	6 %	1,258	7 %
Canada	151	1 %	149	1 %
Total	$21,925	100 %	$19,666	100 %

The following table presents the net carrying value and fair value of Pacific Life's mortgage loan portfolio:

Mortgage Loan Net Carrying Value and Fair Value

December 31, 2025		December 31, 2024	
Net Carrying Value	Fair Value	Net Carrying Value	Fair Value
(in Millions)			
$21,862	$21,312	$19,596	$18,332

Pacific Life continues to make new commercial mortgage loans where its underwriting criteria are met. Pacific Life approved new commercial mortgage loan commitments totaling $4.0 billion and $3.4 billion during the years ending December 31, 2025 and 2024, respectively.

Pacific Life performs a credit review of its loan portfolio on a quarterly basis and loans are assigned risk ratings based on a predefined set of criteria, including but not limited to borrower credit worthiness, collateral net operating income, collateral value and other factors. If the loan analysis or other information indicates a potential problem loan (that is, the likelihood that the borrower will be unable to comply with the current loan payment terms), the loan is assigned a higher risk profile and placed on an internal monitoring report and reviewed monthly. The designation of a loan as a potential problem loan requires judgment and is based on the particular facts and circumstances.

The following table summarizes the history of Pacific Life's mortgage loan delinquencies and foreclosures:

Mortgage Loan Delinquencies and Foreclosures

	Delinquent 60+ Days and in Foreclosure		Loans Foreclosed Since January 1		Total Non-Performing Assets		Workouts		Total Non-Performing and Workouts	
Year	Pacific Life	Industry	Pacific Life	Industry	Pacific Life	Industry	Pacific Life	Industry	Pacific Life	Industry
2025	0.53 %	0.64 %	0.00 %	0.07 %	0.53 %	0.71 %	— %	0.68 %	0.53 %	1.39 %
2024	0.53 %	0.59 %	1.83 %	0.11 %	2.36 %	0.70 %	— %	0.57 %	2.36 %	1.27 %
2023	2.10 %	0.29 %	0.23 %	0.04 %	2.33 %	0.33 %	2.14 %	0.18 %	4.47 %	0.51 %
2022	0.08 %	0.14 %	0.00 %	0.03 %	0.08 %	0.17 %	0.18 %	0.12 %	0.26 %	0.29 %
2021	0.00 %	0.07 %	0.00 %	0.05 %	0.00 %	0.12 %	0.23 %	0.15 %	0.23 %	0.27 %
2020	0.01 %	0.22 %	0.00 %	0.02 %	0.01 %	0.24 %	0.24 %	0.10 %	0.25 %	0.34 %

Pacific Life provides valuation for specific impairments of mortgage loans. Mortgage loans on real estate are considered to be impaired when management estimates that, based on current financial information and events, it is probable that Pacific Life will not be able to collect amounts due according to the contractual terms of the mortgage loan agreement. For mortgage loans deemed to be impaired, an impairment loss is recorded when the carrying amount is greater than Pacific Life's fair value of the underlying collateral of the loan. When the underlying collateral of the loan is greater than the carrying amount, the loan is not considered to be impaired and no write-down is recorded. Loans in foreclosure and loans considered impaired with interest past due greater than 90 days are placed on non-accrual status. Interest received on non-accrual status mortgage loans is included in net investment income in the period received. *See* Note 3 to Pacific Life's Statutory Basis Financial Statements included in this Offering Memorandum for the scheduled maturities of fixed income securities, short-term investments for the years ended December 31, 2025 and 2024.

PACIFIC LIFE'S MUTUAL INSURANCE HOLDING COMPANY STRUCTURE

Pacific Life is organized in a mutual insurance holding company structure governed by the Nebraska Insurance Law. PMHC, the ultimate parent company in Pacific Life's corporate structure and the direct parent of Pacific LifeCorp, is not publicly traded, has no stockholders and is not permitted to issue stock under Nebraska law. Instead, PMHC is governed and controlled by its members, each of whom is a policyholder of Pacific Life.

Pacific Life's mutual insurance holding company structure is subject to the regulatory oversight and jurisdiction of the NE DOI. Under Nebraska law, the NE DOI's jurisdiction extends to Pacific LifeCorp. The NE DOI regulates insurance business in the State of Nebraska for the protection of policyholders and the general public and has no duty to protect an investment in the Funding Agreements, the Notes or to act in the best interests of the Issuer or the holders of the Notes.

The description below is only a summary and is qualified by reference to the full text of the Nebraska Mutual Insurance Holding Company Act, the organizational documents of PMHC, Pacific LifeCorp and Pacific Life and Pacific Life's Restated Plan (as defined below).

Corporate History

Pacific Life's Establishment and Mutualization

Pacific Life was initially organized under California law as a stock life insurance company in 1868 and named The Pacific Mutual Life Insurance Company of California. In 1936, Pacific Life began a process of reorganization into a mutual life insurance company organized under California law and was renamed Pacific Mutual Life Insurance Company, or Pacific Mutual. Pacific Mutual completed the process of mutualization in 1959. As a California mutual life insurance company, Pacific Mutual had no stockholders, and was controlled and governed by its policyholders.

The Conversion

On September 1, 1997, Pacific Mutual converted into a mutual insurance holding company structure under California law. Pacific Life refers to this as the Conversion. Under the terms of the Conversion, Pacific Mutual became a California-domiciled stock life insurance company and changed its name to Pacific Life Insurance Company. At the same time, the Conversion created PMHC, a mutual insurance holding company initially organized under California law, and Pacific LifeCorp, an intermediate stock holding company organized under Delaware law.

In connection with the Conversion, Pacific Life issued all of its stock to Pacific LifeCorp, and Pacific LifeCorp issued substantially all of its stock to PMHC. The remaining Pacific LifeCorp shares not issued to PMHC were purchased by an Employee Stock Ownership Plan (the "**ESOP**"). In October 2006, Pacific LifeCorp repurchased all of these shares and terminated the ESOP. As a result of this repurchase, Pacific LifeCorp is now a wholly owned subsidiary of PMHC.

Prior to the Conversion, policyholders of Pacific Mutual were members of Pacific Mutual with a right, among others, to vote on the election of directors of Pacific Mutual and on other matters coming to a vote of members under California law. Policyholders of Pacific Mutual also had a contractual relationship with Pacific Mutual under the terms of their insurance and annuity contracts. After the Conversion, the contract rights of policyholders remained with Pacific Life, and the membership interests of policyholders in Pacific Mutual were extinguished and replaced with membership interests in PMHC. In accordance with applicable law, owners of insurance and annuity contracts issued by Pacific Life (other than funding agreements and certain other types of contracts) automatically become members of PMHC, and will continue to be members of PMHC as long as their insurance or annuity contracts remain in force.

The Change of Legal Domicile to Nebraska

On August 24, 2005, Pacific Life transferred its state of legal domicile from California to Nebraska. At that time, PMHC remained a mutual insurance holding company organized under California law. The boards of directors of PMHC and Pacific Life initially contemplated that PMHC would transfer its legal domicile to Nebraska simultaneously with Pacific Life's change of legal domicile to Nebraska. However, after consultation with the California Department of Insurance, the boards of directors of PMHC and Pacific Life deemed it advisable that Pacific Life should transfer its legal domicile in advance of PMHC, and that PMHC's change of legal domicile should occur following the enactment of new legislation in California giving clear guidance with respect to the transfer of legal domicile of a California mutual insurance holding company. This new legislation, which added a new Section 11549 to the California Insurance Code, took effect on January 1, 2007. On June 29, 2007, PMHC completed the transfer of its legal domicile from California to Nebraska, and is now a mutual insurance holding company organized under Nebraska law. The transfer of PMHC's legal domicile to Nebraska united PMHC and Pacific Life under the regulatory authority of the NE DOI, ensuring that a single, internally consistent regulatory regime would govern the common interests of policyholders as owners of Pacific Life policies and members of PMHC.

In connection with the change of PMHC's legal domicile from California to Nebraska, Pacific Life amended and restated Pacific Life's Plan of Conversion, which is the document according to which Pacific Mutual converted into a mutual insurance holding company structure in 1997. Pacific Life refers to the Amended and Restated Plan of Conversion as the Restated Plan. The Restated Plan, in addition to Nebraska law and Pacific Life's other organizational documents are discussed in more detail below.

Important Features of Pacific Life's Mutual Insurance Holding Company Structure

Policyholders of Pacific Life, by virtue of owning an insurance or annuity contract, have a contractual relationship with Pacific Life and, subject to certain limited exceptions, a membership interest in PMHC. Policyholders of PL&A are not members of PMHC. Under Nebraska law, members of PMHC have the right, among others, to vote on the election of directors and on other matters coming to a vote at annual or special meetings of the members of PMHC, to adopt bylaws or take other actions binding on PMHC, and to receive distributions of available surplus in the event of the dissolution or liquidation of PMHC.

Ownership of Voting Stock

Under Nebraska law, the organizational documents of PMHC, Pacific LifeCorp and Pacific Life and the Restated Plan, PMHC must at all times own at least 51% of the outstanding voting stock of Pacific LifeCorp, and Pacific LifeCorp must at all times own all of the outstanding stock of Pacific Life. All shares of the capital stock of Pacific Life were issued to Pacific LifeCorp pursuant to the Conversion.

Dividend Payment Restrictions

The payment of dividends by Pacific Life to Pacific LifeCorp is subject to restrictions set forth in the Nebraska Insurance Law. *See* "Regulation—Insurance Holding Company Regulation—Dividend Payment Restrictions."

Effect of an Insolvency of Pacific Life

In proceedings against Pacific Life under the Nebraska insurance receivership laws, PMHC and Pacific LifeCorp would automatically become parties to the proceedings. Nebraska law also provides that in such proceedings, all of the assets of PMHC, including its holdings of Pacific LifeCorp stock, would be deemed to be assets of Pacific Life to the extent necessary to satisfy the claims of policyholders of Pacific Life. In addition, under the terms of a pledge and security agreement between PMHC and Pacific Life entered into in connection with the Conversion, PMHC has pledged all of the stock it holds in Pacific LifeCorp and all of its other assets to Pacific Life. If Pacific Life became insolvent or were placed under the supervision of the NE DOI to either rehabilitate or liquidate it, any of PMHC's assets, including the stock of Pacific LifeCorp owned by PMHC, could be used to

satisfy policyholder claims. Nebraska law provides that the Director has jurisdiction over PMHC and Pacific LifeCorp to ensure that policyholder interests are protected, and expressly subjects PMHC and Pacific LifeCorp to the statutes governing receiverships of Nebraska domestic insurers. It is possible that in order to pay the claims of policyholders of Pacific Life in such a proceeding, a receiver could seek to liquidate either or both of Pacific LifeCorp and Pacific Life or take other actions materially adverse to the Issuer or holders of the Notes.

Effect of an Insolvency of Pacific LifeCorp

In the event that Pacific LifeCorp becomes financially impaired or insolvent, Nebraska law gives the NE DOI sweeping powers to intervene in its affairs. Specifically, Nebraska law provides that Pacific LifeCorp must be treated as a Nebraska domestic insurer for purposes of Article 48 of the Nebraska Insurance Law, known as the Liquidation Act. As a consequence, Pacific LifeCorp may not be subject to the federal bankruptcy laws. Instead, in the event of financial impairment or insolvency, the Liquidation Act could empower the NE DOI to appoint a receiver to seize control of Pacific LifeCorp in order to reorganize its business or terminate its existence and liquidate its assets. In a proceeding under the Liquidation Act, the receiver may use assets of Pacific LifeCorp to pay the claims of policyholders of Pacific Life or other creditors, or may take other actions materially adverse to the Issuer or the holders of the Notes.

REGULATION

Pacific Life's businesses are subject to extensive regulation at both the state and federal level, including regulation under state insurance and federal and state securities laws. In addition, the businesses of the non-domestic subsidiaries of Pacific LifeCorp are subject to international regulation. Pacific Life cannot predict the impact of future state, federal or foreign laws or regulations on Pacific Life's business. Future laws and regulations, or the interpretation thereof, may materially adversely affect Pacific Life's results of operations and financial condition.

U.S. Insurance Regulation

General

Pacific Life is domiciled in Nebraska and licensed to transact insurance business in, and is subject to regulation and supervision by, all states (except for New York) and the District of Columbia. PL&A is domiciled in Arizona and licensed and regulated in all U.S. jurisdictions where it conducts business. Additionally, PL&A has been deemed to be commercially domiciled in the State of New York and subject to certain requirements under the New York Insurance Law that do not otherwise apply to New York-licensed insurers domiciled outside of New York. The extent of state insurance regulation varies, but most jurisdictions have laws and regulations governing the financial aspects of insurers, including standards of solvency, reserves, reinsurance, capital adequacy and the business conduct of insurers. In addition, statutes and regulations usually require the licensing of insurers and their producers, the approval of policy forms and related materials and, for certain lines of insurance, the approval of rates. Such statutes and regulations also prescribe the permitted types and concentration of investments. The primary purpose of insurance industry regulation is to protect policyholders, not holders of the notes.

State insurance regulators and the NAIC regularly re-examine existing laws and regulations applicable to insurance companies and their products. Changes in these laws and regulations, or in interpretations thereof, are often made for the benefit of the consumer and at the expense of the insurer. The NAIC may also be influenced by the initiatives or regulatory structures or schemes of international regulatory bodies, and those initiatives or regulatory structures or schemes may not translate readily into the regulatory structures or schemes or the legal system (including the interpretation or application of standards by juries), under which U.S. insurers must operate. The International Association of Insurance Supervisors has developed international standards and best practices focused on the effective group-wide supervision of insurance groups that are designated as IAIGs. In February 2023, the Pacific Life holding company system was designated an IAIG by the Director of the NE DOI, which serves the group-wide supervisor for Pacific Life. Changes in laws and regulations, or in interpretations thereof, as well as initiatives or regulatory structures or schemes of international regulatory bodies, applicable to Pacific Life and PL&A could have a significant impact on them.

Some of the NAIC pronouncements, particularly as they affect accounting issues, take effect automatically in the various states without affirmative action by the states. In addition, the NAIC continues to consider various initiatives to change and modernize its financial and solvency regulations. For example, the NAIC has adopted a valuation manual containing a principle-based approach to the calculation of variable annuity and life insurance reserves, known as principle-based reserving ("**PBR**"). As required by applicable law, Pacific Life and PL&A implemented PBR for all life insurance policies issued on or after January 1, 2020 and for certain life insurance policies issued by Pacific Life in 2019 and for all in force VA. The NAIC has adopted a PBR framework for non-VA with a January 1, 2026 effective date, and three-year optional implementation period. Pacific Life cannot predict whether or in what form additional reforms will be enacted and, if so, whether the enacted proposals or reforms will positively or negatively affect its reported financial position or results of operations of Pacific Life.

Pacific Life and PL&A are each required to file reports, generally including detailed annual statutory basis financial statements and quarterly unaudited statutory basis financial statements, with insurance regulatory authorities in each of the jurisdictions in which they do business, and their operations and accounts are subject to periodic examination by such authorities. Pacific Life and PL&A must also file, and in many jurisdictions and in some lines of insurance obtain regulatory approval of, policy forms and related materials prepared or delivered in connection with the insurance written in the jurisdictions in which they operate.

State and federal insurance and securities regulatory authorities and other state law enforcement agencies and attorneys general from time to time make inquiries regarding compliance by Pacific Life and PL&A with insurance, securities and other laws and regulations regarding the conduct of their insurance and securities businesses. Pacific Life endeavors to respond to such inquiries in an appropriate way and to take corrective action if warranted.

Guaranty Associations and Similar Arrangements

All of the jurisdictions in which Pacific Life and PL&A are admitted to transact insurance business require life insurers doing business within the jurisdiction to participate in guaranty associations, which are organized to pay contractual benefits owed pursuant to insurance policies issued by impaired, insolvent or failed life insurers. These associations levy assessments, up to prescribed limits, on all member insurers in a particular state on the basis of the proportionate share of the premiums written in such state by member insurers in the lines of business in which the impaired, insolvent or failed insurer is engaged. Some states permit member insurers to recover assessments paid through full or partial premium tax offsets. Between 2021 and 2023, none of the aggregate assessments levied against Pacific Life and PL&A had been material. In 2024 and 2025, the only material aggregate assessments levied against Pacific Life and PL&A were related to the 2024 liquidation of Colorado Bankers Life Insurance Company and Bankers Life Insurance Company totaling $37 million.

For purposes of guaranty association assessments, long-term care insurance had traditionally been classified as a health insurance product until 2017, when the NAIC adopted amendments to the Life and Health Insurance Guaranty Association Model Act to provide a fifty-fifty split between life and health insurers for future long-term care insolvencies. Most states have adopted legislation to codify the NAIC changes into law, including Nebraska and Arizona. These changes may result in an increase in future assessments against life insurers such as Pacific Life and PL&A.

Statutory Examinations

As part of their routine regulatory oversight process, state insurance departments conduct periodic detailed examinations of the books, records and accounts of insurers domiciled in their states. These examinations are generally conducted in cooperation with the departments of two or three other states under guidelines promulgated by the NAIC. In April 2022, the NE DOI completed a financial examination of Pacific Life as of and for the four years ended December 31, 2020. The report of examination did not identify any material misstatements of Pacific Life's policyholder surplus as of December 31, 2020. The Nebraska Department is currently planning a financial examination of Pacific Life as of and for the five years ended December 31, 2025.

In June 2022, the Arizona Department of Insurance and Financial Institutions (the "**AZ DIFI**") completed a financial examination of PL&A as of and for the four years ended December 31, 2020. The report of examination did not identify any material misstatements of PL&A's policyholder surplus as of December 31, 2020.The AZ DIFI is currently planning a financial examination of PL&A as of and for the five years ended December 31, 2025.

In addition, in August 2022, the Vermont Department completed a financial examination of PBRC and PAR Vermont for the four years ended December 31, 2020.The report of examination indicated that PBRC and PAR Vermont were in good standing with the Vermont Department and in compliance with applicable Vermont laws and regulations as of December 31, 2020.The Vermont Department is currently planning a financial examination of PBRC and PAR Vermont for the five years ended December 31, 2025.

Various state insurance departments also periodically examine non-domestic insurance companies conducting business in their states, including Pacific Life and PL&A. The purpose of these periodic examinations is to evaluate the companies' compliance with state insurance laws and regulations and to determine if the companies' operations are consistent with the public interest of the policyholders resident in the state conducting the examination. In particular, state insurance laws and regulations include numerous provisions governing the marketplace activities of insurers, such as provisions governing the form and content of disclosure to consumers,

illustrations, advertising, sales practices and complaint handling. State regulatory authorities generally enforce these provisions through periodic market conduct examinations.

Policy and Contract Reserve Adequacy Analysis

Nebraska and other states have adopted an NAIC model law and regulation with respect to policy and contract reserve adequacy. Under the applicable insurance laws, Pacific Life and PL&A are required to annually conduct an analysis of the adequacy of all life insurance and annuity statutory reserves. A qualified actuary must submit an opinion which states that the statutory reserves, when considered in light of the assets held with respect to such reserves, make adequate provision for the associated contractual obligations and related expenses of the insurer. If such an opinion cannot be provided unless additional reserves are established, the insurer must establish such additional reserves as are incorporated in the actuary's opinion by moving funds from surplus. In addition, reserve requirements for certain product types require reserve adequacy on a standalone basis for those product types. Pacific Life and PL&A provided the actuarial opinions pertaining to reserves without any qualifications as of December 31, 2025.

In addition, the New York State Department of Financial Services ("**NYDFS**") issues annual letters on Special Considerations ("**SCL**") to New York-licensed insurance companies, such as PL&A, which affect year-end asset adequacy testing. An SCL could require assumptions that require PL&A to increase or release certain asset adequacy reserves, which could materially impact its statutory capital and surplus.

Capital and Surplus

The insurance laws of Nebraska and Arizona require that Pacific Life and PL&A, respectively, maintain minimum capital and surplus. Pacific Life and PL&A are subject to supervision by the regulators in each jurisdiction in which they are licensed to transact business. These regulators have discretionary authority, in connection with the continued licensing of Pacific Life and PL&A, to limit or prohibit sales to policyholders if such regulators determine that such insurer has not maintained the minimum surplus or capital required or that such insurer's further transaction of business would be hazardous to policyholders. Pacific Life and PL&A both exceeded the required minimum capital and surplus levels as of December 31, 2025. As of the date of this Offering Memorandum, there have been no significant changes that would decrease the surplus or capital of Pacific Life or PL&A below the required minimum levels.

Risk-Based Capital

RBC is a method developed by the NAIC to measure the minimum amount of capital appropriate for an insurance company to support its overall business operations in consideration of its size and risk profile. It provides a means of assessing capital adequacy, where the degree of risk taken by the insurer is the primary determinant. The adequacy of a company's actual capital is measured by a comparison to the RBC results, as determined by the formula, which is calculated by applying factors to various asset, premium and reserve items. The formula takes into account the risk characteristics of the insurer, including asset risk, insurance risk, interest rate risk and business risk. The NAIC Risk-Based Capital for Insurers Model Act requires life insurance companies to submit an annual report, which compares an insurer's Total Adjusted Capital with its Authorized Control Level Risk-Based Capital, each such term as defined pursuant to applicable state law. All states have adopted the NAIC's model law or a substantively similar law. State regulators use the formula as a regulatory tool to identify possibly inadequately capitalized insurers for purposes of initiating regulatory action and state regulators have explicit regulatory authority to require various actions by, or take various actions against, insurers whose total adjusted capital does not exceed certain levels.

In June 2023, the NAIC increased the RBC factor for structured security residual tranches from 30% to 45%, which is effective for year-end 2024 RBC filings. The NAIC is currently reviewing the RBC treatment of CLOs.

The NAIC from time to time explores possible revisions to certain portions of the RBC calculation. In July 2021, the NAIC's Financial Condition (E) Committee adopted updates to the asset factors that are used to calculate the RBC requirements for investment portfolio assets resulting in an expansion in the number of NAIC asset class categories for factor-based RBC requirements and the adoption of new factors to be implemented for reporting. In June 2023, the NAIC increased the RBC factor for structured security residual tranches from 30% to 45% which became effective for year-end 2024 RBC filings. The NAIC is currently reviewing the RBC treatment for CLOs and has indicated that it plans to consider new factors for the life RBC formula in 2026. The NAIC is also in the process of reviewing the appropriate RBC factors for structured securities, such as collateralized loan obligations.

Formed in early 2025, the Risk-Based Capital Model Governance (EX) Task Force is charged with a number of tasks related to the oversight and governance of the RBC framework and in December 2025 adopted guiding principles which address the purpose and use of, and standards for maintaining and updating, RBC. In 2026, this task force is also undertaking to identify gaps in the RBC framework that could pose a risk to regulators' assessment of solvency and developing a governance process for retrospective and future adjustments to RBC.

In April 2024, the NAIC released a draft proposal that would revise the RBC Pre-amble, a document that describes the purpose of RBC, how it is calculated and how it helps regulators identify companies with inadequate capital levels. If adopted as proposed, the NAIC's proposal to prohibit the disclosure of RBC-related information would conflict with historical practices and certain accounting and regulatory requirements relevant to insurance companies.

In early 2025, the NAIC created a new Risk-Based Capital Model Governance (EX) Task Force, charged with completing a comprehensive analysis to identify gaps in the current RBC framework and developing guidance principals for future RBC adjustments. As of the end of 2025, however, the task force remains in the early stages of work on these initiatives.

As of December 31, 2025, Pacific Life and PL&A exceeded the minimum RBC requirements. PAR Vermont and PBRC are subject to the same RBC requirements under Vermont insurance laws. Pacific Life cedes statutory FDNLGR benefits to PAR Vermont and certain level term life insurance and FDNLGR benefits to PBRC. In connection with this reinsurance, PAR Vermont has an XOL reinsurance agreement where the XOL Asset Value is included as an admitted asset in PAR Vermont's statutory basis financial statements, as approved by the Commissioner of the Vermont Department, and PBRC has a note facility, enhanced by a third-party reinsurer, that allows for the issuance of a Promissory Note that is included as an admitted asset in PBRC's statutory basis financial statements, as approved by the Commissioner of the Vermont Department. As a result, the XOL Asset Value is included in total adjusted capital for PAR Vermont's RBC calculation, and the Note is included in total adjusted capital for PBRC's RBC calculation, otherwise PAR Vermont's and PBRC's respective RBC would have been below the Mandatory Control Level. Neither the XOL Asset Value nor the Note is recorded as an admitted asset at Pacific Life. For a discussion of risks relating to these arrangements, *see* "Risk Factors—Risk Factors Related to Pacific Life's Business—New accounting rules, changes to existing accounting rules, or the grant or rescission of permitted accounting practices to Pacific Life or its affiliated insurance companies could have an adverse effect on Pacific Life's business, results of operations or financial condition."

For a discussion of risks relating to Pacific Life's RBC, *see* "Risk Factors—Risk Factors Related to Pacific Life's Business—A decline in Pacific Life's RBC measures could result in a decline in its ratings, increased scrutiny by state insurance regulators and have a material adverse effect on Pacific Life's business, results of operations or financial condition."

Annuity Suitability

Certain states have proposed and/or adopted laws or regulations that would impose fiduciary duties on certain broker-dealers and investment advisers. The SEC has not indicated an intent to pre-empt state regulation in this area, and some of the state proposals would allow for private right of action. In April 2025, the NASAA adopted a broker-dealer conduct model rule which incorporates the core principles and definitions from Regulation Best

Interest and SEC guidance, defines these principles and their components for purposes of state law, and makes other changes consistent with Regulation Best Interest.

In February 2020, the NAIC adopted revisions to the SAT Model Regulation to apply a "best interest" standard to the sale of annuities to better align state standards with the SEC's Regulation Best Interest. All states have either adopted the amended SAT Model Regulation or have adopted their own standards of conduct. These revisions, and any future changes to such laws and regulations, could adversely impact the way Pacific Life markets and sells its annuity products.

The NYDFS amended Insurance Regulation 187, which applies to PL&A and its New York licensed producers, to add a "best interest" standard for recommendations regarding the sale of life insurance and annuity products in New York, which took effect August 1, 2019 with respect to annuity contacts and February 1, 2020 with respect to life insurance products.

The DOL recently issued an amended definition of investment advice fiduciary for purposes of ERISA and parallel provisions of the Code, as well as amendments to various PTEs, although the future of those rules is uncertain as a result of certain litigation.

Since adoption of Regulation Best Interest, the SEC staff has published guidance regarding Regulation Best Interest on its website. Pacific Life continues to monitor its compliance with Regulation Best Interest.

Regulation of Investments

Pacific Life and PL&A are subject to state laws and regulations that require diversification of their investment portfolios and limit the amount of investments in certain asset categories, such as below investment-grade fixed maturity securities, equity real estate, other equity investments and derivatives. Failure to comply with these laws and regulations would cause investments exceeding regulatory limitations to be treated as non-admitted assets for purposes of measuring surplus and, in some instances, would require divestiture of such non-qualifying investments. Pacific Life believes that the investments made by Pacific Life and PL&A complied with such regulations at December 31, 2025 and continue to so comply.

In recent years, the NAIC has focused on enhancing regulatory oversight of insurers' investments in complex assets, such as leveraged loans and CLOs. In March 2023, the NAIC adopted an amendment to the Manual to assign risk weights to CLOs based on its own modeling, as opposed to credit ratings. Under the amendment, the NAIC's Structured Securities Group will model CLO investments and evaluate tranche level losses across all debt and equity tranches under a series of calibrated and weighted collateral stress scenarios to assign NAIC designations that minimize RBC arbitrage. The NAIC's goal is to ensure that the aggregate RBC factor for owning all tranches of a CLO is the same as that required for owning all of the underlying loan collateral. The amendment to the Manual requires insurers to begin reporting the financially modeled NAIC designations for CLOs with their year-end 2026 financial statement filings. The NAIC is collaborating with interested parties to refine the process for modeling CLO investments.

Effective January 1, 2025, the NAIC adopted a principles-based definition of a bond that has resulted in new reporting and disclosure requirements and may lead to categorical changes in the regulatory reporting and RBC charges associated with these investments. The new definition which includes consideration of factors to determine whether an investment security qualifies for reporting on an insurer's statutory basis financial statement as a bond on Schedule D-1 as opposed to schedule BA (other than long-term investment assets), the latter of which has a higher risk charge.

The NAIC has also been focused on insurers' use of ratings by NRSROs and other CRPs for rating certain of their investments, instead of submitting such investments to the NAIC's SVO. Certain investments are subject to an exemption from filing with the SVO if they have been assigned a current, monitored rating by certain approved CRPs that meet specified requirements. The NAIC's designation of an investment held by an insurance company affects the RBC charge applied to such investment and therefore impacts the insurer's overall RBC ratio.

The NAIC's Financial Condition (E) Committee launched a holistic review of the insurance regulatory framework related to insurer investment risk regulation in August 2023. The primary objective is to highlight areas where the insurance regulatory framework and the SVO can be enhanced in order to strengthen oversight of insurers' investments in complex assets, such as structured securities. More specifically, the NAIC is focused on the SVO's discretion to review NAIC designations for individual investments, the appropriate extent of SVO reliance on CRPs, and oversight of the development of new RBC charges for CLOs and other structured securities. The proposed changes to modernize investment oversight include: (i) reducing or eliminating "blind" reliance on CRPs while continuing to utilize them by implementing a due diligence framework that oversees the effectiveness of CRPs and (ii) bolstering the SVO's portfolio risk analysis capabilities by investing in a risk analytics tool and adding specialized personnel.

Trading within Pacific Life's bond portfolio in a rapidly rising interest rate environment could cause the IMR liability balance of Pacific Life to become negative because of realized capital losses from the sale of fixed income investments or termination of hedging derivatives that are attributable to changes in market interest rates. Under NAIC SAP, these losses would not be immediately recognized in net income but are deferred to the IMR liability and amortized to net investment income over the estimated remaining maturity of the investment sold or the item hedged by the terminated derivative. To the extent the net IMR liability balance is positive, the unamortized portion of the net realized capital gains is deferred on the balance sheet and does not immediately increase surplus. To the extent the net IMR liability balance is negative, the unamortized portion of the net realized capital losses would be immediately recognized as a reduction in surplus to the extent that a negative IMR liability balance is considered a non-admitted asset. S*ee* "Risk Factors—Risk Factors Related to Pacific Life's Business—New accounting rules, changes to existing accounting rules, or the grant or rescission of permitted accounting practices to Pacific Life or its affiliated insurance companies could have an adverse effect on Pacific Life's business, results of operations or financial condition."

In August 2023, the NAIC adopted an interim solution with regard to the treatment of an insurer's negative IMR balance, which may occur when a rising interest rate environment causes an insurer's IMR balance to become negative as a result of bond sales executed at a capital loss. Previous statutory accounting guidance required the non-admittance of negative IMR, which can result in lower reported surplus and risk-based capital ("**RBC**") ratios. The NAIC's interim statutory accounting guidance Interpretation 23-01, Net Negative (Disallowed) Interest Maintenance Reserve ("**INT 23-01**"), effective until December 31, 2026, permits an insurer with an authorized control level RBC ratio greater than 300% to admit negative IMR for an amount up to 10% of its general account capital and surplus, subject to certain restrictions and reporting obligations. The NAIC is developing a long-term solution for the accounting treatment of negative IMR. Pacific Life had admitted negative IMR of $204 million and $95 million for the year ended December 31, 2025 and 2024, respectively. *See* Note 1 to Pacific Life's Statutory Basis Financial Statements included in this Offering Memorandum.

Reinsurance Matters

On August 13, 2025, the NAIC adopted AG 55 requiring disclosure related to reserve adequacy for reserves reported in an insurer's annual statement. The guideline requires asset adequacy testing for long-duration insurance business that relies heavily on asset returns (i.e., "asset-intensive reinsurance transactions") within the scope of the guideline that either meet certain size-based thresholds or result in significant reinsurance collectability risk (as determined by the cedent's appointed actuary). Such asset adequacy testing is to be performed using a cash flow testing methodology. The actuarial guideline requires disclosure by the ceding insurer, meaning that it will not require that additional reserves be posted at the reinsurer level (although the ceding insurer may decide to post reserves). Domestic regulators will continue to have the authority to take action on known issues, or issues that may become known as part of such new reporting (including requiring that additional reserves be held).

Proposed Disclosure of Funding Agreement Backed Note Programs

The NAIC's Macroprudential (E) Working Group met in July 2025 to begin what will be an ongoing discussion between the NAIC and industry about funding agreements and Funding Agreement-Backed Note

programs ("**FABNs**"). The working group noted that while the NAIC does not believe FABN activity poses any outsized risk for individual insurers or the industry in the aggregate, the NAIC does not currently receive the reporting necessary to quantify and monitor FABN activity. To address this, in November 2025, the working group exposed for comment a draft NAIC memorandum recommending a blanks proposal to obtain disclosures for funding agreements that support FABNs. The memorandum also recommends that a new disclosure be incorporated to *SSAP No. 52—Deposit-Type Contracts*, and that Exhibit 7 (Deposit-Type Contracts) to the Annual Statement be revised to incorporate new footnote disclosures related to FABN programs. The working group's goal is to implement these new reporting requirements for year-end 2026.

Privacy of Consumer Information and Cybersecurity

Federal and state laws and regulations require financial institutions, including insurance companies, to protect, among other things, the security, confidentiality, integrity and availability of a consumer's personal information and to notify consumers about policies and practices relating to the collection, use and disclosure of consumer information and policies relating to protecting the security and privacy of that information, and to notify regulators and consumers in the event of certain data breaches affecting the confidentiality, integrity, or availability of personal information. Federal and state laws and regulations also regulate the marketing practices and activities of financial institutions and their ability to make telemarketing calls and to send unsolicited commercial e-mail, text or fax messages to consumers, customers and others.

Federal and state lawmakers and regulatory bodies may amend regulations currently in force, or implement additional or more detailed regulations regarding the privacy and security of nonpublic personal information, confidential business information, information security systems, and requirements on vendors and other third parties that may have access to sensitive data or systems. Furthermore, data security and the safeguarding of consumers' protected information are under increasing scrutiny by state and federal regulators, particularly in light of the number and severity of recent data breaches impacting U.S. companies. Insurance and other regulators have undertaken various studies, reports and actions regarding privacy and data security for entities under their respective supervision, and certain jurisdictions have enacted new privacy and information security requirements and new insurance laws that require certain regulated entities, such as Pacific Life, to implement and maintain comprehensive information security programs to safeguard the personal information of insureds and enrollees.

The GLBA and the Fair Credit Reporting Act ("**FCRA**") impose privacy and information security requirements on financial institutions, including obligations to protect and safeguard consumers' nonpublic personal information and creditworthiness information, respectively, and limitations on the use and sharing of such information. The GLBA requires administrative, technical and physical safeguards to ensure the security, confidentiality, integrity and the proper disposal of nonpublic personal information, and the FCRA imposes similar information security requirements regarding consumer report information. The FCRA limits an entity's ability to disclose such information to affiliates and nonaffiliates unless certain notice requirements are met and the consumer does not elect to prevent or "opt out" of the disclosure, and it limits an entity's ability to use consumer report information except for certain authorized purposes. The GLBA includes limitations on financial institutions' disclosure of nonpublic personal information about a consumer to nonaffiliated third parties, in certain circumstances requires financial institutions to limit the use and further disclosure of nonpublic personal information by nonaffiliated third parties to whom they disclose such information and requires financial institutions to provide privacy policies with disclosures concerning the collection and use of nonpublic personal information as well as with respect to information sharing practices with affiliated and unaffiliated entities. The GLBA requires that financial institutions provide privacy notices to their customers. With respect to Pacific Life's business, the GLBA is enforced by the CFPB and state insurance regulators, and the FCRA is enforced by the CFPB. Applicable CFPB and state insurance regulations implement certain sections of the GLBA regarding privacy and information security, including requirements to notify individuals of certain incidents that affect their nonpublic personal information. Certain states have also implemented various requirements of the GLBA including California through the California Financial Information Privacy Act.

All banks, insurance companies, and other financial services institutions and licensees regulated by the NYDFS, including PL&A, are required by cybersecurity regulation adopted by the NYDFS in 2017 to establish a risk-based cybersecurity program, in accordance with specific technical safeguards and requirements with respect to

governance, incident response, training, data and asset management, monitoring, auditing, system testing and regulator notification in the event of certain cybersecurity events. Pacific Life, as it applies to PL&A, takes steps to comply with the NYDFS cybersecurity regulation. In November 2023, the NYDFS adopted amendments to its cybersecurity regulation to impose additional obligations on regulated entities that continue to require further investments in the cybersecurity program and governance. The amendments include significant changes, such as (i) expanding the types of cybersecurity events that require timely notification to the NYDFS and (ii) requiring enhancements to an entity's written policies and procedures related to remote access, vulnerability management, data retention, and access privileges. Additionally, the NYDFS previously issued a circular letter in February 2021 announcing its Cyber Insurance Risk Framework which describes best practices for NYDFS-regulated insurers use to manage cyber insurance risk. While the circular letter does not establish new legal standards, it does reflect the NYDFS's interpretation of existing legal and regulatory requirements and, combined with the updated cybersecurity regulations, indicates the increased obligations, expectations, and scrutiny on licensed entities' cybersecurity programs. Moreover, the NYDFS has issued several industry letters detailing agency guidance regarding cybersecurity matters, including the use of multi-factor authentication and ransomware prevention, and has been increasingly aggressive in enforcing its cybersecurity regulation.

In October 2017, the NAIC adopted the Insurance Data Security Model Law which establishes model standards regarding data security and notification of data breaches applicable to insurance licensees in states adopting such law, with provisions that are generally consistent with the NYDFS cybersecurity regulation discussed above. The model regulation, which is being implemented in stages, requires insurance companies to establish and maintain a cybersecurity program designed to protect consumers' private data and the confidentiality, integrity, and availability of the licensee's information systems. The Insurance Data Security Model Law continues to be adopted by an increasing number of states although it is not an NAIC accreditation standard, and Pacific Life anticipates that more states will continue to adopt the Insurance Data Security Model Law, sometimes with state-specific modifications, in the near term. As of January 8, 2026, a version of the Insurance Data Security Model Law has been adopted in more than 28 jurisdictions, including states in which Pacific Life does business, including with some modifications. Pacific Life expects cybersecurity risk management, prioritization and reporting to continue to be areas of significant regulatory focus by such regulatory bodies and self-regulatory organizations.

Many states have enacted general privacy, data security, and data breach notification laws that impose compliance obligations beyond those imposed by the GLBA, including obligations to protect personal information. In 2019, New York enacted the Stop Hacks and Improve Electronic Data Security Act ("**SHIELD Act**"), which came into effect in March 2020. The SHIELD Act increased information security requirements regarding New York residents' personal information. All 50 U.S. states also require entities to provide notification to affected state residents and, in certain instances, state regulators, such as state attorneys general or state insurance commissioners, in the event of security breaches affecting certain personal information, though some of these laws include exemptions for entities regulated by the GLBA.

The CCPA, amended by the CPRA in 2020, affords California residents expanded privacy protections and control over the collection, use and sharing of their personal information. The CCPA requires certain companies doing business in California to disclose to California consumers information regarding such companies' privacy practices and California residents rights to access and delete their personal information, opt out of certain personal information sharing, and receive detailed information about how their personal information is used. The CPRA amendments imposed new requirements relating to data minimization and correction and provided consumers with additional rights over their personal information, including the right to opt-out of the use of their personal information in online behavioral advertising and to opt-out of certain types of consumer profiling. Failure to comply with the CCPA, as amended, risks regulatory fines, and the CCPA grants a private right of action and statutory damages enforced by the California Privacy Protection Agency for unauthorized access and exfiltration, theft or disclosure of certain types of personal information resulting from the company's violation of a duty to maintain reasonable security procedures and practices. The CCPA includes a number of limited exceptions, including an exception for data that is collected, processed, sold or disclosed pursuant to the GLBA. This exception, however, does not apply to the private cause of action afforded to individuals for information security incidents.

The CCPA, as amended, and regulations promulgated thereunder, continue to require additional investment by Pacific Life in compliance programs and potential modifications to business processes.

A growing number of states continue to enact or are considering enacting new, comprehensive privacy legislation. Such laws borrow many concepts from the CCPA and CPRA, as well as from the GDPR and data protection laws, in addition to new requirements and obligations. Although many state privacy laws passed to date broadly exempt either all financial institutions (or data) subject to the GLBA, not only personal data subject to the GLBA, and some exempt employee personal data, these are evolving laws and regulations that add layers of complexity to compliance in the U.S. market. Furthermore, newly introduced state laws related to health privacy may result in additional compliance costs, particularly for non-GLBA covered data. For example most provision of the Washington "My Health My Data Act," became effective in 2024 and expansively regulates "consumer health data." Additionally, Nevada recently enacted a consumer health data privacy bill, and other states could adopt health-specific privacy laws that could impact Pacific Life's business. Pacific Life cannot predict whether any of these laws will be enacted, what form such laws may take, or the extent to which any new laws will require additional investments in its compliance programs or changes to business processes.

Additionally, the Federal Trade Commission ("**FTC**") and many state attorneys general are interpreting existing federal and state consumer protection laws to impose evolving standards for the collection, use, dissemination, and security of financial-related and other personal information. Courts may also adopt the standards for fair information practices promulgated by the FTC, which concern consumer notice, choice, security, and access. Consumer protection laws require Pacific Life to publish statements that describe how it handles personal information and choices individuals may have about the way it handles their personal information. If such information that Pacific Life publishes is considered untrue, it may be subject to government claims of unfair or deceptive trade practices, which could lead to significant liabilities and consequences for its business and results of operations. Furthermore, according to the FTC, violating consumers' privacy rights or failing to take appropriate steps to keep consumers' personal information secure may constitute unfair acts or practices in or affecting commerce in violation of Section 5 of the FTC Act.

See "Risk Factors—Risk Factors Related to Pacific Life's Business"— Regulatory developments could have an adverse effect on Pacific Life's business, results of operations and financial condition. The GDPR imposes numerous technical and operational obligations on in-scope entities regarding the processing of personal data and provides numerous protections for individuals. These obligations include, but are not limited to, notification requirements for data breaches, the right to access personal data, and the right to be forgotten.

At the NAIC, the Privacy Protections (H) Working Group reviews state insurance privacy protections regarding the collection, use and disclosure of information gathered in connection with insurance transactions. This working group is developing amendments to the NAIC's Privacy of Consumer Financial and Health Information Regulation, which may expand the definition of nonpublic personal information; add consumer rights to request access, correction, and deletion of nonpublic personal information; and add requirements for contracts with third-party service providers. The NAIC might adopt this new privacy model as soon as fall 2026, at which point states would need to introduce it in their respective legislatures. But the NAIC Working Group developments further emphasize that legal obligations regarding privacy continue to evolve and contribute to the complex regulatory and compliance environment.

Artificial Intelligence and Big Data

As a result of increased innovation and technology in the insurance sector, the NAIC and state insurance regulators have been focused on the use of "big data" techniques, such as the use of AI, machine learning and automated decision-making.

In December 2023, the NAIC's Innovation, Cybersecurity and Technology (H) Committee adopted the *Model Bulletin on the Use of Artificial Intelligence Systems by Insurers* (the "**AI Bulletin**"). More than two dozen states have adopted the AI Bulletin or guidance reflecting portions of the AI Bulletin, which outlines insurance regulators' expectations as to how insurers should govern the development, acquisition and use of certain AI technologies, as well as the types of information that regulators may request during an investigation or examination

of an insurer in relation to AI systems. In addition, in 2024, the Innovation, Cybersecurity and Technology (H) Committee formed the Third-Party Data and Models (H) Task Force, which is developing a framework for the regulatory oversight of insurers' use of third-party data and models. The Big Data and Artificial Intelligence (H) Working Group also has a workstream that is evaluating AI-use outcomes and how well the current regulatory framework addresses potential harms from the use of AI. The Working Group continues to consider an overall AI regulatory framework that could be incorporated into an NAIC handbook.

These NAIC AI developments follow on years of increasing regulatory scrutiny, regarding the use of "big data" techniques. For instance, the NYDFS issued a circular letter in January 2019 that provides life insurers with guidance on the use of external consumer data in underwriting. At the NAIC, the Big Data Working Group evaluates the use of big data and AI, including machine learning, in the insurance industry and it evaluates existing regulatory frameworks for overseeing their use, including making recommendations related to the development of additional data and regulatory tools.

State regulators, most notably state departments of insurance, have also taken a more active role in regulating the insurance industry's use of big data and AI. For example, on June 30, 2022, the California Department of Insurance released Bulletin 2022-5, which among other things, explained that insurance companies must avoid discrimination that can result from the use of AI and big data for activities such as underwriting, marketing, rating, processing claims, and investigating suspected fraud concerning any insurance transaction that impacts California residents. In 2021, Colorado enacted a law which prohibits insurers from using external consumer data and information sources ("**ECDIS**") as well as algorithms or predictive models that use ECDIS, in a way that unfairly discriminates based on race, color, national or ethnic origin, religion, sex, sexual orientation, disability, gender identity or gender expression. In August 2023, Colorado adopted a regulation, effective on November 14, 2023, requiring life insurers to adopt a governance and risk management framework for the use of AI, machine learning and other technologies that utilize "external consumer data." Colorado has proposed an amendment to the regulation which would extend the requirements to private passenger automobile and health benefit plan insurers that use ECDIS, as well as algorithms and predictive models that use ECDIS. In July 2024, the NYDFS issued a circular letter, applicable to all authorized insurers in New York, which provides guidance on how such insurers should develop and manage their use of external consumer data and AI systems in underwriting and pricing so as to not harm consumers. Additional states are also taking action, which may result in further non-uniform legislation impacting how data, algorithms, models, automated decision-making tools and AI in general can or should be used across insurance practices.

Moreover, U.S. states, including Colorado, Utah and California, have passed comprehensive general AI legislation, and many other states are considering such legislation to govern and manage risk of the development and deployment of AI technologies. For instance, Colorado's AI law, Consumer Protections for Interactions with Artificial Intelligence, will go into effect in June 2026 and will apply to "high-risk AI systems" which include AI systems used in insurance and financial or lending services.

In December 2025, the White House issued an Executive Order that marked a significant shift in federal AI policy. The "Ensuring a National Policy Framework for Artificial Intelligence Order" (the "**Order**") aims to establish a unified national approach to AI regulation by limiting the authority of the states to enact and enforce state AI laws that conflict with federal policy. The Order directs multiple federal agencies to take aggressive action within 90 days to identify, challenge, and potentially preempt state AI laws deemed inconsistent with federal policy objectives. The Order introduces a period of regulatory uncertainty, thus potentially having adverse effect on Pacific Life's results of operations, financial condition and liquidity.

Pacific Life expects that innovation and technology, including the use of AI and big data, will remain important issues for the NAIC and state regulators, although it cannot predict what, if any, changes to laws and regulations may be enacted with regard to such activities.

The EU AI Act (the "AI Act"), Regulation (EU) 2024/1689, aims to establish a comprehensive legal framework for the development, supply, and use of certain AI systems and use cases across EU member states. The AI Act applies to both public and private entities within and outside the EU including, where their AI systems are

placed on the market or put into services in the EU or otherwise, where the output of the AI system is used in the EU. The AI Act entered into force on August 1, 2024 and its requirements will become enforceable in a gradual manner between 2025-2027. It classifies AI systems and use cases into standardized risk levels and introduces harmonized rules and extraterritorial provisions applicable based on an AI system's respective risk level. For example, AI systems classified as posing an unacceptable risk are banned from being offered and used in the EU. High risk AI systems are subject to a set of regulatory requirements under the AI Act and providers must, among other things, establish quality management systems, post-marketing monitoring systems; design and train their AI systems in compliance with certain requirements; and implement human oversight. General purpose AI systems are subject to several requirements, mostly akin to the requirements that apply to high risk AI systems under the AI Act. Penalties for non-compliance with the AI Act can be significant and escalate to €35 million or 7% of annual global turnover for the preceding financial year.

As noted above, state, federal and international policymakers may consider and enact additional legislation or promulgate regulations governing AI, privacy, data protection, cybersecurity and data breach reporting requirements. Pacific Life cannot predict whether such legislation will be enacted, or what impact, if any, such legislation may have on its business practices, results of operations or financial condition.

Unclaimed Property Laws

Pacific Life and PL&A are subject to the laws and regulations of states and other jurisdictions concerning the identification, reporting and escheatment of unclaimed or abandoned funds, and are subject to audit and examination for compliance with these requirements.

State insurance regulators may scrutinize claims settlement practices of life insurance and annuities with regard to payment of death benefits. Through their authority to regulate market conduct, including claims settlement practices, state insurance regulators have examined the use by life insurance companies of a death database, such as the Social Security Administration's Death Master File, to identify deceased persons and the processes by which life insurance companies search for beneficiaries of life and annuity contracts. In particular, these regulators have looked at how life insurance companies handle unreported deaths, maturity of life insurance and annuity contracts, and contracts that have exceeded limiting age to determine if the companies are appropriately identifying when death benefits or other payments under the contracts should be made. Many states have enacted laws or adopted regulations mandating the use by life insurance companies of such a death database to identify deceased persons and more rigorous processes to find beneficiaries. Numerous states contracted with independent firms to perform specific unclaimed property audits or targeted market conduct examinations covering claims settlement practices and procedures for escheating unclaimed property. Regulatory audits, related examination activity and internal reviews may result in additional payments to beneficiaries, escheatment of funds deemed abandoned under state laws, administrative penalties and changes in Pacific Life's and PL&A's procedures for the identification of unreported claims and handling of escheatable property.

Risk Management, ORSA and Corporate Governance Disclosure

The NAIC adopted the Risk Management and Own Risk and Solvency Assessment ("**ORSA**") Model Act (the "**ORSA Model Act**") which has been enacted in Nebraska and Arizona. The ORSA Model Act requires insurers that exceed specified premium thresholds to conduct an ORSA and prepare a summary report (the "**ORSA Report**") at least annually regarding their internal assessment of risk management and capital adequacy for the entire group. In June 2025, PMHC filed its latest ORSA Report with the its lead regulator, the NE DOI.

The NAIC adopted the Corporate Governance Annual Disclosure Model Act and Regulation ("**CGAD**"), which has also been enacted in Nebraska and Arizona. CGAD requires insurers to make an annual confidential filing regarding their corporate governance policies to their lead state regulator.

NAIC's Macroprudential Initiative

In connection with NAIC's macroprudential initiative, the NAIC adopted amendments to the Holding Company Model Act and Regulation ("**HCMA**") in 2020 which implement an annual filing requirement for a liquidity stress-testing framework ("**LST**") for certain large U.S. life insurers and insurance groups. Life insurers are subject to this filing requirement based on criteria related to liquidity risk (e.g., FIA, derivatives, etc.). The LST is based on a group's projections of sources and uses of liquidity over various time horizons under baseline and stress scenarios which can vary year by year. The revised HCMA, which has been enacted in Nebraska, must be adopted in each state to be in effect. The Pacific Life group does not expect the LST to have a material impact on its level of liquidity.

Group Capital

Pacific Life files an annual Group Capital Calculation ("**GCC**") with its lead state commissioner in Nebraska. Adopted as part of certain amendments to the NAIC's Insurance Holding Company System Regulatory Act (#440) and Insurance Holding Company System Model Regulation (#450) in December of 2020, the GCC requirement has been adopted by 48 states, including Nebraska. State insurance regulators use the GCC to monitor the solvency of an insurance group. The GCC uses an aggregation methodology that consolidates capital measurements for all entities within a group, including its non-U.S. entities.

The calculation is intended to provide additional analytical information to the lead state for use in assessing group risks and capital adequacy.

Federal Insurance Initiatives and Legislation

Although the federal government does not directly regulate the insurance business, federal initiatives often have an impact on Pacific Life's life insurance business. From time to time, federal measures are proposed that may significantly affect the insurance business. Impacted areas include financial services regulation, securities regulation, derivatives regulation, pension regulation and taxation. In addition, various forms of direct and indirect federal regulation of insurance have been proposed from time to time, including proposals for the establishment of an optional federal charter for insurance companies.

Dodd-Frank effected the most far-reaching overhaul of financial regulation in the United States in decades. For instance, Dodd-Frank created the FSOC which has the authority to identify and respond to risks that could threaten financial stability across the U.S. financial system. FSOC also has the authority to designate certain financial companies that could pose a threat to U.S. financial stability as non-bank SIFIs, thereby subjecting them to enhanced prudential standards and supervision by the Board of Governors of the Federal Reserve System and the Federal Reserve Bank of New York. In November 2023, FSOC issued updated guidance that became effective in January 2024 that modifies the SIFI designation process, including repealing some cost-benefit analysis requirements previously required to designate non-bank financial institutions as systematically important. The FSOC's changes could have the effect of simplifying and shortening its procedures for designating non-bank financial companies as SIFIs. There are currently no such non-bank financial companies designated by FSOC as SIFIs. Pacific Life is not able to predict with certainty whether any changes will be made to Dodd-Frank in the future or whether any such changes would have a material effect on its business operations. As such, Pacific Life cannot currently identify all of the risks or opportunities, if any, that may impact its business as a result of changes to, or legislative replacements for, Dodd-Frank.

Dodd-Frank also created the CFPB, an independent agency in the Federal Reserve System with jurisdiction over credit, savings, payment, and other consumer financial products and services, other than investment products already regulated by the SEC or the CFTC. Certain of Pacific Life's subsidiaries sell products that may be regulated by the CFPB. In addition, Dodd-Frank created a new framework of regulation of OTC derivatives markets which requires clearing of certain types of transactions currently traded OTC by Pacific Life and mandatory minimum margin requirements for transactions that are not otherwise subject to clearing. Pacific Life uses derivatives to mitigate a wide range of risks in connection with its business, including those arising from its VA products with guaranteed benefit features. The derivative clearing and mandatory minimum margin requirements of Dodd-Frank impact Pacific Life's business by increasing its hedging costs.

In addition, Dodd-Frank established the FIO within the U.S. Department of the Treasury, which has the authority, on behalf of the United States, to participate in the negotiation of international insurance agreements, as well as to collect information about the insurance industry and recommend prudential standards. While not having general supervisory or regulatory authority over the insurance industry, the director of the FIO performs various functions with respect to insurance, including serving as a non-voting member of FSOC and making recommendations to the FSOC regarding insurers to be designated for more stringent regulation.

Dodd-Frank authorizes the Secretary of the Treasury and the U.S. Trade Representative to enter into international agreements of mutual recognition regarding the prudential regulation of insurance or reinsurance. Pursuant to this authority, the United States and the EU signed such an agreement in September 2017 (the "**EU Covered Agreement**") to address, among other things, reinsurance collateral and insurance group supervision requirements. In addition, the United States and the U.K. entered into a covered agreement in December 2018 (the "**U.K. Covered Agreement**," and together with the EU Covered Agreement, the "**Covered Agreements**") in anticipation of the U.K.'s exit from the EU. The U.K. Covered Agreement largely reflects the provisions of the EU Covered Agreement and incorporates the same timeframes.

Under Dodd-Frank, the FIO has preemption authority over state insurance laws that conflict with the Covered Agreements as of September 1, 2022, such as state credit for reinsurance laws that result in non-U.S. reinsurers subject to the Covered Agreements being treated less favorably than U.S. reinsurers. The NAIC previously adopted amendments to its Credit for Reinsurance Model Law to satisfy the substantive and timing requirements of the Covered Agreements, which amendments have been enacted by all states. Pacific Life cannot predict with any certainty the impact of the Covered Agreements on its business or whether regulatory interpretations will change.

Federal legislation and administrative policies in other areas, including employee benefit plan regulation and IRA regulation, federal taxation and securities regulation, could significantly affect the insurance industry and the costs faced by its participants. For example, in June 2020, Regulation Best Interest went into effect. Regulation Best Interest requires broker-dealers selling VA to, among other things act in the best interests of their clients, disclose information regarding the nature of their relationship with the customer in Form Customer Relationship Summary, and disclose conflicts of interests relating to the sale of the VA.

See "Risk Factors—Risk Factors Related to Pacific Life's Business—Regulatory developments could have an adverse effect on Pacific Life's business, results of operations and financial condition."

Anti-Money Laundering Legislation

Title III of the USA PATRIOT Act of 2001 (the "**PATRIOT Act**") amends the Money Laundering Control Act of 1986 and the Bank Secrecy Act of 1970 to expand anti-money laundering ("**AML**") and financial transparency laws applicable to financial services companies, including some categories of insurance companies. The PATRIOT Act, among other things, seeks to promote cooperation among financial institutions, regulators and law enforcement entities in identifying parties that may be involved in terrorism, money laundering or other illegal activities. To the extent required by applicable laws and regulations, certain of Pacific Life's subsidiaries that are deemed "financial institutions" under the PATRIOT Act have adopted AML programs that include policies, procedures and controls to detect and prevent money laundering, designate a compliance officer to oversee the programs, provide for on-going employee training and ensure periodic independent testing of the program. Pacific Life's AML programs, to the extent required, also establish and enforce customer identification programs and provide for the monitoring and the reporting to the Department of the Treasury of certain suspicious transactions.

On January 1, 2021, Congress passed the Anti-Money Laundering Act of 2020 (the "**AMLA**") into law. The AMLA imposes new obligations on the Financial Crimes Enforcement Network, the agency primarily responsible for maintaining and enforcing AML/countering the financing of terrorism laws and regulations in the United States. The AMLA is the most comprehensive set of reforms to AML laws in the United States since the PATRIOT Act and has a number of provisions that could result in significantly increased civil and criminal enforcement of AML violations.

See "Risk Factors— Risk Factors Related to Pacific Life's Business— Litigation and regulatory investigations are common in the life insurance industry and may result in significant financial losses and harm to Pacific Life's reputation."

Insurance Holding Company Regulation

Insurance Holding Company Regulation

Pacific Life and its insurance subsidiaries are subject to regulation under the insurance holding company laws of the various jurisdictions in which they do business. The insurance holding company laws and regulations vary from jurisdiction to jurisdiction, but generally require each controlled insurance company to register with state regulatory authorities and to file with those authorities certain reports, including information concerning their capital structure, ownership, financial condition, certain inter-company transactions and general business operations.

Mutual Insurance Holding Company Regulation

As a Nebraska mutual insurance holding company, PMHC is subject to the regulation of the Director. Pacific LifeCorp is also subject to the jurisdiction of the Director under Nebraska law and Pacific Life is a Nebraska domiciled insurance company subject to the jurisdiction of the Director; however, only Pacific Life is authorized to engage in the business of insurance. In accordance with applicable law, the Restated Plan and the organizational documents of PMHC, Pacific LifeCorp and Pacific Life, PMHC must at all times hold at least 51% of the outstanding voting stock of Pacific LifeCorp and Pacific LifeCorp must at all times hold all of the outstanding stock of Pacific Life.

Additionally, PMHC, as a mutual insurance holding company, is subject to various restrictions under applicable insurance laws and its organizational documents. PMHC's activities are severely limited by its organizational documents. It is not able to have any independent operations of its own, although it may carry out insurance or other business through its ownership of Pacific LifeCorp and its subsidiaries.

Pursuant to applicable insurance laws, PMHC and Pacific LifeCorp will automatically be a party to any proceeding against Pacific Life under the Nebraska insurance receivership laws. In any such proceeding, the assets of PMHC, including, but not limited to, its interest in Pacific LifeCorp, will be subject to inclusion in the estate of Pacific Life to the extent necessary to satisfy the claims of the policyholders of Pacific Life. *See* "Business of Pacific Life."

Restrictions on Transactions with Affiliates

Any transaction between Pacific Life and any of its affiliates, must, among other things, be on terms which are fair and reasonable. In addition, Pacific Life may not enter into any material transactions with any other affiliates, including any sale, purchase or loan exceeding 3% of Pacific Life's admitted assets as of the preceding December 31, unless it has notified the Director in writing and the Director has not disapproved the transaction within 30 days.

Dividend Payment Restrictions

A principal asset of Pacific LifeCorp is the common stock of Pacific Life. Dividends and other distributions from Pacific Life represent a primary source of funds for Pacific LifeCorp to meet its long-term obligations. The payment of dividends and other distributions by Pacific Life to Pacific LifeCorp is subject to restrictions set forth in the insurance laws of the State of Nebraska. Under these laws, Pacific Life must deliver notice to the NE DOI of any dividend or distribution to Pacific LifeCorp within five business days after declaration of the dividend or distribution, and may not pay the dividend or distribution to Pacific LifeCorp within the ten business day period following delivery of such notice unless the NE DOI approves payment of the dividend or distribution within such ten business day period. In addition, Pacific Life may not pay an "extraordinary" dividend or distribution to Pacific LifeCorp until the NE DOI has either (1) approved the payment of the dividend or distribution or (2) not disapproved the payment of the dividend or distribution within 30 days after receiving notice of the declaration of the dividend or distribution. For purposes of applicable Nebraska law, an "extraordinary" dividend or distribution is a dividend or distribution of cash or other property with a fair market value that, together with that of other dividends or distributions made by Pacific Life to Pacific LifeCorp within the preceding 12 months, exceeds the greater of either (1) 10% of Pacific Life's statutory policyholders surplus as of the preceding December 31 or (2) Pacific Life's statutory net gain from operations for the 12 month period ending the preceding December 31. Based on the 2025 statutory results, Pacific Life could pay up to $0.9 billion in ordinary dividends or distributions during 2026, subject to the ten business day notice period described above. Dividends in excess of such amount would be considered "extraordinary" dividends or distributions for purposes of Nebraska law and would be subject to the 30-day notice and non-disapproval requirement described above. Pacific Life paid a $50 million ordinary dividend to Pacific LifeCorp during the year ended December 31, 2025. No dividends were paid during the year ended December 31, 2024.

The payment of dividends and other distributions by PL&A to Pacific Life is subject to restrictions set forth in the Arizona insurance laws. These laws require that PL&A must deliver notice to the AZ DIFI of any dividend or distribution to Pacific Life within five business days after declaration of the dividend or distribution, and may not pay the dividend or distribution to Pacific Life within the ten business day period following delivery of such notice unless the AZ DIFI approves payment of the dividend or distribution within such ten business day period. PL&A may not pay an "extraordinary" dividend or distribution to Pacific Life until the AZ DIFI has either (1) approved the payment of the dividend or distribution or (2) not disapproved the payment of the dividend or distribution within 30 days after receiving notice of the declaration of the dividend or distribution. For purposes of applicable Arizona law, an "extraordinary" dividend or distribution is a dividend or distribution of cash or other property whose fair market value, together with that of other dividends or distributions made by PL&A to Pacific Life within the preceding 12 months, exceeds the lesser of either (1) 10% of PL&A's statutory policyholder surplus with respect to policyholders as of the preceding December 31 or (2) PL&A's statutory net gain from operations for the twelve month period ending the preceding December 31. PL&A could pay $44 million in dividends to its parent in 2026 without prior regulatory approval. PL&A did not pay any dividends for the years ended December 31, 2025, and December 31, 2024.

See "Management's Discussion and Analysis of Pacific Life—Liquidity and Capital Resources—Capital Contributions to Affiliates and Dividends and Distributions from Affiliates."

Regulation of Captive Insurers

Pacific Life owns 100% of PAR Vermont, a Vermont-based life reinsurance company. PAR Vermont was formed in 2007 to provide reinsurance exclusively to Pacific Life for certain FDNLGR benefits. Pacific Life owns 100% of PBRC, a Vermont-based life reinsurance company. PBRC was formed in 2013 to provide reinsurance exclusively to Pacific Life. PBRC assumes certain level term insurance policies and the FDNLGR benefits of certain UL insurance policies from Pacific Life. PAR Vermont and PBRC are licensed as special purpose financial insurance companies in accordance with Vermont captive insurance laws. Under Vermont law, PAR Vermont and PBRC are subject to regulatory supervision by the Vermont Department. Among other things, the Vermont Department regulates such matters as minimum capitalization, operating licenses, the payment of dividends, statutory accounting principles and practices, and the filing of annual statements and other financial reports.

Securities Regulation

Pacific Life, certain of its separate accounts, certain insurance policies and annuity contracts it offers, and the PSF, its affiliated mutual fund investment vehicle for the variable insurance products are subject to various forms of regulation under the federal securities laws administered by the SEC, state securities laws and rules and, with respect to distribution, the rules of FINRA. Certain of Pacific Life's subsidiaries are investment advisers registered under the Investment Advisers Act of 1940, as amended, while certain other subsidiaries are registered as broker-dealers with the SEC under the Exchange Act as well as being members of FINRA and being registered in every state in which they do business. PLFA is the investment adviser to the PSF. Certain of Pacific Life's separate accounts and the PSF are registered under the Investment Company Act. In addition, certain VA contracts and variable life insurance policies issued by Pacific Life and PSF are registered under the Securities Act.

Pacific Life also has certain pooled investment vehicles that are exempt from registration under the Securities Act and the Investment Company Act, but that are subject to the anti-fraud and certain other provisions of such legislation.

Federal and state securities regulatory authorities, state attorneys general and FINRA from time to time make inquiries regarding compliance by Pacific Life's subsidiaries with securities and other laws and regulations regarding the conduct of Pacific Life's securities businesses. Pacific Life endeavors to respond to such inquiries in an appropriate way and to take corrective action if warranted.

Federal and state securities laws and regulations and FINRA rules are primarily intended to protect investors in the securities markets and generally grant supervisory agencies broad administrative powers, including the power to limit or restrict the conduct of business for failure to comply with such laws and regulations or to suspend the ability of Pacific Life's key employees to provide such services. Pacific Life is also subject to similar laws and regulations in the states and foreign countries in which Pacific Life offers securities products, provides investment advisory services or conducts other securities-related activities.

As part of the SEC's Regulation Best Interest, broker-dealers recommending Pacific Life's variable products and mutual funds to retail customers are required to comply with a "best interest" standard. Regulation Best Interest generally requires that a broker-dealer and its associated persons act in a retail customer's best interest and not place their own financial or other interests ahead of the customer's interests when recommending securities transactions or investment strategies. To meet this best interest standard, a broker-dealer must satisfy four component obligations including a disclosure obligation, a care obligation, a conflict of interest obligation, and a compliance obligation. Broker-dealers are also required to provide disclosures about their standard of conduct and conflicts of interest.

On April 23, 2024, the DOL issued the final Fiduciary Advice Rule that generally requires investment advisers providing investment recommendations to plans subject to ERISA or retirement accounts subject to Section 4975 of the Code to act in the client's best interest and expands the scope of what constitutes fiduciary "investment advice" to ERISA plans, IRAs and other plans subject to Section 4975 of the Code. In particular, the Fiduciary Advice Rule states that a recommendation to "rollover" assets from a qualified retirement plan to an IRA can be considered fiduciary investment advice if the facts and circumstances indicate that the recommendation meets the investment advice test of the regulation. The DOL also released, on April 23, 2024, final amendments to PTE 2020-02, which provides relief for receipt of compensation by financial professionals in connection with their investment recommendations, PTE 84-24, which provides relief, among other things, for receipt of commissions by insurance agents, broker-dealers, and others in connection with the sale of insurance and annuity contracts to ERISA plans and other longstanding PTEs' that apply to particular investments.

The Fiduciary Advice Rule, and amendments to the PTEs, could have an adverse effect on sales of annuity products through its independent distribution partners, as a significant portion of its annuity sales are to IRAs. The Fiduciary Advice Rule could also impact sales of certain institutional products and cause disruption in that market and could lead to changes to Pacific Life's compensation practices and product offerings and increased litigation risk, which could adversely affect its results of operations and financial condition. Pacific Life may also need to take

certain additional actions in order to comply with, or assist its distributors in their compliance with the Fiduciary Advice Rule. The future of the Fiduciary Advice Rule is still uncertain as a result of certain litigation. In this regard, on July 25 and 26, 2024, two federal district courts entered separate stays of the effective date of the Fiduciary Advice Rule and the prohibited transaction exemption amendments and, in September 2024, the DOL filed a notice of appeal with respect to one of the court's opinions that applies the stay on a national level. On February 11, 2025 and again on April 14, 2025, the DOL filed a motions requesting that the appeals court hold its appeal and the court of appeals agreed. On November 24, 2025, the DOL dropped their appeal of the stay orders, resulting in the cases reverting back to the district courts. Therefore, it is uncertain whether, or when, the Fiduciary Advice Rule or the amendments to the prohibited transaction exemptions will become effective. It is expected that the Trump administration will not pursue the appeal or seek to enforce the Fiduciary Advice Rule.

In addition, certain state regulators and legislatures have proposed measures that would make broker-dealers, sales agents and investment advisers and their representatives subject to a fiduciary duty when providing products and services to customers. The Massachusetts Securities Division has adopted a regulation that applies a fiduciary duty to recommendations made by broker-dealers, but consistent with Massachusetts Uniform Securities Act, the regulation does not apply to insurance products, including VA and life insurance products. The SEC has not indicated an intent to pre-empt state regulation in this area, and some of the state proposals would allow for a private right of action. In April 2025, the NASAA adopted a broker-dealer conduct model rule which incorporates the core principles and definitions from Regulation Best Interest and SEC guidance, defines these principles and their components for purposes of state law, and makes other changes consistent with Regulation Best Interest. The DOL recently issued an amended definition of investment advice fiduciary for purposes of ERISA and parallel provisions of the Code, as well as amendments to various PTEs, although the future of those rules is uncertain as a result of certain litigation.

The amount of dividends that an insurance company subsidiary can pay to its shareholders is restricted under applicable insurance law and regulators. Further, Pacific Life's U.S. registered broker-dealer subsidiary is subject to SEC net capital and customer reserve account requirements that may limit its ability to pay dividends to its shareholder. The amount of dividends that Pacific Life's direct and indirect subsidiaries can pay is also limited by applicable corporate laws.

Tax Legislation

The attractiveness to Pacific Life's customers of many of its products is due, in part, to favorable tax treatment. Current U.S. federal income tax laws generally permit the tax-deferred accumulation of earnings on the premiums paid by the holders of annuities and life insurance products. Taxes, if any, are payable on income attributable to a distribution under the contract for the year in which the distribution is made. Death benefits under life insurance contracts generally may be received free of U.S. federal income tax. From time to time, Congress has considered legislation that could reduce or eliminate the relative benefits of the deferral of taxation for Pacific Life's insurance and annuity products, which could make these products less attractive to consumers. Future legislation of this type could reduce or eliminate the deferral of taxation on some annuity or insurance products, or could have the effect of reducing or deferring the taxes imposed on the income from alternative investment options.

From time to time, legislative changes to the taxation of companies that purchase and hold COLI with respect to their officers, directors and employees have been proposed, which could materially increase the tax cost associated with the ownership of COLI policies, and could have a significant adverse effect on the market for such products. Pacific Life cannot predict whether, or in what form, legislation that could affect the tax treatment of COLI products will ultimately be enacted or what the impact of any such legislation would be on Pacific Life's business or results of operations, but any such legislation could have a material adverse effect on its business or results of operations.

Tax authorities may enact laws, change regulations, or add new types of taxes. Change in tax laws or interpretations of such laws could have a material adverse effect on Pacific Life's business or results of operations and make its products less attractive to consumers.

See "Risk Factors—Risk Factors Related to Pacific Life's Business—Changes in U.S. federal and state tax laws could have a material adverse effect on Pacific Life's business or results of operations."

In addition, Pacific Life realizes certain U.S. federal income tax benefits in connection with its variable life insurance and VA products. These benefits reduce Pacific Life's U.S. federal income tax liability, and include a DRD associated with the separate accounts that Pacific Life establishes and maintains in connection with variable life insurance and VA products. During 2007, the IRS issued Revenue Ruling 2007-54, which provided the IRS's interpretation of tax law regarding the computation of the separate account DRD. On September 25, 2007, the IRS issued Revenue Ruling 2007-61, which suspended Revenue Ruling 2007-54 and indicated the IRS would address the proper interpretation of tax law in a regulation project that is on the IRS's priority guidance plan. The IRS later issued Revenue Ruling 2014-7, which superseded Revenue Ruling 2007-54 and Revenue Ruling 2007-61. With the enactment of the TCJA on December 22, 2017, separate account DRD computations have been modified effective January 1, 2018. Therefore, Pacific Life does not expect that any of the rulings described above will affect separate account DRD computations post 2017. However, in open tax years before 2018, Pacific Life could still lose a substantial amount of DRD tax benefit, which could have a material adverse effect on its results of operations or financial condition.

See "Risk Factors—Risk Factors Related to Pacific Life's Business—Rulings by the U.S. Internal Revenue Service and changes in U.S. federal tax laws could affect certain U.S. federal income tax benefits that Pacific Life realizes in connection with variable life insurance and annuity products, which could have a material adverse effect on Pacific Life's results of operations or financial condition for open tax years prior to 2018."

Environmental

As owners and operators of real property, Pacific Life is subject to extensive federal, state and local environmental laws and regulations. Inherent in such ownership and operation is the risk that there may be environmental liabilities and costs incurred in connection with any required investigation or remediation of any current or former properties. In addition, Pacific Life holds interests in companies that are subject to environmental liabilities and costs. Pacific Life cannot assure you that environmental liabilities or costs will not arise. However, based on information currently available to management, Pacific Life believes that any environmental costs or liabilities associated with compliance with environmental laws and regulations or any investigation or remediation of any current or former properties will not have a material adverse effect on its results of operations or financial position.

Climate Change and Financial Risks

The topic of climate risk has come under increased scrutiny by the NAIC, insurance regulators and other regulatory agencies. In New York, the NYDFS issued a circular letter in 2020 to New York domestic and foreign authorized insurers, such as PL&A, stating that insurers are expected to integrate financial risks related to climate change into their governance frameworks, risk management processes and business strategies. The NYDFS also adopted an amendment to the regulation governing ERM effective August 13, 2021, that requires an insurance group to include certain additional risks, such as climate change risk, in its ERM function. In 2022, the NAIC adopted a new disclosure standard for insurers to report their climate-related risks as part of the annual Climate Risk Disclosure Survey, which applies to insurers that meet the reporting threshold of $100 million in countrywide direct premium and are licensed in one of the participating jurisdictions. The new disclosure standard is consistent with the international Task Force on Climate-Related Financial Disclosures' framework for reporting climate-related financial information.

In addition, the FIO is authorized to monitor the U.S. insurance industry under Dodd-Frank, as discussed above. On June 27, 2023, the FIO released a report titled Insurance Supervision and Regulation of Climate-Related Risks, which evaluates climate-related issues and gaps in insurer regulation. Importantly, the report urges insurance regulators to adopt climate-related risk-monitoring guidance in order to enhance their regulation and supervision of insurers.

Diversity and Corporate Governance

Insurance regulators are also focused on the topic of race, diversity and inclusion. In New York, the NYDFS issued a circular letter in 2021 stating that it expects the insurers it regulates to make diversity of their leadership a business priority and a key element of their corporate governance, and it includes diversity-related questions in its examination process. In 2021, the NYDFS collected 2020 data from insurers that met certain New York premium thresholds, including PL&A, and the NYDFS published aggregate data from the survey regarding the diversity of the insurers' corporate boards and management, although no further guidance was provided. In addition, the NAIC regularly evaluates issues related to race, diversity and inclusion in the insurance industry. In January 2025, President Trump issued executive orders regarding the termination of illegal discrimination in federal programs. Portions of the orders are temporarily enjoined, and the executive actions are being assessed for impact.

ERISA

Certain of Pacific Life's products and services are subject to the requirements of ERISA. ERISA, regulations promulgated thereunder and applicable provisions of the Code impose certain duties on persons who are fiduciaries under ERISA, prohibit certain transactions involving ERISA plan clients and provide monetary penalties for violations of these prohibitions. The fiduciary duties under ERISA may be enforced by the DOL by administrative action or litigation and by Pacific Life's employee benefit plan clients pursuant to a private right of action. In addition, the IRS may assess excise taxes against Pacific Life if it engages in prohibited transactions on behalf of or with its benefit plan clients.

In addition, the U.S. Supreme Court decision in John Hancock Mutual Life Insurance Co. v. Harris Trust and Savings Bank, 510 U.S. 86, 114 S. Ct. 517 (1993) ("**Harris Trust**") held that, to the extent insurance contracts issued to employee benefit plans provide for a return that is not guaranteed, but instead vary with the performance of the insurer's general account, then the insurer's general account can become subject to ERISA, and the insurer can become subject to the fiduciary requirements of ERISA. Section 401(c) of ERISA, enacted in response to Harris Trust, generally provides that contracts issued from an insurer's general account on or before December 31, 1998, and that are not guaranteed benefit policies, will not be subject to ERISA's fiduciary requirements if they meet the requirements of regulations issued by the DOL.

The DOL's regulations under Section 401(c) of ERISA provide that where an employee benefit plan acquired an insurance policy (other than a guaranteed benefit policy) issued on or before December 31, 1998 (a "**Transition Policy**") that is supported by the assets of the insurer's general account, the employee benefit plan's assets for purposes of ERISA will not be deemed to include any of the assets of the insurer's general account, provided that the requirements of the regulation are met. Accordingly, if those requirements are met, the insurer is not subject to the fiduciary obligations of ERISA in connection with such a Transition Policy. Pursuant to these requirements, the insurer must make detailed disclosures to the employee benefit plan and must permit the policyholder to terminate the policy on 90 days' notice and receive without penalty, at the policyholder's option, either (1) a lump sum payment of all unallocated amounts in the accumulated fund (which may be subject to market value adjustment) or (2) a book value payment of such amounts in annual installments with interest. Pacific Life has taken steps to comply with these requirements to secure the relief provided by the regulations from the fiduciary obligations of ERISA with respect to a Transition Policy.

DIRECTORS AND EXECUTIVE OFFICERS OF PACIFIC LIFE

Set forth below is information regarding the directors and executive officers of Pacific Life as of February 28, 2026:

Name	Title
Darryl D. Button	Director, Chairman, President and Chief Executive Officer
Dawn. R Behnke	Director, Executive Vice President, Consumer Markets Division
Vibhu R. Sharma	Director, Executive Vice President and Chief Financial Officer
Brian T. Woolfolk	Director, Executive Vice President, Institutional Division
Michael F. Anderson	Director, Senior Vice President and Acting General Counsel
Laura K. Cushing	Executive Vice President and Chief Human Resources Officer
Mary Beth Eckert	Executive Vice President and Chief Information and Digital Officer
Tod M. Nasser	Executive Vice President and Chief Investment Officer
Alessandro Papa	Executive Vice President and Chief Risk Officer
David R. Howell	PLRH LLC Chief Executive Officer*

*Mr. Howell is Chief Executive Officer of PLRH, LLC and its subsidiaries RGBM and RIBM, all affiliated companies of Pacific Life.

The address of each of the directors and executive officers listed above is Pacific Life Insurance Company, 700 Newport Center Drive, Newport Beach, California 92660. The telephone number of Pacific Life is (949) 219-3011.

CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS

Except as described below, there are no potential conflicts of interest between the duties to Pacific Life of any of the members of its Board of Directors and their respective private interests or other duties.

In the ordinary course of its insurance operations, Pacific Life and PL&A have from time to time provided insurance coverage to a number of corporations of which the directors of PMHC or Pacific Life are or were officers or directors. However, such coverage is primarily the result of sales efforts and is not tied to the membership on Pacific Life's Board of Directors of any one or more individuals or to a relative or spouse of such individual.

Some of the directors carry one or more life insurance policies and/or annuity contracts issued by Pacific Life or PL&A. Under Pacific Life's mutual holding company structure, certain owners of policies of insurance and annuity contracts issued by Pacific Life are automatically members of PMHC. Members of PMHC have the right to elect the directors of PMHC and to vote on other matters voted upon at annual and special meetings of the members of PMHC. In the aggregate such directors and officers who are policyholders and/or contract holders of Pacific Life hold an insignificant percentage of the aggregate PMHC member voting rights.

Pacific Life's directors do not have any duties to the Issuer; therefore, Pacific Life is not aware of any potential conflicts of interest between Pacific Life's directors and any duties to the Issuer.

DESCRIPTION OF THE NOTES

*This section provides an overview of the material provisions of the Notes, the Indenture, and the form of an indenture to be entered into between the Issuer and the Indenture Trustee in connection with each issuance of Notes under the Program (each, a "**Series Indenture**"). It does not purport to be complete and is subject to the applicable Pricing Supplement and to the detailed provisions of the Notes, the Indenture and each applicable Series Indenture, copies of which will be available as provided under "Documents Available." Capitalized terms used and not otherwise defined herein have the same meanings as those used in the Indenture. The terms and conditions of the Notes described in this section will apply to the Notes of each Series, except that the Issuer will add the specific terms of the Notes of a Series and may modify or replace any of the information provided in this section in each applicable Pricing Supplement. Prospective purchasers should consider the information contained in this Offering Memorandum, the Indenture, the applicable Series Indenture and each applicable Pricing Supplement in making their investment decision.*

General

Series and Tranches of Notes

The Notes will be issued in one or more series up to the Authorized Amount. Each Series of Notes may be comprised of one or more Tranches issued on different issue dates; provided that any subsequently issued Tranche of Notes constitutes "additional debt instruments" as defined in Treasury Regulation Section 1.1275-2(k)(2)(ii) issued in a "qualified reopening" of the original issuance of such series of Notes, as defined in Treasury Regulation Section 1.1275-2(k)(3) or is otherwise treated as part of the same issue of the previously issued Tranche for U.S. federal income tax purposes. The Issuer may only issue a Tranche of Notes if Pacific Life has issued or will simultaneously issue one or more Funding Agreements to the Issuer, which will constitute an asset of the applicable Series of the Issuer and will become a part of the applicable Series Collateral. The Notes of a Series will all be subject to identical terms, except that the issue date, the issue price and the amount and date of the first payment of interest may be different in respect of different Tranches (provided that for U.S. federal income tax purposes, all Notes of a Series will be treated as having the same issue date, issue price and, with respect to Holders, adjusted issue price). The Notes of each Tranche will all be subject to identical terms in all respects.

Indenture and Series Indenture

Each Series of Notes will be issued under, subject to and entitled to the benefits of the Indenture and a separate Series Indenture by and between the Issuer and the Indenture Trustee. Each Series Indenture will incorporate the Indenture which shall provide the terms that govern each separate Series Indenture thereunder, unless any such Series Indenture specifies otherwise. The Notes issued under a Series Indenture will constitute a single Series, together with any Notes issued in the future under such Series Indenture that are designated by the Issuer as being part of such Series. The aggregate principal amount of Notes that may be authenticated and delivered under the Indenture is unlimited.

Neither the Indenture nor any Series Indenture will be governed by, interpreted by reference to or otherwise incorporate any term corresponding to any provision of the Trust Indenture Act of 1939, as amended.

Security; Limited Recourse

The obligations of the Issuer under each Series of Notes will be secured by a first priority perfected security interest in favor of the Indenture Trustee in the "Series Collateral" which will consist of:

- each Funding Agreement related to the applicable Series;
- all proceeds of each Funding Agreement related to the applicable Series;
- all books and records of the Issuer pertaining to the foregoing; and

- all benefits, rights, privileges and options of the Issuer pertaining to the foregoing.

The Issuer will be organized in series, as permitted by Sections 3804(a) and 3806(b)(2) of the Trust Act. In connection with the issuance of each Series of Notes, the Issuer will create a separate Series of the Issuer. The applicable Series of Notes and the related debts, liabilities, obligations and expenses will be incurred, contracted for or otherwise existing with respect to such Series of the Issuer, and will be enforceable only against the assets of such Series of the Issuer and not against the assets of the Issuer generally or the assets of any other Series of the Issuer. The individual Series of the Issuer are not separate legal entities.

The obligations of the Issuer evidenced by the Notes will not be obligations of, and will not be guaranteed by, any other person, including, but not limited to, Pacific Life or any of its subsidiaries or affiliates.

Ranking

The Notes of a Series will be direct, unconditional, secured and unsubordinated non-recourse obligations incurred by the Issuer with respect to the relevant Series of the Issuer and will rank equally among themselves without any preference.

Since Pacific Life will be the sole obligor under the Funding Agreements, the ability of the Issuer to meet its obligations, and the ability of the Holders of Notes to receive payments from the Issuer, with respect to a particular Series of Notes, will be principally dependent upon Pacific Life's ability to perform its obligations under each applicable Funding Agreement securing the Notes of the relevant Series. Despite this, Holders of Notes will have no direct contractual rights against Pacific Life under any such Funding Agreement. Pursuant to the terms of each Funding Agreement, recourse rights to Pacific Life will belong to the Issuer, its successors and its permitted assignees (which will include the Indenture Trustee to the extent of its first priority perfected security interest in the Series Collateral), but only with respect to the relevant Series of the Issuer. In connection with the offering and sale of a Series of Notes, the Issuer will pledge, collaterally assign and grant a security interest in the Series Collateral for such Series of Notes to the Indenture Trustee on behalf of the Holders of Notes and any other person for whose benefit the Indenture Trustee is or will be holding such security interest in the applicable Series Collateral. Accordingly, recourse to Pacific Life under each such Funding Agreement will be enforceable only by the Indenture Trustee as a secured party for the benefit of the Holders of such Series of Notes and any other person for whose benefit the Indenture Trustee is or will be holding a security interest in the applicable Series Collateral.

The obligations of Pacific Life under the Funding Agreements will not be obligations of, and will not be guaranteed by, any other person.

Pricing Supplement

The specific terms of each Series of Notes and each Tranche of Notes related to such Series will be set forth in the applicable Pricing Supplement.

Pricing Options

Notes that bear interest will either be Fixed Rate Notes or Floating Rate Notes, as specified in the applicable Pricing Supplement. The Issuer may also issue Discount Notes and Amortizing Notes, or any combination thereof.

Interest rates offered on the Notes may differ depending upon, among other factors, the aggregate principal amount of Notes purchased in any single transaction as well as market conditions. The Issuer may change interest rates or formulas and other terms of Notes from time to time, but no change of terms will affect any Note the Issuer has previously issued or as to which it has accepted an offer to purchase.

Maturities

The Notes of each Series will mature on a day 90 days or more from its date of issue (the "**Stated Maturity Date**"), as specified in the applicable Pricing Supplement, unless their principal (or, any installment of its principal) becomes due and payable prior to the Stated Maturity Date, whether, as applicable, by the declaration of acceleration of maturity or otherwise. The Stated Maturity Date or any date prior to the Stated Maturity Date on which the Notes of a particular Series become due and payable, as the case may be, is referred to herein as the "**Maturity Date**" with respect to the principal of the Notes of such Series repayable on that date.

Denominations

Subject to the provisions of the applicable Pricing Supplement or as otherwise provided below, the Notes of a Series will be issued, with respect to U.S. dollar-denominated Notes, in minimum denominations of $2,000 and integral multiples of $1,000 in excess thereof. Any Notes admitted to the Official List and trading on the GEM or offered to the public in any member state of the EEA or in the U.K., will be issued in minimum denominations of €100,000 (or the equivalent thereof in another currency at the time of issue) and integral multiples of €1,000 (or the equivalent thereof in another currency at the time of issue) in excess thereof. Any Notes in respect of which the issue proceeds are received by the Issuer in the U.K. or the activity of issuing such Notes is carried on from an establishment maintained by the Issuer in the U.K. and which have a maturity of less than one year must (i) (a) have a minimum denomination and redemption value of £100,000 (or its equivalent in other currencies), and (b) be issued only to persons (1) whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses or (2) who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or agent) for the purposes of their businesses; or (ii) be issued in other circumstances that do not constitute a contravention of Section 19 of the FSMA by the Issuer.

Listing

This Offering Memorandum has been approved by Euronext Dublin as a Listing Particulars. Application may be made to Euronext Dublin for Notes issued under the Program during the period of 12 months from the date of this Offering Memorandum to be admitted to the Official List and trading on the GEM. However, Notes may also be (i) listed and/or admitted to trading on another securities exchange or market which is not a regulated market, or (ii) not listed and/or admitted to trading on any market or securities exchange. Any Notes admitted to the Official List or trading on the GEM will be issued in minimum denominations of €100,000 or greater (or the equivalent thereof in another currency at the time of issue) and integral multiples of €1,000 (or the equivalent thereof in another currency at the time of issue) in excess thereof. Notes with a maturity of less than 12 months will not be listed.

Reopenings

The Issuer may, without the consent of any holder of the Notes of such Series, issue one or more additional Tranches of Notes having the same terms as previously issued Notes (other than the issue date, the issue price, the amount and date of the first payment of interest and any other different terms specified in the applicable Pricing Supplement(s), all of which may vary) that will form a single Series with the previously issued Notes of such Series provided that any subsequently issued Tranche of Notes constitutes "additional debt instruments" as defined in Treasury Regulation Section 1.1275-2(k)(2)(ii) issued in a "qualified reopening" of the original issuance of such series of Notes, as defined in Treasury Regulation Section 1.1275-2(k)(3) or is otherwise treated as part of the same issue of the previously issued Tranche for U.S. federal income tax purposes. The Issuer may only issue a Tranche of Notes if Pacific Life has issued or will simultaneously issue one or more Funding Agreements to the Issuer, which will constitute an asset of the applicable Series of the Issuer and will become a part of the applicable Series Collateral. The Notes of a Series will all be subject to identical terms, except that the issue date, the issue price and the amount and date of the first payment of interest may be different in respect of different Tranches (provided that for U.S. federal income tax purposes, all Notes of a Series will be treated as having the same issue date, issue price and, with respect to Holders, adjusted issue price). The Notes of each Tranche of a Series will all be subject to identical terms in all respects.

Currency

Subject to the provisions of the applicable Pricing Supplement, the Notes of a Series will be denominated in, and payments of principal of and any premium and interest on the Notes of such Series will be made in, U.S. dollars. The Notes of each Series also may be denominated in, and payments of principal of and any premium and interest on the Notes of such Series may be made in, Euro or one or more other currencies. The currency in which the Notes of a particular Series are denominated (or, if such currency is no longer legal tender for the payment of public and private debts in the country issuing such currency or, in the case of Euro, in the Member States of the EU that have adopted the single currency in accordance with the Treaty establishing the European Community, as amended by the Treaty on European Union (the "**Treaty**"), such currency which is then such legal tender) is herein referred to as the "**Specified Currency**" with respect to such Series of Notes. References herein to "**U.S. dollars**" or "**$**" are to the lawful currency of the United States, references herein to "**Euro**" or "**€**" are to the currency introduced at the start of the third stage of European economic and monetary union pursuant to such Treaty, as amended, and references herein to "£" are to British Pounds sterling, the lawful currency of the U.K.

Redenomination

If so specified in the applicable Pricing Supplement, the Issuer may redenominate Notes issued in the currency of a country that subsequently participates in the third stage of the European economic and monetary union, or otherwise participates in the European economic and monetary union in a manner with similar effect to such third stage, into Euro. The provisions relating to any such redenomination will be contained in the applicable Pricing Supplement.

Business Day; London Banking Day; Principal Financial Center

"**Business Day**" means, subject to the provisions of the applicable Pricing Supplement, any day (other than a Saturday, Sunday, legal holiday or any other day on which commercial banks in New York, New York or London are authorized or required by law to close) on which commercial banks are open for business and foreign exchange markets settle payments in the Principal Financial Center in respect of the applicable Series of Notes, or, in relation to Notes payable in Euro, a day on which the Trans-European Automated Real Time Gross Settlement Express Transfer System or any successor or replacement to that system (the "**T2 System**") is operating and, in either case, a day (other than a Saturday, Sunday, legal holiday or any other day on which commercial banks in New York, New York or London are authorized or required by law to close) on which commercial banks are open for business and foreign exchange markets settle payments in any place specified in the relevant Pricing Supplement.

"**Principal Financial Center**" means such financial center or centers as may be specified in relation to the relevant currency for the purposes of the definition of "Business Day", as the same may be amended, modified, restated, supplemented and/or replaced from time to time in the relevant Pricing Supplement.

Business Day Convention

"**Business Day Convention**" means a convention for adjusting any date if it would otherwise fall on a day that is not a Business Day and the following Business Day Conventions, where specified in the Pricing Supplement in relation to any date applicable to any Notes, shall have the following meanings:

(i) "**Following Business Day Convention**" means that such date shall be postponed to the first following day that is a Business Day;

(ii) "**Modified Following Business Day Convention**" or "**Modified Business Day Convention**" means that such date shall be postponed to the first following day that is a Business Day unless that day falls in the next calendar month, in which case that date will be the first preceding day that is a Business Day;

(iii) "**Preceding Business Day Convention**" means that such date shall be brought forward to the first preceding day that is a Business Day; and

(iv) "**FRN Convention**" or "**Eurodollar Convention**" means, for each relevant date, the date which numerically corresponds to the preceding relevant date in the calendar month which is the number of months specified in the Pricing Supplement after the calendar month in which the preceding relevant date occurred, provided that:

(a) if there is no such numerically corresponding day in the calendar month in which any relevant date should occur, then the date will be the last day which is a Business Day in that calendar month;

(b) if the date would otherwise fall on a day which is not a Business Day, then such date will be the first following day which is a Business Day unless that day falls in the next calendar month, in which case it will be the first preceding day which is a Business Day; and

(c) if the preceding relevant date occurred on the last day in a calendar month which was a Business Day, then all subsequent such dates will be the last day which is a Business Day in the calendar month which is the specified number of months after the calendar month in which the preceding relevant date occurred.

Day Count Fraction

"**Day Count Fraction**" means, in respect of the calculation of an amount for any period of time ("**Calculation Period**"), one of the following day count fractions, which will be specified in the Pricing Supplement:

(i) "**Actual/365**" or "**Actual/Actual (Historical)**": the actual number of days in the Calculation Period divided by 365 (or, if any portion of the Calculation Period falls in a leap year, the sum of (a) the actual number of days in that portion of the Calculation Period falling in a leap year divided by 366 and (b) the actual number of days in that portion of the Calculation Period falling in a non-leap year divided by 365);

(ii) "**Actual/365 (Fixed)**": the actual number of days in the Calculation Period divided by 365;

(iii) "**Actual/360**": the actual number of days in the Calculation Period divided by 360;

(iv) "**30/360**": the number of days in the Calculation Period in respect of which payment is being made divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y2 - Y1)] + [30 \times (M2 - M1)] + (D2 - D1)}{360}$$

where:

"Y1" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"Y2" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"M1" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"M2" is the calendar month, expressed as number, in which the day immediately following the last day included in the Calculation Period falls;

"Dl" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case Dl will be 30; and

"D2" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31 and Dl is greater than 29, in which case D2 will be 30;

(v) "**30E/360**" or "**Eurobond Basis**": the number of days in the Calculation Period or Compounding Period in respect of which payment is being made divided by 360, calculated on a formula basis as follows:

$$\text{Day Count Fraction} = \frac{[360 \times (Y2 - Y1)] + [30 \times (M2 - M1)] + (D2 - D1)}{360}$$

where:

"Yl" is the year, expressed as a number, in which the first day of the Calculation Period falls;

"Y2" is the year, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"M1" is the calendar month, expressed as a number, in which the first day of the Calculation Period falls;

"M2" is the calendar month, expressed as a number, in which the day immediately following the last day included in the Calculation Period falls;

"Dl" is the first calendar day, expressed as a number, of the Calculation Period, unless such number would be 31, in which case D1 will be 30; and

"D2" is the calendar day, expressed as a number, immediately following the last day included in the Calculation Period, unless such number would be 31, in which case D2 will be 30; and

(vi) "**Actual/Actual (Bond)**": if the Interest Payment Dates all fall at regular intervals between the Issue Date and the Maturity Date: the number of days in the Calculation Period divided by the product of (a) the number of days in the Interest Period in which the Calculation Period falls and (b) the number of Interest Periods in any period of one year.

(vii) "**Actual/Actual (ICMA)**":

a. if the Calculation Period is equal to or shorter than the Determination Period during which the Calculation Period ends, the number of days in such Calculation Period divided by the product of(x) the number of days in such Determination Period; and (y) the number of Interest Determination Dates that would occur in one calendar year; or

b. if the Calculation Period is longer than the Determination Period during which the Calculation Period ends, the sum of:

i. the number of days in such Calculation Period falling in the Determination Period in which the Calculation Period begins divided by the product of (1) the number of days in such Determination Period and (2) the number of Interest Determination Dates that would occur in one calendar year; and

ii. the number of days in such Calculation Period falling in the next Determination Period divided by the product of (1) the number of days in such Determination Period and (2) the number of Interest Determination Dates that would occur in one calendar year,

where:

"**Determination Period**" means each period from (and including) an Interest Determination Date to (but excluding) the next Interest Determination Date (including, where either the Interest Commencement Date or the final Interest Payment Date is not an Interest Determination Date, the period commencing on the first Interest Determination Date prior to, and ending on the first Interest Determination Date falling after, such date).

Holder

The term "**Holder**" means the person in whose name a Note is registered on the note register.

Form of Notes and Clearance

The Issuer and the Purchasing Agent(s) will agree on the form of Notes to be issued in respect of any Series of Notes. The form of Notes to be issued in relation to any Series of Notes will be specified in the applicable Pricing Supplement. Each Note will be represented by a security certificate containing the applicable terms (a "**Note Certificate**").

The Notes may be offered and sold in the United States only, outside the United States only or in and outside the United States simultaneously as part of a global offering. Notes sold pursuant to an offering made in the United States only will initially be represented by one or more Global Notes deposited with Citibank, N.A. (in such capacity, the "**Notes Custodian**"), as custodian for, and registered in the name of a nominee of, DTC as depositary (each Global Note so deposited and registered being referred to herein as a "**DTC Global Note**").

Notes sold outside of the United States in accordance with Regulation S will initially be represented by one or more temporary Global Notes (each, a "**Temporary Global Note**"). Upon the expiration of the applicable Distribution Compliance Period, beneficial interests in a Temporary Global Note will be exchangeable for equivalent beneficial interests in one or more permanent Global Notes (each a "**Permanent Global Note**"), as and to the extent provided in the applicable Temporary Global Note.

Notes sold pursuant to an offering made outside the United States only will initially be represented by one or more Temporary Global Notes, as described above, and upon exchange therefor will be represented by one or more Permanent Global Notes deposited with a common depositary (the "**Depositary**") for, and (i) in the case of U.S. dollar denominated Notes, registered in the name of a nominee of, DTC and (ii) in the case of non-U.S. dollar denominated Notes, registered in the name of a nominee of, Euroclear and/or Clearstream, Luxembourg, as applicable.

References to Euroclear and/or Clearstream, Luxembourg in this Offering Memorandum shall, whenever the context so permits, be deemed to include a reference to any additional or alternative clearing systems as may be specified in any applicable Pricing Supplement.

Subject to the Notes sold outside of the United States in accordance with Regulation S initially being represented by one or more Temporary Global Notes and the subsequent exchange of beneficial interests in each such Temporary Global Note for beneficial interests in one or more Permanent Global Notes, as described above, Notes sold pursuant to an offering made in and outside the United States simultaneously as part of a global offering may be represented (i) solely by one or more DTC Global Notes (a "**Single Global Note Issue**") or, (ii) alternatively, (a) by one or more DTC Global Notes in respect of Notes sold in the United States and (b) by one or more separate Global Notes deposited with the Depositary as common depositary for, and (1) in the case of U.S. dollar denominated Notes, registered in the name of a nominee of, DTC and (2) in the case of non-U.S. dollar denominated Notes, registered in the name of a nominee of, Euroclear and/or Clearstream, Luxembourg, as applicable, in respect of Notes sold outside the United States (a "**Dual Global Note Issue**").

Except as described below, owners of beneficial interests (each, a "**Beneficial Note Owner**") in a Global Note will not be entitled to have Notes registered in their names, will not receive or be entitled to receive physical delivery of Notes in definitive form (each, a "**Definitive Note**") and will not be considered the owners or Holders

thereof under the Indenture. Beneficial interests in Global Notes will be represented, and transfers thereof will be effected, only through book-entry accounts of financial institutions acting on behalf of the Beneficial Note Owners, as direct or indirect participants in the relevant clearing system.

Investors in a global offering may elect to hold beneficial interests in a Global Note through any of DTC or Euroclear or Clearstream, Luxembourg if they are participants in such systems, or indirectly through organizations that are participants in such systems. If the Notes sold pursuant to a global offering are part of a Single Global Note Issue, Euroclear and Clearstream, Luxembourg will hold beneficial interests on behalf of their participants through customers' securities accounts in Euroclear's and Clearstream, Luxembourg's names on the books of the Depositary, which in turn will hold such beneficial interests in customers' securities accounts in the Depositary's name on the books of DTC.

Citibank, N.A. will serve initially as registrar (in such capacity, and together with any successor registrar, the "**Registrar**") for the Notes. In such capacity, with respect to the Notes of each Series, Citibank, N.A., as registrar, will cause to be kept at its Corporate Trust Office a register (each, a "**Note Register**"), in which, subject to such reasonable regulations as it may prescribe, Citibank, N.A., as registrar, will provide for the registration of the Notes of such Series and of transfers thereof.

Subject to applicable law and the terms of the Indenture, the applicable Series Indenture and the Notes of a Series, the Issuer, the Indenture Trustee and any agent of the Issuer or the Indenture Trustee shall deem and treat the Holder or Holders of any Note of such Series as the absolute owner or owners of such Note (whether or not such Note shall be overdue and notwithstanding any notation of ownership or other writing thereon) for the purpose of receiving payment of or on account of the principal of, any premium on, and, subject to the provisions of the Indenture and the applicable Series Indenture, any interest on such Note and for all other purposes, and neither the Issuer nor the Indenture Trustee nor any agent of the Issuer or the Indenture Trustee shall be affected by any notice to the contrary. All such payments so made to such Holder or Holders will be valid and, to the extent of the sum or sums so paid, effectual to satisfy and discharge the liability for funds payable upon any such Note. So long as DTC, its nominee, a nominee of Euroclear and/or Clearstream, Luxembourg or a successor of such clearing system or any such nominee is the Holder of a Global Note, such clearing system, such nominee or such successor of such clearing system or such nominee, as the case may be, will be considered the sole owner or Holder of the Notes represented by such Global Note for all purposes under the Indenture. Accordingly, any Beneficial Note Owner must rely on the procedures of DTC, Euroclear and/or Clearstream, Luxembourg, as the case may be, and, if such person is not a participant in any such clearing system, on the procedures of the participant therein through which such person owns its beneficial interest, to exercise any rights of a Holder of Notes. The Issuer understands that, under existing industry practices, in the event that the Issuer requests any action of Holders or that Beneficial Note Owners desire to give or take any action which a Holder is entitled to give or take under the Indenture, DTC, its nominee or a successor of DTC or its nominee, as the Holder of the DTC Global Note, would authorize the participants through which the relevant beneficial interests are held (or persons holding beneficial interests in the Notes through participants) to give or take such action, and such participants would authorize Beneficial Note Owners owning through such participants (or such persons holding beneficial interests in the Notes through participants) to give or take such action and would otherwise act upon the instructions given to such participants (or such persons) by such Beneficial Note Owners.

DTC may grant proxies or otherwise authorize its participants (or persons holding beneficial interests in the Notes through its participants) to exercise any rights of a Holder of Notes or take any other actions which a Holder is entitled to take under the Indenture or in respect of the Notes. Euroclear or Clearstream, Luxembourg, as the case may be, will take any action permitted to be taken by a Holder under the Indenture or the Notes on behalf of a Euroclear participant or a Clearstream, Luxembourg participant only in accordance with its relevant rules and procedures and, with respect to beneficial interests in a DTC Global Note, subject to the Depositary's ability to effect such actions on its behalf through DTC. Because DTC can act only on behalf of its participants, who in turn act on behalf of indirect participants, the ability of a Beneficial Note Owner to pledge its interest in the Notes to persons or entities that do not participate in the DTC system or otherwise take actions in respect of such interest, may be limited by the lack of a definitive certificate of such interest. The laws of some jurisdictions may require that

certain purchasers of securities take physical delivery of such securities in definitive form. Such limits and such laws may impair the ability to transfer beneficial interests in a DTC Global Note.

Ownership positions within each clearing system will be determined in accordance with the normal conventions observed by such system. The Indenture Trustee will initially act as the Issuer's paying agent with respect to Notes denominated in U.S. dollars as specified from time to time in the applicable Pricing Supplement and pursuant to the Indenture. Citibank, N.A., London Branch will initially act as the Issuer's paying agent with respect to Foreign Currency Notes (as defined herein) as specified from time to time in the applicable Pricing Supplement and pursuant to the Indenture. Payments with respect to a Global Note will be made to DTC, its nominee or a nominee of Euroclear and/or Clearstream, Luxembourg, as the case may be (or to any successor to such clearing system or any such nominee) as the Holder of the Notes represented by such Global Note. Neither the Issuer nor the Indenture Trustee will have any responsibility or liability for any aspect of the records relating to or payments made on account of beneficial ownership interests in a Global Note, for maintaining, supervising or reviewing any records relating to such beneficial ownership interests or for any actions taken or not taken by DTC.

Upon receipt of any payment of principal of, any premium and interest on a DTC Global Note, DTC will credit its participants' accounts with payment in amounts proportionate to their respective beneficial interests in the principal amount of such DTC Global Note as shown on the records of DTC. Payments by such participants to owners of beneficial interests in the DTC Global Note held through such participants will be the responsibility of such participants, as is now the case with securities held for the accounts of customers registered in "street name." Distributions with respect to Notes held through Euroclear and/or Clearstream, Luxembourg will be credited to the cash accounts of Euroclear participants and/or Clearstream, Luxembourg participants in accordance with the relevant system's rules and procedures to the extent received by the Depositary.

Interests in a Global Note will be exchangeable in whole, but not in part, for Definitive Notes only if such exchange is permitted by applicable law (including, without limitation, Regulation S) and (i) any clearing corporation with which any Global Note is deposited and which is or whose nominee is the Holder of such Global Note shall have notified the Issuer that it or its nominee is unwilling or unable to continue as the depositary and Holder of such Global Note and a successor clearing corporation or nominee, as applicable, is not appointed within 90 days; (ii) an Event of Default shall have occurred and the maturity of the Notes of such Series shall have been accelerated in accordance with the terms of the Indenture, the applicable Series Indenture and the Notes of such Series; or (iii) the Issuer shall have decided in its sole discretion that the Notes of such Series should no longer be evidenced solely by one or more Global Notes. An exchange for a Definitive Note will be made at no charge to the holders of the beneficial interests in the Global Note being exchanged. The Definitive Notes issued in exchange for beneficial interests in any such Global Note shall be of like tenor and of an equal aggregate principal amount, in authorized denominations. Such Definitive Notes shall be registered in the name or names of such person or persons as the relevant clearing system shall instruct the Registrar. It is expected that such instructions may be based upon directions received by DTC from DTC participants with respect to ownership of beneficial interests in the DTC Global Notes. Except as provided above, owners of beneficial interests in a Global Note will not be entitled to receive physical delivery of Definitive Notes and will not be considered the registered Holders of such Notes for any purpose.

Upon surrender of a Note Certificate for registration of transfer of any Notes represented thereby, together with the form of transfer endorsed thereon duly completed and executed, at the designated office of the Registrar or of any applicable transfer agent, each as provided in an applicable Note Certificate or Series Indenture, the Issuer shall execute, and, upon receiving written instructions from the Issuer to do so, the Indenture Trustee shall authenticate and deliver, in the name of the designated transferee or transferees, one or more new Note Certificates representing an aggregate principal amount of Notes equal to the aggregate principal amount of the Notes represented by such Note Certificate surrendered for registration of transfer. The Indenture Trustee will have no obligation or duty to monitor, determine, or inquire as to compliance with any restrictions on transfer imposed under the Indenture or under applicable law with respect to any transfer of any interest in any Note.

Subject to the provisions of the applicable Pricing Supplement, payments of principal of, and any premium on, Notes shall be made as provided in or pursuant to the Indenture against presentation and surrender of the

applicable Note Certificate or Note Certificates at the designated office of the Registrar or of any applicable transfer agent, each as provided in the applicable Pricing Supplement. Subject to the provisions of the applicable Pricing Supplement, payments of interest on Notes shall be paid to the person shown on the applicable Note Register at the close of business on the applicable Regular Interest Record Date set as provided in or pursuant to the Indenture and the applicable Series Indenture on the due date for payment thereof. Payments of interest on each Note shall be made in the currency in which such payments are due. Such payment of interest will be made by transfer to an account in the relevant currency maintained by the payee with a bank in the Principal Financial Center of the country of that currency or, in the case of Notes denominated in euro, in a city in which banks have access to the T2 System. "**Regular Interest Record Date**" means the date(s) specified in the relevant Pricing Supplement, before the due date for such payment.

Global Clearance and Settlement

General

Notes issued pursuant to the Program may be held through one or more international and domestic clearing systems, principally the book-entry systems operated by DTC in the United States, and Euroclear and Clearstream, Luxembourg in Europe. Electronic securities and payment transfer, processing, depositary and custodial links have been established among these systems and others, either directly or through custodians and depositaries, which enable Notes to be issued, held and transferred among the clearing systems through these links. Each Paying Agent will have direct electronic links with DTC, Euroclear and Clearstream, Luxembourg. Procedures have been established among these clearing systems and such Paying Agent to facilitate clearance and settlement of certain Notes traded across borders in the secondary market. Cross-market transfers of Notes in respect of which payments will be made in U.S. dollars and which will be issued in global form may be cleared and settled using these procedures on a delivery against payment basis. Cross-market transfers of Notes in other than global form may be cleared and settled in accordance with other procedures established among such Paying Agent and the clearing systems concerned for this purpose.

Although DTC, Euroclear and Clearstream, Luxembourg have agreed to the procedures described below in order to facilitate transfers of Notes among participants of DTC, Euroclear and Clearstream, Luxembourg, they are under no obligation to perform or continue to perform such procedures and such procedures may be modified or discontinued at any time. Neither the Issuer nor the Indenture Trustee will have any responsibility for the performance by DTC, Euroclear or Clearstream, Luxembourg or their respective participants or indirect participants of the respective obligations under the rules and procedures governing their operations.

The Clearing Systems

The clearing systems have advised the Issuer as follows:

DTC. DTC is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Exchange Act. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("**direct participants**") deposit with DTC. DTC also facilitates the post-trade settlement among direct participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between direct participants' accounts. This eliminates the need for physical movement of securities certificates. Direct participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly owned subsidiary of The Depository Trust & Clearing Corporation ("**DTCC**"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers,

banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a direct participant, either directly or indirectly. The DTC Rules applicable to its Participants are on file with the SEC.

Euroclear. Euroclear was created in 1968 to hold securities for its participants and to clear and settle transactions between its participants through simultaneous electronic book-entry delivery against payment, thereby eliminating the need for physical movement of certificates and any risk from lack of simultaneous transfers of securities and cash. Euroclear provides various other services, including securities lending and borrowing, and interfaces with domestic markets in several countries. Euroclear participants include banks (including central banks), securities brokers and dealers and other professional financial intermediaries. Indirect access to Euroclear is also available to others that clear through or maintain a custodial relationship with a Euroclear participant, either directly or indirectly.

Notes clearance accounts and cash accounts with Euroclear are governed by the Terms and Conditions Governing Use of Euroclear and the related Operating Procedures of the Euroclear System, and applicable Belgian law (collectively, the "**Euroclear Terms and Conditions**"). The Euroclear Terms and Conditions govern transfers of securities and cash with Euroclear, withdrawals of securities and cash from Euroclear, and receipts of payments with respect to securities in Euroclear. All securities in Euroclear are held on a fungible basis without attribution of specific certificates to specific securities clearance accounts. Euroclear acts under the Euroclear Terms and Conditions only on behalf of Euroclear participants, and has no record of or relationship with persons holding-through Euroclear participants.

Distributions with respect to Notes held beneficially through Euroclear will be credited to the cash accounts of Euroclear participants in accordance with the Euroclear Terms and Conditions, to the extent received by the Depositary.

Clearstream, Luxembourg. Clearstream, Luxembourg is a company with limited liability under Luxembourg law (a *société anonyme*). Clearstream, Luxembourg holds securities for its customers and facilitates the clearance and settlement of securities transactions between Clearstream, Luxembourg customers through electronic book-entry changes in accounts of Clearstream, Luxembourg customers, thereby eliminating the need for physical movement of certificates. Transactions may be settled by Clearstream, Luxembourg in any of 36 currencies, including U.S. dollars. Clearstream, Luxembourg provides to its customers, among other things, services for safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Clearstream, Luxembourg also deals with domestic securities markets in over 30 countries through established depository and custodial relationships. Clearstream, Luxembourg is registered as a bank in Luxembourg, and as such is subject to regulation by the Commission de Surveillance du Secteur Financier, which supervises Luxembourg banks. Clearstream, Luxembourg's customers are worldwide financial institutions including underwriters, securities brokers and dealers, banks, trust companies and clearing corporations. Clearstream, Luxembourg's U.S. customers are limited to securities brokers and dealers, and banks. Indirect access to Clearstream, Luxembourg is available to other institutions that clear through or maintain a custodial relationship with an account holder of Clearstream, Luxembourg. Clearstream, Luxembourg has established an electronic bridge with Euroclear to facilitate settlement of trades between Clearstream, Luxembourg and Euroclear.

Distributions with respect to Notes held beneficially through Clearstream, Luxembourg will be credited to cash accounts of Clearstream, Luxembourg participants in accordance with its rules and procedures, to the extent received by the Depositary.

Other Clearing Systems. Any other clearing system which the Issuer, the Indenture Trustee, the relevant Paying Agents and each relevant Purchasing Agent agree shall be available for a particular issuance of Notes, including the clearance and settlement procedures for such clearing system, will be described in the applicable Pricing Supplement.

Primary Distribution

Notes will be distributed through one or more of the clearing systems described above or any other clearing system specified in the applicable Pricing Supplement. Payment for Notes will be made on a delivery versus payment or free delivery basis, as more fully described in the applicable Pricing Supplement.

Notes. The Issuer and each relevant Purchasing Agent shall agree that either global clearance and settlement procedures or specific clearance and settlement procedures should be available for the Notes of any Series, as specified in the applicable Pricing Supplement. Clearance and settlement procedures may vary from one Series of Notes to another according to the Specified Currency of the Notes of such Series. Customary clearance and settlement procedures are described under the specific clearance and settlement procedures below. Application will be made to the relevant clearing system(s) for the Notes of the relevant Series to be accepted for clearing and settlement and the applicable security identification numbers will be specified in the applicable Pricing Supplement.

Clearance and Settlement Procedures—DTC. DTC participants holding Notes through DTC on behalf of investors will follow the settlement practices applicable to United States corporate debt obligations in DTC's Same-Day Funds Settlement System. Notes will be credited to the securities custody accounts of such DTC participants against payment in same-day funds on the settlement date.

Clearance and Settlement Procedures—Euroclear and Clearstream, Luxembourg. Investors electing to hold their Notes through Euroclear or Clearstream, Luxembourg accounts will follow the settlement procedures applicable to conventional Eurobonds in registered form. Notes will be credited to the securities custody accounts of Euroclear and Clearstream, Luxembourg participants on the business day following the settlement date against payment for value on the settlement date.

Secondary Market Trading

Trading between DTC participants. Secondary market trading between DTC participants will occur in the ordinary way in accordance with DTC's rules and will be settled using procedures applicable to United States corporate debt obligations in DTC's Same-Day Funds Settlement System in same-day funds, if payment is made in U.S. dollars, or free of payment if payment is made in a currency other than U.S. dollars. In the latter case, separate payment arrangements outside of the DTC system are required to be made between DTC participants.

Trading between Euroclear and/or Clearstream, Luxembourg participants. Secondary market trading between Euroclear and/or Clearstream, Luxembourg participants will occur in the ordinary way in accordance with the applicable rules and operating procedures of Euroclear and Clearstream, Luxembourg and will be settled using procedures applicable to conventional Eurobonds in registered form.

Trading between DTC seller and Euroclear or Clearstream, Luxembourg purchaser

Single Global Note Issues. When Notes represented by a DTC Global Note are to be transferred from the account of a DTC participant (other than the Depositary) to the account of a Euroclear participant or Clearstream, Luxembourg participant, the purchaser must send instructions to Euroclear or Clearstream, Luxembourg through a participant at least one business day prior to settlement. Euroclear or Clearstream, Luxembourg, as the case may be, will instruct the Depositary to receive the Notes against payment or free of payment, as the case may be. After settlement has been completed, the Notes will be credited to the respective clearing system and by the clearing system, in accordance with its usual procedures, to the account of the relevant Euroclear or Clearstream, Luxembourg participant. Credit for the Notes will appear on the next day (European time) and cash debit will be back-valued to, and the interest on the Notes will accrue from, the value date (which would be the preceding day, when settlement occurs in New York). If settlement is not completed on the intended value date (i.e., the trade fails), the Euroclear or Clearstream, Luxembourg cash debit will be valued instead as of the actual settlement date.

Euroclear participants or Clearstream, Luxembourg participants will need to make available to the respective clearing systems the funds necessary to process same-day funds settlement. The most direct means of doing so is to pre-position funds for settlement, either from cash on hand or existing lines of credit, as they would for any settlement occurring within Euroclear or Clearstream, Luxembourg. Under this approach, participants may

take on credit exposure to Euroclear or Clearstream, Luxembourg until the Notes are credited to their accounts one day later.

As an alternative, if Euroclear or Clearstream, Luxembourg has extended a line of credit to them, participants can elect not to pre-position funds and allow that credit line to be drawn upon to finance settlement. Under this procedure, Euroclear participants or Clearstream, Luxembourg participants purchasing Notes would incur overdraft charges for one day, assuming they cleared the overdraft when the Notes were credited to their accounts. However, interest on the Notes would accrue from the value date. Therefore, in many cases, the investment income on Notes earned during that one-day period may substantially reduce or offset the amount of such overdraft charges, although this result will depend on each participant's particular cost of funds.

Because the settlement will take place during New York business hours, DTC participants can employ their usual procedures for delivering Notes to the Depositary for the benefit of Euroclear participants or Clearstream, Luxembourg participants. The sale proceeds will be available to the DTC seller on the settlement date. Thus, to the DTC participants, a cross-market transaction will settle no differently than a trade between two DTC participants.

Dual Global Note Issues. When Notes are to be transferred from the account of a DTC participant to the account of a Euroclear or Clearstream, Luxembourg participant, the DTC participant will deliver the Notes free of payment to the appropriate account of the Notes Custodian at DTC by 11:00 A.M. (New York time) on the settlement date together with instructions for delivery to the relevant Euroclear or Clearstream, Luxembourg participant. Separate payment arrangements are required to be made between the Euroclear or Clearstream, Luxembourg participant and the DTC participant. The Notes Custodian will instruct the Registrar to (i) decrease the amount of Notes registered in the name of the nominee of DTC and represented by the DTC Global Note and (ii) increase the amount of Notes registered in the name of the nominee of Euroclear or Clearstream, Luxembourg and represented by the Global Note. The Depositary will deliver such Notes free of payment to Euroclear or Clearstream, Luxembourg, as the case may be, for credit to the relevant participant in such clearing system on the business day following the settlement date.

Trading between a Euroclear or Clearstream, Luxembourg seller and a DTC purchaser

Single Global Note Issues. Due to time zone differences in their favor, Euroclear participants or Clearstream, Luxembourg participants may employ their customary procedures for transactions in which Notes represented by a DTC Global Note are to be transferred by the respective clearing system through the Depositary to another DTC participant. The seller must send instructions to Euroclear or Clearstream, Luxembourg through a participant at least one business day prior to settlement. In these cases, Euroclear or Clearstream, Luxembourg will instruct the Depositary to credit the Notes to the DTC participant's account against payment. The payment will then be reflected in the account of the Euroclear participant or Clearstream, Luxembourg participant the following day, and receipt of the cash proceeds in the Euroclear or Clearstream, Luxembourg participant's account will be back-valued to the value date (which would be the preceding day, when settlement occurs in New York). If the Euroclear participant or Clearstream, Luxembourg participant has a line of credit with its respective clearing system and elects to draw on such line of credit in anticipation of receipt of the sale proceeds in its account, the back-valuation may substantially reduce or offset overdraft charges incurred over the one-day period. If settlement is not completed on the intended value date (*i.e.*, the trade fails), receipt of the cash proceeds in the Euroclear or Clearstream, Luxembourg participant's account would instead be valued as of the actual settlement date.

As is the case with sales of Notes represented by a DTC Global Note by a DTC participant to a Euroclear or Clearstream, Luxembourg participant, participants in Euroclear and Clearstream, Luxembourg will have their accounts credited the day after their settlement date.

Dual Global Note Issues. When Notes are to be transferred from the account of a Euroclear or Clearstream, Luxembourg participant to the account of a DTC participant, the relevant Euroclear or Clearstream, Luxembourg participant must provide settlement instructions for delivery of the Notes free of payment to Euroclear or Clearstream, Luxembourg, as the case may be, by 7:45 P.M. (Brussels or Luxembourg time) one business day prior to the settlement date. Euroclear or Clearstream, Luxembourg, as the case may be, will in turn provide appropriate

settlement instructions to the Depositary for delivery to the DTC participant. Separate payment arrangements are required to be made between the DTC participant and the relevant Euroclear or Clearstream, Luxembourg participant. On the settlement date, the Notes Custodian will deliver the Notes free of payment to the appropriate DTC account of the DTC participant and will instruct the Registrar to (i) decrease the amount of Notes registered in the name of the nominee for Euroclear and Clearstream, Luxembourg and represented by the Global Note and (ii) increase the amount of Notes registered in the name of the nominee of DTC and represented by the DTC Global Note.

Payments

Principal

The principal amount of the Notes of any Series will be payable at par on their Maturity Dates, subject to the provisions of the applicable Pricing Supplement.

Interest

Subject to the provisions of the applicable Pricing Supplement, each Series of interest-bearing Notes will bear interest from its date of issue at the rate per annum, in the case of a Fixed Rate Note, or pursuant to the interest rate formula, in the case of a Floating Rate Note, in each case as specified in the applicable Pricing Supplement, until the principal thereof is paid or duly made available for payment. *See* also "—Pricing Options—Discount Notes" and "—Pricing Options—Amortizing Notes." Accrued but unpaid interest, if any, on the principal amount of the Notes of any Series will be payable on the Maturity Dates, subject to the provisions of the applicable Pricing Supplement.

Interest Periods

Subject to the provisions of the applicable Pricing Supplement, interest payable with respect to a Series of interest-bearing Notes on each Interest Payment Date (as defined therein) will be the interest accrued from and including the later of (i) the issue date and (ii) the immediately preceding Interest Payment Date with respect to which interest on such Series of Notes has been fully paid or duly provided for, to but excluding such Interest Payment Date ("**Interest Period**"). For any Series of Floating Rate Notes listed on Euronext Dublin, at a time no later than the commencement of each Interest Period, the relevant Paying Agent shall provide a notice to Euronext Dublin stating the rate of interest, the amount of interest payable for a specific denomination and the Interest Period, if applicable.

Payment Procedures

Subject to the provisions of the applicable Pricing Supplement, the Issuer will discharge each of its payment obligations under such Series of Notes and the Indenture by causing the payment amount to be tendered to the Holder or Holders of such Series of Notes. All amounts payable to any Holder of any Note will be paid to such account at such bank or other financial institution as the Holder of such Note shall notify the relevant Paying Agent in accordance with the terms of the Indenture.

Unavailability of Specified Currency

If the principal of and any premium or interest on any Note is payable in a Specified Currency other than U.S. dollars which is not available due to the imposition of exchange controls or other circumstances beyond the control of the Issuer, the Issuer will be entitled to satisfy its obligations to Holders of the Notes by making such payment in U.S. dollars on the basis of the spot rate of exchange for the purchase of U.S. dollars with the Specified Currency for settlement on such payment date of the aggregate amount of the Specified Currency payable to all Holders of Notes denominated other than in U.S. dollars scheduled to receive U.S. dollar payments. Any payment

made under such circumstances in U.S. dollars where the required payment is other than in U.S. dollars will not constitute an "Event of Default" under the Notes.

Tax, Fiscal or Other Law or Regulation

The Notes are subject in all cases to any tax, fiscal or other law or regulation or administrative or judicial interpretation applicable thereto. In the event that any amount due with respect to a Funding Agreement is subject to withholding or deduction for or on account of any present or future tax, levy, impost, assessment or other similar governmental charge, including, without limitation, any withholdings, deductions and related liabilities, imposed by any government or a political subdivision or taxing authority thereof or therein, whether imposed by withholding, deduction or otherwise ("**Taxes**"), the Issuer will be deemed for all purposes to have received cash in an amount equal to such withholding or deduction, and the Issuer shall not be required to actually pay, or cause to be paid, to any Holder all of the amounts which would have been received by such Holder in the absence of such Taxes and any such withholding or deduction will not give rise to an Event of Default or any independent right or obligation to redeem the Notes of such Series.

Redemption and Repurchase of Notes

Subject to the provisions of the applicable Pricing Supplement, and except as provided with respect to a tax redemption under "—Tax Redemption", the Notes of a Series will not be redeemable, except at the applicable Maturity Date, when all Notes of such Series will be redeemed. The parties to the Indenture have also agreed that, except as provided below under "—Tax Redemption", no opinion of Counsel (as defined in the Indenture), certificate of the Issuer or any other document or instrument shall be requested to be provided in connection with any purchase of Notes under "—Repurchase of Notes."

Tax Redemption

If (a) Pacific Life is obligated to withhold or deduct any Taxes with respect to any payment made under a Funding Agreement or any related contract between Pacific Life and the Issuer, or (b) in the opinion of independent counsel selected by Pacific Life, as a result of any change in, or amendment to, United States tax laws (or any regulations or rulings thereunder) or any change in position of the IRS regarding the application or interpretation thereof (including, but not limited to, Pacific Life's receipt of a written adjustment from the IRS in connection with an audit) there is a material probability that (i) Pacific Life will become obligated to withhold or deduct any Taxes with respect to any payment made under a Funding Agreement or any related contract between Pacific Life and the Issuer or (ii) the Issuer is, or will be within 90 days of the date thereof, subject to more than a de minimis amount of Taxes, then Pacific Life may terminate, with respect to (a) and (b)(i), the applicable Funding Agreement, and, with respect to (b)(ii), any Funding Agreement, by giving not less than 30 and no more than 75 days prior written notice to the Issuer and by paying to the Issuer on the date specified in such notice the Redemption Amount as specified in the Account Specification Appendix of such Funding Agreement, *provided* that in the case of clause (b)(i) no such notice of termination may be given earlier than 90 days prior to the earliest day when Pacific Life would become obligated to withhold or deduct any such Taxes, assuming a payment in respect of such Funding Agreement or such contract were then due. The Issuer is required to redeem the Notes of a Series if Pacific Life exercises its right to terminate the Funding Agreement(s) related to such Series at a redemption price equal to 100% of the principal amount of such Series of Notes plus any accrued and unpaid interest thereon.

Repurchase of Notes

The Issuer may purchase some or all Notes of any Series in the open market or otherwise at any time, and from time to time, with the prior written consent of Pacific Life as to both the making of such purchase and the purchase price to be paid for such Notes. If Pacific Life, in its sole discretion, consents to such purchase of Notes by the Issuer, then the Issuer and the Indenture Trustee agree to take such actions as may be necessary or desirable to effect the prepayment of such portion, or the entirety, of the current balance of the funding account under each applicable Funding Agreement as may be necessary to provide for the payment of the purchase price for such Notes. Upon such payment, the balance of the funding account shall be reduced (i) with respect to any purchase of Fixed

Rate Notes or Floating Rate Notes, by an amount equal to the aggregate principal amount and accrued and unpaid interest of the Notes as purchased, but excluding the repurchase date (or the portion thereof applicable to such Funding Agreement) and (ii) with respect to any purchase of Notes other than Fixed Rate Notes or Floating Rate Notes, by an amount to be agreed between the Issuer and Pacific Life to reflect such prepayment under the Funding Agreement.

Cancellation of Redeemed and Purchased Notes

All unmatured Notes redeemed or purchased, otherwise than in the ordinary course of business of dealing in securities or as a nominee in accordance with "—Redemption and Repurchase of Notes," will be cancelled forthwith and may not be reissued or resold.

Replacement of Notes

At the expense of the applicable Holder or Holders, the Issuer will replace any Note Certificate that becomes mutilated, destroyed, lost or stolen or is apparently destroyed, lost or stolen. Each mutilated Note Certificate must be surrendered to the Indenture Trustee or the Issuer, or the Indenture Trustee and the Issuer must receive evidence to their satisfaction of the destruction, loss or theft of each applicable Note Certificate, and there must be delivered to the Issuer and the Indenture Trustee such security, indemnity or pre-funding as may, in their sole discretion, be required by them to save each of them harmless and the Issuer or the Indenture Trustee must not have received notice that such Note Certificate, has been acquired by a protected purchaser (as defined in the UCC (as defined herein) as currently in effect).

Prescription

Any funds deposited with or paid to the Indenture Trustee or any Paying Agent for the payment of the principal of, any premium or interest on, or any other amounts payable with respect to, any Note of any Series and not applied but remaining unclaimed for three years after the date upon which such principal, premium, interest, or any other amount shall have become due and payable, shall, upon the written request of the Issuer and unless otherwise required by mandatory provisions of applicable escheat or abandoned or unclaimed property law, be repaid to the Issuer by the Indenture Trustee or such Paying Agent, and the Holder of any such Note of such Series shall, unless otherwise required by mandatory provisions of applicable escheat or abandoned or unclaimed property laws, thereafter look only to the Issuer for any payment which such Holder may be entitled to collect, and all liability of the Indenture Trustee or any Paying Agent with respect to such funds shall thereupon cease.

Other Terms

From time to time, the Issuer may issue Notes with additional terms to be described at the time of issuance in the applicable Pricing Supplement, including the ability to extend the maturity date of such Notes or redeem the Notes at the Issuer's option.

Pricing Options

Fixed Rate Notes

Interest Payment Dates. Subject to the provisions of the applicable Pricing Supplement, interest on the Fixed Rate Notes of a Series will be payable semiannually each year on such date or dates as may be specified in the applicable Pricing Supplement (each, an "**Interest Payment Date**" with respect to such Series of Fixed Rate Notes) and on the
Maturity Date.

Payment Date Not a Business Day. Subject to the provisions of the applicable Pricing Supplement, if the date on which any principal, premium, interest, or other payment obligation with respect to the Fixed Rate Notes of a Series is due, including any Interest Payment Date, falls on a day that is not a Business Day, the Issuer will have

until the next succeeding Business Day to satisfy its payment obligation and any such payment shall be given the same force and effect as if made on the date on which such principal, premium, interest, or other payment obligation was due and no additional interest shall accrue as a result of payment on such succeeding Business Day.

Method of Calculating Interest. Subject to the provisions of the applicable Pricing Supplement, interest on the Fixed Rate Notes of a Series will be computed on the basis of a 360-day year of twelve 30-day months and in the case of an incomplete month, the actual number of days elapsed.

Floating Rate Notes

Generally. Interest on a Series of Floating Rate Notes will be determined by reference to one or more of the CMT Rate, the Commercial Paper Rate, the Euro Interbank Offered Rate ("**EURIBOR**"), the Federal Funds Rate, the Prime Rate, SOFR, Compounded SOFR, the Treasury Rate, Average SONIA, Compounded Daily SONIA (Index Determination), Compounded Daily SONIA (Non-Index Determination), the Hong Kong Interbank Offered Rate ("**HIBOR**") or such other interest rate basis or interest rate formula as may be specified in the applicable Pricing Supplement (each, an "**Interest Rate Basis**").

The applicable Pricing Supplement will specify certain terms of a Series of Floating Rate Notes, including: whether such Series of Floating Rate Notes is a Series of "Regular Floating Rate Notes" or "Floating Rate/Fixed Rate Notes", the Fixed Rate Commencement Date, if applicable, Fixed Interest Rate, if applicable, Interest Rate Basis or Bases, Initial Interest Rate, if any, the first Interest Reset Date, Interest Reset Dates, Interest Payment Dates, Index Maturity, Maximum Interest Rate and/or Minimum Interest Rate, if any, and Spread and/or Spread Multiplier, if any, as such terms are defined below. If one or more of the Interest Rate Bases for any Series of Floating Rate Notes is the CMT Rate, the applicable Pricing Supplement will also specify the CMT Maturity Index and CMT Reuters Page, as such terms are defined below.

The rate at which a Series of Floating Rate Notes will bear interest will be determined as follows:

Unless such Series of Floating Rate Notes is designated as a Series of "Floating Rate/Fixed Rate Notes" or a Series of "Inverse Floating Rate Notes", or as having an Addendum attached or having "Other/Additional Provisions" apply, in each case relating to a different interest rate formula, such Series of Floating Rate Notes will be designated as a Series of "**Regular Floating Rate Notes**" and, except as described below or in the applicable Pricing Supplement, will bear interest at the rate determined by reference to the Interest Rate Basis or Bases for such Series (i) plus or minus the applicable Spread, if any, and/or (ii) multiplied by the applicable Spread Multiplier, if any. Commencing on the first Interest Reset Date, the rate at which interest on such Regular Floating Rate Note shall be payable shall be reset as of each Interest Reset Date; *provided, however*, that the interest rate in effect for the period, if any, from the date of issue to the first Interest Reset Date will be the Initial Interest Rate.

If such Series of Floating Rate Notes is designated as a Series of "Floating Rate/Fixed Rate Notes", then, except as described below, such Series of Floating Rate Notes will bear interest at the rate determined by reference to the Interest Rate Basis or Bases for such Series (i) plus or minus the applicable Spread, if any, and/or (ii) multiplied by the applicable Spread Multiplier, if any. Commencing on the first Interest Reset Date, the rate at which interest on such Series of Floating Rate/Fixed Rate Notes shall be payable shall be reset as of each Interest Reset Date; *provided, however*, that (a) the interest rate in effect for the period, if any, from the date of issue to the first Interest Reset Date will be the Initial Interest Rate and (b) the interest rate in effect (the "**Fixed Interest Rate**") for the period commencing on the date specified therefor in the applicable Pricing Supplement (the "**Fixed Rate Commencement Date**") to the Stated Maturity Date shall be the interest rate so specified in such applicable Pricing Supplement or, if no such rate is specified, the interest rate in effect thereon on the day immediately preceding the Fixed Rate Commencement Date. For the period during which the Fixed Interest Rate is in effect, interest shall be calculated and paid as specified above under "Fixed Rate Notes."

The "**Spread**" for a Series of Floating Rate Notes is the number of basis points to be added to or subtracted from the related Interest Rate Basis or Bases applicable to such Series of Floating Rate Notes. The "**Spread Multiplier**" is the percentage of the related Interest Rate Basis or Bases applicable to such Series of Floating Rate

Notes by which such Interest Rate Basis or Bases will be multiplied to determine the applicable interest rate on such Series of Floating Rate Notes. The "**Index Maturity**" is the period to maturity of the instrument or obligation with respect to which the related Interest Rate Basis or Bases will be calculated.

Subject to the provisions of the applicable Pricing Supplement, the interest rate with respect to each Interest Rate Basis for a Series of Floating Rate Notes will be determined in accordance with the applicable provisions below. Subject to the provisions of the applicable Pricing Supplement and except as set forth above, the interest rate in effect on each day shall be (i) if such day is an Interest Reset Date, the interest rate determined as of the Interest Determination Date immediately preceding such Interest Reset Date or (ii) if such day is not an Interest Reset Date, the interest rate determined as of the Interest Determination Date immediately preceding the most recent Interest Reset Date.

The applicable Pricing Supplement will specify the dates on which the rate of interest on a Series of Floating Rate Notes will be reset daily, weekly, monthly, quarterly, semiannually or annually or on such other specified basis (each, an "**Interest Reset Period**") and the dates on which such rate of interest will be reset (each, an "**Interest Reset Date**"). Subject to the provisions of the applicable Pricing Supplement, the Interest Reset Dates will be, in the case of a Series of Floating Rate Notes which reset:

- daily, each Business Day;
- on each U.S. Government Securities Business Day (as defined below), each such U.S. Government Securities Business Day; *provided, however*, that in respect of any Interest Period, the last two U.S. Government Securities Business Days of such Interest Period shall be a suspension period. During a suspension period, the reference rate for each day during that suspension period will be the reference rate for the Interest Reset Date immediately prior to the first day of the suspension period;
- weekly, the Wednesday of each week (with the exception of weekly reset Floating Rate Notes as to which the Treasury Rate is an applicable Interest Rate Basis, which will reset the Tuesday of each week);
- monthly, the third Wednesday of each month;
- quarterly, the third Wednesday of March, June, September and December of each year;
- semiannually, the third Wednesday of the two months specified in the applicable Pricing Supplement; and
- annually, the third Wednesday of the month specified in the applicable Pricing Supplement;

provided, however, that, with respect to each Series of Floating Rate/Fixed Rate Notes, the rate of interest thereon will not reset after the applicable Fixed Rate Commencement Date. If any Interest Reset Date for any Series of Floating Rate Notes would otherwise be a day that is not a Business Day, such Interest Reset Date will be postponed to the next succeeding Business Day, except that in the case of a Series of Floating Rate Notes as to which SOFR or Compounded SOFR is an applicable Interest Rate Basis and such Business Day falls in the next succeeding calendar month, such Interest Reset Date will be the immediately preceding Business Day.

Interest Determination Date. The interest rate applicable to an Interest Reset Period commencing on the related Interest Reset Date will be the rate calculated by the Calculation Agent as of the applicable interest determination date (determined as provided below, the "**Interest Determination Date**") and calculated on or prior to the Calculation Date (as hereinafter defined), except with respect to EURIBOR and HIBOR, which will be calculated on such Interest Determination Date. The "Interest Determination Date" with respect to the Commercial Paper Rate, the Federal Funds Rate and the Prime Rate will be the Business Day immediately preceding the related Interest Reset Date; the "Interest Determination Date" with respect to the CMT Rate will be the second Business Day immediately preceding the applicable Interest Reset Date; the "Interest Determination Date" with respect to EURIBOR will be the second day on which the T2 System is open (the "**TARGET Settlement Date**") immediately preceding each Interest Reset Date; the "Interest Determination Date" with respect to Average SONIA,

Compounded Daily SONIA (Index Determination), Compounded Daily SONIA (Non-Index Determination) will be as specified in the applicable Pricing Supplement; and the "Interest Determination Date" with respect to HIBOR will be the second Business Day in Hong Kong immediately preceding each Interest Reset Date. With respect to SOFR or Compounded SOFR, the "Interest Determination Date" will be the date two U.S. Government Securities Business Days preceding the applicable Interest Payment Date. With respect to the Treasury Rate, the "Interest Determination Date" will be the day in the week in which the applicable Interest Reset Date falls on which day Treasury Bills (as hereinafter defined) are normally auctioned (Treasury Bills are normally sold at an auction held on Monday of each week, unless such Monday is a legal holiday, in which case the auction is normally held on the immediately succeeding Tuesday although such auction may be held on the preceding Friday); *provided, however*, that if an auction is held on the Friday of the week preceding the applicable Interest Reset Date, the "Interest Determination Date" will be such preceding Friday. The "Interest Determination Date" pertaining to any Series of Floating Rate Notes the interest rate of which is determined by reference to two or more Interest Rate Bases will be the most recent Business Day which is at least two Business Days prior to the applicable Interest Reset Date for such Series of Floating Rate Notes on which each Interest Rate Basis is determinable. Each Interest Rate Basis will be determined as of such date, and the applicable interest rate will take effect on the applicable Interest Reset Date.

Notwithstanding the foregoing, any Series of Floating Rate Notes may also have either or both of the following: (i) a Maximum Interest Rate, or ceiling, that may accrue during any Interest Period and (ii) a Minimum Interest Rate, or floor, that may accrue during any Interest Period, which in no event shall be less than zero. In addition to any Maximum Interest Rate that may apply to any Series of Floating Rate Notes, the interest rate on such Series of Floating Rate Notes will in no event be higher than the maximum rate permitted by New York law, as the same may be modified by United States law of general application.

Interest Payment Dates. Subject to the provisions of the applicable Pricing Supplement and except as provided below, the date(s) on which interest on a Series of Floating Rate Notes is payable (each, an "Interest Payment Date" with respect to such Series of Floating Rate Notes) will be the Maturity Date and, in the case of a Series of Floating Rate Notes which reset:

- daily, weekly or monthly, the third Wednesday of March, June, September and December of each year, as specified in the applicable Pricing Supplement;

- quarterly, the third Wednesday of March, June, September and December of each year;

- semiannually, the third Wednesday of the two months of each year specified in the applicable Pricing Supplement; and

- annually, the third Wednesday of the month of each year specified in the applicable Pricing Supplement.

Payment Date not a Business Day. Subject to the provisions of the applicable Pricing Supplement, if any Interest Payment Date other than the Maturity Date for a Series of Floating Rate Notes would otherwise be a day that is not a Business Day, such Interest Payment Date will be postponed to the next succeeding Business Day, except that in the case of a Series of Floating Rate Notes as to which SOFR or Compounded SOFR is an applicable Interest Rate Basis and such Business Day falls in the next succeeding calendar month, such Interest Payment Date will be the immediately preceding Business Day. If the Maturity Date of any Series of Floating Rate Notes falls on a day that is not a Business Day, the required payment of principal and any premium and interest will be made on the next succeeding Business Day as if made on the date such payment was due, and no interest will accrue in respect of such payment made on that next succeeding Business Day.

Calculations. All percentages resulting from any calculation on any Series of Floating Rate Notes will be rounded to the nearest one hundred-thousandth of a percentage point, with five-one millionths of a percentage point rounded upwards (*e.g.*, 9.876545% (or 0.09876545) would be rounded to 9.87655% (or 0.0987655)), and all amounts used in or resulting from such calculation on such Series of Floating Rate Notes will be rounded, in the case of U.S. dollars, to the nearest cent or, in the case of Euro or other currency, to the nearest unit (with one-half cent or unit being rounded upwards).

With respect to each Series of Floating Rate Notes, accrued interest is calculated by multiplying its principal amount by an accrued interest factor. Such accrued interest factor is computed by adding the interest factor calculated for each day in the applicable Interest Period. Subject to the provisions of the applicable Pricing Supplement, the interest factor for each such day will be computed by dividing the interest rate applicable to such day by 360, in the case of any Series of Floating Rate Notes for which an applicable Interest Rate Basis is the Commercial Paper Rate, EURIBOR, the Federal Funds Rate, the Prime Rate, SOFR or Compounded SOFR, or by the actual number of days in the year in the case of any Series of Floating Rate Notes for which an applicable Interest Rate Basis is the CMT Rate, SONIA, the Treasury Rate or HIBOR.

The applicable Pricing Supplement will specify the Calculation Agent for a Series of Floating Rate Notes if not Citibank, N.A. The initial Calculation Agent will appoint Citibank, N.A., London Branch, as its agent to make certain calculations as requested by the initial Calculation Agent. Upon request of the Holder of any Floating Rate Note, the Calculation Agent will disclose the interest rate then in effect and, if calculated, the interest rate that will become effective as a result of a calculation made for the next succeeding Interest Reset Date with respect to such Floating Rate Note. Subject to the provisions of the applicable Pricing Supplement, the "**Calculation Date**", if applicable, pertaining to any Interest Determination Date will be the earlier of (i) the tenth calendar day after such Interest Determination Date or, if such day is not a Business Day, the next succeeding Business Day or (ii) the Business Day immediately preceding the applicable Interest Payment Date or the Maturity Date, as the case may be.

If Pacific Life determines that a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to an Interest Rate Basis, then the Interest Rate Basis for the relevant Interest Period and each subsequent Interest Period shall be the rate determined pursuant to the "Effect of a Benchmark Transition Event" provisions described below.

For the avoidance of doubt, in accordance with the benchmark replacement provisions set forth below, after a Benchmark Transition Event and its related Benchmark Replacement Date have occurred, the interest payable for each Interest Period will be an annual rate equal to the sum of the Benchmark Replacement and the Spread specified in the applicable Pricing Supplement.

Subject to the provisions of the applicable Pricing Supplement and the "Benchmark Replacement" provisions set forth below with respect to each Series of Floating Rate Notes, the Calculation Agent shall calculate each Interest Rate Basis in accordance with the following provisions:

Average SONIA. "**Average SONIA**" means, with respect to any Series of Floating Rate Notes for which the interest rate is determined with reference to Average SONIA in relation to any Interest Period, the rate determined in accordance with the following formula:

$$\left[\frac{\sum_{i=1}^{d_o} SONIA_i \times n}{d}\right] \times \frac{365}{d}$$

where:

"**d**", "**d_0**", "**i**", "**London Banking Day**", "**p**" and "**SONIA reference rate**" have the meanings set out under Compounded Daily SONIA (Non-Index Determination) below;

"**n**", for any London Banking Day, means the number of calendar days from and including, such London Banking Day up to but excluding the following London Banking Day; and

"**$SONIA_i$**" means, for any London Banking Day "i", where in the applicable Pricing Supplement "Lag" is specified as the Observation Method, the SONIA reference rate in respect of the London Banking Day falling "p" London Banking Days prior to such London Banking Day "i".

If, in respect of any London Banking Day in the relevant SONIA Observation Period, or the relevant Interest Period (as the case may be), the SONIA reference rate is not available on the Relevant Screen Page (as specified in the applicable Pricing Supplement) or has not otherwise been published by the relevant authorized distributors, such SONIA reference rate shall be the sum of (i) the Bank of England's Bank Rate (the "**Bank Rate**") prevailing at close of business on the relevant London Banking Day; and (b) the mean of the spread of the SONIA reference rate to the Bank Rate over the previous five London Banking Days on which a SONIA reference rate has been published, excluding the highest spread (or, if there is more than one highest spread, one only of those highest spreads) and lowest spread (or, if there is more than one lowest spread, one only of those lowest spreads) to the Bank Rate.

Notwithstanding the foregoing, if Pacific Life determines that a Benchmark Transition Event (as defined below) and its related Benchmark Replacement Date (as defined below) have occurred prior to the Reference Time in respect of any determination of SONIA on any date, the Benchmark Replacement (as defined below) will replace Average SONIA for all purposes relating to the relevant Series of Floating Rate Notes in respect of such determination on such date and all determinations on all subsequent dates.

Compounded Daily SONIA (Index Determination). "**Compounded Daily SONIA (Index Determination)**" means, with respect to any Series of Floating Rate Notes for which the interest rate is determined with reference to Compounded Daily SONIA (Index Determination), the rate determined in accordance with the following formula:

$$\text{Compounded Daily SONIA Rate} = \left(\frac{SONIA\ Compounded\ Index_{End}}{SONIA\ Compounded\ Index_{Start}} - 1\right) x \frac{365}{d}$$

where:

"**d**" means the number of calendar days from (and including) the day in relation to which "SONIA Compounded Index $_{Start}$" is determined to (but excluding) the day in relation to which "SONIA Compounded Index$_{End}$" is determined;

"**Index Determination Date**" means a day on which the SONIA Compounded Index is determined pursuant to "SONIA Compounded Index$_{Start}$" or "SONIA Compounded Index$_{End}$" clauses below;

"**London Banking Day**" means any day on which commercial banks are open for general business (including dealing in foreign exchange and foreign currency deposits) in London;

"**Relevant Number**" means the number specified as such in the applicable Pricing Supplement (or, if no such number is specified, two);

"**SONIA Compounded Index**" means:

i. the screen rate or index for compounded daily SONIA rates administered by the administrator of the SONIA reference rate that is published or displayed by such administrator or other information service at the relevant time on the relevant Index Determination Date specified below and as further specified in the applicable Pricing Supplement; provided that

ii. if the relevant SONIA Compounded Index is not published or displayed by the administrator of the SONIA reference rate or other information service at the relevant time on the relevant Index Determination Date as specified in the applicable Pricing Supplement, the Compounded Daily SONIA rate for the applicable Interest Period for which the SONIA Compounded Index is not available shall be "Compounded Daily SONIA" determined as set out under the section entitled Compounded Daily SONIA (Non-Index Determination) below, and for these purposes: (i) the "Observation Method" shall be deemed to be "Shift" and (ii) the "Observation Look-Back Period" shall be deemed to be equal to the Relevant Number of London Banking Days.

"**SONIA Compounded Index$_{Start}$**" means, with respect to an Interest Period, the SONIA Compounded Index determined in relation to the day falling the Relevant Number of London Banking Days prior to the first day of such Interest Period; and

"**SONIA Compounded Index$_{End}$**" means, with respect to an Interest Period, the SONIA Compounded Index determined in relation to the day falling the Relevant Number of London Banking Days prior to (i) the Interest Payment Date for such Interest Period, or (ii) such other date on which the relevant payment of interest falls due (but which by its definition or the operation of the relevant provisions is excluded from such Interest Period).

Compounded Daily SONIA (Non-Index Determination). "**Compounded Daily SONIA (Non-Index Determination)**" means, with respect to any Series of Floating Rate Notes for which the interest rate is determined with reference to Compounded Daily SONIA (Non-Index Determination), the rate determined in accordance with the following formula:

$$\left[\prod_{i=1}^{d_o}\left(1+\frac{Relevant\ SONIA_i \times n_i}{365}\right)-1\right]\times\frac{365}{d}$$

where:

"**d**" means the number of calendar days (a) in the relevant Interest Period (where in the applicable Pricing Supplement "Lag" is specified as the Observation Method) or (b) in the relevant SONIA Observation Period (where in the applicable Pricing Supplement "Shift" is specified as the Observation Method);

"**d_o**" means (a) for any Interest Period (where in the applicable Pricing Supplement "Lag" is specified as the Observation Method), the number of London Banking Days in the relevant Interest Period or (b) for any SONIA Observation Period (where in the applicable Pricing Supplement "Shift" is specified as the Observation Method), the number of London Banking Days in the relevant SONIA Observation Period;

"**i**" means a series of whole numbers from 1 to d0, each representing the relevant London Banking Day in chronological order from, and including, the first London Banking Day (a) in the relevant Interest Period (where in the applicable Pricing Supplement "Lag" is specified as the Observation Method) or (b) in the relevant SONIA Observation Period (where in the applicable Pricing Supplement "Shift" is specified as the Observation Method);

"**London Banking Day**" or "**LBD**" means any day on which commercial banks are open for general business (including dealing in foreign exchange and foreign currency deposits) in London;

"**n_i**", for any London Banking Day "i", means the number of calendar days from and including such London Banking Day "i" up to but excluding the following London Banking Day;

"**p**" means the number of London Banking Days included in the "Observation Look-Back Period" as specified in the applicable Pricing Supplement;

"**Relevant SONIA$_i$**" means, in respect of any London Banking Day "i" (a) where "Lag" is specified as the Observation Method in the applicable Pricing Supplement, SONIAi-pLBD or (b) where "Shift" is specified as the Observation Method in the applicable Pricing Supplement, SONIAiLBD;

"**SONIA reference rate**", in respect of any London Banking Day, is a reference rate equal to

i. the daily Sterling Overnight Index Average rate ("SONIA") for such London Banking Day as provided by the administrator of SONIA to authorized distributors and as then published on the Relevant Screen Page (as specified in the applicable Pricing Supplement) or, if the Relevant Screen Page is unavailable, as otherwise published by such authorized distributors, in each case on the day following such London Banking Day; provided that

ii. if, in respect of any London Banking Day in the relevant Interest Period, the SONIA reference rate is not available on the Relevant Screen Page or has not otherwise been published by the relevant authorized distributors, such SONIA reference rate shall be the sum of (i) the Bank Rate prevailing at close of business on the relevant London Banking Day; and (ii) the mean of the spread of the SONIA reference rate to the Bank Rate over the previous five London Banking Days on which a SONIA reference rate has been published, excluding the highest spread (or, if there is more than one highest spread, one only of those highest spreads) and lowest spread (or, if there is more than one lowest spread, one only of those lowest spreads) to the Bank Rate; and

iii. notwithstanding clause (ii) above, in the event the Bank of England publishes guidance as to (a) how the SONIA reference rate is to be determined or (b) any rate that is to replace the SONIA reference rate, Pacific Life shall, to the extent reasonably practicable, follow such guidance in order to determine the SONIA reference rate for any London Banking Day "i", for so long as the SONIA reference rate is not available or has not been published by the authorized distributors.

"**SONIAiLBD**" means, where in the applicable Pricing Supplement "Shift" is specified as the Observation Method, in respect of any London Banking Day "i" falling in the relevant SONIA Observation Period, the SONIA reference rate for such London Banking Day "i";

"**SONIAi-pLBD**" means, where in the applicable Pricing Supplement "Lag" is specified as the Observation Method, in respect of any London Banking Day "i" falling in the relevant Interest Period, the SONIA reference rate for the London Banking Day falling "p" London Banking Days prior to such London Banking Day "i";

"**SONIA Observation Period**" means the period from and including the date falling "p" London Banking Days prior to the first day of the relevant Interest Period (and the first Interest Period shall begin on and include the Interest Commencement Date) and ending on, but excluding, the date falling "p" London Banking Days prior to the Interest Payment Date for such Interest Period (or the date falling "p" London Banking Days prior to such earlier date, if any, on which the Series of Floating Rate Notes become due and payable).

Notwithstanding the foregoing, if Pacific Life determines that a Benchmark Transition Event and its related Benchmark Replacement Date have occurred prior to the Reference Time in respect of any determination of SONIA on any date, the Benchmark Replacement will replace Compounded Daily SONIA (Index Determination) for all purposes relating to the relevant Series of Floating Rate Notes in respect of such determination on such date and all determinations on all subsequent dates.

CMT Rate. "**CMT Rate**" means:

(i) If CMT Reuters Page FRBCMT is specified in the applicable Pricing Supplement:

(a) the percentage equal to the yield for United States Treasury securities at "constant maturity" having the Index Maturity specified in the applicable Pricing Supplement as the yield is displayed on Reuters, Inc. (or any successor service) on page FRBCMT (or any other page as may replace the specified page on that service under the caption "Treasury Constant Maturities") ("**Reuters Page FRBCMT**") for the particular Interest Determination Date, or

(b) if the rate referred to in clause (a) does not so appear on Reuters Page FRBCMT, the percentage equal to the yield for United States Treasury securities at "constant maturity" having the particular Index Maturity and for the particular Interest Determination Date as published in H.15 under the caption "Treasury Constant Maturities", or

(c) if the rate referred to in clause (b) does not so appear in H.15, the rate on the particular Interest Determination Date for the period of the particular Index Maturity as may then be published by either the Federal Reserve System Board of Governors or the Treasury

Department that Pacific Life determines to be comparable to the rate which would otherwise have been published in H.15, or

(d) if the rate referred to in clause (c) is not so published, the rate on the particular Interest Determination Date calculated by the Calculation Agent as a yield to maturity based on the arithmetic mean of the secondary market bid prices at approximately 3:30 P.M., New York City time, on that Interest Determination Date of three leading primary United States government securities dealers in the United States of America (which may include the Purchasing Agents or their affiliates) (each, a "**Reference Dealer**"), selected by Pacific Life from five Reference Dealers selected by Pacific Life and eliminating the highest quotation, or, in the event of equality, one of the highest, and the lowest quotation or, in the event of equality, one of the lowest, for United States Treasury securities with an original maturity equal to the particular Index Maturity, a remaining term to maturity no more than one year shorter than that Index Maturity and in a principal amount that is representative for a single transaction in the securities in that market at that time, or

(e) if fewer than five but more than two of the prices referred to in clause (d) are provided as requested, the rate on the particular Interest Determination Date calculated by the Calculation Agent based on the arithmetic mean of the bid prices obtained and neither the highest nor the lowest of the quotations shall be eliminated, or

(f) if fewer than three prices referred to in clause (d) are provided as requested, the rate on the particular Interest Determination Date calculated by the Calculation Agent as a yield to maturity based on the arithmetic mean of the secondary market bid prices as of approximately 3:30 P.M., New York City time, on that Interest Determination Date of three Reference Dealers selected by Pacific Life from five Reference Dealers selected by Pacific Life and eliminating the highest quotation or, in the event of equality, one of the highest and the lowest quotation or, in the event of equality, one of the lowest, for United States Treasury securities with an original maturity greater than the particular Index Maturity, a remaining term to maturity closest to that Index Maturity and in a principal amount that is representative for a single transaction in the securities in that market at that time, or

(g) if fewer than five but more than two prices referred to in clause (f) are provided as requested, the rate on the particular Interest Determination Date calculated by the Calculation Agent based on the arithmetic mean of the bid prices obtained and neither the highest nor the lowest of the quotations will be eliminated, or

(h) if fewer than three prices referred to in clause (f) are provided as requested, and a Benchmark Transition Event and its related Benchmark Replacement Date have not occurred, the CMT Rate in effect on the particular Interest Determination Date will remain the CMT Rate then in effect on such Interest Determination Date.

(ii) If Reuters Page FEDCMT is specified in the applicable Pricing Supplement:

(a) the percentage equal to the one-week or one-month, as specified in the applicable Pricing Supplement, average yield for United States Treasury securities at "constant maturity" having the Index Maturity specified in the applicable Pricing Supplement as the yield is displayed on Reuters, Inc. (or any successor service) on Page FEDCMT (or any other page as may replace the specified page on that service) ("**Reuters Page FEDCMT**"), for the week or month, as applicable, ended immediately preceding the week or month, as applicable, in which the particular Interest Determination Date falls, or

(b) if the rate referred to in clause (a) does not so appear on Reuters Page FEDCMT, the percentage equal to the one-week or one-month, as specified in the applicable Pricing Supplement, average yield for United States Treasury securities at "constant maturity" having the particular Index Maturity and for the week or month, as applicable, preceding the particular Interest Determination Date as published in H.15 opposite the caption "Treasury Constant Maturities", or

(c) if the rate referred to in clause (b) does not so appear in H.15, the one-week or one-month, as specified in the applicable Pricing Supplement, average yield for United States Treasury securities at "constant maturity" having the particular Index Maturity as otherwise announced by the Federal Reserve Bank of New York for the week or month, as applicable, ended immediately preceding the week or month, as applicable, in which the particular Interest Determination Date falls, or

(d) if the rate referred to in clause (c) is not so published, the rate on the particular Interest Determination Date calculated by the Calculation Agent as a yield to maturity based on the arithmetic mean of the secondary market bid prices at approximately 3:30 P.M., New York City time, on that Interest Determination Date of three Reference Dealers selected by Pacific Life from five Reference Dealers selected by Pacific Life and eliminating the highest quotation, or, in the event of equality, one of the highest, and the lowest quotation or, in the event of equality, one of the lowest, for United States Treasury securities with an original maturity equal to the particular Index Maturity, a remaining term to maturity no more than one year shorter than that Index Maturity and in a principal amount that is representative for a single transaction in the securities in that market at that time, or

(e) if fewer than five but more than two of the prices referred to in clause (d) are provided as requested, the rate on the particular Interest Determination Date calculated by the Calculation Agent based on the arithmetic mean of the bid prices obtained and neither the highest nor the lowest of the quotations shall be eliminated, or

(f) if fewer than three prices referred to in clause (d) are provided as requested, the rate on the particular Interest Determination Date calculated by the Calculation Agent as a yield to maturity based on the arithmetic mean of the secondary market bid prices as of approximately 3:30 P.M., New York City time, on that Interest Determination Date of three Reference Dealers selected by Pacific Life from five Reference Dealers selected by Pacific Life and eliminating the highest quotation or, in the event of equality, one of the highest and the lowest quotation or, in the event of equality, one of the lowest, for United States Treasury securities with an original maturity greater than the particular Index Maturity, a remaining term to maturity closest to that Index Maturity and in a principal amount that is representative for a single transaction in the securities in that market at the time, or

(g) if fewer than five but more than two prices referred to in clause (f) are provided as requested, the rate on the particular Interest Determination Date calculated by the Calculation Agent based on the arithmetic mean of the bid prices obtained and neither the highest or the lowest of the quotations will be eliminated, or

(h) if fewer than three prices referred to in clause (f) are provided as requested, and a Benchmark Transition Event and its related Benchmark Replacement Date have not occurred, the CMT Rate in effect on that Interest Determination Date will remain the CMT Rate then in effect on such Interest Determination Date.

If two United States Treasury securities with an original maturity greater than the Index Maturity specified in the applicable Pricing Supplement have remaining terms to maturity equally close to the particular Index

Maturity, the quotes for the United States Treasury security with the shorter original remaining term to maturity will be used.

"**H.15**" means the weekly statistical release designated as such, or any successor publication, published by the Board of Governors of the Federal Reserve System.

"**H.15 Daily Update**" means the daily update of H.15, available through the internet site of the Board of Governors of the Federal Reserve System at http://www.federalreserve.gov/releases/h15/update/, or any successor site or publication.

Commercial Paper Rate. "**Commercial Paper Rate**" means, with respect to any Interest Determination Date relating to a Series of Floating Rate Notes for which the interest rate is determined with reference to the Commercial Paper Rate (a "**Commercial Paper Rate Interest Determination Date**"), the Money Market Yield (as hereinafter defined) on such date of the rate for commercial paper having the Index Maturity specified in the applicable Pricing Supplement as published in H.15 under the caption "Commercial Paper-Nonfinancial" or, if not so published by 3:00 P.M., New York City time, on the related Calculation Date, the rate on such Commercial Paper Rate Interest Determination Date for commercial paper having the Index Maturity specified in the applicable Pricing Supplement as published in H.15 Daily Update, or such other recognized electronic source used for the purpose of displaying such rate, under the caption "Commercial Paper-Nonfinancial." If such rate is not yet published in H.15, H.15 Daily Update or another recognized electronic source by 3:00 P.M., New York City time, on the related Calculation Date, then the Commercial Paper Rate on such Commercial Paper Rate Interest Determination Date will be calculated by the Calculation Agent and will be the Money Market Yield of the arithmetic mean of the offered rates at approximately 11:00 A.M., New York City time, on such Commercial Paper Rate Interest Determination Date of three leading dealers of U.S. dollar commercial paper in the United States of America (which may include the Purchasing Agents or their affiliates) selected by Pacific Life for commercial paper having the Index Maturity specified in the applicable Pricing Supplement placed for industrial issuers whose bond rating is "Aa", or the equivalent, from a nationally recognized statistical rating organization; provided, however, that if the dealers so selected by Pacific Life are not quoting as mentioned in this sentence, and a Benchmark Transition Event and its related Benchmark Replacement Date have not occurred, the Commercial Paper Rate determined with respect to such Commercial Paper Rate Interest Determination Date will remain the Commercial Paper Rate then in effect on such Commercial Paper Rate Interest Determination Date.

"**Money Market Yield**" means a yield (expressed as a percentage) calculated in accordance with the following formula:

$$\text{Money Market Yield} = \frac{D \times 360}{360 - (D \times M)} \times 100$$

where "D" refers to the applicable per annum rate for commercial paper quoted on a bank discount basis and expressed as a decimal, and "M" refers to the actual number of days in the applicable Interest Reset Period.

EURIBOR. "**EURIBOR**" means, with respect to any Interest Determination Date relating to a Series of Floating Rate Notes for which the interest rate is determined with reference to EURIBOR (a "**EURIBOR Interest Determination Date**"), the rate for deposits in Euros as sponsored, calculated and published jointly by the European Banking Federation and ACI—The Financial Market Association, or any company established by the joint sponsors for purposes of compiling and publishing those rates, having the Index Maturity specified in the applicable Pricing Supplement, commencing on the applicable Interest Reset Date, as that rate appears on Reuters, Inc., or any successor service, on page EURIBOR01 (or any other page as may replace that specified page on that service) ("**Reuters Page EURIBOR01**") as of 11:00 A.M., Brussels time, on the applicable EURIBOR Interest Determination Date. If such rate does not appear on Reuters Page EURIBOR01, or is not so published by 11:00 A.M., Brussels time, on the applicable EURIBOR Interest Determination Date, and a Benchmark Transition Event and its related Benchmark Replacement Date have not occurred, such rate will be calculated by the Calculation Agent and will be the arithmetic mean of at least two quotations obtained by Pacific Life after requesting the principal Euro-zone (as defined below) offices of four major banks in the Euro-zone interbank market to provide

Pacific Life with its offered quotation for deposits in Euros for the period of the Index Maturity specified in the applicable Pricing Supplement, commencing on the applicable Interest Reset Date, to prime banks in the Euro-zone interbank market at approximately 11:00 A.M., Brussels time, on the applicable EURIBOR Interest Determination Date and in a principal amount not less than the equivalent of $1 million in Euros that is representative for a single transaction in Euro in that market at that time. If fewer than two such quotations are so provided, the rate on the applicable EURIBOR Interest Determination Date will be calculated by the Calculation Agent and will be the arithmetic mean of the rates quoted at approximately 11:00 A.M., Brussels time, on such EURIBOR Interest Determination Date by four major banks in the Euro-zone for loans in Euro to leading European banks, having the Index Maturity specified in the applicable Pricing Supplement commencing on the applicable Interest Reset Date and in a principal amount not less than the equivalent of $1 million in Euros that is representative for a single transaction in Euros in that market at that time. If the banks so selected by Pacific Life are not quoting as mentioned above, and both a Benchmark Transition Event and its related Benchmark Replacement date with respect to EURIBOR have not occurred, then EURIBOR will be EURIBOR in effect on the applicable EURIBOR Interest Determination Date.

"**Euro-zone**" means the region comprised of Member States of the EU that have adopted the single currency in accordance with the treaty establishing the European Community, as amended by the Treaty.

Federal Funds Rate. "**Federal Funds Rate**" means, with respect to any Interest Determination Date relating to a Series of Floating Rate Notes for which the interest rate is determined with reference to the Federal Funds Rate (a "**Federal Funds Rate Interest Determination Date**"), the rate on such date for U.S. dollar Federal funds as published in H.15 under the heading "Federal Funds (Effective)", as such rate is displayed on Reuters, Inc. (or any successor service) on page FEDFUNDS1 (or any other page as may replace such page on such service) ("**Reuters Page FEDFUNDS1**"), or, if such rate does not appear on Reuters Page FEDFUNDS1 or is not so published by 3:00 P.M., New York City time, on the related Calculation Date, the rate on such Federal Funds Rate Interest Determination Date for U.S. dollar Federal funds as published in H.15 Daily Update, or such other recognized electronic source used for the purpose of displaying such rate, under the caption "Federal Funds (Effective)." If such rate does not appear on Reuters Page FEDFUNDS1 or is not yet published in H.15, H.15 Daily Update or another recognized electronic source by 3:00 P.M., New York City time, on the related Calculation Date, then the Federal Funds Rate on such Federal Funds Rate Interest Determination Date will be calculated by the Calculation Agent and will be the arithmetic mean of the rates for the last transaction in overnight U.S. dollar Federal funds arranged by three leading brokers of U.S. dollar Federal funds transactions in The City of New York (which may include the Purchasing Agents or their affiliates) selected by Pacific Life prior to 9:00 A.M., New York City time, on such Federal Funds Rate Interest Determination Date; *provided, however*, that if the brokers so selected by Pacific Life are not quoting as mentioned in this sentence, and a Benchmark Transition Event and its related Benchmark Replacement Date have not occurred, the Federal Funds Rate determined as of such Federal Funds Rate Interest Determination Date will be the Federal Funds Rate in effect on such Federal Funds Rate Interest Determination Date.

Prime Rate. "**Prime Rate**" means, with respect to any Interest Determination Date relating to a Series of Floating Rate Notes for which the interest rate is determined with reference to the Prime Rate (a "**Prime Rate Interest Determination Date**"), the rate on such date as such rate is published in H.15 under the caption "Bank Prime Loan" or, if not published by 3:00 P.M., New York City time, on the related Calculation Date, the rate on such Prime Rate Interest Determination Date as published in H.15 Daily Update, or such other recognized electronic source used for the purpose of displaying such rate, under the caption "Bank Prime Loan." If such rate is not yet published in H.15, H.15 Daily Update or another recognized electronic source by 3:00 P.M., New York City time, on the related Calculation Date, and a Benchmark Transition Event and its related Benchmark Replacement Date have not occurred then the Prime Rate shall be the arithmetic mean of the rates of interest publicly announced by each bank that appears on the Reuters Screen US PRIME1 Page (as hereinafter defined) as such bank's prime rate or base lending rate as of 11:00 A.M., New York City time, on such Prime Rate Interest Determination Date. If fewer than four such rates so appear on the Reuters Screen US PRIME1 Page for such Prime Rate Interest Determination Date, then the Prime Rate shall be the arithmetic mean of the prime rates or base lending rates quoted on the basis of the actual number of days in the year divided by a 360-day year as of the close of business on such Prime Rate Interest Determination Date by three major banks (which may include affiliates of the Purchasing Agents) in The

City of New York selected by Pacific Life; *provided, however*, that if the banks so selected by Pacific Life are not quoting as mentioned in this sentence, the Prime Rate determined as of such Prime Rate Interest Determination Date will be the Prime Rate in effect on such Prime Rate Interest Determination Date.

"**Reuters Screen US PRIME1 Page**" means the display on the Reuters Money 3000 Service (or any successor service) on the "US PRIME1" page (or such other page as may replace the US PRIME1 page on such service) for the purpose of displaying prime rates or base lending rates of major United States banks.

SOFR. "**SOFR**" means, with respect to any U.S. Government Securities Business Day, the Secured Overnight Financing Rate published for such date by the SOFR Administrator on the SOFR Administrator's Website at 3:00 p.m. (New York time) on the immediately following U.S. Government Securities Business Day. If the Secured Overnight Financing Rate does not appear on such day, unless both a Benchmark Transition Event and its related Benchmark Replacement Date have occurred, SOFR means the Secured Overnight Financing Rate in respect of the last U.S. Government Securities Business Day for which the Secured Overnight Financing Rate was published on the SOFR Administrator's Website.

Compounded SOFR. "**Compounded SOFR**" will be calculated by the Calculation Agent in accordance with the following formula:

$$\left(\frac{SOFR\ Index_{End}}{SOFR\ Index_{Start}} - 1\right) x \frac{360}{d}$$

where:

"**SOFR Index $_{Start}$**" = For periods other than the initial Interest Period, the SOFR Index value on the date two U.S. Government Securities Business Days preceding the prior Interest Determination Date, and, for the initial Interest Period, the SOFR Index value on the date two U.S. Government Securities Business Days preceding the Issue Date;

"**SOFR Index $_{End}$**" = The SOFR Index value on the date two U.S. Government Securities Business Days preceding the Interest Determination Date relating to the applicable Interest Payment Date (or in the final Interest Period, relating to the Stated Maturity Date); and

"**d**" is the number of calendar days in the relevant Observation Period.

For purposes of determining Compounded SOFR, "**SOFR Index**" means, with respect to any U.S. Government Securities Business Day:

(1) the SOFR Index value as published by the SOFR Administrator as such index appears on the SOFR Administrator's Website at 3:00 p.m. (New York time) on such U.S. Government Securities Business Day (the "SOFR Index Determination Time"); provided that:

(2) if a SOFR Index value does not so appear as specified in (1) above at the SOFR Index Determination Time, then: (i) if a Benchmark Transition Event and its related Benchmark Replacement Date have not occurred with respect to SOFR, then Compounded SOFR shall be the rate determined pursuant to the "SOFR Index Unavailable" provisions described below; or (ii) if Pacific Life determines that a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to SOFR, then Compounded SOFR for such Interest Period and each subsequent Interest Period shall be the rate determined pursuant to the "Effect of a Benchmark Transition Event" provisions described below.

SOFR Index Unavailable Provisions

If a SOFR Index Start or SOFR Index End is not published on the associated Interest Determination Date and a Benchmark Transition Event and its related Benchmark Replacement Date have not occurred with respect to SOFR, "Compounded SOFR" means, for the applicable Interest Period for which such index is not available, the rate of return on a daily compounded interest investment calculated in accordance with the formula for SOFR Averages, and definitions required for such formula, published on the Federal Reserve Bank of New York's Website at https://www.newyorkfed.org/markets/treasury-repo-reference-rates-information. For the purposes of this provision, references in the SOFR Averages compounding formula and related definitions to "calculation period" shall be replaced with "Observation Period" and the words "that is, 30-, 90-, or 180- calendar days" shall be removed. If the daily SOFR ("SOFRi") does not so appear for any day, "i" in the Observation Period, SOFRi for such day "i" shall be SOFR published in respect of the first preceding U.S. Government Securities Business Day for which SOFR was published on the Federal Reserve Bank of New York's Website.

The following definitions apply to the preceding definitions of "SOFR" and "Compounded SOFR":

"**Observation Period**" means, in respect of each Interest Period, the period from, and including, the date two U.S. Government Securities Business Days preceding the first date in such Interest Period to, but excluding, the date two U.S. Government Securities Business Days preceding the Interest Payment Date for such Interest Period (or in the final Interest Period, preceding the Stated Maturity Date).

"**Secured Overnight Financing Rate**" means the reference rate provided by the SOFR Administrator on the SOFR Administrator's Website.

"**SIFMA**" means the Securities Industry and Financial Markets Association.

"**SOFR Administrator**" means The Federal Reserve Bank of New York (or a successor administrator of the Secured Overnight Financing Rate).

"**SOFR Administrator's Website**" means the website of the Federal Reserve Bank of New York, currently at http://www.newyorkfed.org, or any successor source.

"**U.S. Government Securities Business Day**" means any day except for a Saturday, Sunday or a day on which SIFMA recommends that the fixed income departments of its members be closed for the entire day for purposes of trading in U.S. Government Securities.

With respect to any Series of Floating Rate Notes for which the "Interest Rate Basis" specified in the applicable Pricing Supplement is determined by reference to "Compounded SOFR", the amount of interest accrued and payable for each Interest Period will be equal to the product of (i) the outstanding principal amount of such Series of Floating Rate Notes multiplied by (ii) the product of (a) the interest rate ("Compounded SOFR" plus "Spread") for the relevant Interest Period multiplied by (b) the quotient of the actual number of calendar days in such Interest Period divided by 360.

HIBOR. "**HIBOR**" means, with respect to any Interest Determination Date relating to a Series of Floating Rate Notes for which the interest rate is determined with reference to HIBOR (a "**HIBOR Interest Determination Date**"):

(1) if, at or about 11:00 a.m. (or as soon as available after that time) on the HIBOR Interest Determination Date an averaged offered rate for Hong Kong dollar deposits for the same period as the relevant Interest Period (or, if the periods are not the same, such period, if any, as the Calculation Agent determines to be substantially the same) is quoted on the fixing line of the page "HKABHIBOR" of Reuters Markets 3000, if the Interest Basis is "HIBOR" (or such other page or service as may replace the appropriate page or service for the purpose of displaying Hong Kong inter-bank offered rates of leading banks for Hong Kong dollars), then HIBOR for the relevant Interest Period will, except as provided below, be that rate.

(2) if on any HIBOR Interest Determination Date the average offered rate so appearing is replaced by the corresponding rates of more than one bank or financial institution the rate will be the arithmetic mean of the respective rates so appearing (rounded, if necessary, to five decimal places).

(3) if on any HIBOR Interest Determination Date the rates described in (1) or (2) above do not appear, Pacific Life will request each of the reference banks to provide Pacific Life with its offered quotation to leading banks for Hong Kong dollar deposits in Hong Kong for a period equivalent or approximately equivalent to the relevant Interest Period in the amount equal or approximately equal to the principal amount of the applicable Series of Floating Rate Notes as at or about 11:00 a.m. on the HIBOR Interest Determination Date in question and HIBOR for the relevant Interest Period will, subject as provided below, be the arithmetic mean (rounded, if necessary, to five decimal places) of those offered quotations, as determined by Pacific Life.

(4) if on any HIBOR Interest Determination Date one or two only of the reference banks, when requested to do so, provide(s) Pacific Life with such offered quotations HIBOR for the Interest Period concerned will, subject as provided below, be determined as in (3) above on the basis of the offered quotations of those reference banks providing those quotations.

(5) if on any HIBOR Interest Determination Date none of the reference banks when requested to do so provides Pacific Life with the offered quotations, HIBOR will, subject as provided below, be HIBOR in effect for the last preceding Interest Period to which (1) to (4) above applied; provided that at any time during the relevant Interest Period, Pacific Life determines that a rate can once again be determined in accordance with any of (1) or (4) above Pacific Life will determine the rate and references to an Interest Period will be construed as being references to the period from such date of determination until the next succeeding Interest Payment Date.

Treasury Rate. "**Treasury Rate**" means, with respect to any Interest Determination Date relating to a Series of Floating Rate Notes for which the interest rate is determined by reference to the Treasury Rate (a "**Treasury Rate Interest Determination Date**"), the rate from the auction held on such Treasury Rate Interest Determination Date (the "**Auction**") of direct obligations of the United States ("**Treasury Bills**") having the Index Maturity specified in the applicable Pricing Supplement under the caption "INVEST RATE" on the display on Reuters (or any successor service) on page USAUCTION10 (or any other page as may replace such page on such service) or page USAUCTION11 (or any other page as may replace such page on such service) or, if not so published by 3:00 P.M., New York City time, on the related Calculation Date, the Bond Equivalent Yield (as hereinafter defined) of the rate for such Treasury Bills as published in H.15 Daily Update, or such other recognized electronic source used for the purpose of displaying such rate, under the caption "U.S. Government Securities/ Treasury Bills/Auction High" or, if not so published by 3:00 P.M., New York City time, on the related Calculation Date, the Bond Equivalent Yield of the auction rate of such Treasury Bills as announced by the U.S. Department of the Treasury. In the event that the auction rate of Treasury Bills having the Index Maturity specified in the applicable Pricing Supplement is not so announced by the U.S. Department of the Treasury, or if no such Auction is held, then the Treasury Rate will be the Bond Equivalent Yield of the rate on such Treasury Rate Interest Determination Date of Treasury Bills having the Index Maturity specified in the applicable Pricing Supplement as published in H.15 under the caption "U.S. Government Securities/Treasury Bills/Secondary Market" or, if not yet published by 3:00 P.M., New York City time, on the related Calculation Date, the rate on such Treasury Rate Interest Determination Date of such Treasury Bills as published in H.15 Daily Update, or such other recognized electronic source used for the purpose of displaying such rate, under the caption "U.S. Government Securities/ Treasury Bills/Secondary Market." If such rate is not yet published in H.15, H.15 Daily Update or another recognized electronic source, and a Benchmark Transition Event and its related Benchmark Replacement Date have not occurred, then the Treasury Rate will be calculated by the Calculation Agent and will be the Bond Equivalent Yield of the arithmetic mean of the secondary market bid rates, as of approximately 3:30 P.M., New York City time, on such Treasury Rate Interest Determination Date, of three primary United States government securities dealers (which may include the Purchasing Agents or their affiliates) selected by Pacific Life, for the issue of Treasury Bills with a remaining maturity closest to the Index Maturity specified in the applicable Pricing Supplement; *provided,*

however, that if the dealers so selected by Pacific Life are not quoting as mentioned in this sentence, the Treasury Rate determined as of such Treasury Rate Interest Determination Date will be the Treasury Rate in effect on such Treasury Rate Interest Determination Date.

"**Bond Equivalent Yield**" means a yield (expressed as a percentage) calculated in accordance with the following formula:

$$\text{Bond Equivalent Yield} = \frac{D \times N}{360 - (D \times M)} \times 100$$

where "D" refers to the applicable per annum rate for Treasury Bills quoted on a bank discount basis, "N" refers to 365 or 366, as the case may be, and "M" refers to the actual number of days in the applicable Interest Reset Period.

Effect of a Benchmark Transition Event

(a) *Benchmark Replacement*. If Pacific Life determines that a Benchmark Transition Event and its related Benchmark Replacement Date have occurred prior to the Reference Time in respect of any determination of the Benchmark on any date, the Benchmark Replacement will replace the then-current Benchmark for all purposes relating to the relevant Series of Floating Rate Notes in respect of such determination on such date and all determinations on all subsequent dates.

(b) *Benchmark Replacement Changes.* In connection with the implementation of a Benchmark Replacement, Pacific Life will have the right to make Benchmark Replacement Conforming Changes from time to time.

(c) *Decisions and Determinations*. Any determination, decision or election that may be made by Pacific Life pursuant to the benchmark replacement provisions described herein, including any determination with respect to tenor, rate or adjustment (including Benchmark Replacement Conforming Changes) or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection:

- will be conclusive and binding absent manifest error, may be made in Pacific Life's sole discretion, and, notwithstanding anything to the contrary in this "Description of the Notes" and the applicable Pricing Supplement; and
- shall become effective without consent from any other party.

In addition, Pacific Life may designate an entity (which may be its affiliate) to make any determination, decision or election that it has the right to make in connection with the benchmark replacement provisions set forth in this "Description of the Notes" and the applicable Pricing Supplement.

In accordance with the benchmark transition provisions, after a Benchmark Transition Event and its related Benchmark Replacement Date have occurred, the amount of interest that will be payable for each Interest Period will be an annual rate equal to the sum of the Benchmark Replacement, the Benchmark Replacement Adjustment and the Spread specified in the applicable Pricing Supplement. However, if Pacific Life determines that a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to the then-current Benchmark, but for any reason the Benchmark Replacement has not been determined as of the relevant Interest Determination Date, the interest rate for the applicable Interest Period will be equal to the interest rate for the immediately preceding Interest Period, as determined by Pacific Life.

None of the Trust Beneficial Owner, the Series Beneficial Owner, the Indenture Trustee, the Calculation Agent, the Paying Agents, the Registrar, the Administrative Trustee or the Collateral Safekeeper shall have any duty or liability in connection with the determination of any Benchmark Transition Event, Benchmark Replacement, Benchmark Replacement Conforming Changes, or any other related matter as provided in this section. For the avoidance of doubt, none of the Indenture Trustee, the Paying Agents, the Registrar, the Administrative Trustee, the

Collateral Safekeeper or the Calculation Agent shall be under any obligation to (i) monitor, determine or verify the unavailability or cessation of any Benchmark, or whether or when there has occurred, or to give notice to any other transaction party of the occurrence of, any Benchmark Transition Event or Benchmark Replacement Date, or (ii) select, determine or designate any Benchmark Replacement, or other successor or replacement benchmark index, or whether any conditions to the designation of such a rate have been satisfied, or (iii) select, determine or designate any Benchmark Replacement Adjustment, or other modifier to any replacement or successor index, if any, in connection with any of the foregoing. None of the Indenture Trustee, the Paying Agents, the Registrar, the Administrative Trustee, the Collateral Safekeeper or the Calculation Agent shall be liable for any inability, failure or delay on its part to perform any of its duties as a result of the unavailability of any Benchmark and absence of a designated replacement Benchmark, including as a result of any inability, delay, error or inaccuracy on the part of any other transaction party in providing any required or contemplated direction, instruction, notice or information and reasonably required for the performance of such duties.

For the avoidance of doubt, the Trust Beneficial Owner, the Series Beneficial Owner, the Indenture Trustee, the Paying Agents, the Registrar, the Administrative Trustee, the Collateral Safekeeper or the Calculation Agent (including Citibank, N.A., London Branch as its agent) shall not have any responsibility or liability for (a) the selection of reference banks whose quotations may be requested and used for purposes of calculating interest on the Notes, or for the failure or unwillingness of any reference banks to provide a quotation or (b) any quotations received from such reference banks, as applicable.

"**Benchmark**" means, with respect to any Series of Notes, the relevant initial Interest Rate Basis in the Pricing Supplement; *provided,* that if a Benchmark Transition Event and its related Benchmark Replacement Date have occurred with respect to such initial Interest Rate Basis, then "Benchmark" means the applicable Benchmark Replacement.

"**Benchmark Replacement**" means the first alternative set forth in the order below that can be determined by Pacific Life as of the Benchmark Replacement Date:

(1) the sum of: (a) an alternate rate of interest that has been selected or recommended by the Relevant Governmental Body as the replacement for the then-current Benchmark for the applicable Corresponding Index Maturity and (b) the Benchmark Replacement Adjustment;

(2) the sum of: (a) the ISDA Fallback Rate and (b) the Benchmark Replacement Adjustment; and

(3) *provided* that if (i) the Benchmark Replacement cannot be determined in accordance with clauses (1) or (2) above as of the Benchmark Replacement Date or (ii) Pacific Life shall have determined that the ISDA Fallback Rate determined in accordance with clause (2) above is not an industry-accepted rate of interest as a replacement for the then-current Benchmark for U.S. dollar-denominated floating rate notes at such time, then the Benchmark Replacement shall be the sum of: (a) the alternate rate of interest that has been selected by Pacific Life as the replacement for the then-current Benchmark for the applicable Corresponding Index Maturity giving due consideration to any industry-accepted rate of interest as a replacement for the then-current Benchmark for floating rate notes denominated in the relevant currency at such time and (b) the Benchmark Replacement Adjustment.

"**Benchmark Replacement Adjustment**" means the first alternative set forth in the order below that can be determined by Pacific Life as of the Benchmark Replacement Date:

(1) the spread adjustment (which may be a positive or negative value or zero), or method for calculating or determining such spread adjustment that has been selected or recommended by the Relevant Governmental Body for the applicable Unadjusted Benchmark Replacement;

(2) if the applicable Unadjusted Benchmark Replacement is equivalent to the ISDA Fallback Rate, then the ISDA Fallback Adjustment; and

(3) the spread adjustment (which may be a positive or negative value or zero) that has been selected by Pacific Life giving due consideration to any industry-accepted spread adjustment, or method for calculating or determining such spread adjustment, for the replacement of the then-current Benchmark with the applicable Unadjusted Benchmark Replacement for floating rate notes denominated in the relevant currency at such time.

"**Benchmark Replacement Conforming Changes**" means, with respect to any Benchmark Replacement, any technical, administrative or operational changes (including changes to the definitions or interpretations of Interest Period, the timing and frequency of determining rates and making payments of interest, the rounding of amounts or changes to the definition of Index Maturity or Corresponding Index Maturity solely if such index maturity is longer than the Interest Period, and other administrative matters) that Pacific Life decides may be appropriate to reflect the adoption of such Benchmark Replacement in a manner substantially consistent with market practice (or, if Pacific Life decides that adoption of any portion of such market practice is not administratively feasible or if Pacific Life determines that no market practice for use of the Benchmark Replacement exists, in such other manner as Pacific Life determines is reasonably practicable).

"**Benchmark Replacement Date**" means the earliest to occur of the following events with respect to the then-current Benchmark:

(1) in the case of clause (1) or (2) of the definition of "Benchmark Transition Event," the later of (a) the date of the public statement or publication of information referenced therein and (b) the date on which the administrator of the Benchmark permanently or indefinitely ceases to provide the Benchmark; or

(2) in the case of clause (3) of the definition of "Benchmark Transition Event," the date of the public statement or publication of information referenced therein.

For the avoidance of doubt, if the event giving rise to the Benchmark Replacement Date occurs on the same day as, but earlier than, the Reference Time in respect of any determination, the Benchmark Replacement Date will be deemed to have occurred prior to the Reference Time for such determination.

For the avoidance of doubt, for purposes of the definitions of Benchmark Replacement Date and Benchmark Transition Event, references to the Benchmark also include any reference rate underlying such Benchmark.

"**Benchmark Transition Event**" means the occurrence of one or more of the following events with respect to the then-current Benchmark:

(1) a public statement or publication of information by or on behalf of the administrator of the Benchmark announcing that such administrator has ceased or will cease to provide the Benchmark, permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the Benchmark;

(2) a public statement or publication of information by the regulatory supervisor for the administrator of the Benchmark, a Relevant Governmental Body, the central bank for the currency of the Benchmark, an insolvency official with jurisdiction over the administrator for the Benchmark, a resolution authority with jurisdiction over the administrator for the Benchmark or a court or an entity with similar insolvency or resolution authority over the administrator for the Benchmark, which states that the administrator of the Benchmark has ceased or will cease to provide the Benchmark permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide the Benchmark; or

(3) a public statement or publication of information by the regulatory supervisor for the administrator of the Benchmark announcing that the Benchmark is no longer representative.

"**Corresponding Index Maturity**" with respect to a Benchmark Replacement means an Index Maturity (including overnight) having approximately the same length (disregarding Business Day adjustment) as the applicable Index Maturity for the then-current Benchmark.

"**ISDA**" means the International Swaps and Derivatives Association, Inc.

"**ISDA Definitions**" means the 2006 ISDA Definitions published by ISDA or any successor thereto, as amended or supplemented from time to time, or any successor definitional booklet for interest rate derivatives published from time to time.

"**ISDA Fallback Adjustment**" means the spread adjustment, (which may be a positive or negative value or zero) that would apply for derivatives transactions referencing the ISDA Definitions to be determined upon the occurrence of an index cessation event with respect to the Benchmark for the applicable Index Maturity.

"**ISDA Fallback Rate**" means the rate that would apply for derivatives transactions referencing the ISDA Definitions to be effective upon the occurrence of an index cessation date with respect to the Benchmark for the applicable Index Maturity excluding the applicable ISDA Fallback Adjustment.

"**Reference Time**" with respect to any determination of the Benchmark means (1) the relevant time specified in the Pricing Supplement with respect to such Interest Rate Basis, and (2) if a Benchmark Replacement Date has occurred with respect to such the Interest Rate Basis, the time determined by Pacific Life in accordance with the Benchmark Replacement Conforming Changes.

"**Relevant Governmental Bod**y" means the Federal Reserve Board and/or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Federal Reserve Board and/or the Federal Reserve Bank of New York or any successor thereto.

"**Unadjusted Benchmark Replacemen**t" means the Benchmark Replacement excluding the Benchmark Replacement Adjustment.

Discount Notes

The Issuer may issue one or more Series of Notes that have an Issue Price (as specified in the applicable Pricing Supplement) that is less than 100% of the principal amount thereof (i.e. par) by an amount that is equal to or greater than the product of 0.25% and the number of full years to the Stated Maturity Date ("**Discount Notes**"). A Series of Discount Notes may not bear any interest currently or may bear interest at a rate that is below market rates at the time of issuance. The difference between the Issue Price of a Series of Discount Notes and par is referred to as the "**Discount**." In the event of redemption or acceleration of maturity of a Series of Discount Notes, the amount payable to the Holders of such Discount Notes will be equal to the sum of:

- the Issue Price (increased by any accruals of Discount) and, in the event of any redemption of such Series of Discount Notes, if applicable, multiplied by the Initial Redemption Percentage (as adjusted by the Annual Redemption Percentage Reduction, if applicable); and

- any unpaid interest accrued on such Series of Discount Notes to the date of the redemption or acceleration of maturity, as the case may be.

For purposes of any Series of Discount Notes, "**Initial Redemption Percentage**" and "**Annual Redemption Percentage Reduction**" shall have the meaning as described in the applicable Pricing Supplement.

For purposes of determining the amount of Discount that has accrued as of any date on which a redemption or acceleration of maturity occurs for a Series of Discount Notes, a Discount will be accrued using a constant yield method. The constant yield will be calculated using a 30-day month, 360-day year convention, a compounding period that, except for the Initial Period (as defined below), corresponds to the shortest period between Interest

Payment Dates for the applicable Series of Discount Notes (with ratable accruals within a compounding period), a coupon rate equal to the initial coupon rate applicable to the applicable Series of Discount Notes and an assumption that the maturity of such Series of Discount Notes will not be accelerated. If the period from the date of issue to the first Interest Payment Date for a Series of Discount Notes (the "**Initial Period**") is shorter than the compounding period for such Series of Discount Notes, a proportionate amount of the yield for an entire compounding period will be accrued. If the Initial Period is longer than the compounding period, then the period will be divided into a regular compounding period and a short period with the short period being treated as provided in the preceding sentence. The accrual of the applicable Discount may differ from the accrual of original issue discount for purposes of the Code, certain Series of Discount Notes may not be treated as having original issue discount within the meaning of the Code, and certain Series of Notes other than Discount Notes may be treated as issued with original issue discount for U.S. federal income tax purposes. *See* "U.S. Federal Income Tax Considerations."

Amortizing Notes

The Issuer may issue one or more Series of Notes with the amount of principal thereof and interest thereon payable in installments over their terms ("**Amortizing Notes**"). Subject to the provisions of the applicable Pricing Supplement, interest on each Series of Amortizing Notes will be computed on the basis of a 360-day year of twelve 30-day months. Payments with respect to a Series of Amortizing Notes will be applied first to interest due and payable thereon and then to the reduction of the unpaid principal amount thereof.

Covenants

Under the Indenture, the Issuer has made certain covenants regarding payment of principal, any premium and interest, maintenance of offices or agencies, holding of trust money for Note payments, protection of the Series Collateral and delivery of an annual statement as to compliance with conditions, performance of obligations and adherence to covenants under the Indenture. Among other covenants, the Issuer has agreed that it will not, so long as any Notes of a Series are Outstanding (as defined in the Indenture):

- sell, transfer, exchange, assign, lease, convey or otherwise dispose of, or exercise any rights with respect to, any of its assets generally or assets of the relevant Series of the Issuer (whenever acquired), including, without limitation, any portion of the Series Collateral securing its obligations with respect to the Notes of such Series, except as otherwise permitted by the Trust Agreement, any Series Trust Agreement, the Indenture, any Series Indenture, the Purchase Agreement, any Terms Agreement, the Support Agreement, the License Agreement, the Calculation Agency Agreement, the Safekeeping Agreement and any Funding Agreement (the "**Program Documents**");

- engage in any business or activity other than in connection with, or relating to the execution and delivery of, and the performance of its obligations under, the Trust Agreement, any Series Trust Agreement, the Indenture, any Series Indenture, the Purchase Agreement, any Terms Agreement, the Support Agreement, the License Agreement and any Funding Agreement; the issuance and sale of any Notes pursuant to the Indenture and any Series Indenture; holding the Deposit (as defined in the Trust Agreement); and the transactions contemplated by, and the activities necessary or incidental to, any of the foregoing, except as otherwise permitted by the Program Documents;

- incur or otherwise become liable for, directly or indirectly, any debt except for the Notes or as otherwise contemplated under the Program Documents;

- permit the validity or effectiveness of the Indenture, the relevant Series Indenture, or the security interest in or assignment for collateral purposes of the applicable Series Collateral to be impaired, or permit such security interest to be amended, hypothecated, subordinated, terminated or discharged; permit any person to be released from any covenants or obligations under any relevant Funding Agreement securing the Notes of any Series, except as expressly permitted by the Indenture, the relevant Series Indenture, the Trust Agreement, the relevant Series Trust Agreement or any relevant Funding Agreement; create, incur, assume, or permit any lien or other encumbrance (other than a lien with respect to the Series Collateral securing the

Notes of any Series) on any of its properties or assets owned on the date of the relevant Series Indenture or thereafter acquired, or any interest therein or the proceeds thereof; or permit the security interest granted to the Indenture Trustee with respect to the applicable Series Collateral not to constitute a valid first priority perfected security interest in the Series Collateral securing the Notes of such Series;

- amend, modify, fail to comply with or waive any material provision of the Trust Agreement or the relevant Series Trust Agreement except for any amendment, modification, failure to comply with or waiver of any material provision of the Trust Agreement or the relevant Series Trust Agreement permitted thereunder or under the Indenture or the relevant Series Indenture;

- own any subsidiary or lend or advance any funds to, or make any investment in, any person, except for the Funding Agreements and the investment of any of its funds held by the Indenture Trustee, a Paying Agent or the Administrative Trustee as provided in the Indenture, any Series Indenture, the Trust Agreement or any Series Trust Agreement;

- directly or indirectly declare or pay a distribution or make any distribution or other payment to the Trust Beneficial Owner or the Series Beneficial Owner, or redeem or otherwise acquire or retire for value any debt other than the Notes; *provided* that the Issuer may:

  - declare or pay a distribution or make any distribution or other payment to the Trust Beneficial Owner or the Series Beneficial Owner in compliance with the Trust Agreement or any Series Trust Agreement if the Issuer has paid or made reasonable provision for the payment of all amounts due to be paid on the Notes of such Series prior to the next scheduled payment under the relevant Funding Agreement(s); and

  - pay all of its debt, liabilities, obligations and expenses, the payment of which is provided for under the Program Documents or as required by law;

- become, or take any action that would cause it or the relevant Series of the Issuer to be, required to register as an "investment company" under, and as such term is defined in, the Investment Company Act;

- enter into any transaction of merger or consolidation, or liquidate or dissolve itself (or, to the fullest extent permitted by law, suffer any liquidation or dissolution), or acquire by purchase or otherwise all or substantially all the business or assets of, or any stock or other evidence of beneficial ownership of, any other person, except as otherwise permitted by the Program Documents;

- take any action that would cause the Issuer or any Series of the Issuer to not be either ignored or treated as a grantor trust (assuming the Issuer or such Series were not ignored) for U.S. federal income tax purposes;

- issue any Notes unless:

  - the Issuer has purchased or will simultaneously purchase one or more Funding Agreements from Pacific Life;

  - Pacific Life has affirmed in writing to the Issuer that it has made, or will simultaneously make, changes to its books and records to reflect the grant by the Issuer of a security interest in, and an assignment for collateral purposes by the Issuer of, the relevant Funding Agreement by the Issuer to the Indenture Trustee in accordance with the terms of such Funding Agreement; and

  - the Issuer has taken or will simultaneously take such other steps as may be necessary to cause the Indenture Trustee's security interest in, or assignment to the Indenture Trustee for collateral purposes of, the relevant Series Collateral to be perfected for purposes of the UCC, subject to no prior lien, encumbrance or claim or effective against the Issuer's creditors and subsequent purchasers of such Series Collateral pursuant to insurance or other state laws;

- have any employees or agents other than the Administrative Trustee, the Trust Beneficial Owner or any other persons necessary to conduct its business and enter into transactions contemplated under the Program Documents;

- have an interest in any bank account other than:

  - the accounts required under or permitted by the Program Documents; and

  - other accounts expressly permitted by the Indenture Trustee; *provided* that any such further accounts or such interest of the Series of the Issuer therein shall be charged or otherwise secured in favor of the Indenture Trustee on terms acceptable to the Indenture Trustee;

- permit any affiliate, employee or officer of Pacific Life or any Purchasing Agent to be a trustee of the Issuer; or

- commingle the assets of any Series of the Issuer with its assets generally, any assets of any other Series of the Issuer or any assets of any of the Issuer's affiliates, or guarantee any obligation of any of the Issuer's affiliates.

"**UCC**" means, with respect to any applicable jurisdiction, the Uniform Commercial Code as in effect from time to time in the applicable jurisdiction.

Merger, Consolidation or Sale of the Issuer

The Issuer may not consolidate with, or merge into, any person (whether or not affiliated with the Issuer), or sell, lease or convey the property of the Issuer as an entirety or substantially as an entirety, unless: (a) the entity formed by such consolidation or into which the Issuer is merged or the person which acquires by conveyance or transfer the properties and assets of the Issuer substantially as an entirety shall be a statutory trust organized in series under the laws of the State of Delaware or a corporation or other entity organized and existing under the laws of the United States of America or any State or the District of Columbia, and shall expressly assume, by a supplemental indenture, executed and delivered to the Indenture Trustee, in form satisfactory to the Indenture Trustee, the due and punctual payment of principal of, any premium and interest on, the Notes and the performance of every covenant of the Indenture and each applicable Series Indenture on the part of the Issuer to be performed or observed; (b) immediately after giving effect to such transaction, no Event of Default under the Notes, and no event which, after notice or lapse of time, or both, would become an Event of Default under the Notes, shall have happened and be continuing; (c) the Issuer has received written confirmation from any credit rating agency then rating the program or any Series of Notes at the request of the Issuer that such consolidation, merger, conveyance or transfer shall not cause the rating on the then outstanding Notes to be downgraded or withdrawn; and (d) the Issuer has delivered to the Indenture Trustee a certificate and legal opinion each stating that such consolidation, merger, conveyance or transfer and such supplemental indenture complies with the Indenture and that all conditions precedent provided for in the Indenture relating to such transaction have been complied with.

Events of Default

Each of the following events will be Events of Default under the Notes of a particular Series (whatever the reason for such Event of Default and whether it shall be voluntary or involuntary or be effected by operation of law or pursuant to any judgment, decree or order of any court or any order, rule or regulation of any administrative or governmental body):

(i) default in the payment when due and payable of the principal of, or any premium on, any Note of such Series and continuance of such default for a period of three Business Days;

(ii) default in the payment when due and payable of any interest on any Note of such Series and continuance of such default for a period of five Business Days;

(iii) any "Event of Default", as such term is defined in any Funding Agreement securing the Notes of such Series, by Pacific Life under such Funding Agreement;

(iv) failure by the Issuer to observe or perform any covenant contained in the Notes of such Series, in the Indenture or in the applicable Series Indenture (other than a covenant, default in performance, or a breach, of which is specifically addressed elsewhere in this section) for a period of 30 days (or such other time period as specifically set forth in the Indenture or an applicable Note Certificate or Series Indenture) after the date on which written notice specifying such failure, stating that such notice is a "Notice of Default" thereunder and demanding that the Issuer remedy the same, shall have been given by registered or certified mail, return receipt requested, to the Issuer by the Indenture Trustee, or to the Issuer and the Indenture Trustee by the Holder or Holders of at least 25% of the aggregate principal amount of the Notes of all Series affected thereby at the time Outstanding;

(v) the Indenture or the applicable Series Indenture for any reason shall cease to be in full force and effect (other than in accordance with its terms) or shall be declared null and void, or the Issuer shall fail to take such steps as may be necessary to cause the Indenture Trustee's security interest in the relevant Series Collateral to be a validly created and first priority perfected security interest (or the equivalent thereof) in the Series Collateral required to secure the Notes of such Series, except as expressly permitted by the Indenture or the applicable Series Indenture; or any person shall successfully claim, as finally determined in a court of competent jurisdiction, that any lien for the benefit of the Holder or Holders of the Notes of such Series and any other person for whose benefit the Indenture Trustee is or will be holding a security interest in the applicable Series Collateral is void, junior to any other lien or that the enforcement thereof is materially limited because of any preference, fraudulent transfer, conveyance or similar law;

(vi) an involuntary case or other proceeding shall be commenced against the Issuer seeking liquidation, reorganization or other relief with respect to the Issuer or its debts under any bankruptcy, insolvency, reorganization or other similar law now or hereafter in effect or seeking the appointment of a trustee, receiver, liquidator, custodian or other similar official of the Issuer or any substantial part of its property, and such involuntary case or other proceeding shall remain undismissed and unstayed for a period of 60 days; or an order for relief shall be entered against the Issuer under the federal bankruptcy laws as now or hereafter in effect;

(vii) the Issuer shall commence a voluntary case or other proceeding seeking liquidation, reorganization or other relief with respect to itself or its debts under any bankruptcy, insolvency, reorganization or other similar law now or hereafter in effect or seeking the appointment of a trustee, receiver, liquidator, custodian or other similar official of it or any substantial part of its property, or shall consent to any such relief or to the appointment of or taking possession by any such official in an involuntary case or other proceeding commenced against it, or shall make a general assignment for the benefit of creditors, or shall fail generally to pay its debts as they become due, shall admit in writing any of the foregoing, or shall take any trust action to authorize any of the foregoing; or

(viii) any other Event of Default provided in any supplemental indenture or the applicable Series Indenture.

If one or more Events of Default shall have occurred and be continuing with respect to the Notes of such Series, then, and in every such event, unless the principal of all of the Notes of such Series shall have already become due and payable, then either the Indenture Trustee or the Holder or Holders of not less than 25% of the aggregate principal amount of the Notes of such Series then Outstanding (each such Series voting as a separate class) by notice in writing to the Issuer (and to the Indenture Trustee if given by such Holder or Holders), may declare the entire principal and premium (if any) of all the Notes of such Series and any interest accrued thereon, and any other amounts payable with respect thereto, to be due and payable immediately, and upon any such declaration, the same shall become immediately due and payable; *provided* that, if any Event of Default specified in clause (vi) or (vii) of the preceding paragraph occurs with respect to the Issuer, or if any Event of Default specified in clause (iii) of the preceding paragraph that would cause any Funding Agreement securing the Notes of a Series to

become automatically and immediately due and payable occurs with respect to Pacific Life, then without any notice to the Issuer (or the Indenture Trustee) or any other act by the Indenture Trustee or any Holder of any Notes of such Series, the entire principal and premium (if any) of all the Notes of such Series and any interest accrued thereon and any other amounts payable with respect thereto, shall become immediately due and payable without presentment, demand, protest or other notice of any kind, all of which are waived by the Issuer under the Indenture; and *provided further* that, if any Event of Default specified in clause (iii) or (v) of the preceding paragraph shall have occurred and be continuing with respect to all Series of Notes then Outstanding, either the Indenture Trustee or the Holder or Holders of not less than 25% of the aggregate principal amount of the Notes of all Series then Outstanding (treated as a single class) by notice in writing to the Issuer (and to the Indenture Trustee if given by such Holder or Holders), may declare the entire principal and premium (if any) of all the Notes of all Series, any interest accrued thereon, and any other amounts payable with respect thereto to be due and payable immediately, and upon any such declaration the same shall become immediately due and payable.

Notwithstanding the preceding paragraph, if at any time after the principal and premium (if any) of the Notes of such Series, any interest accrued and any other amounts payable with respect thereto (or all the Notes of all Series if the second proviso of the preceding paragraph is applicable) shall have been so declared due and payable and before any judgment or decree for the payment of the funds due shall have been obtained or entered as hereinafter provided, the Issuer shall pay or shall deposit with the Indenture Trustee a sum sufficient to pay all due and payable interest on, and any other amounts payable with respect thereto, all the Notes of such Series (or all the Notes of all Series if the second proviso of the preceding paragraph is applicable) and the principal and premium (if any) of any and all Notes of such Series (or all the Notes of all Series if the second proviso of the preceding paragraph is applicable) which shall have become due and payable otherwise than by acceleration pursuant to the preceding paragraph (with interest on such principal and, to the extent that payment of such interest is enforceable under applicable law, on any overdue interest and any other amounts payable on the Notes, at the same rate as the rate of interest specified in the Note Certificates representing the Notes of such Series (or all the Notes of all Series if the second proviso of the preceding paragraph is applicable) to the date of such payment or deposit) and such amount as shall be sufficient to cover reasonable compensation to the Indenture Trustee and each predecessor Indenture Trustee, their respective agents, attorneys and counsel, and all other expenses and liabilities incurred, and all advances made, by the Indenture Trustee and each predecessor Indenture Trustee except as a result of gross negligence or willful misconduct (as adjudicated in a court of competent jurisdiction), and if any and all Events of Default under the Indenture or any applicable Series Indenture, other than the non-payment of the principal of, and any premium on, the Notes of such Series (or all the Notes of all Series if the second proviso of the preceding paragraph is applicable) which shall have become due by acceleration, shall have been cured, waived or otherwise remedied as provided herein, then and in every such case the Holder or Holders of a majority of the aggregate principal amount of the Notes of such Series then Outstanding (or all the Notes of all Series, all voting as a single class, if the second proviso of the preceding paragraph is applicable) by written notice to the Issuer and to the Indenture Trustee, may waive all defaults and rescind and annul such declaration and its consequences, but no such waiver or rescission and annulment shall extend to or shall affect any subsequent default or shall impair any right consequent thereon.

Any funds collected by the Indenture Trustee following an Event of Default, and any funds that may then be held or thereafter received by the Indenture Trustee as security with respect to the Notes of any Series will be applied first to the payment of First Priority Payments and then Second Priority Payments before any payment of the amounts then due and unpaid on the Notes of such Series. *See* "Risk Factors—Risk Factors Related to the Notes—Following an Event of Default under the relevant Series of Notes, payment of certain expenses will precede payments under the relevant Series of Notes."

Certain Rights of Holders

Except as otherwise described below, the Holder or Holders of a majority of the aggregate principal amount of the Notes of any Series at the time Outstanding (with each Series voting as a separate class) shall have the right to direct the time, method, and place of conducting any proceeding for any remedy available to the Indenture Trustee, or exercising any trust or power conferred on the Indenture Trustee by the Indenture or the applicable Series Indenture, *provided* that:

- such direction shall not be otherwise than in accordance with applicable law and the provisions of the Indenture or the applicable Series Indenture; and

- subject to the applicable provisions of the Indenture, the Indenture Trustee shall have the right to decline to follow any such direction if the Indenture Trustee (i) does not receive indemnity and/or security and/or pre-funding satisfactory to it against all costs, liability or expense to be incurred in compliance with such direction or (ii) shall determine that the action or proceeding so directed may not lawfully be taken or if the Indenture Trustee in good faith shall determine that the action or proceedings so directed would involve the Indenture Trustee in personal liability or if the Indenture Trustee in good faith shall so determine that the actions or forbearances specified in or pursuant to such direction shall be unduly prejudicial to the interests of any Holder of any Note of a Series so affected not joining in the giving of such direction, it being understood that subject to the applicable provisions of the Indenture, the Indenture Trustee shall have no duty to ascertain whether or not such actions or forbearances are unduly prejudicial to such holder.

Nothing in the Indenture or any Series Indenture shall impair the right of the Indenture Trustee to take any action deemed proper by the Indenture Trustee and which is not inconsistent with such direction by the Holder or Holders of Notes.

No Holder of the Notes of a Series shall have any right by virtue of, or by availing of, any provision of the Indenture or applicable Series Indenture, to institute any action or proceeding at law or equity or in bankruptcy or otherwise, upon or under or with respect to the Indenture, the applicable Series Indenture or Note Certificate or any agreement or instrument included in the applicable Series Collateral, or for the appointment of a trustee, receiver, liquidator, custodian or other similar official or for any other remedy under the Indenture, unless:

- such Holder has previously given written notice to the Indenture Trustee of a continuing Event of Default with respect to such Series of Notes;

- the Holder or Holders of Notes representing not less than 25% of the aggregate principal amount of the Notes of such Series then Outstanding shall have made written request to the Indenture Trustee to institute proceedings in respect of such Event of Default in its own name as the Indenture Trustee and shall have offered to the Indenture Trustee indemnity and/or security satisfactory to it against all costs, expenses and liabilities to be incurred in compliance with such request;

- such Holder or Holders have offered to the Indenture Trustee indemnity and/or security satisfactory to it against the costs, expenses and liabilities to be incurred in compliance with such request;

- the Indenture Trustee for 60 days after its receipt of such notice, request and offer of indemnity and/or security has failed to institute any such proceeding; and

- no direction inconsistent with such written request has been given to the Indenture Trustee during such 60-day period by the Holder or Holders of Notes representing at least 662/3% of the aggregate principal amount of the Outstanding Notes of such Series;

it being understood and intended that no Holder or Holders of Notes of such Series shall have any right in any manner whatsoever by virtue of, or by availing of, any provision of the Indenture or the applicable Series Indenture or Note Certificate to affect, disturb or prejudice the rights of any other Holder of any Note of such Series or to obtain or to seek to obtain priority or preference over any other Holder of the relevant Series to enforce any right under the Indenture or the applicable Series Indenture or Note Certificate, except in the manner provided in the Indenture or the applicable Series Indenture or Note Certificate and for the equal and ratable benefit of all the Holders of the Notes of the relevant Series.

Notwithstanding the foregoing, nothing in the Notes of the relevant Series or the Indenture will prevent any relevant Holder from enforcing its right to payment of the principal of and interest on such Notes or any other

amount payable under such Notes or the Indenture, when and to the extent such payments become due and such rights will not be impaired without the consent of such Holder.

Application of Funds Collected Under the Indenture

Any funds collected by the Indenture Trustee upon the occurrence and during the continuation of an Event of Default under the Indenture and the applicable Series Indenture will be applied in the following order at the date or dates fixed by the Indenture Trustee and, in case of the distribution of such funds on account of principal and any premium and interest, upon presentation of the Note Certificate or Note Certificates representing the Notes of such Series and the notation thereon of the payment if only partially paid or upon the surrender thereof if fully paid:

- *first*: to the payment of all costs and expenses, including, without limitation, reasonable compensation and indemnification to the Indenture Trustee and the Administrative Trustee and any of their predecessors and their respective agents and attorneys and of all expenses and liabilities incurred, and all advances made, by the Indenture Trustee and each predecessor Indenture Trustee except those adjudicated in a court of competent jurisdiction to be the result of any such Indenture Trustee's gross negligence or willful misconduct;

- *second*: to the payment of all costs and expenses, including, without limitation, reasonable compensation and indemnification to the Collateral Safekeeper and each Agent and any of their predecessors and their respective agents and attorneys;

- *third*: to the payment of any premium and interest, and any other amounts then due and owing on the Notes of such Series (other than principal) without preference or priority of any kind according to the aggregate principal amounts due and payable on such Notes;

- *fourth*: to the payment of principal then due and owing on the Notes of such Series without preference or priority of any kind, according to the aggregate principal amounts due and payable on such Notes;

- *fifth*: to the payment of any other obligations then due and owing with respect to such Series of Notes, ratably, without preference or priority of any kind; and

- *sixth:* to the payment of any remaining balance to the Issuer for distribution by the Administrative Trustee in accordance with the Trust Agreement and the applicable Series Trust Agreement.

If no Event of Default has occurred and is continuing, any funds collected by the Indenture Trustee under the Indenture and the applicable Series Indenture in respect of the Notes of a Series shall be applied in the following order at the date or dates fixed by the Indenture Trustee and, in case of the distribution of such funds on account of principal, any premium and interest upon presentation of the Note Certificate or Note Certificates representing the Notes of such Series and the notation thereon of the payment if only partially paid or upon the surrender thereof if fully paid:

- *first*: to the payment of principal, any premium and interest and any other amounts then due and owing on the Notes of such Series, ratably, without preference or priority of any kind, according to the aggregate principal amounts due and payable on such Notes;

- *second*: to the reasonable compensation and indemnification to each of the Indenture Trustee, Administrative Trustee and Collateral Safekeeper, each Agent and any of their predecessors and their respective agents and attorneys and of all expenses and liabilities incurred, and all advances made, by the Indenture Trustee and each predecessor Indenture Trustee except as those adjudicated in a court of competent jurisdiction to be the result of any such Indenture Trustee's gross negligence or willful misconduct (as adjudicated in a court of competent jurisdiction); and

- *third*: to the payment of any other Obligations (as defined in the Indenture) then due and owing with respect to such Series of Notes, ratably, without preference or priority of any kind, according to the aggregate amounts due and payable on such Obligations, respectively; and

- *fourth*: to the payment of any remaining balance to the Issuer for distribution by the Administrative Trustee in accordance with the Trust Agreement and the applicable Series Trust Agreement.

The Indenture Trustee may make distributions in cash or in kind or, on a ratable basis, in any combination thereof.

Modifications and Amendments of the Indenture

Modifications and Amendments Without Consent of Holders

The Issuer and, upon its receipt of a written direction from the Issuer therefor, the Indenture Trustee may from time to time and at any time enter into an indenture or indentures supplemental to the Indenture, or the Indenture together with the applicable Series Indenture, in a form satisfactory to the Indenture Trustee, for one or more of the following purposes without the consent of any Holder:

- for the Issuer to convey, transfer, assign, mortgage or pledge to the Indenture Trustee as security for the Notes of one or more Series any property or assets;

- to add to the covenants of the Issuer such further covenants, restrictions, conditions or provisions as the Issuer and the Indenture Trustee shall consider to be for the protection of each Holder, and to make the occurrence, or the occurrence and continuance, of a default in any such additional covenants, restrictions, conditions or provisions an Event of Default permitting the enforcement of all or any of the several remedies provided in the Indenture or the applicable Series Indenture; *provided*, that, in respect of any such additional covenant, restriction, condition or provision such supplemental indenture may provide for a particular period of grace after default (which period may be shorter or longer than that allowed in the case of other defaults) or may provide for an immediate enforcement upon such an Event of Default or may limit the remedies available to the Indenture Trustee upon such an Event of Default or may limit the right of the Holder or Holders of a majority of the aggregate principal amount of the Notes of such Series to waive such an Event of Default;

- to (i) cure any ambiguity or to correct or supplement any provision contained in the Indenture, any supplemental indenture, any applicable Series Indenture or any Note Certificate which may be defective or inconsistent with any other provision contained in the Indenture, any supplemental indenture, any applicable Series Indenture or any Note Certificate or (ii) to make such other provisions in regard to matters or questions arising under the Indenture, any supplemental indenture, any applicable Series Indenture or any Note Certificate as the Issuer may deem necessary or desirable and, in the case of both (i) and (ii), which shall not adversely affect the interests of the Holders of the Notes in any material respect;

- to add additional Events of Default;

- to evidence and provide for the acceptance of appointment under the Indenture by a successor trustee with respect to the Notes of one or more Series and to add to or change any of the provisions of the Indenture and any Series Indenture as shall be necessary to provide for or facilitate the administration of the trusts under the Indenture and any Series Indenture by more than one trustee pursuant to the applicable requirements of the Indenture;

- to conform the terms of the Indenture, any Series Indenture or any supplemental indenture to the description thereof contained in this Offering Memorandum or any Pricing Supplement used in connection with the initial offering and sale of the Notes of the applicable Series;

- to change or eliminate any of the provisions of the Indenture; *provided, however*, that any such change or elimination shall become effective only when there is no Note Outstanding of any Series created prior to the execution of such supplemental indenture which is entitled to the benefit of or bound by such provisions; or

- to effect any amendment or alteration of the terms and conditions of a Floating Rate Note contemplated under "—Floating Rate Notes—Benchmark Replacement," including an amendment of the amount of interest due on such Floating Rate Note.

The Issuer will not enter into any indenture or indentures supplemental to the Indenture, or the Indenture together with the applicable Series Indenture, that would cause the Issuer or any Series of the Issuer to not be either ignored or treated as a grantor trust (assuming the Issuer or such Series were not ignored) for U.S. federal income tax purposes.

Modifications and Amendments With Consent of Holders

With the consent of the Holder or Holders of not less than 662/3% in aggregate principal amount of the Notes at the time Outstanding of all Series affected by such supplemental indenture (voting as a single class), the Issuer and the Indenture Trustee may, from time to time and at any time, enter into a supplemental indenture for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of the Indenture, any supplemental indenture, any Series Indenture or any Note Certificate or of modifying in any manner the rights of the Holders of Notes of each such Series; *provided*, that no such supplemental indenture shall:

- change the applicable Stated Maturity Date or reduce the principal amount thereof, reduce the rate or extend the time of payment of interest or any amount payable thereon, or modify any redemption or repayment provisions applicable to such Series of Notes, without the consent of the holder of each Note so affected;

- impair the right of any Holder of Notes to institute suit for the payment thereof without the consent of the Holder of each Note so affected;

- reduce the percentage of Notes of any Series, the consent of which is required for any such supplemental indenture, without the consent of the Holder of each Note so affected;

- permit the creation of any lien ranking prior to or on a parity with the lien of the Indenture or the applicable Series Indenture with respect to any part of the applicable Series Collateral or terminate the lien of the Indenture and the applicable Series Indenture on any of the applicable Series Collateral or deprive the Holder of any Note of such Series of the applicable Security Interest, without the consent of the holder of each Note so affected; or

- modify or alter the provisions of the definition of the term "Outstanding" (as such term is defined in the Indenture), without the consent of the holder of each Note so affected.

The Issuer will not enter into any indenture or indentures supplemental to the Indenture, or the Indenture together with the applicable Series Indenture, that would cause the Issuer or any Series of the Issuer to not be either ignored or treated as a grantor trust (assuming the Issuer or such Series were not ignored) for U.S. federal income tax purposes.

Indenture Trustee

Under the Indenture and each Series Indenture, if an Event of Default actually known to the Indenture Trustee with respect to any Series of Notes has occurred and is continuing (and has not been cured or waived), the Indenture Trustee is obligated to exercise such of the rights and powers vested in it by the Indenture and the

applicable Series Indenture, and to use the same degree of care and skill in its exercise, as a prudent person would exercise or use under the circumstances in the conduct of his or her own affairs.

Except if an Event of Default with respect to the Notes of any Series has occurred and is continuing (and has not been cured or waived), (i) the Indenture Trustee undertakes to perform such duties and only such duties with respect to such Series of Notes as are specifically set forth in the Indenture and the applicable Series Indenture and no implied covenants or obligations shall be read into the Indenture or the applicable Series Indenture against the Indenture Trustee and (ii) in the absence of bad faith on its part, the Indenture Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the Indenture Trustee and conforming to the requirements of the Indenture and the applicable Series Indenture, but in the case of any such certificates or opinions which by any provision of the Indenture are specifically required to be furnished to the Indenture Trustee, the Indenture Trustee shall be under a duty to examine the same to determine whether or not they conform to the requirements of the Indenture (but need not confirm or investigate the accuracy of mathematical calculations or other facts stated therein).

No provision of the Indenture or any Series Indenture shall be construed to relieve the Indenture Trustee from liability for its own grossly negligent action, its own grossly negligent failure to act or its willful misconduct (as adjudicated in a court of competent jurisdiction), except that:

- this paragraph shall not be construed to limit the effect of the immediately preceding paragraph;

- the Indenture Trustee shall not be liable for any error of judgment made in good faith by any responsible officer of the Indenture Trustee, unless it shall be determined in a court of competent jurisdiction that the Indenture Trustee was grossly negligent in ascertaining the pertinent facts;

- the Indenture Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the Holder or Holders of not less than a majority of the aggregate principal amount of the Outstanding Notes of any affected Series relating to the time, method and place of conducting any proceeding for any remedy available to the Indenture Trustee, or exercising any trust or power conferred upon the Indenture Trustee, under the Indenture or the applicable Series Indenture with respect to the Notes of such Series;

- no provision of the Indenture or any Series Indenture shall require the Indenture Trustee to expend or risk its own funds or otherwise incur any liability in the performance of any of its duties under the Indenture, or in the exercise of any of its rights or powers, if it shall have grounds for believing that repayment of such funds or satisfactory indemnity and/or security against such liability is not assured to it; and

- the Indenture Trustee shall not be liable for the acts or omissions of its delegates, custodians, nominees, agents or attorneys appointed by it without gross negligence and in good faith (as adjudicated in a court of competent jurisdiction); *provided, however*, that the foregoing shall not be construed to relieve the Indenture Trustee from liability under the Indenture or the applicable Series Indenture for its own actions or omissions in serving as an Agent, if and to the extent it shall also serve as an Agent and subject to the rights, privileges, protections, immunities and benefits given to the Indenture Trustee under the Indenture which are extended to, and shall be enforceable by, the Indenture Trustee in its capacity as an Agent.

The Indenture Trustee shall be under no obligation to exercise any of the trusts or powers vested in it by the Indenture or any applicable Series Indenture at the request, order or direction of any Holder pursuant to the provisions of this Indenture or any applicable Series Indenture, unless such Holder shall have offered to the Indenture Trustee security and/or indemnity satisfactory to the Indenture Trustee against the costs, expenses (including reasonable fees of its counsel) and liabilities which might be incurred by it in compliance with such request, order or direction.

The Indenture Trustee may resign at any time with respect to one or more or all Series of Notes by giving not less than 90 days' prior written notice (which may be given in a supplemental indenture) thereof to the Issuer

and to the Holders of such Notes as provided in the Indenture and each applicable Series Indenture. Upon receiving such notice of resignation, the Issuer shall promptly cause a successor indenture trustee with respect to the applicable Series to be appointed by written instrument in duplicate, executed by the Issuer, one copy of which instrument shall be delivered to the resigning Indenture Trustee and one copy to the successor indenture trustee of such Series. If no successor indenture trustee shall have been so appointed with respect to any Series and have accepted appointment within 30 days after the giving of such notice of resignation, the resigning Indenture Trustee may petition, at the expense of the Issuer, any court of competent jurisdiction for the appointment of a successor indenture trustee. Such court may thereupon, after such notice, if any, as it may deem proper and prescribe, appoint a successor indenture trustee.

If at any time:

- the Indenture Trustee shall cease to be eligible to serve as Indenture Trustee under the requirements of the Indenture or the applicable Series Indenture and shall fail to resign with respect to the Notes of each applicable Series pursuant to the applicable provisions of the Indenture or after written request by the Issuer or any Holder of Notes, or

- the Indenture Trustee shall become incapable of acting with respect to the Notes of the applicable Series of Notes or shall be adjudged as bankrupt or insolvent, or a receiver or liquidator of the Indenture Trustee or of its property shall be appointed, or any public officer shall take charge or control of the Indenture Trustee or of its property or affairs for the purpose of rehabilitation, conservation or liquidation,

then, in any such case, except during the existence of an Event of Default, the Issuer may remove the Indenture Trustee with respect to the applicable Series and appoint a successor indenture trustee with respect to the applicable Series of Notes by written instrument, in duplicate, one copy of which instrument shall be delivered to the Indenture Trustee so removed and one copy to the successor indenture trustee. If an instrument of acceptance by a successor indenture trustee shall not have been delivered to the Indenture Trustee within 30 days after the giving of such notice of removal, the Indenture Trustee being removed may petition, at the expense of the Issuer, any court of competent jurisdiction for the appointment of a successor indenture trustee with respect to the Notes.

In addition to the right of petition given to the resigning Indenture Trustee and the right of removal given to the Issuer pursuant to the two preceding paragraphs, any Holder who has been a Holder of Notes for at least six months may, on behalf of itself and all others similarly situated, petition any court of competent jurisdiction for the appointment of a successor indenture trustee or the removal of the Indenture Trustee and the appointment of a successor indenture trustee, as the case may be. Such court may thereupon, after such notice, if any, as it may deem proper, appoint a successor indenture trustee or remove the Indenture Trustee and appoint a successor indenture trustee, as the case may be.

The Holder or Holders of a majority of the aggregate principal amount of the Notes of each Series at the time Outstanding may at any time remove the Indenture Trustee with respect to the Notes of such Series and appoint a successor indenture trustee with respect to the Notes of such Series by delivering to the Indenture Trustee so removed, to the successor indenture trustee so appointed and to the Issuer the evidence required for such action by the Indenture and the applicable Series Indenture.

Any resignation or removal of the Indenture Trustee with respect to any Series and any appointment of a successor indenture trustee with respect to such Series shall become effective upon acceptance of appointment by the successor indenture trustee and the payment in full of all amounts then due and owing to the resigning or removed Indenture Trustee all in accordance with the applicable provisions of the Indenture.

The Issuer shall advise all rating agencies that are then rating the program or the Notes of any Series of any change in the identity of the Indenture Trustee.

The Indenture Trustee and each successor indenture trustee must be a United States person within the meaning of Section 7701(a)(30) of the Code.

The Indenture Trustee acknowledges and agrees in the Indenture (and each Holder, beneficial owner, transferee or pledgee of a Note, by virtue of its acceptance of such Note or pledge thereof acknowledges and agrees) that (a) the Issuer is a series trust as provided in Section 3806(b)(2) and 3804(a) of the Trust Act, (b) the debts, liabilities, obligations and expenses incurred, contracted for or otherwise existing with respect to a Series of the Issuer shall be enforceable only against the assets of the related Series of the Issuer, and not against the assets of the Issuer generally or the assets of any other Series of the Issuer, (c) no creditor or holder of a claim relating to a particular Series of the Issuer or a particular Series of Notes shall be entitled to maintain any action against or recover any assets allocated to the Issuer generally or any other Series of the Issuer, (d) it hereby releases all claims to the assets of the Issuer generally and to the assets of each Series of the Issuer other than which it is a Holder or beneficial owner of a Note and, in the event that such release is not given effect, to fully subordinate all claims it may be deemed to have against the assets of the Issuer generally and the assets of each other Series of the Issuer, and (e) to the extent permitted by applicable law, hereby covenants and agrees that it will not institute against, or join with any other person in instituting against, the Issuer generally or with respect to any Series of the Issuer any bankruptcy, reorganization, arrangement, insolvency or liquidation proceedings, or other proceedings under any applicable bankruptcy or similar law.

The Issuer and Pacific Life and its subsidiaries and affiliates maintain customary banking and other commercial relationships with the Indenture Trustee and its affiliates.

Meetings of Holders

A meeting of Holders of Notes of any Series may be called at any time and from time to time pursuant to the Indenture and any applicable Note Certificate or Series Indenture to make, give or take any request, demand, authorization, direction, notice, consent, waiver or other action provided by the Indenture or the applicable Series Indenture to be made, given or taken by such Holders of Notes of such Series.

Unless otherwise provided in a Note Certificate representing the Notes of a particular Series or the applicable Series Indenture, the Indenture Trustee may at any time call a meeting of Holders of Notes of any Series for any purpose specified in the preceding paragraph, to be held at such time and at such place in the City of New York or the city in which the Corporate Trust Office is located. Notice of every meeting of such Holders of Notes of any Series, setting forth the time and the place of such meeting and in general terms the action proposed to be taken at such meeting, must be given not less than 21 days nor more than 180 days prior to the date fixed for the meeting.

Any resolution passed or decision taken at any meeting of Holders of Notes of a Series duly held in accordance with the Indenture and the applicable Series Indenture will be binding on all of the Holders of Notes of such Series, whether or not such Holders were present or represented at the meeting.

Non-Recourse Enforcement

Notwithstanding anything to the contrary contained in the Indenture, any supplemental indenture, any Series Indenture, any Pricing Supplement or any Note Certificate, other than as described below, none of Pacific Life or any of its officers, directors, affiliates, employees or agents or any of the Administrative Trustee, the Trust Beneficial Owner, the Series Beneficial Owner or any Purchasing Agent, or any of their respective officers, directors, affiliates, employees or agents (the "**Non-Recourse Parties**"), will be personally liable for the payment of any principal, premium, interest or any other amounts at any time owing under the terms of any Notes. If any Event of Default shall occur with respect to any Notes of any Series, the right of the Holder or Holders of Notes of such Series and the Indenture Trustee on behalf of such Holder or Holders, in connection with a claim on the Notes of such Series shall be limited solely to a proceeding against the relevant Series Collateral.

Neither such Holder or Holders nor the Indenture Trustee on behalf of such Holder or Holders will have the right to proceed against the Non-Recourse Parties or the assets of any other Series of the Issuer to enforce the Notes

(except that to the extent they exercise their rights, if any, to seize the relevant Funding Agreement(s), they may enforce the relevant Funding Agreement(s) against Pacific Life) or for any deficiency judgment remaining after foreclosure of any property included in the relevant Series Collateral.

Nothing contained in this section "—Non-Recourse Enforcement" shall in any manner or way constitute or be deemed a release of the debt or other obligations evidenced by the Notes of any Series or otherwise affect or impair the enforceability against the assets of the relevant Series of the Issuer of the liens, assignments, rights and Security Interests created by or pursuant to the Indenture, the applicable Series Indenture, the relevant Series Collateral or any other instrument or agreement evidencing, securing or relating to the indebtedness or the obligations evidenced by the Notes of a Series. Nothing in this section "—Non-Recourse Enforcement" shall preclude the Holders from foreclosing upon any property included in the relevant Series Collateral or any other rights or remedies in law or in equity against the assets of the Issuer with respect to the relevant Series of the Issuer.

Holders may not seek to enforce rights with respect to any Notes (i) by commencing any recovery or enforcement proceedings against the Issuer generally or with respect to the relevant Series of the Issuer, (ii) by applying to wind up the Issuer, (iii) otherwise than through the Indenture Trustee in exercise of powers, appointing a receiver or administrative trustee to the Issuer or any of the assets of the Issuer generally or with respect to the relevant Series of the Issuer, (iv) by making any statutory demand upon the Issuer generally or with respect to the relevant Series of the Issuer under applicable law, or (v) in any other manner except as may be provided in the Indenture, and any applicable Note Certificate or Series Indenture.

Notices

All notices regarding Notes of a Series will be mailed to the registered Holders thereof as their names appear in the applicable Note Register maintained by the Registrar.

All notices shall be deemed to have been given upon (i) in the case of Holders, the mailing by first class mail, postage prepaid, of such notices to each Holder entitled thereto at such Holder's registered address as recorded in the applicable Note Register, (ii)(a) so long as the Notes of a Series are admitted to the Official List and trading on the GEM, publication of such notice to each Holder of the Notes of such Series in the English language on the website of Euronext Dublin at https://live.euronext.com/ via the Companies Announcement Service (or otherwise in accordance with the requirements of Euronext Dublin) or (b) so long as the Notes of a Series are listed on a securities exchange other than Euronext Dublin or if the publication required in (ii)(a) is not practicable, in one leading English language daily newspaper with general circulation in Europe and in the Principal Financial Center with the greatest nexus to such other securities exchange, if such Series is so listed.

With respect to a Global Note or a Global Certificate held by or on behalf of a clearing corporation, notices to the Holders of such Global Note or Global Certificate may be given by delivery of the relevant notice to the clearing corporation for communication by it to entitled accountholders in substitution for publication or by delivery of the relevant notice to the Holder of the relevant Global Note or Global Certificate.

Neither the failure to give notice, nor any defect in any notice given, to any particular Holder of a Note will affect the sufficiency of any notice with respect to any other Holder of any Note.

Any such notice may be waived in writing by the person entitled to receive such notice, either before or after the event, and such waiver shall be the equivalent of such notice. Waivers of notice by Holders of Notes of a Series shall be filed with the Indenture Trustee, but such filing shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.

Governing Law; Submission to Jurisdiction

Pursuant to Section 5-1401 of the General Obligations Law of the State of New York, the Indenture, each Series Indenture and the Notes of each Series shall be governed by, and construed in accordance with, the laws of the State of New York, except as required by mandatory provisions of law and except to the extent that the validity

or perfection of the ownership of, and the security interest in, each applicable Funding Agreement constituting an asset of the relevant Series of the Issuer or remedies under the Indenture or the applicable Series Indenture in respect thereof may be governed by the laws of a jurisdiction other than the State of New York.

All judicial proceedings brought against the Issuer or the Indenture Trustee arising out of or relating to the Indenture, any Series Indenture, any Note or any portion of any Series Collateral or any assets of the Issuer generally or the applicable Series of the Issuer may be brought in a U.S. federal court located in the City of New York, the Borough of Manhattan; *provided* that a Note Certificate or any Series Indenture may specify other jurisdictions as to which the Issuer and the Indenture Trustee may consent to the exclusive jurisdiction of its courts with respect to such Series of Notes. Under the terms of the Indenture and each relevant Series Indenture, the Issuer and the Indenture Trustee will each accept generally and unconditionally the nonexclusive jurisdiction of such court, waive any defense of *forum non conveniens* and irrevocably agree to be bound by any judgment rendered thereby in connection with the Indenture, the applicable relevant Series Indenture, any Note or any portion of the relevant Series Collateral.

DESCRIPTION OF CERTAIN TERMS AND CONDITIONS OF THE FUNDING AGREEMENTS

This section provides an overview of certain terms and conditions of the Funding Agreements. This overview is not complete and investors should read the detailed provisions of the Funding Agreements. Capitalized terms used in this overview have the same meanings as those used in the Funding Agreements unless the context otherwise requires.

General

Funding Agreements are unsecured obligations of Pacific Life. In connection with each Series of Notes, the Issuer will purchase from Pacific Life, and will take delivery from Pacific Life of, one or more Funding Agreements, as specified in each applicable Pricing Supplement. In connection with the offering and sale of a Series of Notes, the Issuer will pledge, collaterally assign and grant a security interest in the applicable Series Collateral, including each applicable Funding Agreement, to the Indenture Trustee as collateral to secure the Issuer's obligations under the applicable Series of Notes.

The Issuer will purchase one or more Funding Agreements that are supported solely by the general account of Pacific Life, and not by any separate account (each, a "**Funding Agreement**"). Under the terms of a Funding Agreement, Pacific Life will deposit the proceeds received from the Issuer for the purchase of the agreement into its general investment account, or the general account.

Amounts held in the general account are pooled and invested by Pacific Life in accordance with applicable insurance laws. In the aggregate, general account assets support Pacific Life's obligations under all of its general account insurance contracts, and are not segregated for the exclusive benefit of any particular policy or obligation. General account assets are also available to Pacific Life for the conduct of routine business activities, such as the payment of dividends and business expenses.

Insolvency of Pacific Life

In the event of Pacific Life's insolvency, Funding Agreements will be subject to the provisions of Section 44-4842 of the Nebraska Insurance Law, which establish the priority of distributions from the estate of an insolvent Nebraska life insurance company. Willkie Farr & Gallagher LLP, special counsel for Pacific Life, has opined that in any liquidation proceedings relating to Pacific Life, under Nebraska law as in effect on the date of this Offering Memorandum, the claims under each Funding Agreement with respect to payments of principal and interest would be accorded a priority equal to that of policyholders of Pacific Life (i.e., would rank pari passu with the claims of policyholders of Pacific Life) and superior to the claims of general creditors of Pacific Life.

Such opinion of counsel is based upon certain facts, assumptions and qualifications (as set forth therein), is only an opinion and does not constitute a guarantee, and is not binding upon any court, including without limitation a court presiding over any rehabilitation, liquidation, conservation or reorganization of Pacific Life under Article 48 of the Nebraska Insurance Law. The obligations of Pacific Life under the Funding Agreements are not guaranteed by any other persons, including, but not limited to, any of its subsidiaries or affiliates.

Payments

The terms of each Funding Agreement securing the obligations of the Issuer under a Series of Notes will be structured so that Pacific Life will be obligated to make payments at such times and in such amounts as shall permit the Issuer to meet its scheduled obligations with respect to payments of interest, premium, if any, principal and any other amounts due under the applicable Series of Notes.

Tax, Fiscal or Other Law or Regulation

Each Funding Agreement is subject in all cases to any tax, fiscal or other law or regulation or administrative or judicial interpretation applicable thereto. Pacific Life shall not be required to make any payment to the Issuer with respect to any Taxes.

Tax Redemption

If (a) Pacific Life is obligated to withhold or deduct any Taxes with respect to any payment made under a Funding Agreement or any related contract between Pacific Life and the Issuer, or (b) in the opinion of independent counsel selected by Pacific Life, as a result of any change in, or amendment to, United States tax laws (or any regulations or rulings thereunder) or any change in position of the IRS regarding the application or interpretation thereof (including, but not limited to, Pacific Life's receipt of a written adjustment from the IRS in connection with an audit), there is a material probability that (i) Pacific Life will become obligated to withhold or deduct any Taxes with respect to any payment made under a Funding Agreement or any related contract between Pacific Life and the Issuer or (ii) the Issuer is, or will be within 90 days of the date thereof, subject to more than a *de minimis* amount of Taxes, then Pacific Life may terminate the applicable, with respect to (a) and (b)(i), the applicable Funding Agreement, and, with respect to (b)(ii), any Funding Agreement by giving not less than 30 and no more than 75 days prior written notice to the Issuer and by paying to the Issuer on the date specified in such notice the Redemption Amount as specified in the Term Sheet of such Funding Agreement, *provided* that in the case of clause (b)(i) no such notice of termination may be given earlier than 90 days prior to the earliest day when Pacific Life would become obligated to withhold or deduct any such Taxes, assuming a payment in respect of such Funding Agreement or such contract were then due.

Other Terms

From time to time, the Issuer may purchase from Pacific Life Funding Agreements with other terms, including the ability to extend the maturity date or redeem the applicable Funding Agreement at Pacific Life's option.

Events of Default

Each Funding Agreement will provide that an Event of Default (as used therein) will occur upon the occurrence of one or any combination of the following:

- if Pacific Life fails to make a payment of interest and such failure continues for a period of five Business Days (as defined in the relevant Funding Agreement);

- if Pacific Life fails to make a payment of principal in accordance with the relevant Funding Agreement and such failure continues for a period of three Business Days; or

- if Pacific Life is dissolved or has a resolution passed or proceeding instituted for its winding-up, liquidation, rehabilitation or similar arrangement (other than pursuant to a consolidation, amalgamation or merger).

Representations and Warranties of Pacific Life and the Holder

Under each Funding Agreement, each of Pacific Life and the holder of the Funding Agreement will represent to the other party that:

- it has the power to enter into the relevant Funding Agreement and to consummate the transactions contemplated thereby;

- the Funding Agreement has been duly authorized, executed and delivered. The Funding Agreement constitutes a legal, valid and binding obligation. The Funding Agreement is enforceable in accordance with the terms thereof, subject to applicable bankruptcy, insolvency and similar laws affecting creditors' rights, and subject as to enforceability of general principles of equity, regardless of whether enforcement is sought in a proceeding in equity or at law; and

- the execution and delivery of the Funding Agreement and the performance of obligations thereunder do not and will not constitute or result in a default, breach, violation, or the creation of any lien or encumbrance on any of its property under its certificate, articles or charter of incorporation, by-laws, or any agreement, instrument, judgment, injunction or order by which it is bound, or by which its respective properties may be bound or affected.

Restrictions on Transfer

Each Funding Agreement will contain provisions prohibiting the holder thereof from transferring or assigning the Funding Agreement or any right to receive payments under the Funding Agreement to any other person without the express written consent of Pacific Life and the written affirmation of Pacific Life that it has changed its books and records to reflect the transfer or assignment or right to receive payments under the Funding Agreement.

The following additional conditions must be satisfied in order to effectuate any assignment of any Funding Agreement: (i) the Funding Agreement may only be transferred through a book entry system maintained by Pacific Life within the meaning of Treasury Regulations Section 1.871-14(c)(1)(i) and (ii) Pacific Life shall have received from the proposed assignee such representations, certificates, documentation and opinions as Pacific Life may deem necessary and appropriate.

Supplemental Agreements

Pacific Life may issue to the initial holder of the Funding Agreement one or more additional Funding Agreements and may provide in any such additional Funding Agreement that such additional Funding Agreement shall constitute part of the same obligation of Pacific Life as the initial Funding Agreement (any such additional Funding Agreement, a "**Supplemental Agreement**"), and such Supplemental Agreement shall be subject to the same terms and conditions as the initial Funding Agreement (including those set forth in the Account Specification Appendix to the applicable Funding Agreement), except that the Effective Date, the Deposit Amount, the Net Deposit Amount, the amount of the first interest payment, if any, and any other different terms specified in each applicable Funding Agreement may be different with respect to such Supplemental Agreement; *provided* that the issuance of such Supplemental Agreement satisfies the conditions of Treasury Regulation Section 1.1275-2(k)(2)(ii) and constitutes a "qualified reopening" of the original issuance of the initial Funding Agreement as defined in Treasury Regulation Section 1.1275-2(k)(3) or is otherwise treated as part of the same issue of the previously issued Funding Agreement for U.S. federal income tax purposes.

Governing Law

Each Funding Agreement will be governed by, and construed in accordance with, the laws of the State of Delaware.

Collateral Safekeeper

Each Funding Agreement relating to a Series of Notes will be held in an account for the Indenture Trustee in the State of Delaware by the Collateral Safekeeper or by such other party as may be specified in the applicable Pricing Supplement.

U.S. FEDERAL INCOME TAX CONSIDERATIONS

The information provided below does not purport to be a complete summary of the U.S. tax law and practice currently applicable. Prospective investors should consult with their own professional advisors.

The following is a discussion of certain U.S. federal income tax considerations relating to the purchase, ownership and disposition of the Notes by U.S. Holders and Non-U.S. Holders (each as defined below) that purchase the Notes at their issue price (generally the first price at which a substantial amount of the Notes of the applicable Series is sold, excluding sales to bond houses, brokers or similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers) pursuant to this offering and hold such Notes as capital assets. This discussion does not address all of the U.S. federal income tax considerations that may be relevant to specific Holders (as defined below) in light of their particular circumstances (including Holders that are directly or indirectly related to Pacific Life) or to Holders subject to special treatment under U.S. federal income tax law (such as banks, insurance companies, dealers in securities or other Holders that generally mark their securities to market for U.S. federal income tax purposes, accrual method taxpayers that file applicable financial statements as described in Section 451(b) of the Code, tax-exempt entities, retirement plans, regulated investment companies, real estate investment trusts, certain former citizens or residents of the United States, Holders that hold a Note as part of a straddle, hedge, conversion or other integrated transaction or U.S. Holders that have a "functional currency" other than the U.S. dollar). This discussion does not address any U.S. state or local or non-U.S. tax considerations or any U.S. federal estate, gift or alternative minimum tax considerations.

This discussion is based on the Code, U.S. Treasury regulations promulgated or proposed thereunder and administrative and judicial interpretations thereof, all as in effect on the date hereof, and all of which are subject to change, possibly with retroactive effect, or to different interpretation. This discussion does not describe the U.S. federal income tax considerations relating to the purchase, ownership or disposition of an "equity-linked instrument" (as defined under applicable Treasury Regulations), a "contingent payment debt instrument" (as defined under applicable Treasury Regulations), certain "variable rate debt instruments" (as defined below), a Note with a maturity later than 30 years from its date of issuance, a Note that does not obligate the Issuer to repay an amount equal to at least the issue price of the Note or a Note with an extendable maturity. A general discussion of any materially different U.S. federal income tax considerations relating to any particular Series of Notes will be included in the applicable Pricing Supplement, if applicable to such Series.

As used in this discussion, the term "**U.S. Holder**" means a beneficial owner of a Note that, for U.S. federal income tax purposes, is (i) an individual who is a citizen or resident of the United States, (ii) a corporation created or organized in or under the laws of the United States, any state thereof or the District of Columbia, (iii) an estate the income of which is subject to U.S. federal income tax regardless of its source or (iv) a trust (x) with respect to which a court within the United States is able to exercise primary supervision over its administration and one or more U.S. persons have the authority to control all of its substantial decisions or (y) that has in effect a valid election under applicable U.S. Treasury regulations to be treated as a U.S. person.

As used in this discussion, the term "**Non-U.S. Holder**" means a beneficial owner of a Note that is neither a U.S. Holder nor a partnership for U.S. federal income tax purposes and the term "**Holder**" means a U.S. Holder or a Non-U.S. Holder.

If an entity or an arrangement treated as a partnership for U.S. federal income tax purposes invests in a Note, the U.S. federal income tax considerations relating to such investment will depend in part upon the status and activities of such entity or arrangement and the particular partner. Any such entity or arrangement should consult its own tax advisor regarding the U.S. federal income tax considerations applicable to it and its partners relating to the purchase, ownership and disposition of a Note.

EACH PERSON CONSIDERING AN INVESTMENT IN THE NOTES SHOULD CONSULT ITS OWN TAX ADVISOR REGARDING THE U.S. FEDERAL, STATE AND LOCAL AND NON-U.S. INCOME, ESTATE AND OTHER TAX CONSIDERATIONS RELATING TO THE PURCHASE, OWNERSHIP AND DISPOSITION OF THE NOTES IN LIGHT OF ITS PARTICULAR CIRCUMSTANCES.

Tax Treatment of the Issuer and the Notes

In the opinion of Willkie Farr & Gallagher LLP, special U.S. federal income tax counsel to Pacific Life and the Issuer ("**Special Tax Counsel**"), under current law and assuming the Issuer is operated in accordance with its organizational documents and as described in this Offering Memorandum, and based upon certain facts and assumptions contained in such opinion, neither the Issuer nor any Series of the Issuer will be classified as an association or publicly traded partnership taxable as a corporation for U.S. federal income tax purposes.

Pacific Life, the Issuer and each Series of the Issuer will treat the Notes as indebtedness of Pacific Life for all U.S. federal, state and local income and franchise tax purposes. Each Holder of Notes, by acceptance of such Notes, will be deemed to have agreed to treat the Notes as indebtedness of Pacific Life for all U.S. federal, state and local income and franchise tax purposes. The remainder of this discussion assumes the Notes are properly treated as indebtedness of Pacific Life for all U.S. federal income tax purposes.

No statutory, judicial or administrative authority directly addresses the U.S. federal income tax treatment of securities similar to the Notes. An opinion of Special Tax Counsel is not binding on the IRS or the courts, and no ruling on any of the consequences or issues discussed herein will be sought from the IRS. Accordingly, persons considering the purchase of Notes should consult their own tax advisors about the U.S. federal income tax consequences of an investment in the Notes and the application of U.S. federal income tax laws, as well as the laws of any state, local or foreign taxing jurisdictions, to their particular situations.

U.S. Holders

Stated Interest and Original Issue Discount

In general, interest payable on a Note that is "qualified stated interest" will be taxable to a U.S. Holder as ordinary interest income when it is received or accrued, in accordance with such U.S. Holder's regular method of accounting for U.S. federal income tax purposes. "Qualified stated interest" is stated interest that is unconditionally payable at least annually at a single fixed rate over the entire term of a Note or, in the case of a variable rate debt instrument (as described below), at a single qualified floating rate or a single objective rate (as described below).

If the "stated redemption price at maturity" of a Note (generally the aggregate amount of payments, other than qualified stated interest, on the Note) exceeds the issue price of the Note by an amount that is equal to or greater than a *de minimis* amount, the Note will be treated as having been issued with original issue discount ("**OID**") for U.S. federal income tax purposes in the amount of such excess. In general, the *de minimis* amount is equal to ¼ of 1 percent of the stated redemption price at maturity multiplied by the weighted average number of complete years to maturity from the issue date of such Note (or in the case of a Note providing for the payment of any amount other than qualified stated interest prior to maturity, multiplied by the weighted average maturity of the Note). A U.S. Holder generally will be required to include OID in gross income as ordinary interest income for U.S. federal income tax purposes as it accrues, before such U.S. Holder receives any cash payment attributable to such income and regardless of such U.S. Holder's regular method of accounting for U.S. federal income tax purposes. Any amount not treated as OID because it is *de minimis* generally must be included in income (generally as gain from the sale of such Note) as principal payments are received on such Note in the proportion that each such payment bears to the original principal amount of such Note. Special rules apply to Notes with a fixed maturity of one year or less. *See* below under "Short-Term Notes."

A U.S. Holder generally will be required to include in gross income for U.S. federal income tax purposes an amount equal to the sum of the "daily portions" of the OID with respect to a Note for all days during the taxable year on which such U.S. Holder holds such Note. The "daily portions" of OID with respect to a Note will be determined by allocating to each day during the taxable year on which the U.S. Holder holds such Note a *pro rata* portion of the OID on such Note that is attributable to the "accrual period" in which such day is included.

The amount of the OID with respect to a Note attributable to an "accrual period" generally will be the excess of (A) the product of (i) the "adjusted issue price" of such Note at the beginning of such accrual period and (ii) the "yield to maturity" of such Note (stated in a manner appropriately taking into account the length of such accrual period) over (B) any qualified stated interest on the Note allocable to such accrual period. The "accrual period" for a Note may be of any length and may vary in length over the term of the Note, *provided* that each accrual period is no longer than one year and that each scheduled payment of interest or principal occurs on the first or final day of an accrual period. The "adjusted issue price" of a Note at the beginning of an accrual period generally is the issue price of such Note plus the aggregate amount of OID that accrued on such Note in all prior accrual periods, less any payments on such Note (other than payments of qualified stated interest). The "yield to maturity" of a Note is the discount rate that, when used in computing the present value of all payments required to be made under such Note, produces an amount equal to the issue price of such Note.

In the case of a variable rate debt instrument (as described below), the amount of qualified stated interest and the amount of OID, if any, that accrues during an accrual period is generally determined assuming that the variable rate is a fixed rate equal to (i) in the case of a qualified floating rate or qualified inverse floating rate, the value, as of the issue date, of the qualified floating rate or qualified inverse floating rate or (ii) in the case of an objective rate (other than a qualified inverse floating rate), a fixed rate that reflects the yield that is reasonably expected for the debt instrument, and the qualified stated interest (or, if there is no qualified stated interest, OID) allocable to an accrual period is increased (or decreased) if the interest actually paid during an accrual period exceeds (or is less than) the interest assumed to be paid during the accrual period pursuant to clause (i) or (ii), as applicable. Special rules apply to a variable rate debt instrument that provides for stated interest at a fixed rate or at a rate other than a single qualified floating rate or a single objective rate.

A "variable rate debt instrument" is a debt instrument that (i) has an issue price that does not exceed the total principal payments by more than an amount equal to the lesser of (a) 0.015 multiplied by the product of such total principal payments and the number of complete years to maturity of the instrument (or, in the case of a Note providing for the payment of any amount other than qualified stated interest prior to maturity, multiplied by the weighted average maturity of the Note) or (b) 15 percent of the total principal payments, (ii) provides for stated interest (compounded or paid at least annually) at the current value of (A) one or more "qualified floating rates," (B) a single fixed rate and one or more qualified floating rates, (C) a single "objective rate" or (D) a single fixed rate and a single objective rate that is a "qualified inverse floating rate," and (iii) does not provide for any principal payments that are contingent. The current value of a rate is the value of the rate on any day that is no earlier than three months prior to the first day on which that value is in effect and no later than one year following that first day.

A "qualified floating rate" is generally a floating rate under which variations in the rate can reasonably be expected to measure contemporaneous variations in the cost of newly borrowed funds in the currency in which a debt instrument is denominated. A multiple of a qualified floating rate is not a qualified floating rate unless the relevant multiplier is (i) fixed at a number that is greater than 0.65 but not more than 1.35 or (ii) fixed at a number that is greater than 0.65 but not more than 1.35, increased or decreased by a fixed rate. A variable rate is not considered a qualified floating rate if the variable rate is subject to a cap, floor, governor (*i.e.*, a restriction on the amount of increase or decrease in the stated interest rate) or similar restriction that is reasonably expected as of the issue date to cause the yield on the debt instrument to be significantly more or less than the expected yield determined without the restriction (other than a cap, floor, governor or similar restriction that is fixed throughout the term of the debt instrument).

An "objective rate" is a rate (other than a qualified floating rate) that is determined using a single fixed formula and that is based on objective financial or economic information, *provided, however,* that an objective rate will not include a rate based on information that is within the control of the issuer (or certain related parties of the issuer) or that is unique to the circumstances of the issuer (or certain related parties of the issuer), such as dividends, profits or the value of the issuer's stock. A "qualified inverse floating rate" is an objective rate (i) that is equal to a fixed rate minus a qualified floating rate and (ii) the variations in which can reasonably be expected to inversely reflect contemporaneous variations in the qualified floating rate (disregarding any caps, floors, governors or similar restrictions that would not, as described above, cause a rate to fail to be a qualified floating rate). Notwithstanding the first sentence of this paragraph, a rate is not an objective rate if it is reasonably expected that the average value of

the rate during the first half of the debt instrument's term will be either significantly less than or significantly greater than the average value of the rate during the final half of the debt instrument's term. The IRS may designate rates other than those specified above that will be treated as objective rates. As of the date of this Offering Memorandum, no other rates have been designated.

If interest on a Note is stated at a fixed rate for an initial period of one year or less followed by a variable rate that is either a qualified floating rate or an objective rate for a subsequent period, and the value of the variable rate on the issue date is intended to approximate the fixed rate, the fixed rate and the variable rate together constitute a single qualified floating rate or objective rate. A fixed rate and a variable rate will be conclusively presumed to meet the requirements of the preceding sentence if the value of the variable rate on the issue date does not differ from the value of the fixed rate by more than 0.25 percentage points (25 basis points).

If a Floating Rate Note does not qualify as a variable rate debt instrument or otherwise provides for contingent payments, or if a Fixed Rate Note provides for contingent payments, such Note may constitute a "contingent payment debt instrument." Interest payable on a contingent payment debt instrument is not treated as qualified stated interest. If applicable to any Note, the special rules applicable to contingent payment debt instruments will be described in the applicable Pricing Supplement.

In general, the following rules apply if (i) a Note provides for one or more alternative payment schedules applicable upon the occurrence of a contingency or contingencies and the timing and amounts of the payments that comprise each payment schedule are known as of the issue date and (ii) either a single payment schedule is significantly more likely than not to occur or the Note provides the Issuer or the holder with an unconditional option or options exercisable on one or more dates during the term of the Note. If, based on all the facts and circumstances as of the issue date, a single payment schedule for a debt instrument, including the stated payment schedule, is significantly more likely than not to occur, then, in general, the yield and maturity of the Note are computed based on this payment schedule. If the Issuer or the holder has an unconditional option or options that, if exercised, would require payments to be made on the Note under an alternative payment schedule or schedules, then (i) in the case of an option or options exercisable by the Issuer, the Issuer will be deemed to exercise or not exercise an option or combination of options in the manner that minimizes the yield on the Note and (ii) in the case of an option or options exercisable by the holder, the holder will be deemed to exercise or not exercise an option or combination of options in the manner that maximizes the yield on the Note. Notes subject to the above rules will not be treated as contingent payment debt instruments as a result of the contingencies described above. If a contingency (including the exercise of an option) actually occurs or does not occur contrary to an assumption made according to the above rules (a "**Change in Circumstances**"), then, except to the extent that a portion of the Note is repaid as a result of a Change in Circumstances and solely for purposes of the accrual of OID, the Note is treated as retired and then reissued on the date of the Change in Circumstances for an amount equal to the Note's adjusted issue price on that date.

A U.S. Holder may elect to treat all interest on any Note as OID and calculate the amount includible in gross income under the constant yield method. For purposes of this election, interest includes stated interest, acquisition discount, OID, *de minimis* OID, market discount, *de minimis* market discount, and unstated interest, as adjusted by any amortizable bond premium or acquisition premium. The election must be made for the taxable year in which a U.S. Holder acquires a Note and may not be revoked without the consent of the IRS.

Premium on the Notes

If the amount paid by a U.S. Holder for a Note exceeds the stated redemption price at maturity of such Note, such U.S. Holder generally will be considered to have purchased such Note at a premium equal in amount to such excess. In this event, such U.S. Holder may elect to amortize such premium, based generally on a constant-yield basis, as an offset to interest income over the remaining term of such Note. In the case of a Note that may be redeemed prior to maturity, the premium amortization and redemption date are calculated assuming that Pacific Life and the U.S. Holder will exercise or not exercise redemption rights in a manner that maximizes the U.S. Holder's yield. It is unclear how premium amortization is calculated when the redemption date or the amount of any redemption premium is uncertain. The election to amortize bond premium, once made, will apply to all debt

obligations held or subsequently acquired by the electing U.S. Holder on or after the first day of the first taxable year to which the election applies and may not be revoked without the consent of the IRS.

Short-Term Notes

Notes that have a fixed maturity of one year or less ("**Short-Term Notes**") will be treated as issued with OID. In general, an individual or other U.S. Holder that uses the cash method of accounting is not required to accrue such OID unless such U.S. Holder elects to do so. If such an election is not made, any gain recognized by such U.S. Holder on the sale, exchange, redemption or other disposition of a Short-Term Note will be ordinary income to the extent of the OID accrued on a straight-line basis, or upon election under the constant yield method (based on daily compounding), through the date of sale, exchange, redemption or other disposition, and a portion of the deduction otherwise allowable to such U.S. Holder for interest on borrowings allocable to the Short-Term Note will be deferred until a corresponding amount of income on such Short-Term Note is realized. U.S. Holders who report income for U.S. federal income tax purposes under the accrual method of accounting and certain other U.S. Holders are required to accrue OID related to a Short-Term Note as ordinary income on a straight-line basis unless an election is made to accrue the OID under a constant yield method (based on daily compounding).

Sale, Exchange, Retirement or Other Taxable Disposition of the Notes

Upon the sale, exchange, retirement or other taxable disposition of a Note, a U.S. Holder generally will recognize gain or loss in an amount equal to the difference between the amount realized on such sale, exchange, retirement or other taxable disposition (other than any amount attributable to accrued qualified stated interest, which, if not previously included in such U.S. Holder's income, will be taxable as interest income to such U.S. Holder) and such U.S. Holder's "adjusted tax basis" in such Note. A U.S. Holder's adjusted tax basis in a Note generally is the amount such U.S. Holder paid for such Note, increased by the amount of any OID previously included in income (including in the year of disposition) with respect to such Note by such U.S. Holder and decreased by any amortized premium and the aggregate amount of payments (other than qualified stated interest) on such Note previously made to such U.S. Holder. Subject to the rules described below under "Foreign Currency Notes," any gain or loss so recognized generally will be capital gain or loss and will be long-term capital gain or loss if such U.S. Holder has held such Note for more than one year at the time of such sale, exchange, retirement or other taxable disposition. Net long-term capital gain of certain non-corporate U.S. Holders generally is subject to preferential rates of tax. The deductibility of capital losses is subject to limitations.

Foreign Currency Notes

The following discussion generally describes special rules that apply, in addition to the rules described above, to Foreign Currency Notes. The amount of qualified stated interest paid with respect to a Foreign Currency Note that is includible in income by a U.S. Holder that uses the cash method of accounting for U.S. federal income tax purposes is the U.S. dollar value of the amount paid, as determined on the date of actual or constructive receipt by such U.S. Holder, using the spot rate of exchange on such date. In the case of qualified stated interest on a Foreign Currency Note held by a U.S. Holder that uses the accrual method of accounting, and in the case of OID (other than OID on a Short-Term Note that is not required to be accrued) for every U.S. Holder, such U.S. Holder is required to include the U.S. dollar value of the amount of such interest income or OID (which is determined in the non-U.S. currency) that accrued during the accrual period. The U.S. dollar value of such accrued interest income or OID generally is determined by translating such income at the average rate of exchange for the accrual period (or, with respect to an accrual period that spans two taxable years, at the average rate of exchange for the partial period within the taxable year). Alternatively, such U.S. Holder may elect to translate such income at the spot rate of exchange on the last day of the accrual period (or, with respect to an accrual period that spans two taxable years, at the spot rate of exchange in effect on the last day of the taxable year). If the last day of the accrual period is within five business days of the date of receipt of the accrued interest, a U.S. Holder that has made such election may translate accrued interest using the spot rate of exchange in effect on the date of receipt. The above election will apply to all debt obligations held by such U.S. Holder and may not be changed without the consent of the IRS. A U.S. Holder will recognize, as ordinary income or loss, foreign currency gain or loss with respect to such accrued interest income or OID on the date the interest or OID is actually or constructively received, reflecting fluctuations

in currency exchange rates between the spot rate of exchange used to determine the accrued interest income or OID for the relevant accrual period and the spot rate of exchange on the date such interest or OID is actually or constructively received.

A U.S. Holder will calculate the amortization of bond premium for a Foreign Currency Note in the applicable non-U.S. currency. Amortization deductions attributable to a period will reduce interest payments in respect of that period, and therefore are translated into U.S. dollars at the spot rate of exchange used for those interest payments. Foreign currency gain or loss will be realized with respect to amortized premium on a Foreign Currency Note based on the difference between the spot rate of exchange at which the amortization deductions were translated into U.S. dollars and the spot rate of exchange on the date such U.S. Holder acquired the Foreign Currency Note.

The amount realized with respect to a sale, exchange, redemption or other disposition of a Foreign Currency Note generally will be the U.S. dollar value of the payment received, determined on the date of disposition of such Foreign Currency Note (using the spot rate of exchange on such date). However, with respect to Foreign Currency Notes that are treated as traded on an established securities market, such amount realized will be determined using the spot rate of exchange on the settlement date in the case of (i) a U.S. Holder that is a cash method taxpayer or (ii) a U.S. Holder that is an accrual method taxpayer that elects such treatment. This election may not be changed without the consent of the IRS. Gain or loss that is recognized generally will be ordinary income or loss to the extent it is attributable to fluctuations in currency exchange rates between the date of purchase and the date of sale, exchange, redemption or other disposition. Such foreign currency gain or loss, together with any foreign currency gain or loss realized on such disposition in respect of accrued interest or OID, will be recognized only to the extent of the total gain or loss realized by such U.S. Holder on the sale, exchange, redemption or other disposition of the Foreign Currency Note. Any gain or loss realized by a U.S. Holder not treated as foreign currency gain or loss generally will be capital gain or loss (subject to the discussion above regarding Short-Term Notes).

A U.S. Holder that determines its amount realized in connection with the sale, exchange, redemption or other disposition of a Foreign Currency Note by reference to the spot rate of exchange on the date of such sale, exchange, redemption or other disposition (rather than on the settlement date) may recognize additional foreign currency gain or loss upon receipt of non-U.S. currency from such sale, exchange, redemption or other disposition.

A U.S. Holder will recognize an amount of foreign currency gain or loss on a sale or other disposition of any non-U.S. currency equal to the difference between (i) the amount of U.S. dollars, or the fair market value in U.S. dollars of any other property, received in such sale or other disposition and (ii) the tax basis of such non-U.S. currency. A U.S. Holder generally will have a tax basis in non-U.S. currency received from a sale, exchange, redemption or other disposition of a Foreign Currency Note equal to the U.S. dollar value of such non-U.S. currency on the date of receipt.

A Note that provides for payments in more than one currency generally will be treated as a "contingent payment debt instrument," and the special rules applicable to such instruments will be described in the applicable Pricing Supplement.

Aggregation Rules

The Treasury Regulations relating to OID contain special aggregation rules stating in general that, subject to certain exceptions, debt instruments issued in the same transaction or related transactions to a single purchaser may be treated as a single debt instrument with a single issue price, maturity date, yield to maturity and stated redemption price at maturity for purposes of the OID rules. Under certain circumstances, these provisions could apply to a U.S. Holder that purchases Notes from more than one Series of Notes.

Medicare Tax

In addition to regular U.S. federal income tax, certain U.S. Holders that are individuals, estates or trusts are subject to a 3.8% tax on all or a portion of their "net investment income," which may include all or a portion of their

interest income (including accrued OID) on a Note and net gain from the sale, exchange, retirement or other disposition of a Note.

Disclosure Requirements for Reportable Transactions

A U.S. Holder that participates in any "reportable transaction" (as defined in the Treasury Regulations) must attach to its U.S. federal income tax return a disclosure statement on IRS Form 8886. Each U.S. Holder should consult its own tax advisor regarding the possible obligation to file IRS Form 8886 reporting foreign currency loss arising from the Notes or any amounts received with respect to the Notes.

Information Reporting and Backup Withholding

Information reporting generally will apply to payments to a U.S. Holder of interest (and accruals of OID) on, or proceeds from the sale, exchange, retirement or other disposition of, a Note, unless such U.S. Holder is an entity that is exempt from information reporting and, when required, demonstrates this fact. Any such payment to a U.S. Holder that is subject to information reporting generally will also be subject to backup withholding, unless such U.S. Holder provides the appropriate documentation (generally, IRS Form W-9) to the applicable withholding agent certifying that, among other things, its taxpayer identification number is correct, or otherwise establishes an exemption.

Backup withholding is not an additional tax. Any amounts withheld under the backup withholding rules generally will be allowed as a refund or a credit against a U.S. Holder's U.S. federal income tax liability if the required information is furnished by such U.S. Holder on a timely basis to the IRS.

Non-U.S. Holders

General

Subject to the discussion below under "—Information Reporting and Backup Withholding" and "—FATCA Withholding":

(a) payments of principal, interest and premium with respect to a Note owned by a Non-U.S. Holder generally will not be subject to U.S. federal withholding tax; *provided* that, in the case of amounts treated as payments of interest (which term, for purposes of this discussion of the tax consequences to Non-U.S. Holders, also includes any payment to the extent of any OID that accrued on such Note while held by such Non-U.S. Holder and that has not been previously taken into account for this purpose), (i) such amounts are not effectively connected with the conduct of a trade or business in the United States by such Non-U.S. Holder; (ii) such Non-U.S. Holder does not own, actually or constructively, 10% or more of the total combined voting power of all classes of Pacific Life or the applicable Series Beneficial Owner stock entitled to vote; (iii) such Non-U.S. Holder is not a controlled foreign corporation described in section 957(a) of the Code that is related to Pacific Life or the applicable Series Beneficial Owner through stock ownership; (iv) such Non-U.S. Holder is not a bank whose receipt of such amounts is described in section 881(c)(3)(A) of the Code; (v) interest on the Note is not described in section 871(h)(4)(A) of the Code; and (vi) the certification requirements described below are satisfied; and

(b) a Non-U.S. Holder generally will not be subject to U.S. federal income or withholding tax on any gain recognized on the sale, exchange, retirement or other disposition of a Note, unless (i) such gain is effectively connected with the conduct of a trade or business in the United States by such Non-U.S. Holder, in which event such gain generally will be subject to U.S. federal income tax in the manner described below, or (ii) such Non-U.S. Holder is an individual who is present in the United States for 183 days or more during the taxable year of such sale, exchange, retirement or other disposition and certain other conditions are met, in which event such gain (net of certain U.S.

source losses) generally will be subject to U.S. federal income tax at a rate of 30% (except as provided by an applicable tax treaty).

The certification requirements referred to in clause (a)(vi) above generally will be satisfied if the Non-U.S. Holder provides the applicable withholding agent with a statement (generally on IRS Form W-8BEN or W-8BEN-E), signed under penalties of perjury, stating, among other things, that such Non-U.S. Holder is not a U.S. person. U.S. Treasury regulations provide additional rules for a Note held through one or more intermediaries or pass-through entities.

If the requirements set forth in clause (a) above are not satisfied with respect to a Non-U.S. Holder, payments with respect to a Note (including proceeds from the sale, exchange, retirement or other disposition thereof) generally will be subject to U.S. federal income tax in an amount equal to 30% of the interest and OID that accrued on such Note while held by such Non-U.S. Holder and that has not been taken into account previously for U.S. federal income tax purposes, unless another exemption is applicable. Such tax generally will be imposed by way of withholding in the case of payments on a Note (including payments from the retirement of such Note) or directly on the Non-U.S. Holder in the case of any other sale, exchange or other disposition of a Note. An applicable tax treaty may reduce or eliminate this tax.

If a Non-U.S. Holder is engaged in the conduct of a trade or business in the United States, and if amounts treated as interest on a Note or gain recognized on the sale, exchange, retirement or other disposition of a Note are effectively connected with such trade or business, such Non-U.S. Holder generally will not be subject to U.S. federal withholding tax on such interest or gain; *provided* that, in the case of amounts treated as interest, such Non-U.S. Holder provides the appropriate documentation (generally, IRS Form W-8ECI) to the applicable withholding agent. Instead, such Non-U.S. Holder generally will be subject to U.S. federal income tax (but not the Medicare Tax described above) on such interest or gain in substantially the same manner as a U.S. Holder (except as provided by an applicable tax treaty). In addition, a Non-U.S. Holder that is treated as a corporation for U.S. federal income tax purposes may be subject to a branch profits tax at a rate of 30% (or a lower rate if provided by an applicable tax treaty) on its effectively connected income for the taxable year, subject to certain adjustments.

Information Reporting and Backup Withholding

Amounts treated as payments of interest on a Note to a Non-U.S. Holder and the amount of any U.S. federal tax withheld from such payments generally must be reported annually to the IRS and to such Non-U.S. Holder by the applicable withholding agent.

The information reporting and backup withholding rules that apply to payments of interest (and accruals of OID) to certain U.S. Holders generally will not apply to amounts treated as payments of interest to a Non-U.S. Holder if such Non-U.S. Holder certifies under penalties of perjury that it is not a U.S. person (generally by providing an IRS Form W-8BEN or W-8BEN-E to the applicable withholding agent) or otherwise establishes an exemption.

Proceeds from the sale, exchange, retirement or other disposition of a Note by a Non-U.S. Holder effected outside the United States through a non-U.S. office of a non-U.S. broker generally will not be subject to the information reporting and backup withholding rules that apply to payments to certain U.S. persons; *provided* that the proceeds are paid to the Non-U.S. Holder outside the United States. However, proceeds from the sale, exchange, retirement or other disposition of a Note by a Non-U.S. Holder effected through a non-U.S. office of a non-U.S. broker with certain specified U.S. connections or of a U.S. broker generally will be subject to these information reporting rules (but generally not to these backup withholding rules), even if the proceeds are paid to such Non-U.S. Holder outside the United States, unless such Non-U.S. Holder certifies under penalties of perjury that it is not a U.S. person (generally by providing an IRS Form W-8BEN or W-8BEN-E to the applicable withholding agent) or otherwise establishes an exemption. Proceeds from the sale, exchange, retirement or other disposition of a Note by a Non-U.S. Holder effected through a U.S. office of a broker generally will be subject to these information reporting and backup withholding rules, unless such Non-U.S. Holder certifies under penalties of perjury that it is not a U.S.

person (generally by providing an IRS Form W-8BEN or W-8BEN-E to the applicable withholding agent) or otherwise establishes an exemption.

Backup withholding is not an additional tax. Any amounts withheld under the backup withholding rules generally will be allowed as a refund or a credit against a Non-U.S. Holder's U.S. federal income tax liability if the required information is furnished by such Non-U.S. Holder on a timely basis to the IRS.

FATCA Withholding

Sections 1471 through 1474 of the Code, commonly referred to as Foreign Account Tax Compliance Act ("**FATCA**") provisions, generally impose a withholding tax of 30 percent on interest income (including OID) from debt obligations of U.S. issuers paid to a foreign financial institution (other than with respect to interest (including OID) that is effectively connected with the conduct of a trade or business within the United States), unless such institution either (i) enters into an agreement with the U.S. government to collect and provide to the U.S. tax authorities substantial information regarding U.S. account holders of such institution (which would include certain account holders that are foreign entities with U.S. owners) or (ii) in the event that an applicable intergovernmental agreement and implementing legislation are adopted, complies with modified requirements, including in some cases providing local revenue authorities with similar account holder information.

The FATCA legislation also generally imposes a withholding tax of 30 percent on interest income (including OID) from such obligations paid to a non-financial foreign entity (other than with respect to interest (including OID) that is effectively connected with the conduct of a trade or business within the United States) unless such entity provides the withholding agent with a certification that it does not have any substantial U.S. owners or a certification identifying the direct and indirect substantial U.S. owners of the entity or unless certain exceptions apply or they agree to provide certain information to other revenue authorities for transmittal to the IRS. Under certain circumstances (for example, if the recipient is resident in a country having a tax treaty with the United States), a holder of such obligation might be eligible for refunds or credits of such taxes.

Current provisions of the Code and U.S. Treasury regulations that govern FATCA treat gross proceeds from the sale or other disposition of debt obligations that can produce U.S.-source interest (such as the Notes) as subject to FATCA withholding. However, under proposed U.S. Treasury regulations (the preamble to which specifies that taxpayers are permitted to rely on them pending finalization), such gross proceeds are not subject to FATCA withholding.

IRS Form W-8BEN-E generally requires certain non-U.S. entities to certify as to their FATCA status and, if applicable, provide their Global Intermediary Identification Number. Investors are urged to consult with their own tax advisors regarding the possible implications of FATCA provisions on their investment in the Notes.

THE PRECEDING U.S. FEDERAL INCOME TAX DISCUSSION IS INCLUDED FOR GENERAL INFORMATION ONLY AND MAY NOT BE APPLICABLE DEPENDING UPON A HOLDER'S PARTICULAR SITUATION. HOLDERS SHOULD CONSULT THEIR OWN TAX ADVISORS WITH RESPECT TO THE TAX CONSEQUENCES TO THEM OF THE OWNERSHIP AND DISPOSITION OF THE NOTES, INCLUDING THE TAX CONSEQUENCES UNDER STATE, LOCAL, FOREIGN AND OTHER TAX LAWS AND THE POSSIBLE EFFECTS OF CHANGES IN UNITED STATES OR OTHER TAX LAWS.

ERISA AND OTHER BENEFIT PLAN CONSIDERATIONS

*The following is a summary of certain considerations associated with the purchase, holding and, to the extent relevant, disposition, of the Notes by (i) an employee benefit plan subject to Title I of ERISA, (ii) a plan described in and subject to Section 4975 of the Code, including an IRA and a Keogh plan, (iii) a plan, account or other arrangement subject to provisions under any other federal, state, local, non-U.S. or other laws or regulations that are similar to the fiduciary responsibility or prohibited transaction provisions of Title I of ERISA or Section 4975 of the Code (collectively, "**Similar Laws**") and (iv) any entity whose underlying assets include "plan assets" by reason of the investment in such entity by any such employee benefit or retirement plan described above.*

Prohibited Transaction Issues

Section 406 of ERISA and Section 4975 of the Code prohibit employee benefit plans subject to ERISA ("**ERISA Plans**"), as well as IRAs and Keogh plans subject to Section 4975 of the Code (together with ERISA Plans, "**Plans**"), from engaging in certain transactions involving "plan assets" (within the meaning of ERISA) with persons who are "parties in interest" under ERISA or "disqualified persons" under the Code ("**Parties in Interest**") with respect to such Plans. As a result of Pacific Life's business, Pacific Life may be a Party in Interest with respect to certain Plans. Where Pacific Life is a Party in Interest with respect to a Plan (either directly or by reason of its ownership of its subsidiaries), the purchase and holding of the Notes by or on behalf of the Plan may be a prohibited transaction under Section 406 of ERISA and Section 4975 of the Code, unless exemptive relief were available under an applicable prohibited transaction exemption.

Accordingly, the Notes may not be purchased or held by any Plan, any entity whose underlying assets include "plan assets" by reason of any Plan's investment in the entity (a "**Plan Asset Entity**") or any person investing "plan assets" of any Plan, unless such purchaser or holder, and such purchase and holding, is eligible for the exemptive relief available under one or more PTCEs issued by the DOL, including PTCE 96-23 (relating to transactions determined by "in-house asset managers"), PTCE 95-60 (relating to transactions involving insurance company general accounts), PTCE 91-38 (relating to transactions involving bank collective investment funds), PTCE 90-1 (relating to transactions involving insurance company pooled separate accounts) or PTCE 84-14 (relating to transactions determined by independent "qualified professional asset managers"), or under the statutory exemption provided by Section 408(b)(17) of ERISA and Section 4975(d)(20) of the Code (relating to transactions for "adequate consideration" with certain parties in interest that are not fiduciaries) (the "**Service Provider Exemption**"), or under another applicable prohibited transaction exemption. Any fiduciary or other Plan investor considering whether to purchase or hold Notes should consult with its counsel regarding the availability of exemptive relief under the foregoing exemptions. There can be no assurance that all of the conditions of any such exemptions or any other exemption will be satisfied at the time that the Notes are acquired, or thereafter, if the facts relied upon for utilizing a prohibited transaction exemption change. Also, the scope of the exemptive relief provided by the exemption might not cover all acts which might be construed as prohibited transactions.

Each purchaser or Holder of the Notes or any beneficial interest therein will be deemed to have represented by its purchase and holding thereof that either (i) it is not a Plan or a Plan Asset Entity and is not acquiring the Notes on behalf of or with "plan assets" of a Plan or Plan Asset Entity or (ii) its purchase, holding and disposition of the Notes or any beneficial interest therein is exempt from the prohibited transaction provisions of Section 406 of ERISA and Section 4975 of the Code under DOL PTCE 96-23, PTCE 95-60, PTCE 91-38, PTCE 90-1or PTCE 84-14, the Service Provider Exemption or another applicable exemption. The determination of whether and to what extent the exemptive relief provided under the foregoing exemptions is available is the responsibility of the purchaser or Holder of the Notes.

Without regard to whether one of the above exemptions applies to a Plan's acquisition or holding of a Note, the Notes may not be purchased or held by any Plan, or any person investing Plan assets of any Plan, if Pacific Life or any of its affiliates (i) has investment or administrative discretion with respect to the assets of the Plan used to effect such purchase; (ii) provides investment advice with respect to such assets, for a fee, subject to other requirements and conditions provided under ERISA and the regulations thereunder; or (iii) unless PTCE 95-60, PTCE 91-38 or PTCE 90-1 applies, is an employer maintaining or contributing to such Plan.

Plan Assets

The DOL has promulgated a regulation, 29 C.F.R. §2510.3-101, as modified by Section 3(42) of ERISA (the "**Plan Asset Regulation**"), describing what constitutes the assets of a Plan with respect to the Plan's investment in an entity. Under the Plan Asset Regulation, if a Plan invests in an "equity interest" of an entity that is neither a "publicly offered security" nor a security issued by an investment company registered under the Investment Company Act, the Plan's assets are deemed to include both the equity interest itself and an undivided interest in each of the entity's underlying assets, unless it is established either that the entity is an "operating company," as defined in the Plan Asset Regulation or less than 25% of the total value of each class of equity interest in the entity is held by "benefit plan investors," as defined in Section 3(42) of ERISA (the "**25% Test**").

It is not anticipated that (i) the Notes will constitute "publicly offered securities" for purposes of the Plan Asset Regulation, (ii) the Issuer will be an investment company registered under the Investment Company Act or (iii) the Issuer will qualify as an operating company within the meaning of the Plan Asset Regulation. In addition, there is no intent to monitor or take any other measures to assure satisfaction of the 25% Test, or any other exception to the treatment of the Plan's assets as being deemed to include both the equity interest itself and an individual interest in each of the Issuer's underlying assets.

The Plan Asset Regulation defines an "equity interest" as an interest other than an instrument that is treated as indebtedness under applicable local law and which has no substantial equity features. There is very little pertinent authority on the issue of what constitutes an equity interest for purposes of the Plan Asset Regulation. The DOL has stated in the Preamble to the Plan Asset Regulation (the "**Preamble**") that the reference to local law provides an initial frame of reference for determinations of whether an interest is indebtedness and the question of which law applies for purposes of determining whether an instrument is treated as equity or indebtedness should be made under the law governing questions regarding interpretation of the instrument. Moreover, the DOL stated in the Preamble that the determination of whether any particular investment has substantial equity features is an inherently factual question that must be resolved on a case-by-case basis but that it would be appropriate, in the DOL's view, to take into account whether the equity features of an instrument are such that a Plan's investment in the instrument would be a practical vehicle for the indirect provision of investment management services.

Even if the Notes were treated as equity interests for purposes of the Plan Asset Regulation, because (a) the Issuer expects that the Funding Agreements will be treated as debt, rather than equity, for U.S. federal income tax purposes and (b) the Funding Agreements should not be deemed to have any "substantial equity features," none of the assets underlying the Funding Agreements should be treated as Plan assets for purposes of the Plan Asset Regulation. Those conclusions are based, in part, upon the traditional debt features of the Funding Agreements including the reasonable expectation of purchasers of the Notes that the payments due under the Funding Agreements will be paid when due, as well as the absence of conversion rights, warrants and other typical equity features.

Whether the Notes should be treated as debt or equity for purposes of the Plan Asset Regulation is not certain. While the Notes will be treated as indebtedness for U.S. federal income tax purposes (as described in "U.S. Federal Income Tax Considerations"), such characterization is not conclusive that the Notes will be treated as debt under the Plan Asset Regulation. There is no legal authority that clarifies the relationship between the standards used for Plan Asset Regulation purposes and the standards used for U.S. federal income tax purposes in evaluating the proper characterization of a security as debt or equity. Each prospective investor should make its own assessment as to whether or not the Notes will be respected as debt for purposes of the Plan Asset Regulation, and should consult with its own legal advisers concerning the potential consequences under the fiduciary responsibility and prohibited transaction provisions of ERISA, Section 4975 of the Code and any applicable Similar Law of an investment in the offered Notes with the assets of a Plan. There can be no assurance that the Notes would be characterized by the DOL or others as indebtedness on the date of issuance or at any given time thereafter.

If the Notes were treated under the Plan Asset Regulation as equity interests, any assets held by the Issuer, including the Funding Agreements, would be treated as plan assets of Plans holding Notes if, immediately after the

most recent acquisition (including any redemption) of the Notes (or any class of equity interest in the Issuer), the 25% Test is not satisfied and 25% or more of the total value of any class of equity interest in the Issuer is held by benefit plan investors. No assurance can be given that benefit plan investors will hold less than 25% of the total value of the Notes at the completion of an offering or thereafter.

If the assets of the Issuer were deemed to be plan assets under ERISA, then an investing Plan's assets would be considered to include an undivided interest in the Funding Agreements held by the Issuer. In addition, certain persons providing services to the Issuer could become Parties in Interest with respect to an investing Plan and could be subject to the fiduciary responsibility provisions of ERISA, the prohibited transaction provisions of ERISA and Section 4975 of the Code with respect to transactions involving the assets of the Issuer. In this regard, if any person were deemed to have discretionary authority or discretionary control respecting the management of the Issuer or exercises any authority or control respecting management or disposition of the Funding Agreements held by the Issuer, such person or persons could be deemed to be fiduciaries. A fiduciary of a Plan should consider whether the purchase or holding of Notes could result in a delegation of fiduciary authority if the Issuer were deemed to hold plan assets under ERISA, and, if so, whether such a delegation of authority is permissible under the Plan's governing instrument or any investment management agreement with the Plan. However, since the Administrative Trustee may be viewed as having no discretionary authority with respect to the Funding Agreements, even if the Funding Agreements were treated as Plan Assets of a Plan holding a Note, an investor may determine that the Administrative Trustee should be treated as having acted in an administrative or ministerial capacity, rather than a fiduciary capacity, with respect to the Funding Agreements. Each prospective investor should make its own assessment regarding whether the Administrative Trustee would constitute a fiduciary if the assets of the Issuer were considered to be plan assets under ERISA.

Neither Pacific Life, the Issuer, the Arranger, the Purchasing Agents nor any of their respective affiliates, agents or employees (the "**Transaction Parties**") will act as a fiduciary to any Plan with respect to the Plan's decision to purchase the Notes, and none of the Transaction Parties is undertaking to provide investment advice or to give advice in a fiduciary capacity in connection with any Plan's acquisition of the Notes. Each fiduciary or other person with investment responsibilities over the assets of a Plan considering a purchase of the Notes must carefully consider the above factors before making an investment.

In addition, the person making the decision to acquire a Note on behalf of a Plan (the "**Plan Fiduciary**") from a Transaction Party will be deemed to have represented and warranted by its purchase and holding thereof that (a) none of the Transaction Parties has acted as the Plan's fiduciary, or has been relied upon for any advice or recommendations, with respect to the Plan Fiduciary's decision to acquire, hold, sell, exchange, vote or provide any consent with respect to the Note and none of the Transaction Parties or their respective affiliates has acted as, or shall at any time be relied upon as, the Plan's fiduciary with respect to any decision to acquire, continue to hold, sell, exchange, vote or provide any consent with respect to the Notes (unless an applicable prohibited transaction exemption is available to cover the purchase or holding of such Note or the transaction is not otherwise prohibited), and (b) the Plan Fiduciary is exercising its own independent judgment in evaluating the investment in the Note. Each Plan Fiduciary considering an investment in the Notes must carefully consider the above facts before making an investment.

The sale of any Notes to a Plan is in no respect a representation by any party or entity that such an investment meets all relevant legal requirements with respect to investments by Plans generally or any particular Plan, or that such an investment is appropriate for Plans generally or any particular Plan.

Non-ERISA Plans

Governmental plans (as defined in Section 3(32) of ERISA), church plans (as described in Section 3(33) of ERISA) for which no election has been made under Section 410(d) of the Code and foreign plans (as described in Section 4(b)(4) of ERISA) (collectively, "**Non-ERISA Plans**"), while not subject to Section 406 of ERISA or Section 4975 of the Code, may nevertheless be subject to Similar Laws. The fiduciary of (or other individual with similar discretionary authority and/or responsibilities with respect to) a Non-ERISA Plan considering an investment in the Notes must make its own determination that such investment is permissible under any applicable Similar Laws. Each purchaser or Holder of the Notes or any beneficial interest therein will be deemed to have represented by its purchase and holding thereof that either (i) it is not a Non-ERISA Plan or an entity the assets of which are treated as including the assets of a Non-ERISA Plan and is not acquiring the Notes on behalf or with the assets of any such Non-ERISA Plan or entity or (ii) its purchase, holding and disposition of the Notes or any beneficial interest therein will not violate any Similar Laws.

General Considerations

Notwithstanding the above, the sale of the Notes of a particular Series to Plans, or to persons acting on behalf of or investing "plan assets" of Plans, might not be allowed, or might only be allowed subject to certain additional conditions.

The considerations set forth above are only intended as an overview and may not be applicable depending upon a Plan's specific facts and circumstances. The discussion herein of ERISA, the Code and relevant DOL regulations is general in nature and is not intended to be complete. No view is expressed as to whether an investment in Notes (and any continued holding of the Notes) is appropriate or permissible for any Plan or Non-ERISA Plan. Plan fiduciaries should consult their own advisors with respect to the advisability of an investment in the Notes, and potentially adverse consequences of such investment, including without limitation, the possible effects of changes in applicable laws.

PLAN OF DISTRIBUTION

General

The Notes will be offered from time to time by the Issuer to or through the Purchasing Agents acting as principals. Pursuant to the Purchase Agreement, the Purchasing Agents, individually or in a syndicate, may purchase the Notes, as principals from the Issuer for resale to investors and other purchasers at varying prices relating to prevailing market prices at the time of resale as determined by any such Purchasing Agent or, if so specified in the applicable Pricing Supplement, for resale at a fixed offering price.

Subject to the provisions of the applicable Pricing Supplement, any Note sold to a Purchasing Agent as principal will be purchased by that Purchasing Agent at a price equal to 100% of the principal amount thereof less a percentage of the principal amount equal to the commission described in the applicable Terms Agreement in connection with agency sales. A Purchasing Agent may sell Notes it has purchased from the Issuer as principal to certain dealers less a concession equal to all or any portion of the discount received in connection with that purchase. A Purchasing Agent may allow, and dealers may reallow, a discount to certain other dealers. After the initial offering of Notes, the offering price, the concession and the reallowance may be changed.

Pacific Life and the Issuer, jointly and severally, have agreed to indemnify the Purchasing Agents against certain liabilities, as set forth in the Purchase Agreement. Each Purchasing Agent will have the right, in its discretion reasonably exercised, to reject in whole or in part any offer to purchase Notes received by it on an agency basis.
The Issuer reserves the right to withdraw, cancel or modify the offer made hereby without notice and may reject offers in whole or in part.

The Purchasing Agents also may impose a penalty bid. This occurs when a particular Purchasing Agent repays to the Purchasing Agents a portion of the discount received by it because one of the Purchasing Agents or its affiliates have repurchased notes sold by or for the account of such Purchasing Agent in stabilizing or short covering transactions.

In connection with any Series of Notes, the Purchasing Agent or Purchasing Agents (if any) named as the Stabilizing Manager(s) (or persons acting on behalf of any Stabilizing Manager(s)) in the applicable Pricing Supplement may over-allot Notes or effect transactions with a view to supporting the market price of the Notes at a level higher than that which might otherwise prevail. However, stabilization may not necessarily occur. Any stabilization action may begin on or after the date on which adequate public disclosure of the terms of the offer of the relevant Series of Notes is made and, if begun, may cease at any time, but it shall, in any event, end no later than the earlier of 30 days after the issue date of the relevant Series of Notes and 60 days after the date of the allotment of the relevant Series of Notes. Any such stabilizing or over-allotment shall be conducted by the relevant Stabilizing Manager(s) (or persons acting on behalf of any Stabilizing Manager(s)) in compliance with all applicable laws, guidelines and regulations.

Neither the Issuer nor any of the Purchasing Agents makes any representation or prediction as to the direction or magnitude of any effect that the transactions described above may have on the price of the Notes. In addition, neither the Issuer nor any of the Purchasing Agents makes any representation that the Purchasing Agents will engage in these transactions or that these transactions, once commenced, will not be discontinued without notice. These transactions may be affected in the over-the-counter market or otherwise.

The Notes have no established trading market. Although application will be made for the Notes to be admitted to the Official List and trading on the GEM, Notes may be listed and/or admitted to trading on any other market which is not a regulated market or securities exchange or not listed and/or admitted to trading on any market or securities exchange.

None of the Purchasing Agents is under any obligation to make a market in the Notes and, to the extent that such market making is commenced by any of the Purchasing Agents, it may be discontinued at any time. Given the restrictions on and risks related to transfer, there is no assurance that a secondary market will develop or, if it does

develop, that it will provide holders of Notes with liquidity or that it will be sustained. Further, the ability of the Purchasing Agents to make a market in the Notes may be impacted by changes in regulatory requirements applicable to the marketing, holding and trading of, and issuing quotations with respect to, the Notes. Prospective investors should proceed on the assumption that they may have to bear the economic risk of an investment in the Notes until the Stated Maturity Date of such Notes.

With respect to all offers and sales made pursuant to Regulation S, each of the Purchasing Agents has represented, warranted and agreed with respect to offers and sales outside the United States that it will (to the best of its knowledge after due inquiry) comply with all applicable laws and regulations in each country or jurisdiction outside of the United States in or from which it purchases, offers, sells or delivers Notes or has in its possession or distributes this Offering Memorandum for such Notes or any other offering material and will obtain any consent, approval or permission required by it for the purchase, offer or sale by it of the Notes under the laws and regulations in force in any jurisdiction to which it is subject or in which it makes such purchases, offers or sales and the Issuer and Pacific Life shall have no responsibility therefor. If a jurisdiction requires that the offering be made by a licensed broker or dealer and the Purchasing Agents or any affiliate of the Purchasing Agents is a licensed broker or dealer in that jurisdiction, the offering shall be deemed to be made by that Purchasing Agent or its affiliate on behalf of the Issuer in such jurisdiction.

The Purchasing Agents and their respective affiliates are full service financial institutions engaged in various activities, which may include sales and trading, commercial and investment banking, advisory, investment management, investment research, principal investment, hedging, market making, brokerage and other financial and non-financial activities and services. Certain of the Purchasing Agents and their respective affiliates have provided, and may in the future provide, a variety of these services to the Issuer, Pacific Life and to persons and entities with relationships with the Issuer or Pacific Life, for which they received or will receive customary fees and expenses.

In the ordinary course of their various business activities, the Purchasing Agents and their respective affiliates, officers, directors and employees may purchase, sell or hold a broad array of investments and actively traded securities, derivatives, loans, commodities, currencies, credit default swaps and other financial instruments for their own account and for the accounts of their customers, and such investment and trading activities may involve or relate to assets, securities and/or instruments of the Issuer (directly, as collateral securing other obligations or otherwise) and/or persons and entities with relationships with the Issuer. If any of the Purchasing Agents or their respective affiliates have a lending relationship with Pacific Life, certain of the Purchasing Agents or their affiliates routinely hedge, and certain other of those Purchasing Agent may hedge, their credit exposure to Pacific Life consistent with their customary risk management policies. Typically, such Purchasing Agents and their respective affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in the securities of Pacific Life or its affiliates, including potentially the Notes offered hereby by the Issuer. Any such credit default swaps or short positions could adversely affect future trading prices of the Notes offered hereby. The Purchasing Agents and their respective affiliates may also communicate independent investment recommendations, market color or trading ideas and/or publish or express independent research views in respect of such assets, securities or instruments and may at any time hold, or recommend to clients that they should acquire, long and/or short positions in such assets, securities and instruments.

United States

The Notes have not been registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. *See* "Purchase and Transfer Restrictions."

Each of the Purchasing Agents has represented, warranted and agreed, and each further Purchasing Agent appointed under the Program will be required to represent, warrant and agree, that it will make offers and sales of the Notes only to persons whom it reasonably believes to be (i) qualified institutional buyers as defined in Rule 144A under the Securities Act or (ii) to persons other than "U.S. persons" in "offshore transactions" (each as defined

in Regulation S). Each purchaser of Notes, in making its purchase, will be deemed to have made certain acknowledgments, representations and agreements as set forth herein under "Purchase and Transfer Restrictions."

The Issuer is not subject to the reporting requirements of the Exchange Act. The Issuer has agreed that, at any time while the Notes are outstanding, it will furnish the Holders of Notes and prospective purchasers designated by such Holders, upon request, the information required to be delivered by Rule 144A(d)(4) under the Securities Act.

Except as otherwise defined in the preceding paragraphs, terms used therein have the meanings given to them by Rule 144A and Regulation S under the Securities Act.

Australia

No placement document, prospectus, product disclosure statement or other disclosure document (including as defined in the Corporations Act 2001 (Cth) ("**Corporations Act**")) has been or will be lodged with the Australian Securities and Investments Commission ("**ASIC**") or any other governmental agency, in relation to the offering. This Offering Memorandum does not constitute a prospectus, product disclosure statement or other disclosure document for the purposes of Corporations Act, and does not purport to include the information required for a prospectus, product disclosure statement or other disclosure document under the Corporations Act. No action has been taken which would permit an offering of the Notes in circumstances that would require disclosure under Parts 6D.2 or 7.9 of the Corporations Act.

The Notes may not be offered for sale, nor may application for the sale or purchase or any Notes be invited in Australia (including an offer or invitation which is received by a person in Australia) and neither this Offering Memorandum nor any other offering material or advertisement relating to the Notes may be distributed or published in Australia unless, in each case:

(a) the aggregate consideration payable on acceptance of the offer or invitation by each offeree or invitee is at least A$500,000 (or its equivalent in another currency, in either case, disregarding moneys lent by the person offering the Notes or making the invitation or its associates) or the offer or invitation otherwise does not require disclosure to investors in accordance with Part 6D.2 or 7.9 of the Corporations Act;

(b) the offer, invitation or distribution complied with the conditions of the Australian financial services license of the person making the offer, invitation or distribution or an applicable exemption from the requirement to hold such license;

(c) the offer, invitation or distribution complies with all applicable Australian laws, regulations and directives (including, without limitation, the licensing requirements set out in Chapter 7 of the Corporations Act);

(d) the offer or invitation does not constitute an offer or invitation to a person in Australia who is a "retail client" as defined for the purposes of Section 761G of the Corporations Act; and

such action does not require any document to be lodged with ASIC or the Australian Securities Exchange.

Canada

The Notes may be sold only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 Prospectus Exemptions or subsections 73.3(1) of the Securities Act (Ontario), and are permitted clients, as defined in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations. Any resale of the Notes must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this Offering Memorandum (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for particulars of these rights or consult with a legal advisor.

Pursuant to section 3A.3 of NI 33-105, the Purchasing Agents are not required to comply with the disclosure requirements of NI 33-105 regarding underwriter conflicts of interest in connection with this offering.

Dubai International Financial Centre ("DIFC")

This Offering Memorandum relates to an Exempt Offer in accordance with the Markets Rules 2012 of the Dubai Financial Services Authority ("**DFSA**"). This document is intended for distribution only to persons of a type specified in the Markets Rules 2012 of the DFSA. It must not be delivered to, or relied on by, any other person. The DFSA has no responsibility for reviewing or verifying any documents in connection with Exempt Offers. The DFSA has not approved this prospectus supplement nor taken steps to verify the information set forth herein and has no responsibility for this document. The securities to which this document relates may be illiquid and/or subject to restrictions on their resale. Prospective purchasers of the securities offered should conduct their own due diligence on the securities. If you do not understand the contents of this document you should consult an authorized financial advisor.

In relation to its use in the DIFC, this document is strictly private and confidential and is being distributed to a limited number of investors and must not be provided to any person other than the original recipient, and may not be reproduced or used for any other purpose. The interests in the securities may not be offered or sold directly or indirectly to the public in the DIFC.

Prohibition of Sales to EEA Retail Investors

Each Purchasing Agent has represented and agreed, and each further Purchasing Agent appointed under the Program will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Offering Memorandum, as completed by the applicable Pricing Supplement in relation thereto, to any retail investor in the EEA. For the purposes of this provision, the expression "**retail investor**" means a person who is one (or both) of the following:

(i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or

(ii) a customer within the meaning of the Insurance Distribution Directive, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II.

Hong Kong

Each Purchasing Agent has represented, warranted and agreed, and each further Purchasing Agent appointed under the Program will be required to represent, warrant and agree, that:

(iii) This Offering Memorandum has not been reviewed or approved by the Securities and Futures Commission or the Companies Registry of Hong Kong and, accordingly, the Notes may not be offered or sold by means of any document other than (a) in circumstances which do not constitute an offer to the public within the meaning of the Companies Ordinance (Cap.32, Laws of Hong Kong) or the Securities and Futures Ordinance (Cap. 571), (b) in other circumstances which do not result in the document being a "prospectus" within the meaning of the Companies Ordinance (Cap.32, Laws of Hong Kong) or (c) to "professional investors" within the meaning of the Securities and Futures Ordinance (Cap.571, Laws of Hong Kong) and any rules made thereunder.

(iv) No advertisement, invitation or document relating to the Notes may be issued or may be in the possession of any person for the purpose of issue (in each case whether in Hong Kong or elsewhere), which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the laws of Hong Kong) other than with respect to Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" within the meaning of the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) and any rules made thereunder.

Ireland

Each Purchasing Agent has represented, warranted and agreed, and each further Purchasing Agent appointed under the Program will be required to represent, warrant and agree, that:

(i) it will not underwrite the issue of, or place the Notes, otherwise than in conformity with the provisions of the European Communities (Markets in Financial Instruments) Regulations 2007 (Nos. 1 to 3) (as amended) including, without limitation, Regulations 7 and 152 thereof or any codes of conduct issued in connection therewith, and the provisions of the Investor Compensation Act 1998;

(ii) it will not underwrite the issue of, or place, the Notes, otherwise than in conformity with the provisions of the Irish Central Bank Acts 1942 to 2011 (as amended) and any codes of conduct rules made under Section 117(1) of the Central Bank Act 1989;

(iii) it will not underwrite the issue of, place or otherwise act in Ireland in respect of the Notes, otherwise than in conformity with the provisions of the Market Abuse (Directive 2003/6/EC) Irish Regulations 2005 (as amended) and any rules issued by the Central Bank of Ireland (the "**Central Bank**") pursuant thereto;

(iv) it will not underwrite the issue of, or place the Notes, otherwise than in conformity with the provisions of the EU's Directive 2003/71/EC Regulations 2005 (and any amendments thereto) and any rules issued under Section 51 of the Irish Investment Funds, Companies and Miscellaneous Provisions Act 2005 by the Central Bank; and

(v) it will not offer or sell Notes with a maturity of less than 12 months except in full compliance with Notice BSD C 01/02 issued by the Central Bank.

Japan

Each Purchasing Agent has represented, warranted and agreed that it will not offer or sell any Notes, directly or indirectly in Japan or to or for the benefit of any Japanese Person or to others for re-offering or resale, directly or indirectly, in Japan or to or for the benefit of any Japanese Person, except in compliance with the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended) and any other applicable laws, regulations, ordinances and ministerial guidelines of Japan taken as a whole. For the purposes of this paragraph, "**Japanese Person**" shall mean any person having his place of domicile or residence in Japan, as well as any corporation or other entity organized under the laws of Japan or having its principal office in Japan.

Switzerland

This Offering Memorandum is not intended to constitute an offer or solicitation to purchase or invest in the Notes. The Notes may not be publicly offered, directly or indirectly, in Switzerland within the meaning of the Swiss Financial Services Act ("**FinSA**") and no application has or will be made to admit the Notes to trading on any trading venue (exchange or multilateral trading facility) in Switzerland. Neither this Offering Memorandum nor any other offering or marketing material relating to the Notes constitutes a prospectus pursuant to the FinSA, and neither

this Offering Memorandum nor any other offering or marketing material relating to the Notes may be publicly distributed or otherwise made publicly available in Switzerland.

Taiwan

The Notes have not been and will not be registered with the Financial Supervisory Commission of Taiwan pursuant to relevant securities laws and regulations and may not be sold, issued or offered within Taiwan through a public offering or in circumstances which constitutes an offer within the meaning of the Securities and Exchange Act of Taiwan that requires a registration or approval of the Financial Supervisory Commission of Taiwan. No person or entity in Taiwan has been authorised to offer, sell, give advice regarding or otherwise intermediate the offering and sale of the Notes in Taiwan.

United Arab Emirates

The Notes have not been, and are not being, publicly offered, sold, promoted or advertised in the United Arab Emirates (including the Dubai International Financial Centre) other than in compliance with the laws of the United Arab Emirates (and the Dubai International Financial Centre) governing the issue, offering and sale of securities. Further, this prospectus does not constitute a public offer of securities in the United Arab Emirates (including the Dubai International Financial Centre) and is not intended to be a public offer. This Offering Memorandum has not been approved by or filed with the Central Bank of the United Arab Emirates, the Securities and Commodities Authority or the Dubai Financial Services Authority.

U.K.

Prohibition of Sales to U.K. Retail Investors

Each Purchasing Agent has represented and agreed, and each further Purchasing Agent appointed under the Program will be required to represent and agree that, it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Offering Memorandum, as completed by the applicable Pricing Supplement, in relation thereto, to any retail investor in the U.K. For the purposes of this provision, the expression "**retail investor**" means a person who is not a professional client, as defined in point (8) of Article 2(1) of U.K. MiFIR.

Other Regulatory Restrictions in the U.K.

Each Purchasing Agent has further represented and agreed, and each further Purchasing Agent appointed under the Program will be required to represent and agree that:

(i) in relation to any Notes which have a maturity of less than one year, (a) it is a person whose ordinary activities involve it in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of its business, and (b) it has not offered or sold and will not offer or sell any Notes other than to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or as agent) for the purposes of their businesses or who it is reasonable to expect will acquire, hold, manage or dispose of investments (as principal or as agent) for the purposes of their businesses where the issue of the Notes would otherwise constitute a contravention of Section 19 of the FSMA by the Issuer;

(ii) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA), received by it in connection with the issue or sale of any Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and

(iii) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to any Notes in, from or otherwise involving the U.K.

Singapore

Each Purchasing Agent has acknowledged, and each further Purchasing Agent appointed under the Program will be required to acknowledge, that this Offering Memorandum has not been registered as a prospectus with the Monetary Authority of Singapore under the Securities and Futures Act, Chapter 289 of Singapore (the "**SFA**"). Accordingly, each Purchasing Agent has represented and agreed, and each further Purchasing Agent appointed under the Program will be required to represent and agree, that it has not offered or sold any Notes or caused such Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell such Notes or cause such Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Offering Memorandum or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of such Notes, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor (as defined in Section 4A of the SFA as modified or amended from time to time) under Section 274 of the SFA, or (ii) to an accredited investor (as defined in Section 4A of the SFA) pursuant to and in accordance with the conditions specified in Section 275 of the SFA.

PURCHASE AND TRANSFER RESTRICTIONS

Other than with respect to the listing of certain Notes on the relevant securities exchange as may be specified in the applicable Pricing Supplement, no action has been or will be taken by the Issuer that would permit a public offering of the Notes, or possession or distribution of this Offering Memorandum or any other offering or publicity material relating to the Notes, in any country or jurisdiction where action for that purpose is required. Each Purchasing Agent has covenanted that it will not solicit offers to purchase, or offer or sell, Notes by any form of general solicitation or general advertising (as those terms are used in Regulation D under the Securities Act) or in any manner involving a public offering within the meaning of Section 4(a)(2) of the Securities Act. Persons into whose hands this Offering Memorandum, any applicable Pricing Supplement or any other offering material comes must comply with all applicable laws and regulations, including AML rules, applicable to the issuance and sale of securities in each country or jurisdiction in or from which they purchase, offer, sell or deliver Notes or have in their possession or distribute this Offering Memorandum, any applicable Pricing Supplement or any other offering material, in all cases at their own expense.

Selling and transfer restrictions may be supplemented or modified with the agreement of the Issuer. Any such supplement or modification will be set out in the applicable Pricing Supplement (in the case of a supplement or modification relevant only to a particular Series of Notes) or (in any other case) in a supplement to this Offering Memorandum.

The Notes have not been and will not be registered under the Securities Act or any state or foreign securities laws and, unless so registered, may not be offered, sold, pledged or otherwise transferred except pursuant to an exemption from, or in a transaction not subject to the registration requirements of the Securities Act and applicable state or foreign securities laws.

Each purchaser of a beneficial interest in the Notes will be deemed to have represented, warranted and agreed that:

- It understands that the Notes have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, a U.S. person except in accordance with applicable laws and the following provisions.

- It understands that the Issuer has not been and will not be registered as an investment company under the Investment Company Act.

- Either (i) it is not, and is not acquiring the Notes or any beneficial interest therein on behalf of or with "plan assets" of a Plan, a Plan Asset Entity, a Non-ERISA Plan or an entity the assets of which are treated as including the assets of a Non-ERISA Plan or (ii)(A) in the case of a Plan or Plan Asset Entity, its purchase, holding and disposition of the Notes or any beneficial interest therein are exempt from the prohibited transaction provisions of Section 406 of ERISA and Section 4975 of the Code under DOL PTCE 96-23, PTCE 95-60, PTCE 91-38, PTCE 90-1 or PTCE 84-14, the Service Provider Exemption or another applicable exemption, or (B) in the case of a Non-ERISA Plan or entity the assets of which are treated as including the assets of a Non-ERISA Plan, its purchase, holding and disposition of the Notes or any beneficial interest therein will not violate any Similar Laws. This representation shall be deemed made on each day from the date on which the purchaser acquires the Notes through and including the date on which the purchaser disposes of the Notes.

- It understands that the Notes may not be transferred to, or acquired or held by, an insurer domiciled in the State of Arkansas, a health maintenance organization, farmers' mutual aid association or other Arkansas domestic company regulated by the Arkansas Insurance Department.

- It will treat and it understands it is the intent of the Issuer, for purposes of U.S. federal, state and local income and franchise taxes, to treat, each Series of the Notes of the Issuer as indebtedness of Pacific Life.

- It understands that any offer, sale, pledge or other transfer of Notes is subject to the restrictions set forth in the Indenture, the applicable Series Indenture and the Notes.

- It will inform each person to whom the Notes or any interests therein are offered, resold, pledged or otherwise transferred of the restrictions on the transfer of the Notes.

- It acknowledges that the Issuer, the Purchasing Agents and their affiliates will rely upon the truth and accuracy of the foregoing acknowledgments, representations and agreements.

- It understands that, unless the Issuer determines otherwise in accordance with applicable law, certificates representing the Notes will bear a legend reflecting these representations and agreements.

Each purchaser of a beneficial interest in a Temporary Registered Global Note will be deemed to have represented, warranted and agreed that:

- It understands that such Notes may be offered, sold, pledged or otherwise transferred only (i)(a) in an offshore transaction in accordance with Rule 903 or Rule 904 of Regulation S or (b) in compliance with Rule 144A to an institutional investor that the transferor reasonably believes is a qualified institutional buyer within the meaning of Rule 144A acquiring such Notes for its own account or for the account of a qualified institutional buyer, whom the transferor has informed, in each case, that the offer, sale, pledge or transfer is being made in reliance on Rule 144A, (ii) in accordance with all applicable laws and (iii) in accordance with the restrictions set forth in the Indenture, the applicable Series Indenture and the Notes.

After the expiration of the applicable Distribution Compliance Period, any offer, sale, pledge and other transfer, within the United States or to, or for the benefit of a U.S. person, of any Notes initially sold pursuant to Regulation S, that is otherwise permitted by, and is in accordance with, all applicable laws and the restrictions set forth in the Indenture, the applicable Series Indenture and the Notes, may be made only to an institutional investor that the transferor reasonably believes is a qualified institutional buyer within the meaning of Rule 144A acquiring such Notes for its own account or for the account of a qualified institutional buyer, whom the transferor has informed, in each case, that such offer, sale, pledge, or transfer is being made in reliance on Rule 144A.

Each purchaser of a beneficial interest in Notes sold pursuant to Rule 144A will be deemed to have represented, warranted and agreed that:

- If it should offer, sell, pledge or otherwise transfer the Notes it will only do so (i) in compliance with the Securities Act and other applicable laws, (ii) in accordance with the restrictions set forth in the Indenture, the applicable Series Indenture and the Notes and (iii) only (a) in compliance with Rule 144A to an institutional investor that the transferor reasonably believes is a qualified institutional buyer within the meaning of Rule 144A acquiring such Notes for its own account or for the account of a qualified institutional buyer, whom the transferor has informed, in each case, that the offer, sale, pledge or transfer is being made in reliance on Rule 144A or (b) in an offshore transaction in accordance with Rule 903 or 904 of Regulation S under the Securities Act.

- It is a qualified institutional buyer within the meaning of Rule 144A, it is acquiring such Notes for its own account or for the account of a qualified institutional buyer and it is aware, and each Beneficial Note Owner has been advised that the offer, sale, pledge or other transfer of such Notes to it is being made in reliance on Rule 144A.

- If it is acquiring any Notes for the account of one or more qualified institutional buyers, it has sole investment discretion with respect to each such account and it has full power to make the foregoing acknowledgments, representations, and agreements on behalf of each such account.

In addition, each purchaser of a beneficial interest in the Notes will be deemed to have represented, warranted and agreed that:

- It understands that, in any liquidation proceedings relating to Pacific Life under Nebraska law as in effect on the date of this Offering Memorandum, the claims under each Funding Agreement with respect to payments of principal and interest should be accorded a priority equal to that of policyholders of Pacific Life (*i.e.,* would rank pari passu with the claims of policyholders of Pacific Life) and superior to the claims of general creditors of Pacific Life.

- It understands that the obligations of Pacific Life under the Funding Agreements are not obligations of, and are not guaranteed by, any other person.

- It understands that no person is permitted to distribute, market, sell, represent or otherwise refer to the Notes as an insurance product, contract or policy or funding agreement or as a direct interest in any insurance product, contract or policy or funding agreement.

- It understands that because the primary assets of the Issuer will be one or more funding agreements issued by a life insurance company, there is a risk that the transfer of the Notes could subject the parties to such transfer to regulation under the insurance laws of jurisdictions implicated by the transfer. Among other things, it is likely that if the Notes were to be deemed to be contracts of insurance, the ability of a holder to sell the Notes in secondary market transactions or otherwise would be substantially impaired and, to the extent any such sales could be effected, the proceeds realized from any such sales would be materially and adversely affected.

LEGAL MATTERS

Certain matters regarding the Notes and their offering will be passed upon on the date hereof:

- for Pacific Life and the Issuer by Willkie Farr & Gallagher LLP (as to New York law, U.S. federal securities law, certain insurance regulatory matters and U.S. federal tax law);
- for Pacific Life by Lamson Dugan & Murray LLP (as to Nebraska law);
- for the Purchasing Agents by Sidley Austin LLP (as to New York law and U.S. federal law); and
- for the Issuer and the Administrative Trustee by Richards, Layton & Finger, P.A. (as to Delaware law).

GENERAL INFORMATION

Irish Listing

This Offering Memorandum has been approved by Euronext Dublin as a Listing Particulars. Application will be made to Euronext Dublin for the Notes issued during the period of 12 months from the date of this Offering Memorandum to be admitted to the Official List and trading on the GEM. However, Notes may also be (i) listed or admitted to trading on another securities exchange or market which is not a regulated market, or (ii) not listed or admitted to trading on any market or any other securities exchange.

Arthur Cox Listing Services Limited is acting solely in its capacity as listing agent for the Issuer in connection with the Notes and is not itself seeking admission of the Notes to the Official List or to trading on the GEM.

If any European and/or national legislation is adopted and is implemented or takes effect in Ireland in a form that would require either Pacific Life or the Issuer to publish or produce its financial statements according to accounting principles that are materially different from NE SAP, in the case of Pacific Life, or U.S. GAAP, in the case of the Issuer, or that would otherwise impose requirements on either of Pacific Life or the Issuer that such entity in good faith determines are impracticable or unduly burdensome, Pacific Life or the Issuer may elect to de-list the Notes. Each of Pacific Life and the Issuer will use its reasonable efforts to obtain an alternative admission to listing, trading and/or quotation for the Notes by another listing authority, exchange and/or system outside the EU, as the Issuer and Pacific Life may decide with the prior approval of the relevant Purchasing Agent(s). If such an alternative admission is not available to Pacific Life or the Issuer, or is, in either such entity's opinion, unduly burdensome, an alternative admission may not be obtained. Prior notice of any delisting and/or alternative admission will be given by the Issuer or Pacific Life to the relevant Purchasing Agent(s). Notice of any de-listing and/or alternative admission will be given as described in "—Notices" below.

Authorizations

The Issuer's participation in the Program, including updating Program documents, establishing additional Series and issuing additional Notes with respect to each such additional Series, is authorized under the Trust Agreement. Pacific Life's acts in connection with the establishment of the Program and its ongoing acts thereunder were authorized pursuant to resolutions adopted by the Board of Directors on May 27, 2020.

Clearance

The Notes have been accepted for clearance through Euroclear and Clearstream, Luxembourg. In addition, the Issuer will make an application with respect to the Notes to be accepted for trading in book-entry form by DTC. With respect to each Series of Notes, any applicable CUSIP number, together with any applicable ISIN and/or common code will be specified in the applicable Pricing Supplement. The applicable Pricing Supplement shall specify any other clearing system as shall have accepted the relevant Notes for clearance together with any further appropriate information.

Litigation

The Issuer is not and has not been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) which are significant in the 12 months preceding the date of this Offering Memorandum which may have or have in such period had a significant effect on the financial position or profitability of the Issuer.

Material pending litigation and regulatory matters affecting Pacific Life and certain risks related to its business presented by such matters are discussed in Note 17 to Pacific Life's Statutory Basis Financial Statements in this Offering Memorandum. Pacific Life is not and has not been involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which Pacific Life is aware) which

are significant in the 12 months preceding the date of this Offering Memorandum which may have or have in such period had a significant effect on the financial position or profitability of Pacific Life.

See Note 18 to Pacific Life's Statutory Basis Financial Statements included in this Offering Memorandum.

Notices

All notices regarding Notes of a Series will be mailed to the registered Holders thereof as their names appear in the applicable Note Register maintained by the Registrar.

All notices shall be deemed to have been given upon (i) in the case of Holders, the mailing by first class mail, postage prepaid, of such notices to each Holder entitled thereto at such Holder's registered address as recorded in the applicable Note Register, and (ii)(a) so long as the Notes of a Series are admitted to the Official List and trading on the GEM, publication of such notice to each Holder of the Notes of such Series in the English language on the website of Euronext Dublin at https://live.euronext.com/ via the Companies Announcement Service (or otherwise in accordance with the requirements of Euronext Dublin) or (b) so long as the Notes of a Series are listed on a securities exchange other than Euronext Dublin or if the publication required in (ii)(a) is not practicable, in one leading English language daily newspaper with general circulation in Europe and in the Principal Financial Center with the greatest nexus to such other securities exchange, if such Series is so listed.

With respect to a Global Note or a Global Certificate held by or on behalf of a clearing corporation, notices to the Holders of such Global Note or Global Certificate may be given by delivery of the relevant notice to the clearing corporation for communication by it to entitled accountholders in substitution for publication or by delivery of the relevant notice to the Holder of the relevant Global Note or Global Certificate.

Foreign Language

The language of this Offering Memorandum is English. Certain legislative references and technical terms have been cited in their original language under "Plan of Distribution" in order that the correct technical meaning may be ascribed to them under applicable law.

Independent Auditors

The statutory basis financial statements of Pacific Life Insurance Company as of December 31, 2025 and 2024, and for each of the three years in the period ended December 31, 2025, included in Annex A to this Offering Memorandum have been audited by Deloitte & Touche LLP, independent auditors, as stated in their report dated March 17, 2026, which is also included in Annex A to this Offering Memorandum.

No Material Adverse Change

There has been no material adverse change in the prospects of Pacific Life since December 31, 2025 (the date of the last published annual audited statutory basis financial statements of Pacific Life). There has been no significant change in the financial or trading position of Pacific Life since December 31, 2025.

Transferability

Subject to the selling and transfer restrictions described under "Purchase and Transfer Restrictions" and "Plan of Distribution" and subject to the terms and conditions of the Notes, as described in "Description of the Notes", the Notes will be freely transferable.

Documents Available

For the life of this Offering Memorandum and for so long as the Notes are admitted to the Official List and to trading on the GEM, upon request the Issuer will provide without charge electronic and/or physical copies of the following documents:

(i) this Offering Memorandum;

(ii) the Indenture, each Series Indenture, the Trust Agreement, each Series Trust Agreement and the Certificate of Trust (all as defined herein);

(iii) the Amended and Restated Articles of Association and Bylaws, as amended and restated, of Pacific Life;

(iv) any or all of the audited statutory basis financial statements or Quarterly Statement of Pacific Life filed with the Nebraska Department;

(v) any amendments and supplements to this Offering Memorandum that remain in effect at the time of the offering of the Series of Notes and which have not been modified or superseded by any other amendment or supplement to this Offering Memorandum;

(vi) all financial statements of the Issuer generally and with respect to the applicable Series of the Issuer prepared after the date hereof, if any;

(vii) a copy of each Funding Agreement relating to any Series of Notes listed on any securities exchange (*provided*, that, with respect to the offering of any Series of Notes not listed on any securities exchange, a copy of each Funding Agreement relating to such Series of Notes will be available for inspection and can be obtained free of charge by a Holder of any Notes of such Series); and

(viii) all amendments and supplements to this Offering Memorandum and each Pricing Supplement relating to any Series of Notes listed on any securities exchange prepared by the Issuer from time to time (*provided*, that, with respect to the offering of any Series of Notes not listed on any securities exchange, a copy of each Pricing Supplement relating to such Series of Notes will be available for inspection and can be obtained free of charge by a Holder of any Notes of such Series).

Requests for available information may be made available by contacting the relevant offices of the Issuer and the applicable Paying Agent. Copies of such documents may also be inspected in physical format during normal business hours at the office of the Issuer located at c/o: Wilmington Trust, National Association, Wilmington, Delaware 19890. In addition, copies of such documents will be available in physical format free of charge from the principal corporate office of the relevant Paying Agent for Notes listed on Euronext Dublin and from the relevant Paying Agent(s) with respect to Notes not listed on any securities exchange.

This Offering Memorandum and any amendment or supplement to this Offering Memorandum or new Offering Memorandum, as the case may be, will be published on the website of Euronext Dublin at https://live.euronext.com/.

The information on any web site mentioned in this Offering Memorandum or any web site directly or indirectly linked to any web site mentioned in this Offering Memorandum is not a part of, or incorporated by reference into, this Offering Memorandum and investors in the Notes should not rely on it.

Other than as set forth in this section or as provided in any supplement hereto, and any Pricing Supplement, the Issuer does not intend to provide any post-issuance information in relation to any issues of Notes.

FORM OF PRICING SUPPLEMENT

Pricing Supplement No. [●] dated [●]

Pacific Life Global Funding II

Legal Entity Identifier: 6354003EUPCHXTWUU869
$25,000,000,000

GLOBAL DEBT ISSUANCE PROGRAM
$[●] [●] Notes due [●] (the "Notes")

[Principal Amount of Notes]

This Pricing Supplement should be read in conjunction with the accompanying Offering Memorandum dated March 19, 2026 [and the supplement[s] to it dated [●] [and [●]]] (the "**Offering Memorandum**") relating to the $25,000,000,000 Global Debt Issuance Program of Pacific Life Global Funding II (the "**Issuer**").

Neither the Offering Memorandum nor this Pricing Supplement is a prospectus for the purposes of Regulation (EU) 2017/1129, as amended or Regulation (EU) 2017/1129 as it forms part of domestic law in the United Kingdom (the "**U.K.**").

European Economic Area

PROHIBITION OF SALES TO EEA RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (the "**EEA**"). For these purposes, a retail investor means a person who is one (or both) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**MiFID II**"); or (ii) a customer within the meaning of Directive (EU) 2016/97, as amended, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the "**PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

[MiFID II product governance / target market – *appropriate target market legend to be included*.][1]

United Kingdom

[PROHIBITION OF SALES TO U.K. RETAIL INVESTORS – The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom (the "**U.K.**") For these purposes, a retail investor means a person who is not a professional client as defined in point (8) of Article 2(1) of U.K. Regulation (EU) No 600/2014 as it forms part of domestic law in the U.K. Consequently, no key information document required by Regulation (EU) No 1286/2014, as it forms part of domestic law in the U.K. (the "**U.K. PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the U.K. has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the U.K. may be unlawful under the U.K. PRIIPs Regulation.] *[Include for issuances prior to April 6 2026]*

[1] Only to be included if there are any Purchasing Agents acting as EEA "manufacturers."

[PROHIBITION OF SALES TO U.K. RETAIL INVESTORS - The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom (the "**U.K.**"). For these purposes, a retail investor means a person who is not a professional client as defined in point (8) of Article 2(1) of of U.K. Regulation (EU) No 600/2014 as it forms part of the domestic law in the U.K. Consequently no disclosure document required by the U.K. Financial Conduct Authority Product Disclosure Sourcebook ("DISC") for offering, selling or distributing the Notes or otherwise making them available to retail investors in the U.K. has been prepared and therefore offering, selling or distributing the Notes or otherwise making them available to any retail investor in the U.K. may be unlawful under DISC and the Consumer Composite Investments (Designated Activities) Regulation 2024.] *[Include for issuances on or after 6 April 2026]*

[U.K. MiFIR product governance / target market – *appropriate target market legend to be included*.][2]

Pacific Life Insurance Company ("**Pacific Life**") may from time to time make certain information available on its website at www.pacificlife.com. **The information contained on or connected to Pacific Life's website is not a part of the Offering Memorandum, and you should not rely on any such information in making your decision whether to purchase Notes**.

PART A – CONTRACTUAL TERMS

Terms used herein and not otherwise defined herein shall have the meanings ascribed in the Offering Memorandum. [This document constitutes the Pricing Supplement of the Notes described herein and must be read in conjunction with the Offering Memorandum].[3] Full information regarding the Issuer and the offer of the Notes is only available on the basis of the combination of this Pricing Supplement and the Offering Memorandum. The Offering Memorandum is available for viewing in physical format during normal business hours at the registered office of the Issuer located at c/o: Wilmington Trust, National Association, Wilmington, Delaware 19890. In addition, copies of the Offering Memorandum and this Pricing Supplement will be available in physical format free of charge from the applicable Paying Agent. In addition, the Offering Memorandum has been published on the website of Euronext Dublin at https://live.euronext.com/.

[*Include whichever of the following apply or specify as "Not Applicable" (N/A). Note that the numbering should remain as set out below, even if "Not Applicable" is indicated for individual paragraphs or sub-paragraphs. Italics denote guidance for completing the Pricing Supplement.*]

[*For Notes admitted to the Official List and trading on the GEM or offered to the public in any member state of the EEA or in the U.K., the minimum Authorized Denomination of the Notes must be €100,000 (or its equivalent in another currency) and integral multiples of €1,000 (or its equivalent in another currency) in excess thereof. In addition, for Notes denominated in sterling, if the Notes have a maturity of less than one year from the date of their issue, the minimum Authorized Denomination of the Notes must be £100,000 (or its equivalent in another currency).*]

Issuer:	Pacific Life Global Funding II
(i) Series Number:	[●]
(ii) Tranche Number:	[●]
[*(If fungible with an existing Series, details of that Series, including the date on which the Notes become fungible).*]	
Specified Currency or Currencies:	[●]
Redenomination:	[Not applicable][The Issuer may redenominate Notes issued in [●] into Euro.]

[2] Only to be included if there are any Purchasing Agents acting as U.K. MiFIR "manufacturers."

[3] Remove if Series of Notes are unlisted.

Principal Amount of Notes [admitted to trading]:	[●]
Issue Price:	[●] per cent of the Principal Amount of the Notes [plus accrued interest from [*insert date* (*in the case of fungible issues only if applicable*)]]
Authorized Denominations:	[●] and integral multiples of [●] in excess thereof
[(i)] Issue Date:	[●]
[(ii)] Interest Commencement Date if different from the Issue Date:	[[●]/Not Applicable]
Stated Maturity Date:	[*specify date or (for Floating Rate Notes) Interest Payment Date falling in or nearest to the relevant month and year*]
Interest Rate Basis:	[[●] per cent Fixed Rate] [Average SONIA / CMT Rate / Commercial Paper Rate / Compounded Daily SONIA (Index Determination) / Compounded Daily SONIA (Non-Index Determination) / Money Market Yield / EURIBOR / Federal Funds Rate / Prime Rate / SOFR / Compounded SOFR / HIBOR / Treasury Rate / Bond Equivalent Yield +/– [●] per cent Floating Rate] [Discount Notes]
Amortization:	[●] [Not Applicable]
Redemption/Payment Basis:	[Redemption at par] [Subject to any purchase and cancellation or early redemption, the Notes will be redeemed on the Maturity Date at [100]% of their nominal amount.]
Put/Call Options:	[●][Not Applicable]
Status of the Notes:	Secured Non-Recourse Notes
Method of distribution:	[Syndicated][Non-syndicated]

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

Fixed Rate Note Provisions:	[Applicable/Not Applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
(i) Rate[(s)] of Interest:	[●] per cent per annum [payable [annually/semi-annually/ quarterly/monthly] in arrears]
(ii) Interest Payment Date(s):	[●] in each year, commencing on [●] [adjusted in accordance with the Business Day Convention specified below / not adjusted] [*N.B. This will need to be amended in the case of long or short coupons*]
(iii) Fixed Coupon Amount[(s)]:	[●] per [●] in Authorized Denomination
(iv) Broken Amount(s):	[*Insert particulars of any initial or final broken interest amounts which do not correspond with the Fixed Coupon Amount[(s)]*]
(v) Day Count Fraction:	[Actual/365 / Actual/Actual (Historical) / Actual/365 (Fixed) / Actual/360 / 30/360 / 30E/360 / Actual/Actual (Bond)]

(vi) Business Day Convention:	[Following Business Day Convention / Modified Following Business Day Convention / Preceding Business Day Convention / FRN Convention]
(vii) Interest Determination Dates:	[●] in each year (*insert regular interest payment dates, ignoring issue date or maturity date in the case of a long or short first or last coupon. N.B. only relevant where Day Count Fraction is Actual/Actual(ICMA)*)
(viii) Regular Interest Record Dates:	[*specify each Regular Interest Record Date, which date shall be the Business Day immediately prior to the applicable Interest Payment Date*]
Floating Rate Note Provisions:	[Applicable/Not Applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
(i) Designation:	Regular Floating Rate Notes
(ii) Interest Payment Dates:	[●] in each year [adjusted in accordance with [*specify Business Day Convention and any applicable Business Center(s) for the definition of "Business Day"*]/not adjusted]
(iii) Business Day Convention:	[Following Business Day Convention / Modified Following Business Day Convention / Preceding Business Day Convention / FRN Convention]
(iv) Business Center(s):	[The financial center most closely connected to the Reference Rate – *specify if not London*] *See* Reference Rate below
(v) Initial Interest Rate:	[●] per cent per annum
(vi) Manner in which the Rate(s) of Interest is/are to be determined:	[Screen Rate Determination/ISDA Determination]
(vii) Calculation Agent:	[●] [In the event that appointment of the Calculation Agent is terminated by the Calculation Agent or Issuer, the Issuer shall appoint a successor Calculation Agent promptly and in no event later than the next succeeding date upon which the Rate(s) of Interest is/are to be determined.]
(viii) Screen Rate Determination:	[●]
- Reference Rate:	[Average SONIA / CMT Rate / Commercial Paper Rate / Compounded Daily SONIA (Index Determination) / Compounded Daily SONIA (Non-Index Determination) / Money Market Yield / EURIBOR / Federal Funds Rate / Prime Rate / SOFR / Compounded SOFR / HIBOR / Treasury Rate / Bond Equivalent Yield]
- Index Maturity:	[●]
- Interest Determination Date(s):	[●] (*Second day on which the T2 System is open prior to the start of each Interest Period if EURIBOR*)
- Relevant Screen Page:	[*specify Relevant Screen Page*] (*In the case of EURIBOR, if not Reuters Page EURIBOR01 ensure it is a page which shows a composite rate or amend the fallback provisions appropriately*)

(ix) Spread:	[+/-][●] percent per annum
(x) Day Count Fraction:	[Actual/365 / Actual/Actual (Historical) / Actual/365 (Fixed) / Actual/360 / 30/360 / 30E/360 / Actual/Actual (Bond)]
(xi) Interest Reset Dates:	[*specify each Interest Reset Date and note whether it is subject to adjustment*]
(xii) Regular Interest Record Dates:	[*specify each Regular Interest Record Date, which date shall be the Business Day immediately prior to the applicable Interest Payment Date*]
Discount Notes Provisions:	[Applicable/Not Applicable] (*If not applicable, delete the remaining sub-paragraphs of this paragraph*)
(i) [Amortization/Accrual] Yield:	[●] per cent per annum
(ii) Reference Price:	[●]
(iii) Day Count Fraction:	[●]

PROVISIONS RELATING TO REDEMPTION

Early Redemption Amount:	
Early Redemption Amount(s) of each Note payable on redemption for taxation reasons or on an Event of Default:	[●] per Note of [●] authorized denomination

GENERAL PROVISIONS APPLICABLE TO THE NOTES

Form of Notes:	[Rule 144A Global Notes: The Notes will initially be represented by one or more DTC Global Notes deposited with [●], as depositary for, and registered in the name of a nominee of, DTC as depositary. Regulation S Global Notes: Notes sold outside of the United States in accordance with Regulation S will initially be issued in the form of one or more Temporary Global Notes. Upon the expiration of the applicable Distribution Compliance Period, beneficial interests in a Temporary Global Note will be exchangeable for beneficial interests in one or more Permanent Global Notes, as and to the extent provided in the Temporary Global Note. The Temporary Global Notes and the Permanent Global Notes will be deposited [with [●] as depositary for, and registered in the name of a nominee of, DTC as depositary]/[with a common depositary and registered in the name of Citivic Nominees Limited as nominee for Euroclear and Clearstream, Luxembourg].]
Principal Financial Center(s) or other special provisions relating to Interest Payment Dates:	[New York, New York and London] [specify any additional principal financial center]
Details relating to Amortizing Notes: amount of each installment, date on which each payment is to be made:	[Not Applicable/*give details*]

Definitive Notes at Request of Holder:	[Applicable/Not Applicable]

DISTRIBUTION

(i) If syndicated, names of Managers:	[Not Applicable/*give names*]
(ii) Stabilizing Manager(s) (if any):	[Not Applicable/*give names*]
(iii) If non-syndicated, name of Dealer:	[Not Applicable/*give names*]
If non-syndicated, name of Dealer:	[Not Applicable/*give names*]

INFORMATION RELATING TO THE FUNDING AGREEMENT

Funding Agreement Provider:	Pacific Life Insurance Company ("**Pacific Life**")
Funding Agreement Number:	[●] (the "**Relevant Funding Agreement**")
Deposit Amount:	[●]
Effective Date:	[●]
Maturity Date:	[●]

RATINGS

Ratings:	[The Notes are expected to be rated: [S&P: [●]] [Fitch: [●]] [Moody's: [●]] The Program is rated: [Moody's: [●]] The ratings of the Notes should be evaluated independently from similar ratings of other types of securities. A security rating is not a recommendation to buy, sell or hold securities and may be subject to review, revision, suspension, reduction or withdrawal at any time by the assigning rating agency.] [The Notes are not expected to be rated.]

OPERATIONAL INFORMATION

CUSIP Number(s):	[●]
ISIN Code(s):	[●]
Common Code(s):	[●]
CFI:	[*See* the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN / Not Applicable]
FISN:	[*See* the website of the Association of National Numbering Agencies (ANNA) or alternatively sourced from the responsible National Numbering Agency that assigned the ISIN / Not Applicable] (*If the CFI and/or FISN is not required, requested or available, it/they should be specified to be "Not Applicable"*)

Relevant Clearing System(s):	[The Depository Trust Company/Euroclear and Clearstream, Luxembourg]
Delivery:	[Delivery [against/free of] payment]
Name and addresses of additional Paying Agent(s) (if any):	[●]
Tradeable Amount:	[●]

PART B – OTHER INFORMATION

LISTING

(i) Listing:	[Euronext Dublin / None]
(ii) Admission to trading:	[Application has been made to Euronext Dublin for the Notes to be admitted to the Official List and trading on the GEM with effect from [●].] [Not Applicable]
(iii) Estimate of total expenses related to admission to trading:	[●]

USE OF PROCEEDS

The proceeds from the current sale of the Notes, net of discounts and commissions or similar applicable compensation, will be used by the Issuer to purchase the Relevant Funding Agreement from Pacific Life.

INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE AND THE OFFER OF THE NOTES

[Except as discussed in "Plan of Distribution" in the Offering Memorandum, so far as the Issuer is aware, no person involved in the offer of the Notes has an interest material to the issue and the offer of the Notes.]

[*FIXED RATE NOTES ONLY* – YIELD

Indication of yield:	[●] The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.]

[LISTING AND ADMISSION TO TRADING APPLICATION

This Pricing Supplement comprises the pricing supplement required to list and have admitted to trading the issue of Notes described herein on Euronext Dublin pursuant to the Issuer's $25,000,000,000 Global Debt Issuance Program.]

RESPONSIBILITY STATEMENT

The Issuer accepts responsibility for the information contained in this Pricing Supplement, which, when read together with the Offering Memorandum referred to above, to the best of its knowledge, and belief in accordance with the facts, contains no omission likely to affect the import of such information.

This Pricing Supplement is executed and delivered by Wilmington Trust, National Association, not individually or personally but solely as Administrative Trustee of the Issuer, in the exercise of the powers and authority conferred and vested in it, (a) each of the representations, undertakings and agreements herein made on the part of the Issuer is made and intended not as personal representations, undertakings and agreements by Wilmington Trust, National

Association but is made and intended for the purpose of binding only the Issuer, (b) nothing herein contained shall be construed as creating any liability on Wilmington Trust, National Association, individually or personally, to perform any covenant either expressed or implied contained herein of the Issuer, all such liability, if any, being expressly waived by the parties hereto and by any Person claiming by, through or under the parties hereto, (c) Wilmington Trust, National Association has made no investigation as to the accuracy or completeness of any representations and warranties made by the Issuer in this Pricing Supplement and (d) under no circumstances shall Wilmington Trust, National Association be personally liable for the payment of any indebtedness or expenses of the Issuer or be liable for the breach or failure of any obligation, representation, warranty or covenant made or undertaken by the Issuer under this Pricing Supplement or any other related documents.

Signed on behalf of

Pacific Life Global Funding II,
with respect to Series [●]

By: Wilmington Trust, National Association,
not in its individual capacity
but solely as Administrative Trustee

By: _____

SUMMARY OF PRINCIPAL DIFFERENCES BETWEEN NEBRASKA STATUTORY ACCOUNTING PRINCIPLES AND IFRS

Statutory basis financial information for Pacific Life has been prepared in accordance with NE SAP. Statutory accounting practices differ in certain respects, which in some cases may be material, from IFRS. A description of significant differences between NE SAP and IFRS is provided below. This summary should not be construed as being exhaustive. Investors must rely on their own examination of Pacific Life and its financial information. Investors should consult their own professional advisors for an understanding of the differences between NE SAP and IFRS and how these differences might affect the financial information included herein. In addition, no attempt has been made to identify all classification, disclosure and presentation differences between NE SAP and IFRS that would affect the manner in which transactions and events are presented in the statutory basis financial statements or notes thereto. No attempt has been made to identify future differences between NE SAP and IFRS as the result of prescribed changes in standards and regulations. In addition, regulatory bodies that promulgate NE SAP and IFRS have significant projects ongoing that could affect future comparisons between NE SAP and IFRS. Finally, no attempt has been made to identify all future differences between NE SAP and IFRS that may affect Pacific Life's statutory basis financial statements as a result of transactions or events that may occur in the future.

Principles of Consolidation

- IFRS focuses on the concept of control to determine whether a subsidiary should be consolidated. Control exists when an entity has the power to direct and influence the activities that significantly affect the investee's returns from its involvement with investees and has the ability to effect those returns through its rights and power over the investee. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. Under NE SAP, subsidiaries and other controlled entities are not consolidated.

Financial Statement Presentation

- The statutory Statement of Cash Flows is prepared under a prescribed format, which differs from the format prescribed by IFRS.

- The statutory basis financial statements have no presentation of other comprehensive income.

Invested Assets

- Investments in bonds and preferred stocks are generally carried at amortized cost under statutory accounting practices with bonds in (or near) default carried at the lower of amortized cost or fair value. Under IFRS, investments in bonds are classified as amortized cost, fair value through other comprehensive income ("**FVOCI**"), or fair value through profit and loss based on the entity's business model and the contractual cash flow characteristics of the instrument.

- IFRS provides an irrevocable option, at initial recognition, to designate certain financial assets and liabilities at fair value through profit and loss when doing so eliminates or significantly reduces an accounting mismatch. This election may not be revised until disposal of the related asset or liability. A comparable fair value election is not available under NE SAP.

- For investments in limited partnerships and common stock in subsidiaries, under NE SAP, the reporting entity's proportionate share of undistributed earnings and losses of the investee are included as a direct adjustment to surplus. For IFRS reporting purposes, the reporting entity recognizes its proportionate share of the investee's profit or loss in profit and loss, with its share of other changes in the investee's equity (such as items recognized in OCI) reflected in OCI or equity, as applicable.

Investment Reserves

- Under NE SAP, an IMR is established to capture realized investment gains and losses, net of tax, on the sale of fixed income investments resulting from changes in the general level of interest rates, and is amortized into income over the remaining years to expected maturity of the assets sold.

- Under IFRS, such gains and losses are recognized at the time of the sale. Under NE SAP, gains or losses resulting from market value adjustments ("**MVA**") on policies and contracts backed by assets that are valued at book / adjusted carrying value are deferred in the IMR and amortized in a manner consistent with the determination of the MVA; no such adjustments are permitted under IFRS.

- Under NE SAP, an AVR is established as a liability to offset potential credit related investment losses, and changes in AVR is recorded as a direct charge to surplus; whereas the AVR is not required under IFRS.

Impairment of Securities

- Under NE SAP, the cost bases of debt and equity securities are adjusted for other-than-temporary impairment ("**OTTI**"). When an OTTI is identified, the cost basis is written down to fair value and the resulting realized loss reported in net income. This determination is based on a wide range of factors including the amount of the decline, the financial condition and near-term prospects of the issuer, the amount of time the fair value has been less than amortized cost and the ability and intent to retain the investment for the period of time sufficient to allow for an anticipated recovery in value.

- Under IFRS , impairment of debt financial assets is based on the Expected Credit Loss ("**ECL**") model rather than an other-than-temporary impairment framework. Entities must recognize an allowance for expected credit losses on all debt instruments measured at amortized cost or fair value through other comprehensive income ("**FVOCI**"). IFRS does not distinguish between "interest-related" and "non-interest-related" impairments, and the OTTI terminology used under SAP does not exist under IFRS.

- A key difference from NE SAP is that IFRS permits the reversal of credit loss allowances when credit risk improves, whereas NE SAP prohibits recognition of market recoveries once a security has been written down.

Derivatives

- Under NE SAP, with respect to derivative instruments used for hedging purposes, carrying value, as well as the recognition of income and changes in fair value, are accounted for consistently with the hedged items; under IFRS, derivative instruments are carried at fair value with changes in fair value reflected in profit and loss.

- Under IFRS, an embedded derivative is required to be separated from the host contract and accounted for separately when its economic characteristics and risks are not closely related to those of the host contract and the host contract is not measured at fair value through profit and loss. NE SAP prohibits an embedded derivative from being separated from the host contract and accounted for separately.

- Assets and liabilities for certain derivative contracts are permitted to be reported on a net basis for NE SAP when certain criteria for offset are met. Under IFRS, derivative assets and liabilities may only be reported net when there is a legally enforceable right of offset and in intention to settle on a net basis or to realize the assets and settle the liabilities simultaneously.

Other Assets and Liabilities

- Under NE SAP, surplus notes are recorded as a component of surplus rather than as debt or a liability; while IFRS generally requires surplus notes to be recorded as debt.

- Under NE SAP, certain assets are not considered available to settle policyholder obligations and are designated as non-admitted and are excluded from admitted assets by a direct charge to surplus; no such concept exist under IFRS.

Insurance Contracts

- Under IFRS, an insurance contract is defined as a "contract under which one party (the insurer) accepts significant insurance risk from another party (the policyholder) by agreeing to compensate the policyholder if a specified uncertain future event (the insured event) adversely affects the policyholder." As a result, most products, except for certain institutional and immediate annuity business, are classified as insurance for IFRS purposes. Under NE SAP, contracts that have any mortality and morbidity risk, regardless of significance, and annuity contracts with life contingent guarantees, are classified as insurance contracts.

- Policy acquisition costs, such as commissions and other costs incurred in connection with acquiring new business, are expensed when incurred under NE SAP. Under IFRS, insurance acquisition cash flows that are directly attributable to the issuance of insurance contracts are deferred and recognized over the coverage period. Acquisition costs on non-insurance contracts (investment contracts) are limited to those costs that are incremental to the sale of the product and are included in the carrying amount of the liability.

- Premiums are generally recorded as revenue under NE SAP and the related benefits are recorded as an expense in the statement of income. Under IFRS, revenue and insurance service expenses are recognized only for contracts classified as insurance contracts. Contracts that do not expose the insurer to significant insurance risk are accounted for as investment contracts with deposits and withdrawals reflected as changes in liabilities rather than revenue or expense.

- Under NE SAP, the statutory policy reserves are based on prescribed mortality or anticipated experience mortality assumption and interest requirements and without consideration of withdrawals and are reported net of reinsurance reserve credits. Under IFRS, insurance contract liabilities are reported gross, with reinsurance recoverables presented separately as an asset.

- Under NE SAP, separate account assets and liabilities, which represent assets and liabilities that are maintained by an insurance enterprise for the purpose of funding certain variable life and annuity contracts, pension plans and similar activities, are reported in the insurance enterprise's statutory basis financial statements as summary totals. Under IFRS, separate account assets and liabilities are presented with the general account assets and liabilities based on the underlying characteristics of the related assets and liabilities.

- The Commissioners' Annuity Reserve Valuation Method ("**CARVM**") expense allowance associated with statutory reserving practices for deferred variable annuities held in the separate accounts is reported in the general account as a negative liability. The CARVM expense allowance is not applicable under IFRS.

Taxes

- Both NE SAP and IFRS use a similar balance sheet approach which distinguishes current taxes from the deferred income taxes that arise from temporary differences in carrying value between statutory and tax basis. NE SAP and IFRS differ over specific exceptions as well as certain recognition and measurement criteria. Under NE SAP, gross deferred tax assets are reduced by a statutory valuation allowance adjustment. Both current tax receivables and net deferred tax assets are subject to the admissibility test under NE SAP. Further, the change in net deferred tax asset or liability is recorded directly to surplus. For IFRS, the net deferred tax asset is only reduced to the extent that management does not expect sufficient taxable profit will be available against which the temporary difference could be utilized.

- Under NE SAP, the effect of a tax law or rate change is reflected in the period in which the change is enacted. Under IFRS, such changes are reported in the period that change is either enacted or "substantially enacted."

ANNEX A

PACIFIC LIFE INSURANCE COMPANY

Financial Statements - Statutory Basis
as of December 31, 2025 and 2024 and
for the years ended December 31, 2025, 2024 and 2023,
Supplemental Schedule of Selected Financial Data
as of and for the year ended December 31, 2025,
Supplemental Summary Investment Schedule,
Supplemental Schedule of Investment Risk Interrogatories,
and Supplemental Schedule of Reinsurance Disclosures
as of December 31, 2025
and Independent Auditor's Report

INDEPENDENT AUDITOR'S REPORT

Pacific Life Insurance Company:

Opinions

We have audited the statutory-basis financial statements of Pacific Life Insurance Company (the "Company"), which comprise the statements of admitted assets, liabilities, and capital and surplus—statutory basis as of December 31, 2025 and 2024, and the related statements of operations—statutory basis, capital and surplus—statutory basis, and cash flows—statutory basis for each of the three years in the period ended December 31, 2025, and the related notes to the statutory-basis financial statements (collectively referred to as the "statutory-basis financial statements").

Unmodified Opinion on Statutory-Basis of Accounting

In our opinion, the accompanying statutory-basis financial statements present fairly, in all material respects, the admitted assets, liabilities, and capital and surplus of the Company as of December 31, 2025 and 2024, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2025, in accordance with the accounting practices prescribed or permitted by the Nebraska Department of Insurance as described in Note 1.

Adverse Opinion on Accounting Principles Generally Accepted in the United States of America

In our opinion, because of the significance of the matter described in the Basis for Adverse Opinion on Accounting Principles Generally Accepted in the United States of America section of our report, the statutory-basis financial statements do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Company as of December 31, 2025 and 2024, or the results of its operations or its cash flows for each of the three years in the period ended December 31, 2025.

Basis for Opinions

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Statutory-Basis Financial Statements section of our report. We are required to be independent of the Company, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Basis for Adverse Opinion on Accounting Principles Generally Accepted in the United States of America

As described in Note 1 to the statutory-basis financial statements, the statutory-basis financial statements are prepared by the Company using the accounting practices prescribed or permitted by the Nebraska Department of Insurance, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of the Nebraska Department of Insurance. The effects on the statutory-basis financial statements of the variances between the statutory-basis of accounting described in Note 2 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material and pervasive.

Responsibilities of Management for the Statutory-Basis Financial Statements

Management is responsible for the preparation and fair presentation of the statutory-basis financial statements in accordance with the accounting practices prescribed or permitted by the Nebraska Department of Insurance. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of statutory-basis financial statements that are free from material misstatement, whether due to fraud or error. In preparing the statutory-basis financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for one year after the date that the statutory-basis financial statements are issued.

Auditor's Responsibilities for the Audit of the Statutory-Basis Financial Statements

Our objectives are to obtain reasonable assurance about whether the statutory-basis financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the statutory-basis financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the statutory-basis financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the statutory-basis financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the statutory-basis financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control–related matters that we identified during the audit.

Report on Supplemental Schedules

Our 2025 audit was conducted for the purpose of forming an opinion on the 2025 statutory-basis financial statements as a whole. The supplemental schedule of selected financial data, the supplemental summary investment schedule, the supplemental schedule of investment risk interrogatories, and the supplemental schedule of reinsurance disclosures as of and for the year ended December 31, 2025 are presented for purposes of additional analysis and are not a required part of the 2025 statutory-basis financial statements. These schedules are the responsibility of the Company's management and were derived from and relate directly to the underlying accounting and other records used to prepare the statutory-basis financial statements. Such schedules have been subjected to the auditing procedures applied in our audit of the 2025 statutory-basis financial statements and certain additional procedures, including comparing and reconciling such schedules directly to the underlying accounting and other records used to prepare the statutory-basis financial statements or to the statutory-basis financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, such schedules are fairly stated in all material respects in relation to the 2025 statutory-basis financial statements as a whole.

/s/ Deloitte & Touche LLP

Costa Mesa, California
March 17, 2026

STATEMENTS OF ADMITTED ASSETS, LIABILITIES AND CAPITAL AND SURPLUS-STATUTORY BASIS

(In Millions, except share data)	December 31, 2025	2024
ADMITTED ASSETS		
Bonds	$91,537	$82,251
Preferred stocks	57	1
Common stocks	754	755
Mortgage loans	21,862	19,596
Real estate	63	70
Cash, cash equivalents and short-term investments	2,431	2,864
Contract loans	8,795	8,527
Derivatives	3,866	3,209
Securities lending reinvested collateral assets	5,523	1,793
Other invested assets	18,554	13,563
Investment income due and accrued	1,117	945
Net deferred tax asset	824	1,009
Other assets	2,070	2,516
Separate account assets	82,989	72,114
TOTAL ADMITTED ASSETS	$240,442	$209,213
LIABILITIES AND CAPITAL AND SURPLUS		
Liabilities:		
Aggregate reserves	$75,450	$73,036
Liability for deposit-type contracts	37,682	28,797
Transfers to separate accounts due or accrued, net	(776)	(467)
Funds held under coinsurance	15,144	13,259
Other liabilities	12,421	8,275
Asset valuation reserve	2,955	2,050
Separate account liabilities	82,989	72,114
TOTAL LIABILITIES	225,865	197,064
Capital and Surplus:		
Common stock - $50 par value; 600,000 shares authorized, issued and outstanding	30	30
Paid-in surplus	2,536	2,536
Other surplus adjustments	77	80
Special surplus funds	554	491
Unassigned surplus	9,175	7,557
Surplus notes	2,205	1,455
TOTAL CAPITAL AND SURPLUS	14,577	12,149
TOTAL LIABILITIES AND CAPITAL AND SURPLUS	$240,442	$209,213

See Notes to Financial Statements - Statutory Basis

Pacific Life Insurance Company

STATEMENTS OF OPERATIONS-STATUTORY BASIS

(In Millions)	Years Ended December 31, 2025	2024	2023
REVENUES			
Premiums and annuity considerations	$18,161	$13,678	$3,955
Net investment income	4,640	3,946	3,818
Reserve adjustments on reinsurance ceded	965	(1,023)	(526)
Separate account fees	1,473	1,406	1,329
Other income	525	394	169
TOTAL REVENUES	25,764	18,401	8,745
BENEFITS AND EXPENSES			
Current and future policy benefits	22,543	16,624	7,702
Commission expense	1,597	1,563	1,078
Operating expenses	2,081	1,787	1,177
TOTAL BENEFITS AND EXPENSES	26,221	19,974	9,957
NET LOSS BEFORE FEDERAL INCOME TAXES	(457)	(1,573)	(1,212)
Federal income tax expense (benefit)	243	79	(26)
NET LOSS FROM OPERATIONS	(700)	(1,652)	(1,186)
Net realized capital gains less tax	2,266	1,830	1,237
NET INCOME	$1,566	$178	$51

See Notes to Financial Statements - Statutory Basis

STATEMENTS OF CAPITAL AND SURPLUS-STATUTORY BASIS

(In Millions)	Common Stock	Paid-in Surplus	Other Surplus Adjustments	Special Surplus Funds	Unassigned Surplus	Surplus Notes	Total
BALANCES, JANUARY 1, 2023	$30	$2,536	$91	$328	$7,129	$1,588	$11,702
Net income (loss)				(108)	159		51
Change in net unrealized capital gains (losses) less tax				(32)	113		81
Change in net deferred income tax					94		94
Change in nonadmitted assets					233		233
Change in asset valuation reserve					(252)		(252)
Surplus contributed to separate accounts					(198)		(198)
Other changes in surplus in separate accounts					198		198
Other surplus adjustment for derivatives			(8)				(8)
Prior period adjustment				26	(5)		21
Net change in surplus notes						(133)	(133)
Other surplus adjustments				17	(14)		3
BALANCES, DECEMBER 31, 2023	30	2,536	83	231	7,457	1,455	11,792
Net income				6	172		178
Change in net unrealized capital gains less tax				176	294		470
Change in net deferred income tax					58		58
Change in nonadmitted assets					147		147
Change in asset valuation reserve					(627)		(627)
Surplus contributed to separate accounts					(120)		(120)
Other changes in surplus in separate accounts					120		120
Other surplus adjustment for derivatives			(3)				(3)
Reinsurance gain deferral					134		134
Other surplus adjustments				78	(78)		—
BALANCES, DECEMBER 31, 2024	30	2,536	80	491	7,557	1,455	12,149
Net income (loss)				(17)	1,583		1,566
Change in net unrealized capital gains (losses) less tax				(29)	504		475
Change in net deferred income tax					(70)		(70)
Change in nonadmitted assets					137		137
Change in asset valuation reserve					(905)		(905)
Surplus contributed to separate accounts					(104)		(104)
Other changes in surplus in separate accounts					117		117
Dividend to parent					(50)		(50)
Other surplus adjustment for derivatives			(3)				(3)
Net change in surplus notes						750	750
Reinsurance gain deferral					517		517
Other surplus adjustments				109	(111)		(2)
BALANCES, DECEMBER 31, 2025	$30	$2,536	$77	$554	$9,175	$2,205	$14,577

See Notes to Financial Statements - Statutory Basis

Pacific Life Insurance Company

STATEMENTS OF CASH FLOWS-STATUTORY BASIS

(In Millions)	Years Ended December 31, 2025	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES			
Premiums collected, net of reinsurance	$19,739	$14,884	$15,354
Net investment income	5,735	4,649	3,826
Other income	3,142	878	1,115
Benefits and loss related payments	(18,208)	(15,932)	(14,755)
Net transfers (to) from separate accounts	(2,386)	632	40
Commissions, expenses paid and other deductions	(3,810)	(3,397)	(2,304)
Dividends paid to policyholders	(8)	(8)	(8)
Federal income taxes recovered, net	391	26	4
NET CASH PROVIDED BY OPERATING ACTIVITIES	4,595	1,732	3,272
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from investments sold, matured or repaid:			
Bonds	21,655	12,064	6,211
Stocks	188	64	124
Mortgage loans	1,993	1,048	984
Other invested assets	3,568	6,351	5,634
Miscellaneous proceeds	3,030	4,050	2,705
Cost of investments acquired:			
Bonds	(30,738)	(18,126)	(9,359)
Stocks	(157)	(72)	(66)
Mortgage loans	(4,239)	(2,344)	(790)
Other invested assets	(7,498)	(8,137)	(6,232)
Miscellaneous applications	(6,472)	(2,209)	(1,986)
Net increase in contract loans	(269)	(339)	(590)
NET CASH USED IN INVESTING ACTIVITIES	(18,939)	(7,650)	(3,365)
CASH FLOWS FROM FINANCING AND MISCELLANEOUS ACTIVITIES			
Net deposits on deposit-type contracts	8,236	6,557	2,975
Issuance of surplus note	750		
Redemption of surplus notes			(134)
Dividend to parent	(50)		
Other cash provided (applied)	4,975	(793)	(618)
NET CASH PROVIDED BY FINANCING AND MISCELLANEOUS ACTIVITIES	13,911	5,764	2,223
Net change in cash, cash equivalents and short-term investments	(433)	(154)	2,130
Cash, cash equivalents and short-term investments, beginning of year	2,864	3,018	888
CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS, END OF YEAR	$2,431	$2,864	$3,018

(Continued)

STATEMENTS OF CASH FLOWS-STATUTORY BASIS

(In Millions)	Years Ended December 31, 2025	2024	2023
(Continued)			
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION			
Interest paid	$83	$81	$112
NON-CASH TRANSACTIONS			
Net non-cash premiums ceded in reinsurance transactions	1,505	1,041	11,349
Bond exchanges	1,086	828	629
Other invested assets transferred to affiliated fund	203	95	1,043
Low-income housing tax credit	299	50	
Bond interest in-kind received	36	38	1
Asset transfer due to novation of reinsurance treaty	37	564	
Transfer of assets between investment types	174	108	123
Premiums received as asset in-kind and interest purchased and transferred to separate account		423	
Mortgage loan foreclosed and collateral directly contributed to affiliate		245	
Bond dividends received from Pacific Alliance Reinsurance Company of Vermont		49	
Federal tax credits received		173	257
Stocks disposed and acquired			184
Assets in-kind received due to sale of Pacific Asset Management, LLC			169
Assets in-kind transferred to Pacific Life & Annuity Company			49

See Notes to Financial Statements - Statutory Basis

1. NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

NATURE OF OPERATIONS

Pacific Life Insurance Company (Pacific Life or the Company) was established in 1868 and is a stock life insurance company domiciled in the State of Nebraska. The Company is a wholly owned subsidiary of Pacific LifeCorp, an intermediate Delaware stock holding company. Pacific LifeCorp is a wholly owned subsidiary of Pacific Mutual Holding Company (PMHC), a Nebraska mutual holding company.

The Company and its subsidiaries have primary business operations in the United States consisting of life insurance, annuities, and reinsurance. The Company provides life insurance products, individual annuities and mutual funds, and investment products and services to individuals and businesses.

BASIS OF PRESENTATION

The Company prepares its financial statements - statutory basis in accordance with accounting practices prescribed or permitted by the Nebraska Department of Insurance (NE DOI). The National Association of Insurance Commissioners' (NAIC) *Accounting Practices and Procedures Manual* (NAIC SAP) has been adopted as a component of prescribed or permitted practices by the NE DOI. Prescribed statutory accounting practices include state laws and regulations. Additionally, the Director of the NE DOI has the right to permit other specific practices, which deviate from prescribed practices.

During 2024, the Company applied Nebraska Revised Statute 44-2222 to its non-insulated separate account for its registered index-linked annuities product in order to align with how the Company manages and measures the overall general account portfolio. The state prescribed practice allows for assets, other than derivatives, to be transferred between the general account and non-insulated separate account at book value instead of fair value, in accordance with NAIC Statement of Statutory Accounting Principles (SSAP) No. 56, *Separate Accounts.* For the years ended December 31, 2025 and 2024, there were no assets transferred between the general account and non-insulated separate account.

The NE DOI approved a permitted accounting practice, effective January 1, 2022, allowing the Company to calculate the policy reserves for funding agreements based on a methodology that differs from the NAIC SAP. Policy reserves for funding agreements were calculated based on SSAP No. 52, *Deposit-Type Contracts*, and the reserving methodologies in Appendices A-820 and A-822 which utilized a reference rate in the valuation interest rate calculation based on an average of a historical twelve-month period ending on June 30 of the calendar year of issue or purchase. In the permitted practice, the Company utilized a reference rate in the valuation interest rate calculation based on the day of the funding agreement issuance which resulted in a policy reserve less than or equal to the NAIC SAP policy reserve.

The NAIC's Life Actuarial Task Force adopted Amendment Proposal Form 2024-05 for the 2025 Valuation Manual (VM), which allows a monthly determination of the statutory maximum valuation rate for the Company's funding agreements, with domiciliary Commissioner approval. The Company received Commissioner approval to determine statutory maximum valuation rates as described in VM Section II Subsection 3(C) for contracts issued on or after January 1, 2017 (the operative date of the VM), effective January 1, 2025. The Company shall continue to determine statutory maximum valuation rates using the same methodology for future valuations. The Company's permitted practice was no longer used subsequent to December 31, 2024.

The following table reconciles the Company's net income and statutory capital and surplus between NAIC SAP and practices prescribed or permitted by the NE DOI:

	Years Ended December 31,		
	2025	2024	2023
	(In Millions)		
Net income, Nebraska basis	$1,566	$178	$51
State permitted practice:			
Change in policy reserves		(8)	21
Net income, NAIC SAP	$1,566	$186	$30

	December 31,	
	2025	2024
	(In Millions)	
Statutory capital and surplus, Nebraska basis	$14,577	$12,149
State permitted practice:		
Change in policy reserves		29
Statutory capital and surplus, NAIC SAP	$14,577	$12,120

NAIC SAP and accounting practices prescribed or permitted by the NE DOI differ in certain respects from accounting principles generally accepted in the United States of America (U.S. GAAP), which in some cases may be material. See Note 2.

In September 2023, the Company signed an indemnity reinsurance agreement with Hannover Life Reassurance Company of America (Bermuda) LTD to cede risks under certain indexed universal life insurance policies issued by the Company. Upon inception of the agreement, the Company recognized a funds held under coinsurance balance and a reduction to aggregate reserves. See Note 10.

Effective September 2024, the Company entered into a coinsurance with funds withheld agreement to cede certain group annuities to Pacific Life Re Global Limited (RGBM), a wholly-owned indirect subsidiary of Pacific LifeCorp domiciled in Bermuda. Upon inception of the agreement, the Company recognized additional funds held under coinsurance balance and a reduction to aggregate reserves. See Note 10.

In August 2025, the Company and its subsidiary Pacific Life & Annuity Company (PL&A) entered into an assumption reinsurance agreement to assume certain annuity obligations of an insolvent insurer. In December 2025, the court was petitioned to approve the agreement and the related transaction. The hearing on the petition is scheduled for March 2026. See Note 10.

Effective September 2025, the Company entered into a modified coinsurance agreement to cede certain group annuities to RGBM. As part of this agreement, the Company recognized a gain in surplus. The Company also amended and restated its September 2024 coinsurance with funds withheld agreement with RGBM to cede an additional block of certain group annuities. As part of the new agreement, the Company recognized a reserve credit and a gain in surplus. See Note 10.

During 2025, the Company determined the balances associated with certain other assets and other liabilities were not properly classified as of December 31, 2024, resulting in an understatement of other assets and other liabilities of $93 million. There was no impact to surplus or net income (loss).

Subsequent to the filing of the Company's 2025 Annual Statement, the Company determined that the disclosure of premiums, considerations or deposits related to separate accounts without guarantees was not properly presented for the year ended December 31, 2025, which resulted in a disclosure understatement of $4.1 billion. The amount was correctly disclosed in the audited financial statements - statutory basis (see Note 17). There was no impact to assets, liabilities, surplus or net income (loss).

The Company has evaluated events subsequent to December 31, 2025 through the date the financial statements - statutory basis were available to be issued and has concluded that no events have occurred that require adjustments to these financial statements - statutory basis.

USE OF ESTIMATES

The preparation of financial statements - statutory basis in conformity with accounting practices prescribed or permitted by regulatory authorities requires management to make estimates and assumptions that affect the reported amounts of admitted assets and liabilities. It also requires disclosure of contingent assets and liabilities at the date of the financial statements - statutory basis and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

RECENTLY ADOPTED ACCOUNTING PRONOUNCEMENTS

Effective January 1, 2025, the Company adopted revisions to SSAP No. 21, *Other Admitted Assets*, SSAP No. 26, *Bonds*, SSAP No. 41, *Surplus Notes*, and SSAP No. 43, *Asset-Backed Securities*, as part of the Principles-Based Bond Definition Project. These revisions define bonds as any security representing a creditor relationship, whereby there is a fixed schedule for one or more future payments, which qualifies as either an issuer credit obligation or an asset-backed security, previously referred to collectively as loan-backed and structured securities (LBASS). The Company adopted the new guidance on a prospective basis, along with the corresponding changes to disclosures in Notes 3 and 4. Changes in measurement for securities reclassified under the bond definition are reported in surplus as change in net unrealized capital gains (losses) less tax. Securities with a change in measurement basis had a carrying value of $13 million as of December 31, 2024 and resulted in an aggregate surplus impact of $0.4 million.

In January 2024, the NAIC adopted Interpretation 23-04, *Scottish Re Life Reinsurance Liquidation Questions*, which addresses accounting and reporting for reinsurance receivables from Scottish Re's estate including impairment analysis and admissibility of reinsurance recoverables. This interpretation is to be applied generically. See Note 10.

Effective August 2023, the Company adopted revisions in Interpretation 23-01, *Net Negative (Disallowed) Interest Maintenance Reserve* (INT 23-01), that amends SSAP No. 7, *Asset Valuation Reserve and Interest Maintenance Reserve*, and the annual statement instructions for the reporting of net negative (disallowed) interest maintenance reserve (IMR) which provides optional, limited-time guidance allowing the admittance of net negative (disallowed) IMR up to 10% of adjusted capital and surplus. As detailed within the additional revisions adopted in August 2025, this change will be effective until December 31, 2026, and automatically nullified on January 1, 2027, but the effective date can be adjusted. See Note 3 for additional disclosures.

INVESTMENTS

Bonds not backed by other loans are generally stated at amortized cost using the effective interest method. Bonds, including asset-backed securities, with a NAIC designation of 6 are stated at the lower of amortized cost or fair value with changes in fair value recorded in unassigned surplus as a change in net unrealized capital gains (losses) less tax. Perpetual bonds that do not possess or no longer possess an effective call option shall be reported at fair value regardless of NAIC designation, otherwise reported at amortized cost. Securities that do not meet the definition of a bond are carried at the lower of cost or market and reported as other invested assets.

Asset-backed securities are generally stated at amortized cost using the effective interest method. Income is determined considering anticipated cash flows based on industry prepayment models and internal estimates. These assumptions are consistent with the current interest rate and economic conditions at the time of valuation. For asset-backed securities purchased with high credit quality and fixed interest rates, the effective yield is recalculated on a retrospective basis. For all other asset-backed securities, including those where cash flows are deemed other than temporarily impaired, effective yield is recalculated on a prospective basis.

Preferred stocks are generally stated at amortized cost. Preferred stocks designated as low quality, lower quality and in or near default are stated at the lower of amortized cost or fair value with changes in fair value recorded in unassigned surplus as a change in net unrealized capital gains (losses) less tax. Perpetual preferred stocks are reported at fair value, not to exceed any current effective call price, with changes in fair value recorded in unassigned surplus as a change in net unrealized capital gains (losses) less tax.

Investments in unaffiliated common stocks are valued at fair value with changes in fair value recorded in unassigned surplus as a change in net unrealized capital gains (losses) less tax.

Investments in common stock of subsidiary, controlled and affiliated (SCA) insurance companies are carried at the statutory capital and surplus of the entity. Investments in non-insurance SCA entities are carried at the audited U.S. GAAP equity of the investee, with adjustments taken based on statutory principles of accounting when required. The carrying value of non-insurance SCAs where an audit was not performed are nonadmitted.

Distributions to the Company from subsidiaries, reflecting net revenues and expenses, net of taxes, are recorded by the Company as net investment income when declared, with a corresponding reduction to unassigned surplus, to the extent they are not in excess of undistributed accumulated earnings. Any dividends declared in excess of the undistributed accumulated earnings are recorded as a return of capital which is a reduction of the investment. Any undistributed net revenue and expense, net of tax, is recorded to unassigned surplus as a change in net unrealized capital gains (losses) less tax.

The Company has investments in mutual funds managed by affiliates. Investments in affiliated mutual funds are carried at fair value. Investments in affiliated bonds are generally valued at amortized cost except those with an NAIC designation of 6, which are reported at the lower of amortized cost or fair value.

Other than temporary impairment (OTTI) evaluation is a quantitative and qualitative process subject to significant estimates and management judgment. The Company has controls and procedures in place to monitor securities and identify those that are subject to greater analysis for OTTI. The Company has an investment impairment committee that reviews and evaluates investments for potential OTTI at least on a quarterly basis.

The Company writes down all investments that are deemed to be other than temporarily impaired in the period the securities are deemed to be impaired. Investments in common stock, preferred stock, and bonds, except for asset-backed securities, are written down to fair value. Investments in asset-backed securities are written down to the present value of cash flows expected to be collected, discounted at the security's effective interest rate. Any investment that the Company intends to sell at a realized loss or would be required to sell at a realized loss prior to recovery is written down to fair value. The Company records OTTI in net realized capital gains (losses) less tax.

In determining whether a decline in value is other than temporary, the Company considers several factors including, but not limited to the following: the extent and duration of the decline in value, the reasons for the decline (credit event, currency or interest rate related, including spread widening), the Company’s inability or lack of intent to retain the investment for a period of time sufficient to recover the amortized cost basis, and the performance of the security’s underlying collateral and projected future cash flows. In projecting future cash flows, the Company incorporates inputs from third-party sources and applies reasonable judgment in developing assumptions used to estimate the probability and timing of collecting all contractual cash flows.

Mortgage loans on real estate are carried at their unpaid principal balance, net of deferred origination fees, unamortized premiums and discounts, and impairment losses. Mortgage loans on real estate do not include accrued interest, which is included in investment income due and accrued.

The Company accrues interest income on impaired loans and bonds to the extent it is deemed collectible, and the loans and bonds continue to perform under their original or restructured contractual terms. If any interest income due and accrued is deemed uncollectible, interest accrual ceases and previously accrued amounts are written off. Accrued interest income more than 180 days past due deemed collectible on mortgage loans in default is nonadmitted. All other investment income due and accrued over 90 days past due is nonadmitted. The Company generally recognizes interest income on its impaired loans upon receipt. Gross and admitted amounts for interest income due and accrued were $1.1 billion and $945 million as of December 31, 2025 and 2024, respectively. The cumulative amount of paid-in-kind interest included in the principal balance was $77 million and $50 million as of December 31, 2025 and 2024, respectively.

Investment real estate is valued at the lower of depreciated cost or market, less related mortgage debt, cumulative write downs and valuation adjustments. Depreciation of investment real estate is computed using the straight line method over estimated useful lives, which range from 5 to 50 years. Real estate investments are evaluated for impairment based on the future estimated undiscounted cash flows expected to be received during the estimated holding period. When the future estimated undiscounted cash flows are less than the current carrying value of the property (gross cost less accumulated depreciation), the property is considered impaired and is written down to its fair value through net realized capital gains (losses) less tax.

Short-term investments are stated at amortized cost and approximate fair value. Short-term investments include, but are not limited to, bonds and commercial paper whose maturities at the time of purchase were greater than three months and less than or equal to one year. Cash and cash equivalents are stated at amortized cost and approximate fair value. Cash and cash equivalents include money market instruments, cash on deposit and highly liquid debt instruments with maturities of three months or less from purchase date.

Contract loans are carried at their unpaid principal balance.

The Company generally carries its investments in joint ventures, partnerships and limited liability companies based on the underlying audited U.S. GAAP equity of the investee. These investments include affiliated companies as well as those where the Company has minor ownership interests. These assets are reported in other invested assets with changes in value recorded in unassigned surplus as a change in net unrealized capital gains (losses) less tax. An impairment occurs if it is probable that the Company will be unable to recover the carrying amount of the investment. The investment is written down to fair value as the new cost basis, and OTTI is recorded in net realized capital gains (losses) less tax.

The Company records investments in tax credit structures, including remaining unfunded commitments, within other invested assets at amortized cost and amortizes the excess of the carrying value over the estimated residual value into net investment income using the proportional amortization method. The Company records the federal tax credits from investments in tax credit structures as a reduction to federal income tax expense in the year allocated and records state tax credits from investments in tax credit structures as a reduction to operating expenses in the year allocated. The Company recognizes federal and state tax benefits other than tax credits as a component of federal income tax expense and operating expenses, respectively, when allocated.

The Company is the owner and beneficiary of life insurance policies captured under SSAP No. 21, *Other Admitted Asset*s. As of December 31, 2025, the cash surrender value was $545 million, which consisted of 51% of stocks, 48% other invested assets, and 1% of cash and short-term investments. As of December 31, 2024, the cash surrender value was $254 million, which consisted of 99% stocks and 1% cash and short-term investments.

DERIVATIVE INSTRUMENTS

The Company applies hedge accounting as prescribed by SSAP No. 86, *Derivatives*, by designating derivative instruments as either fair value or cash flow hedges. To qualify for hedge accounting, at the inception of the hedging relationship, the Company formally documents its risk management objective and strategy for undertaking the hedging transaction. In this documentation, the Company specifically identifies the asset, liability, firm commitment, or forecasted transaction that has been designated as the hedged item and states how the hedging instrument is expected to hedge the risks related to the hedged item. A derivative designated as a hedging instrument must be assessed as being highly effective in offsetting the designated risk of the hedged item. Hedge effectiveness is formally assessed at inception and throughout the life of the hedging relationship.

Derivative instruments used in hedging transactions that meet the criteria of a highly effective hedge are considered effective hedges and are reported in the financial statements - statutory basis in a manner consistent with the hedged asset or liability (amortized cost or fair value). Changes in the carrying value of derivatives that qualify for hedge accounting are recorded consistently with how the changes in the carrying value of the hedged asset or liability are recorded. For foreign currency swaps, changes in fair value attributable to changes in foreign exchange rates are reflected as adjustments to unassigned surplus as a change in net unrealized capital gains (losses) less tax consistent with the hedged items.

To the extent the Company chooses not to designate a derivative as a hedge or the designated derivative no longer meets the criteria of an effective hedge, the derivative is accounted for at fair value with changes in fair value recorded in unassigned surplus as a change in net unrealized capital gains (losses) less tax. When these derivative instruments are terminated, the gains and losses are reported as net realized capital gains (losses) less tax.

The carrying value of derivatives is calculated based on the gross derivative asset or liability position. If the carrying value of the derivative is positive, the amount is recorded in derivatives. If the carrying value of the derivative is negative, the amount is recorded in other liabilities. The Company's receivable for the return of cash collateral pledged is recorded in other invested assets. The Company's obligation to return cash collateral received is recorded in other liabilities.

Gains and losses on terminated derivative instruments that are hedging bonds are subject to the IMR. Gains and losses on terminated forward starting swap positions that are hedging anticipatory purchases of bonds are deferred to unearned investment income, included in other liabilities, if the effective date of the forward starting swap is beyond the current fiscal year. Once the effective date is within the current fiscal year, the gains and losses are transferred from unearned investment income to the IMR and amortized to net investment income over the life of the bond. Gains and losses on terminated derivative instruments that are hedging the surplus notes are recorded directly to surplus in other surplus adjustments and amortized as an increase in net investment income over the life of the surplus notes utilizing the effective interest method.

Periodic net settlements on derivatives designated as hedges are recorded on an accrual basis consistent with the hedged items and for hedging derivatives designated under SSAP No. 108, *Derivatives Hedging Variable Annuity Guarantees*, in net investment income. Periodic net settlements on derivatives not designated as hedging are recorded on an accrual basis in net investment income.

The Company also applies hedge accounting as prescribed by SSAP No. 108, *Derivatives Hedging Variable Annuity Guarantees*. Designated derivatives are reported at fair value and fair value fluctuations attributable to the hedged risk that offsets the current period change in the designated portion of the VM-21 reserve liability are reported in net realized capital gains (losses) less tax. Fair value fluctuations attributable to the hedged risk that do not offset the current period change in the designated portion of the VM-21 reserve liability are recognized as a deferred asset (admitted) reported in other assets or or a deferred liability in other liabilities. An amount equal to the net deferred asset or liability must be allocated from unassigned surplus and presented separately as special surplus funds. The deferred asset or liability is amortized on a straight-line basis over a period not to exceed 10 years into net realized capital gains (losses) less tax with a corresponding reallocation from special surplus funds to unassigned surplus.

The periodic cash flows resulting from the termination of derivative contracts are reflected on a gross basis within the statements of cash flows - statutory basis. Cash received on termination, resulting in a realized gain, is reported in miscellaneous proceeds with cash paid upon termination, resulting in a realized loss, reported in miscellaneous applications.

ASSET VALUATION RESERVE AND INTEREST MAINTENANCE RESERVE

The asset valuation reserve (AVR) is computed in accordance with a prescribed formula and is designed to stabilize surplus against valuation and credit-related losses for certain investments. Changes to the AVR are reported as direct additions to, or deductions from, unassigned surplus. The IMR results in the deferral of after tax realized capital gains and losses attributable to interest rate fluctuations on bonds and other investments. These capital gains and losses are amortized into net investment income over the remaining life of the investment sold. Net negative (disallowed) IMR is admitted up to 10% of adjusted capital and surplus under INT 23-01 and reported in other assets.

NET INVESTMENT INCOME

Net investment income consists of interest, dividend, and accretion income, net of amortization and investment expenses, partnership realized income, and periodic net settlements on derivatives. Interest income for bonds and redeemable preferred stock is recognized on an accrual basis. Dividend income for perpetual preferred stock and common stock is recognized as earned on the ex-dividend date. Amortization and accretion are determined by the effective interest method based on estimated principal repayments. Accrual of interest income is suspended, and any existing accrual balances are written off, for bonds that are in default or when it is probable the interest due and accrued is uncollectible. Prepayment penalties for bonds and prepayment premiums for mortgage loans are recorded as net investment income. Investment income from SCA entities is described above. Interest expense on surplus notes is also recorded in net investment income.

NET REALIZED CAPITAL GAINS (LOSSES)

Net realized capital gains (losses) are determined on the specific identification method and are presented net of Federal income taxes and transfers to the IMR.

AGGREGATE RESERVES AND LIABILITY FOR DEPOSIT-TYPE CONTRACTS

Life insurance reserves are valued using the net level premium method, the Commissioners' Reserve Valuation Method (CRVM), or other modified reserve methods. Reserves for individual variable annuities are held in accordance with VM-21. Reserves for individual fixed annuities are maintained using the Commissioners' Annuity Reserve Valuation Method. Group annuity reserves are valued using the CRVM.

The Company establishes loss liabilities for claims that have been incurred before the valuation date, but have not yet been paid. An expense liability is established associated with paying those claims.

The Company waives deduction of deferred fractional premium upon death of insured. The Company does not return any portion of the final premium for periods beyond the date of death. Continuous or modal premium assumptions are used for all reserves. All reserves are equal to the greater of the computed reserve and surrender value or, on certain products, a higher alternative comparison value.

Payments received on deposit-type contracts, which do not incorporate any mortality or morbidity risk, are recorded directly to the liability for deposit-type contracts. Interest credited to deposit-type contracts is recorded as an expense in the statements of operations - statutory basis when earned under the terms of the contract. Payments to contract holders are recorded as current and future policy benefits expense to the extent that such payments differ from the recorded liability.

SEPARATE ACCOUNTS

Separate account assets represent legally segregated funds and are recorded at either fair value or amortized cost. Separate account liabilities represent the Company's contractual obligations based on the provisions of the contracts. All contractual guarantees are recorded in general account aggregate reserves.

Variable universal life, variable annuity, group annuity, and registered index-linked annuity products are classified as separate account products under statutory accounting principles. Variable annuities (individual and group) and variable universal life products are also classified as separate account products under U.S. GAAP. Group annuities are classified as general account products under U.S. GAAP due to the investment risk being retained by the general account. Registered index-linked annuities are classified as general account products under U.S. GAAP as the contract is a non-insulated, non-unitized separate account and investment risk is retained by the general account.

TRANSFERS TO SEPARATE ACCOUNTS DUE OR ACCRUED, NET

Transfers to separate accounts due or accrued consist primarily of amounts accrued from the separate account for expense allowances recognized in reserves. These amounts represent the excess of separate account contract values over statutory reserves held in the separate account.

REVENUES, BENEFITS AND EXPENSES

Life insurance premiums are recognized as income when due from the policyholder under the terms of the insurance contract. Premiums for flexible premium products are recognized when received from the policyholder. Annuity considerations are recognized as premiums when received.

Expenses incurred in connection with acquiring new insurance business, including acquisition costs such as sales commissions, are charged to operations as incurred.

FOREIGN CURRENCY

The Company has financial instruments denominated in currencies other than the U.S. dollar. All assets and liabilities denominated in foreign currencies are remeasured at year end exchange rates, while revenue and expenses are measured at the transaction date and recorded in net unrealized capital gains (losses) less tax. The Company primarily uses foreign currency interest rate swaps to manage its foreign exchange risk.

FEDERAL INCOME TAXES

The Company is taxed as a life insurance company for income tax purposes, and its operations are included in the consolidated Federal income tax return of PMHC. The method of tax allocation between companies is subject to written tax sharing agreements, approved by the Company's Board of Directors. Allocation is based upon separate return calculations with current credit for net losses to the extent utilized in the consolidated return. If the consolidated return has tax losses, intercompany balances are generally settled as refunds are received. If the consolidated return has a tax payable, the intercompany balances are generally settled as paid.

RISK-BASED CAPITAL

Risk-based capital is a method developed by the NAIC to measure the minimum amount of capital appropriate for an insurance company to support its overall business operations in consideration of its size and risk profile. The formulas for determining the amount of risk-based capital specify various weighting factors that are applied to financial balances or various levels of activity based on the perceived degree of risk. Additionally, certain risks are required to be measured using actuarial cash flow modeling techniques, subject to formulaic minimums. The adequacy of a company's actual capital is measured by a comparison to the risk-based capital results. Companies below minimum risk-based capital requirements are classified within certain levels, each of which requires specified corrective action. As of December 31, 2025 and 2024, the Company exceeded the minimum risk-based capital requirements.

2. COMPARISON OF NAIC SAP TO U.S. GAAP

The objectives of U.S. GAAP reporting differ from the objectives of NAIC SAP reporting. U.S. GAAP stresses measurement of earnings of a business from period to period, while NAIC SAP stresses measurement of ability to pay claims in the future.

The Company prepares its financial statements - statutory basis in accordance with statutory accounting practices prescribed or permitted by the NE DOI, which is a comprehensive basis of accounting other than U.S. GAAP. NAIC SAP and accounting practices prescribed or permitted by the NE DOI (Note 1) primarily differ from U.S. GAAP by charging policy acquisition costs to expense as incurred, recognizing certain policy fees as revenue when billed, establishing future policy benefit liabilities using different actuarial assumptions and methods, reporting surplus notes as surplus instead of debt, as well as reporting investments and certain assets and accounting for deferred income taxes on a different basis.

3. INVESTMENTS

BONDS, SHORT-TERM INVESTMENTS, AND CASH EQUIVALENTS

The following table presents bonds by asset type in accordance with new guidance adopted January 1, 2025. See Note 4 for information on the Company's fair value measurements.

	Carrying Value	Fair Value	Net Unrealized Gains (Losses)
		(In Millions)	
December 31, 2025:			
Issuer credit obligations:			
U.S. government obligations	$472	$445	($27)
Non-U.S sovereign jurisdiction securities	1,765	1,737	(28)
Municipal bonds - general obligation	436	392	(44)
Municipal bonds - special revenue	2,247	2,089	(158)
Project finance bonds issued by operating entities	3,818	3,732	(86)
Corporate bonds	49,251	46,724	(2,527)
Single entity backed obligations	2,022	1,911	(111)
Bonds issued by funds representing operating entities	3,077	3,009	(68)
Bank loans - acquired	1,846	1,831	(15)
Other issuer credit obligations	20	20	
Asset-backed securities:			
Agency residential mortgage-backed securities (RMBS) - guaranteed	12	12	
Agency commercial mortgage-backed securities (CMBS) - guaranteed	1	1	
Agency RMBS - not guaranteed	356	342	(14)
Non-agency RMBS	2,952	2,886	(66)
Non-agency CMBS	4,240	4,115	(125)
Non-agency collateralized obligations	6,944	6,959	15
Other financial asset-backed securities	4,491	4,456	(35)
Equity-backed securities	1,409	1,412	3
Other financial asset-backed securities - not self-liquidating	662	678	16
Lease-backed securities - practical expedient	542	527	(15)
Other non-financial asset-backed securities - practical expedient	870	880	10
Lease-backed securities - full analysis	2,223	2,169	(54)
Other non-financial asset-backed securities - full analysis	1,881	1,878	(3)
Total bonds	91,537	$88,205	($3,332)
Short-term investments	45		
Cash equivalents	1,185		
Total	$92,767		

The following table presents bonds, short-term investments and cash equivalents by asset type in accordance with previous guidance. Short-term investments and cash equivalents were $1.5 billion as of December 31, 2024.

	Carrying Value	Fair Value	Net Unrealized Losses
		(In Millions)	
December 31, 2024:			
U.S. Government	$1,110	$1,081	($29)
All other governments	943	849	(94)
U.S. states, territories, and possessions	102	88	(14)
U.S. political subdivisions of states, territories, and possessions	186	178	(8)
U.S. special revenue and special assessment obligations	2,273	2,082	(191)
Industrial and miscellaneous	55,504	51,084	(4,420)
Bank loans	1,952	1,926	(26)
Hybrid securities	15	14	(1)
LBASS:			
RMBS	1,630	1,501	(129)
CMBS	3,912	3,687	(225)
Other	16,143	15,830	(313)
Total	$83,770	$78,320	($5,450)

The carrying value and fair value of bonds, including those classified as short-term investments and cash equivalents, as of December 31, 2025, by contractual maturity date, are shown below. Actual maturities may differ from contractual maturities because borrowers may have the right to call or prepay obligations with or without call or prepayment penalties.

	Carrying Value	Fair Value
	(In Millions)	
Due in one year or less	$3,875	$3,848
Due after one year through five years	16,772	16,572
Due after five years through ten years	18,746	18,363
Due after ten years through 20 years	12,981	12,264
Due after 20 years	12,639	10,902
	65,013	61,949
Asset-backed securities	26,583	26,315
Total	$91,596	$88,264

The following table presents the fair value and gross unrealized losses for bonds where the fair value had declined and remained continuously below the amortized cost adjusted for OTTI:

	Less than 12 Months		12 Months or Greater		Total	
	Fair Value	Gross Unrealized Losses	Fair Value	Gross Unrealized Losses	Fair Value	Gross Unrealized Losses
	(In Millions)					
December 31, 2025:						
Issuer credit obligations	$3,893	$106	$29,677	$3,897	$33,570	$4,003
Asset-backed securities	2,755	15	5,428	484	8,183	499
Total	$6,648	$121	$35,105	$4,381	$41,753	$4,502
December 31, 2024:						
U.S. Government	$152	$2	$331	$29	$483	$31
All other governments	383	16	330	84	713	100
U.S. states, territories, and possessions	6		82	14	88	14
U.S. political subdivisions of states, territories, and possessions	14		102	10	116	10
U.S. special revenue and special assessment obligations	327	12	1,011	213	1,338	225
Industrial and miscellaneous	8,115	214	33,255	4,529	41,370	4,743
Bank loans	437	7	403	34	840	41
Hybrid securities			10	2	10	2
LBASS:						
RMBS	215	26	781	137	996	163
CMBS	359	5	1,914	232	2,273	237
Other	2,348	57	4,102	386	6,450	443
Total	$12,356	$339	$42,321	$5,670	$54,677	$6,009

The Company has evaluated investments with gross unrealized losses and has determined that the unrealized losses were primarily attributable to interest rate movements and credit spreads. The Company does not intend to sell these securities and has the intent and ability to retain these investments for a period of time sufficient to recover their amortized cost basis.

The table below summarizes the OTTI by investment type:

	Years Ended December 31,		
	2025	2024	2023
	(In Millions)		
Bonds	$95	$57	$76
Mortgage loans		8	183
Real estate			12
Other invested assets	7	3	20
Total	$102	$68	$291

The following table presents all asset-backed securities with an OTTI recognized during the year ended December 31, 2025, whereby the present value of cash flows expected to be collected is less than the amortized cost basis of the securities:

CUSIP	Amortized Cost Before Current Period OTTI	Present Value of Projected Cash Flows	Recognized OTTI	Amortized Cost After OTTI	Fair Value at Time of OTTI	Date of Financial Statement When Reported
			(In Millions)			
G1001#AB2	$25	$6	$19	$6	$6	3/31/2025
62878HAB7	15	13	2	13	13	3/31/2025
62883*AA0	17	15	2	15	15	3/31/2025
62883*AD4	10	9	1	9	9	3/31/2025
62883*AC6	10	8	2	8	8	3/31/2025
62883*AB8	4	3	1	3	3	3/31/2025
62883*AF9	8	7	1	7	7	3/31/2025
44509PAA6	8	6	2	6	6	3/31/2025
872660A*6	39	29	10	29	29	12/31/2025
Total			$40			

The assignment of an NAIC 5GI designation to a debt security occurs when the necessary documentation for a full credit analysis does not exist but the security is current on all contractual payments and the Company expects the security to make full payment of all contractual principal and interest. The following table presents information on bonds with an NAIC 5GI designation:

	December 31, 2025			December 31, 2024		
	Number	Carrying Value	Fair Value	Number	Carrying Value	Fair Value
			($ In Millions)			
Bonds:						
Issuer credit obligations	4	$15	$12			
Asset-backed securities	2	2	1			
Bank loans				1	$14	$11
LBASS				4	20	17
Total	6	$17	$13	5	$34	$28

The following table presents proceeds from sales of bonds and the resulting gross realized gains and losses:

	Years Ended December 31,		
	2025	2024	2023
		(In Millions)	
Proceeds	$9,921	$3,336	$1,747
Gross realized gains	32	10	3
Gross realized losses	113	96	33

SECURITIES LENDING

The Company participates in a securities lending program administered by an authorized financial institution whereby certain investment securities are loaned to third parties for the purpose of enhancing income on securities held through reinvestment of cash collateral received upon lending. With respect to securities loaned, the Company requires initial cash collateral equal to a minimum of 102% of the fair value of domestic securities loaned. The Company monitors the fair value of securities loaned with additional collateral obtained as necessary. This collateral is not restricted, and there is no collateral that extends beyond one year from December 31, 2025. The borrower of the loaned securities is permitted to sell or repledge those securities. Upon default of the borrower, the Company has the right to purchase replacement securities using the cash collateral held. Similarly, upon default of the Company, the borrower has the right to sell the loaned securities and apply the proceeds from such sale to the Company's obligation to return the cash collateral held.

For securities lending transactions, the carrying value of securities classified as bonds and on loan as of December 31, 2025 and 2024 was $5.5 billion and $1.8 billion, respectively. The Company recorded cash collateral received of $5.5 billion and $1.8 billion as of December 31, 2025 and 2024, respectively, and established a corresponding liability for the same amount, which is included in other liabilities. As of December 31, 2025 and 2024, the Company has not sold or repledged collateral received from securities lending agreements. The Company may occasionally utilize amounts from the cash collateral for short-term liquidity for general corporate purposes. As of December 31, 2025 and 2024, none was utilized for general corporate purposes.

The aggregate amount of collateral reinvested broken down by the maturity date of the invested asset is as follows:

	December 31, 2025		December 31, 2024	
	Amortized Cost	Fair Value	Amortized Cost	Fair Value
	(In Millions)			
Overnight and continuous	$4	$4	$15	$15
30 days or less	1,244	1,244	428	428
31 to 60 days	350	350	350	350
61 to 90 days	2,350	2,350		
91 to 120 days	1,575	1,575	1,000	1,000
Total collateral reinvested	$5,523	$5,523	$1,793	$1,793

The Company invests the cash collateral received from its securities lending arrangements primarily into short-term investments.

To manage the mismatch of maturity dates between the security lending transactions and the related reinvestment of the collateral received, the Company reinvests in assets with a maturity date of 95 days or less.

REPURCHASE AGREEMENTS

The Company has repurchase agreements with unaffiliated financial institutions. Under these agreements, the Company receives sales financing secured by securities as collateral in an amount equal to at least 102% of the estimated fair value of the bonds sold at the inception of the transaction, with a simultaneous agreement to repurchase such bonds at a future date or on demand in an amount equal to the cash initially received plus interest. The Company monitors the ratio of the cash held to the estimated fair value of the bonds sold throughout the duration of the transaction and additional cash or securities are obtained as necessary. Bonds sold under such transactions may be sold or re-pledged by the transferee. Income and expense associated with repurchase agreements are recorded in net investment income. The repurchase agreements are both bilateral and tri-party trades. There were no amounts outstanding under repurchase agreements during the year ended December 31, 2025. The maximum amount outstanding under repurchase agreements during the year ended December 31, 2024 was $20 million, which had a maturity time frame of two days to one week. There were no amounts outstanding under these agreements as of December 31, 2025 and 2024.

The maximum fair value of securities sold outstanding under secured borrowing agreements during the years ended December 31, 2025 and 2024 was zero and $20 million, respectively. There were no outstanding securities sold as of December 31, 2025 and 2024.

The maximum amount of cash collateral received and securities collateral liability under secured borrowing agreements during the years ended December 31, 2025 and 2024 was zero and $20 million, respectively. There was no outstanding cash collateral received as of December 31, 2025 and 2024. There was no outstanding securities collateral liability as of December 31, 2025 and 2024.

REVERSE REPURCHASE AGREEMENTS

The Company invests cash collateral received into reverse repurchase agreements as part of its securities lending program. The Company requires that all reverse repurchase agreements must be collateralized by U.S. Treasury securities, U.S. agency securities, U.S. corporate bonds and/or U.S. equities with a minimum margin of 102%. For the securities lending program, reverse repurchase agreements had a maximum maturity of 95 days and are indemnified by the Company's securities lending agent against counterparty default. The Company mitigates risks from counterparty default and price movements of the collateral received by mandating short maturities, applying proper haircuts and monitoring fair values daily.

The Company has a reverse repurchase transaction commitment of $250 million with an unaffiliated financial institution. Under this agreement, the Company purchases U.S. Treasury securities and loans cash, with a simultaneous agreement to resell such securities at a future date or on demand in an amount equal to the cash initially loaned plus interest. There were no amounts outstanding under this agreement as of December 31, 2025 and 2024. The reverse repurchase agreements used are both bilateral and tri-party trades.

The following table presents the maximum amount and ending value during and as of the periods presented of the allocation of reverse repurchase agreements by maturity:

	Maximum Amount				Ending Balance			
	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	First Quarter	Second Quarter	Third Quarter	Fourth Quarter
	(In Millions)							
December 31, 2025:								
Overnight and continuous	$700	$950	$925	$1,350	$450	$725	$850	$950
30 days or less	150							
31 to 90 days	550	1,400	2,000	2,800	150	150	2,000	2,700
Over 90 days	1,825	2,425	2,925	3,925	1,825	2,425	1,175	1,575
December 31, 2024:								
Overnight and continuous	$1,025	$860	$590	$475	$400	$300		$400
30 days or less	4,490	3,965	1,600		790	650		
31 to 90 days	2,850	2,550	1,500	425	2,250	990		350
Over 90 days				1,000				1,000

The maximum and ending fair value of the bonds acquired under reverse repurchase-secured borrowings during and as of the periods presented are as follows. None of the bonds acquired were nonadmitted.

	First Quarter	Second Quarter	Third Quarter	Fourth Quarter
		(In Millions)		
December 31, 2025:				
Maximum amount	$2,789	$3,622	$4,317	$6,029
Ending balance	2,536	3,471	4,249	5,512
December 31, 2024:				
Maximum amount	$4,131	$4,116	$2,196	$1,820
Ending balance	3,608	2,037		1,819

The following table presents the fair value of securities acquired by the Company under reverse repurchase-secured borrowings by NAIC designation:

	None	NAIC 1	NAIC 2	Total
		(In Millions)		
December 31, 2025:				
Bonds:				
Issuer credit obligations		$492	$888	$1,380
Asset-backed securities		3,701		3,701
Common stock	$431			431
Total	$431	$4,193	$888	$5,512
December 31, 2024:				
Bonds		$181	$544	$725
LBASS		874		874
Common stock	$220			220
Total	$220	$1,055	$544	$1,819

The following table presents the allocation of aggregate collateral pledged under reverse repurchase-secured borrowings by remaining contractual maturity:

	December 31, 2025		December 31, 2024	
	Amortized Cost	Fair Value	Amortized Cost	Fair Value
		(In Millions)		
Overnight and continuous	$950	$950	$400	$400
30 days or less				
31 to 90 days	2,700	2,700	350	350
Over 90 days	1,575	1,575	1,000	1,000

The maximum amounts and ending balances of the cash collateral provided and recognized receivable for the return of collateral for reverse repurchase-secured borrowings during and as of the periods presented are as follows:

	First Quarter	Second Quarter	Third Quarter	Fourth Quarter
		(In Millions)		
December 31, 2025:				
Maximum amount	$2,675	$3,450	$4,100	$5,725
Ending balance	2,425	3,300	4,025	5,225
December 31, 2024:				
Maximum amount	$3,965	$3,890	$2,090	$1,750
Ending balance	3,440	1,940		1,750

The maximum amounts and ending balances of the recognized liability to return collateral for reverse repurchase-secured borrowing securities sold/acquired with cash collateral during and as of the periods presented are as follows:

	First Quarter	Second Quarter	Third Quarter	Fourth Quarter
		(In Millions)		
December 31, 2025:				
Maximum amount	$2,675	$3,450	$4,100	$5,725
Ending balance	2,425	3,300	4,025	5,225
December 31, 2024:				
Maximum amount	$3,965	$3,890	$2,090	$1,750
Ending balance	3,440	1,940		1,750

The Company did not have any transfers of financial assets accounted for as secured borrowings, excluding repurchase and reverse repurchase agreements disclosed above.

WORKING CAPITAL FINANCE INVESTMENTS

The tables below present the aggregate carrying value of working capital finance investments (WCFI) by designation:

	Gross Asset	Nonadmitted Asset	Net Admitted Asset
		(In Millions)	
December 31, 2025:			
WCFI Designation 1	$368		$368
WCFI Designation 2	400		400
Total	$768	$—	$768
December 31, 2024:			
WCFI Designation 1	$357		$357
WCFI Designation 2	275		275
Total	$632	$—	$632

The table below presents the aggregate maturity distribution on the underlying working capital finance programs:

	December 31,	
	2025	2024
	(In Millions)	
Up to 180 days	$670	$612
181 to 365 days	98	20
Total	$768	$632

INVESTMENTS IN SCA ENTITIES

The carrying value of investments in SCA entities consisted of the following:

	December 31,	
	2025	2024
	(In Millions)	
Common stocks:		
PL&A	$622	$600
Other invested assets:		
PAH	9,000	6,156
PLFA	47	41
PSD	31	33
Nonadmitted assets:		
PAR Vermont	219	145
PBRC	123	133
PGAM	30	31

The Company carries its investment in PL&A, its wholly owned State of Arizona domiciled life insurance common stock subsidiary, based on its underlying audited statutory surplus.

Pacific Asset Holding LLC (PAH) is a wholly owned subsidiary carried based on its audited U.S. GAAP equity. Pacific Life Fund Advisors LLC (PLFA) is a non-life insurance subsidiary 99% owned by the Company and 1% owned by PL&A and is carried based on its underlying audited U.S. GAAP equity. The Company carries its investment in Pacific Select Distributors, LLC (PSD), a wholly owned non-life insurance broker-dealer subsidiary, based on its underlying audited U.S. GAAP equity, adjusted to a statutory basis of accounting.

The Company carries its investments in its wholly owned State of Vermont domiciled special purpose financial insurance company subsidiaries, Pacific Alliance Reinsurance Company of Vermont (PAR Vermont) and Pacific Baleine Reinsurance Company (PBRC) based on their underlying audited statutory surplus. The Company nonadmits the carrying values of PAR Vermont and PBRC due to the use of approved practices in Vermont impacting their admitted assets. Pacific Global Asset Management LLC (PGAM) is a wholly owned non-insurance subsidiary of the Company and is nonadmitted due to an audit not being performed.

The Company also has non-insurance SCA investments that are classified as SSAP No. 97 8b(iii) entities. The table below presents the gross and admitted amounts of these investments. The Company received responses from the NAIC for all required SCA filings, and no SCA investment valuations were disallowed or required to be resubmitted.

	December 31,	
	2025	2024
	(In Millions)	
Pacific Funds PLFA Large Cap Bond Alpha		$2 [1]
Pacific Funds PLFA QQQ Bond Alpha P		3 [1]
Pacific Funds PLFA QQQ Bond Alpha		3 [1]
PSF ESG Diversified Growth Class I		14 [1]
Pacific Select Funds EQPL	$20 [1]	
Pacific Select Fund PLFA LARGE CAP BND A	3 [2]	
Pacific Optimization Moderate	2 [2]	1 [2]
Other	1	4
Total	$26	$27

[1] Includes NAIC Sub-1 filing types.

[2] Includes NAIC Sub-2 filing types.

INVESTMENTS IN TAX CREDIT STRUCTURES

Investments in tax credit structures reported in other invested assets were $399 million and $49 million as of December 31, 2025 and 2024. For the year ended December 31, 2025, the Company recognized $15 million of tax benefits related to these investments and $9 million of investment amortization.

Tax credits expected to be generated in future years are as follows:

	Amount
	(In Millions)
Year Ending December 31:	
2026	$24
2027	42
2028	47
2029	48
2030	48
Thereafter	248
Total	$457

MORTGAGE LOANS

The maximum and minimum lending rates for newly issued mortgage loans, by category, are as follows:

	Maximum	Minimum
Year Ended December 31, 2025:		
Farm	6.95%	5.85%
Construction and land development	7.98%	6.64%
Multi-family residential	16.38%	8.25%
Commercial	7.13%	5.38%
Year Ended December 31, 2024:		
Farm	7.25%	5.80%
Construction and land development	9.48%	8.72%
Multi-family residential	13.50%	8.75%
Commercial	8.97%	5.90%

The maximum percentage of any one loan to the value of security at the time of the loan, exclusive of insured or guaranteed or purchase money mortgages was 99% as of December 31, 2025 and 2024, respectively.

The age analysis of mortgage loans by type and identification of mortgage loans in which the insurer is a participant or co-lender in a mortgage loan agreement is as follows:

	Farm	Residential	Commercial	Mezzanine	Total
			(In Millions)		
December 31, 2025:					
Current	$996	$1,105	$19,516		$21,617
30 to 59 days past due	15	110			125
60 to 89 days past due	7	24			31
90 to 179 days past due		33			33
Over 180 days past due	9	15	32		56
Total	$1,027	$1,287	$19,548	$—	$21,862
Participant or co-lender in a mortgage loan agreement:					
Recorded investment [1]	$18		$1,551		$1,569

	Farm	Residential	Commercial	Mezzanine	Total
			(In Millions)		
December 31, 2024:					
Current	$929	$811	$17,659	$107	$19,506
30 to 59 days past due	10	33			43
60 to 89 days past due		5			5
90 to 179 days past due	2	2			4
Over 180 days past due	4		34		38
Total	$945	$851	$17,693	$107	$19,596
Participant or co-lender in a mortgage loan agreement:					
Recorded investment [1]	$19		$1,096	$107	$1,222

(1) Excluded from the commercial amounts are mortgage loan participations where the sole participants are the Company and PL&A. The total amounts were $4.0 billion and $3.0 billion as of December 31, 2025 and 2024, respectively.

The Company's investment in impaired commercial mortgage loans was $32 million and $34 million as of December 31, 2025 and 2024, respectively. Information on the Company's impaired commercial mortgage loans is as follows:

	Years Ended December 31,		
	2025	2024	2023
		(In Millions)	
Impairment loss recorded		$8	$183
Average recorded investment	$32	17	112
Interest income recognized			22
Recorded investment on nonaccrual status	32	34	73
Mortgage loans derecognized as a result of foreclosure	5	245	30
Real estate and other collateral recognized as a result of foreclosure	5	245	30

The Company's mortgage loans finance various types of properties primarily throughout the U.S. and Canada. The geographic distributions of the mortgage loans were as follows:

	December 31, 2025		December 31, 2024	
		($ In Millions)		
Atlantic	$7,306	33%	$6,139	31%
Pacific	6,098	28%	6,101	31%
South Central	2,573	12%	1,938	10%
North Central	2,541	11%	2,192	11%
Mountain	1,925	9%	1,819	9%
New England	1,268	6%	1,258	7%
Canada	151	1%	149	1%
Total	$21,862	100%	$19,596	100%

As of December 31, 2025 and 2024, the carrying value of the largest single commercial loan was $352 million and $456 million, respectively. As of December 31, 2025, the total carrying value of multiple commercial loans with a single sponsor was $584 million. As of December 31, 2024, the total carrying value of multiple commercial loans with a single sponsor, a related party to the Company, was $604 million.

For commercial mortgage loans, the Company reviews performance and credit quality on an on-going basis, including loan payment delinquencies and collateral performance. Collateral performance includes a review of the most recent collateral inspection reports and financial statements. Analysts track each loan's debt service coverage ratio (DSCR) and loan-to-value (LTV) ratio. The DSCR compares the collateral’s net operating income to its debt service payments. DSCRs less than 1.0 times indicate that the collateral operations do not generate enough income to cover the loan’s current debt payments. A larger DSCR indicates a greater excess of net operating income over the debt service cost. The LTV ratio compares the amount of the loan to the fair value of the collateral and is commonly expressed as a percentage. LTV ratios greater than 100% indicate that the loan amount exceeds the collateral value. A smaller LTV ratio indicates a greater excess of collateral value over the loan amount. The monitoring process focuses on higher risk loans, which includes those that are classified as restructured, delinquent, or in foreclosure, as well as loans with higher LTV ratios and lower DSCRs. The DSCRs and LTV ratios are updated routinely.

For agricultural mortgage loans, the Company’s primary credit quality indicator is the LTV ratio. The values utilized in calculating this ratio are developed in connection with the ongoing review of the agricultural mortgage loan portfolio and are routinely updated. The original loan DSCR is reviewed in detail prior to loan funding and is not updated or recalculated unless special circumstances warrant a review.

For residential mortgage loans, the Company reviews performance and credit quality on an on-going basis including loan payment delinquencies and collateral performance. Residential loan credit models are run periodically using updated model inputs. Results are compared to initial loss adjusted returns to actual performance and market level prices, yields and spreads, and each loan is priced monthly. In addition to LTV ratio and borrower income qualifications, the borrower's credit score is considered based on the Fair Isaac Corporation (FICO) model, where applicable. FICO scores can range from 300 to 850, with the higher number indicating a better credit quality. The original loan metrics and borrower information (LTV ratio, FICO score, income verification, and borrower profile) are reviewed in detail prior to purchase and are not updated or recalculated unless special circumstances warrant a review.

The following tables present the recorded investment in mortgage loans by credit quality indicator:

	Commercial		Agricultural	
	December 31,		December 31,	
	2025	2024	2025	2024
	(In Millions)			
LTV ratio:				
Less than or equal to 65%	$11,838	$10,842	$1,025	$941
Greater than 65% to 75%	4,951	2,631	2	4
Greater than 75% to 100%	2,581	3,963		
Greater than 100%	178	364		
Total	$19,548	$17,800	$1,027	$945
DSCR:				
Greater than 1.2x	$13,033	$12,458	$692	$679
Greater than 1.0x to 1.2x	1,765	876	296	247
Less than or equal to 1.0x	689	1,035	39	19
Construction [1]	4,061	3,431		
Total	$19,548	$17,800	$1,027	$945

	Residential	
	December 31,	
	2025	2024
	(In Millions)	
FICO score:		
Greater than 780	$180	$114
Less than or equal to 780	865	502
Not available [2]	52	43
Construction [1]	190	192
Total	$1,287	$851

[1] Credit quality for construction loans is based on LTV ratio, loan payment performance, and the construction progress and related costs for the underlying collateral project.

[2] Represents loans for which a FICO score is not available or not required, including those underwritten primarily on collateral value, guarantor creditworthiness, borrower liquidity, or loans to foreign nationals without a U.S. credit history.

DEBT RESTRUCTURING

As of December 31, 2025 and 2024, the Company had investments in restructured loans and bonds of $32 million and $34 million, respectively.

The Company did not have any modifications classified as troubled debt restructurings during the years ended December 31, 2025 and 2024. During the year ended December 31, 2023, the Company modified two mortgage loans with a total carrying value of $323 million. The Company granted two term extensions on one of the loans with a carrying value of $291 million during the year ended December 31, 2023. The first modification extended the maturity date by five months, and the second modification further extended the maturity date by two months. The loan matured in 2024. The Company granted a term extension of four months on the other loan with a carrying value of $32 million during the year ended December 31, 2023. This loan is in the process of foreclosure. The modifications qualified as troubled debt restructurings, and a total impairment loss of $38 million was recorded.

ADMITTED NEGATIVE (DISALLOWED) IMR

Gross and admitted net negative (disallowed) IMR consisted of the following:

	December 31,	
	2025	2024
	(In Millions)	
General account	$204	$95
Insulated separate account	7	7
Total	$211	$102

Admitted net negative (disallowed) IMR was 1.79% and 0.94% of adjusted capital and surplus of $11.8 billion and $10.9 billion as of December 31, 2025 and 2024, respectively. Unamortized gains and losses allocated to the IMR related to derivatives recorded at fair value were zero as of December 31, 2025 and $39 million and $36 million, respectively, as of December 31, 2024.

4. FAIR VALUE OF FINANCIAL INSTRUMENTS

The Company's financial assets and liabilities that are carried at fair value have been classified, for disclosure purposes, based on a hierarchy defined by SSAP No. 100, *Fair Value*. The determination of fair value requires the use of observable market data when available. The hierarchy consists of the following three levels that are prioritized based on observable and unobservable inputs.

Level 1 Unadjusted quoted prices for identical instruments in active markets. Level 1 financial instruments include securities that are traded in an active exchange market.

Level 2 Observable inputs other than Level 1 prices, such as quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in inactive markets, and model-derived valuations for which all significant inputs are observable market data.

Level 3 Valuations derived from valuation techniques in which one or more significant inputs are not market observable.

The following tables present, by fair value hierarchy level, the Company's financial instruments that are carried at fair value or net asset value (NAV):

	December 31, 2025				
	Level 1	Level 2	Level 3	NAV	Total
			(In Millions)		
Assets:					
Bonds:					
Issuer credit obligations			$73		$73
Asset-backed securities		$8			8
Total bonds	—	8	73	—	81
Preferred stocks:					
Industrial and miscellaneous		3	54		57
Common stocks:					
Industrial and miscellaneous			106		106
Affiliates [1]	$26				26
Total common stocks	26	—	106	—	132
Derivatives:					
Foreign currency and interest rate swaps		310			310
Equity derivatives	82		3,285		3,367
Total derivatives	82	310	3,285	—	3,677
Other invested assets			5		5
Separate account assets	67,012		595	$3,095	70,702
Total	$67,120	$321	$4,118	$3,095	$74,654
Liabilities:					
Derivatives:					
Foreign currency and interest rate swaps		$975			$975
Equity derivatives			$24		24
Total derivatives	—	975	24	—	999
Separate account liabilities - derivatives [2]		1			1
Total	$—	$976	$24	$—	$1,000

	December 31, 2024				
	Level 1	Level 2	Level 3	NAV	Total
			(In Millions)		
Assets:					
Bonds:					
Issuer obligations		$1	$27		$28
Preferred stocks:					
Industrial and miscellaneous			1		1
Common stocks:					
Industrial and miscellaneous	$49		79		128
Affiliates [1]	27				27
Total common stocks	76	—	79	—	155
Derivatives:					
Foreign currency and interest rate swaps		352			352
Equity derivatives	9		2,815		2,824
Total derivatives	9	352	2,815	—	3,176
Other invested assets			198		198
Separate account assets	62,698			$1,645	64,343
Total	$62,783	$353	$3,120	$1,645	$67,901
Liabilities:					
Derivatives:					
Foreign currency and interest rate swaps		$933			$933
Equity derivatives			$26		26
Total	$—	$933	$26	$—	$959

[1] Consists of mutual funds managed by affiliated entities.

[2] Separate account contract holder liabilities are not included in the table as they are reported at contract value and not fair value.

FAIR VALUE MEASUREMENT

The following describes the valuation methodologies used by the Company to measure various types of financial instruments at fair value.

BONDS, PREFERRED STOCKS, COMMON STOCKS AND OTHER INVESTED ASSETS

The fair values of bonds, residual tranches (reported in other invested assets), preferred stocks, and common stocks are determined by management after considering external pricing sources and internal valuation techniques. For securities with sufficient trading volume, prices are obtained from third-party pricing services. For securities that are traded infrequently, fair values are determined after evaluating prices obtained from third-party pricing services and independent brokers or are valued internally using various valuation techniques.

The Company's management analyzes and evaluates prices received from independent third parties and determines whether they are reasonable estimates of fair value. Management's analysis may include, but is not limited to, review of third-party pricing methodologies and inputs, analysis of recent trades, comparison to prices received from other third parties and development of internal models utilizing observable market data of comparable securities. The Company assesses the reasonableness of valuations received from independent brokers by considering current market dynamics and current pricing for similar securities.

For prices received from independent pricing services, the Company applies a formal process to challenge any prices received that are not considered representative of fair value. If prices received from independent pricing services are not considered reflective of market activity or representative of fair value, independent non-binding broker quotations are obtained or an internally developed valuation is prepared. Upon evaluation, the Company determines which source represents the best estimate of fair value. Overrides of third-party prices to internally-developed valuations of fair value did not produce material differences in the fair value of the portfolio. In the absence of such market observable activity, management's best estimate is used.

Fair values determined by internally derived valuation tools use market-observable data if available. Generally, this includes using an actively traded comparable security as a benchmark for pricing. These internal valuation methods primarily represent discounted cash flow models that incorporate significant assumptive inputs such as spreads, discount rates, default rates, severity and prepayment speeds. Internally developed estimates may also use unobservable data, which reflect the Company's own assumptions about the inputs market participants would use.

Most securities priced by a major independent third-party service have been classified as Level 2, as management has verified that the significant inputs used in determining their fair values are market observable and appropriate. Externally priced securities for which fair value measurement inputs are not sufficiently transparent, such as securities valued based on independent broker quotations, have been classified as Level 3. Internally valued securities, including adjusted prices received from independent third parties, where significant management assumptions have been utilized in determining fair value, have been classified as Level 3. Securities categorized as Level 1 consist primarily of investments in mutual funds.

DERIVATIVE INSTRUMENTS

Derivative instruments, including those reported in the separate account liabilities, are reported at fair value using pricing valuation models which utilize market data inputs or independent broker quotations or exchange prices for exchange-traded futures. The Company calculates the fair value of derivatives using market standard valuation methodologies for foreign currency swaps, interest rate swaps, equity options and equity total return swaps. The derivatives are valued using mid-market inputs that are predominantly observable in the market. Inputs include, but are not limited to, interest swap rates, foreign currency forward and spot rates, credit spreads and correlations, interest volatility, equity volatility and equity index levels. The Company values certain derivatives that are designated as cash flow hedges in the same manner as the hedged item, which are determined using pricing models with inputs that are observable in the market or can be derived principally from or corroborated by observable market data. On a monthly basis, the Company performs an analysis of derivative valuations, which includes both quantitative and qualitative analyses. Examples of procedures performed include, but are not limited to, review of pricing statistics and trends, analysis of the impacts of changes in the market environment and review of changes in the market value for each derivative by both risk managers and investment accountants. Internally calculated fair values are reviewed and compared to external broker fair values for reasonableness.

Derivative instruments classified as Level 1 are exchange-traded. Derivative instruments classified as Level 2 primarily include foreign currency swaps, interest rate swaps and total return swaps. The derivative valuations are determined using pricing models with inputs that are observable in the market or can be derived principally from or corroborated by observable market data, primarily interest swap rates, interest rate volatility and foreign currency forward and spot rates.

Derivative instruments classified as Level 3 include complex derivatives, such as equity options. These derivatives are valued using pricing models which utilize both observable and unobservable inputs, primarily interest rate volatility, equity volatility, equity index levels and, to a lesser extent, broker quotations. A derivative instrument containing Level 2 inputs would be classified as a Level 3 financial instrument in its entirety if it has at least one significant Level 3 input.

SEPARATE ACCOUNT ASSETS

The fair value of separate account assets is based on the fair value or NAV of the underlying assets. Separate account assets held at fair value primarily consist of investments in mutual funds and hedge funds.

Level 1 separate account assets include mutual funds that are valued based on reported net asset values provided by fund managers daily and can be redeemed without restriction.

The fair value of assets in the separate accounts in Level 2 consists of bonds and derivatives based on the valuation methods described above. The fair value of assets in the separate accounts in Level 3 consists of bonds and derivatives based on valuation methods described above and mortgage loans based on the valuation method described below.

Investments Measured Using the NAV Practical Expedient

Separate account assets include hedge funds where the fair value is based on the NAV obtained from the fund managers. Investment strategies related to separate account hedge funds include multi-strategy primarily invested in U.S. and international equity, fixed income, long/short equity, loans, precious metals, real estate, derivatives, privately held companies and private partnerships. The redemption frequency can be daily, monthly, quarterly, semi-annually or annually. The remaining lockup period ranges from zero to 23 months as of December 31, 2025. There are no unfunded commitments of investments measured using the NAV practical expedient as of December 31, 2025.

LEVEL 3 RECONCILIATION

The tables below present a reconciliation of the beginning and ending balances of the Level 3 financial instruments that are carried at fair value using significant unobservable inputs:

				Total Gains or (Losses)						
	January 1, 2025	Transfers Into Level 3 [1]	Transfers Out of Level 3 [1]	Included in Net Income	Included in Surplus	Purchases	Issuances	Sales	Settlements	December 31, 2025
					(In Millions)					
Bonds:										
Issuer credit obligations	$19	$69	($7)	($9)	$1					$73
Asset-backed securities	8	26	(27)	(2)	1				($6)	—
Preferred stocks:										
Industrial and misc	1	38			13		$2			54
Common stocks:										
Industrial and misc	79			8		$129		($110)		106
Derivatives, net	2,789			1,254	51	1,757			(2,590)	3,261
Other invested assets	198		(2)		5	5			(201)	5
Separate account assets				(32)	129	499		(1)		595
Total	$3,094	$133	($36)	$1,219	$200	$2,390	$2	($111)	($2,797)	$4,094

	January 1, 2024	Transfers Into Level 3 [1]	Transfers Out of Level 3 [1]	Total Gains or (Losses) Included in Net Loss	Total Gains or (Losses) Included in Surplus	Purchases	Sales	Settlements	December 31, 2024
					(In Millions)				
Bonds	$7	$26	($7)		($2)	$1		$2	$27
Preferred stocks:									
Industrial and misc	1								1
Common stocks:									
Industrial and misc	65			$4		52	($42)		79
Derivatives, net	2,076			1,186	140	1,531	(1)	(2,143)	2,789
Other invested assets	169				2	30		(3)	198
Total	$2,318	$26	($7)	$1,190	$140	$1,614	($43)	($2,144)	$3,094

[1] Transfers in and/or out are recognized at the end of each quarter.

For the year ended December 31, 2025, transfers into Level 3 were primarily due to the decreased availability and use of market observable inputs to estimate fair value. The transfers out of Level 3 were generally due to the use of market observable inputs in valuation methodologies, including the utilization of independent pricing services. For the year ended December 31, 2024, transfers into/out of Level 3 were due to carrying value adjustments down to fair value.

The admitted values and fair values of the Company's financial instruments are presented in the following table:

	December 31, 2025					
	Fair Value	Admitted Value	Level 1	Level 2	Level 3	NAV
			(In Millions)			
Assets:						
Bonds:						
Issuer credit obligations	$61,890	$64,954		$55,820	$6,070	
Asset-backed securities	26,315	26,583		19,943	6,372	
Preferred stocks	57	57		3	54	
Common stocks [1]	132	132	$26		106	
Mortgage loans	21,312	21,862		19,293	2,019	
Cash, cash equivalents and short-term investments	2,430	2,431	2,386	43	1	
Contract loans	8,795	8,795			8,795	
Derivatives, net	2,076	2,860	82	(1,267)	3,261	
Securities lending reinvested collateral assets	5,523	5,523		5,523		
Other invested assets [1]	1,443	1,480		1,015	428	
Separate account assets	82,785	82,989	67,382	10,146	2,162	$3,095
Liabilities:						
Liability for deposit-type contracts [2]	38,128	37,584		30,099	8,029	
Separate account liability for deposit-type contracts	6	6			6	

	December 31, 2024					
	Fair Value	Admitted Value	Level 1	Level 2	Level 3	NAV
	(In Millions)					
Assets:						
Bonds	$76,800	$82,251		$68,079	$8,721	
Preferred stocks	1	1			1	
Common stocks [1]	155	155	$76		79	
Mortgage loans	18,332	19,596		16,875	1,457	
Cash, cash equivalents and short-term investments	2,864	2,864	2,844	20		
Contract loans	8,527	8,527			8,527	
Derivatives, net	1,390	2,173	9	(1,408)	2,789	
Securities lending reinvested collateral assets	1,793	1,793		1,793		
Other invested assets [1]	1,027	1,076		802	225	
Separate account assets	71,598	72,114	62,698	6,849	406	$1,645
Liabilities:						
Liability for deposit-type contracts [2]	28,405	28,687		21,482	6,923	
Separate account liability for deposit-type contracts	8	8			8	

[1] Excludes investments accounted for under the equity method.

[2] Excludes deposit liabilities with no defined or contractual maturities.

The tables above exclude the following financial instruments: investment income due and accrued, derivatives collateral receivable and payable and payable for securities lending. The fair value of these financial instruments, which are primarily classified as Level 2, approximates carrying value as they are short-term in nature such that there is minimal risk of material changes in fair value due to changes in interest rates or counterparty credit. The following methods and assumptions were used to estimate the fair value of these financial instruments as of December 31, 2025 and 2024:

MORTGAGE LOANS

The fair value of the mortgage loan portfolio is determined by discounting the estimated future cash flows, using current rates that are applicable to similar credit quality, property type and average maturity of the composite portfolio.

CASH, CASH EQUIVALENTS, AND SHORT-TERM INVESTMENTS (INCLUDING SECURITIES LENDING REINVESTED COLLATERAL ASSETS)

For cash and cash equivalents with maturities of three months or less from date of purchase, their fair values approximate their carrying values due to their short maturities. For short-term investments with maturities of one year or less from date of purchase, excluding cash equivalents and money market mutual funds, their fair values are determined using similar valuation techniques as described above for bonds. Cash equivalents that are money market mutual funds have fair values that approximate their carrying values due to the short maturities of the underlying investments of the funds. Securities lending reinvested collateral assets that are primarily reverse repurchase agreements have fair values that approximate their carrying values due to their short maturities.

CONTRACT LOANS

Contract loans are not separable from their associated insurance contract and bear no credit risk since they do not exceed the contract's cash surrender value, making these assets fully secured by the cash surrender value of the contracts. Therefore, the carrying amount of the contract loans is a reasonable approximation of fair value.

OTHER INVESTED ASSETS

Other invested assets consist primarily of surplus note investments held from other insurance providers, WCFIs that are NAIC rated 1 or 2 and investments in tax credit structures. The fair values of the surplus note investments are priced by an independent pricing service as described for bonds above. The WCFIs are held at accreted book value which approximates fair value due to the short-term nature of the investment. The fair value of investments in tax credit structures is derived using an income valuation approach, based on a discounted cash flow calculation that uses an internally determined discount rate. Therefore, investments in tax credit structures are classified as Level 3.

LIABILITY FOR DEPOSIT-TYPE CONTRACTS

The primary methods used to determine the fair value of liability for deposit-type contracts are: discounted cash flow methodologies using significant unobservable inputs, discounted cash flow methodologies using current market risk-free interest rates and adding a spread to reflect nonperformance risk and the use of observable inputs, such as quoted prices for identical or similar instruments from third-party pricing services. The fair value of deposit-type contracts issued at floating rates or that are short-term in nature approximate their carrying value.

SEPARATE ACCOUNT LIABILITY FOR DEPOSIT-TYPE CONTRACTS

The statement value of separate account liability for deposit-type contracts is reported under separate account liabilities and is a reasonable estimate of their fair value because the contractual interest rates are variable and based on current market rates. The fair value of liabilities in the separate accounts in Level 2 consists of derivatives based on the valuation methods described above.

5. DERIVATIVE INSTRUMENTS

The Company primarily utilizes derivative instruments to manage its exposure to interest rates, foreign currency, and equity risk, (collectively “market risk”) and credit risk. Derivative instruments are also used to manage the duration mismatch of general account assets and liabilities. Derivatives may be exchange-traded or contracted in the over-the-counter (OTC) market. The Company’s OTC derivatives are primarily bilateral contracts between two counterparties. Certain of the Company’s OTC derivatives are cleared and settled through central clearing counterparties. The Company utilizes a variety of derivative instruments including swaps, exchange-traded futures and options.

The following table summarizes the notional amount, net carrying value, and net fair value of the Company's derivative instruments by type. Cash collateral received from or pledged to counterparties is not included in the amounts below. Notional amount represents a standard of measurement of the volume of derivatives. Notional amount is not a quantification of market risk or credit risk and is not recorded in the statements of admitted assets, liabilities and capital and surplus - statutory basis. Notional amounts generally represent those amounts used to calculate contractual cash flows to be exchanged and are not paid or received, except for certain contracts such as foreign currency swaps.

	Notional Amount	Net Carrying Value	Net Fair Value
		(In Millions)	
December 31, 2025:			
Equity options	$76,632	$3,261	$3,261
Equity futures	2,851	82	82
Foreign currency swaps	11,047	253	63
Interest rate swaps	17,681	(736)	(1,330)
Total	$108,211	$2,860	$2,076
December 31, 2024:			
Equity options	$69,335	$2,789	$2,789
Equity futures	2,135	9	9
Foreign currency swaps	8,546	157	11
Interest rate swaps	11,414	(782)	(1,419)
Total	$91,430	$2,173	$1,390

COLLATERAL

For OTC and OTC-cleared derivatives, the Company pledges and receives cash and asset collateral. Cash collateral received from counterparties was $2.3 billion as of December 31, 2025 and 2024. Cash collateral pledged to counterparties was $546 million and $609 million as of December 31, 2025 and 2024, respectively.

As of December 31, 2025 and 2024, the Company accepted collateral, consisting of various securities, of $1.0 billion and $224 million, respectively, which are held in separate custodial accounts. As of December 31, 2025 and 2024, none of this collateral was repledged.

The Company is required to pledge initial margin for all futures contracts. The amount of required margin is determined by the exchange on which it is traded. Cash pledged for initial margin was $82 million and $9 million as of December 31, 2025 and 2024, respectively. Assets pledged to satisfy this requirement for initial margin were $69 million and $86 million as of December 31, 2025 and 2024, respectively.

As of December 31, 2025 and 2024, the Company provided collateral in the form of various securities of $1.4 billion and $1.3 billion, respectively, which are included in bonds. The counterparties are permitted by contract to sell or repledge this collateral.

DERIVATIVES DESIGNATED AS FAIR VALUE HEDGES

The Company offers life insurance products with indexed account options. The interest credited on the indexed accounts is a function of the underlying domestic and/or international equity index, subject to various caps, thresholds and participation rates.

The Company utilizes equity options to hedge the credit paid to the policyholder on the underlying index for its life insurance products with indexed account options. These equity options are contracts to buy the index at a predetermined time at a contracted price. The contracts will be net settled in cash based on differentials in the index at the time of exercise and the strike price subject to a cap, net of option premiums. These equity options are designated as a fair value hedge under statutory accounting principles with changes in fair value recorded in net realized capital gains (losses) less tax.

The Company utilizes foreign currency interest rate swap agreements to convert floating foreign denominated liabilities to floating U.S. dollar liabilities. A foreign currency interest rate swap involves the exchange of an initial principal amount in two currencies, and the agreement to re-exchange the currencies at a future date, at an agreed-upon exchange rate. There are also periodic exchanges of interest payments in the two currencies at specified intervals, calculated using agreed-upon interest rates, exchange rates and the exchanged principal amounts. The Company enters into these agreements primarily to manage the currency risk associated with investments and liabilities that are denominated in foreign currencies.

For the years ended December 31, 2025, 2024 and 2023, $1.1 billion, $932 million and $841 million, respectively, of option premium expense recorded in net investment income for equity options hedging indexed life insurance products was excluded from the assessment of hedge effectiveness. For all other hedging relationships, no component of the hedging instrument's fair value was excluded from the assessment of hedge effectiveness.

For the years ended December 31, 2025, 2024 and 2023, the Company recorded $5 million, $12 million and $30 million, respectively, in unrealized capital gains resulting from derivatives that no longer qualified for hedge accounting.

DERIVATIVES DESIGNATED AS CASH FLOW HEDGES

The Company utilizes foreign currency interest rate swap agreements to convert fixed or floating foreign denominated liabilities to U.S. dollar fixed liabilities.

The Company also utilizes interest rate swaps to hedge against reinvestment risk embedded in products with long durations. An interest rate swap agreement involves the exchange, at specified intervals, of interest payments resulting from the difference between fixed rate and floating rate interest amounts calculated by reference to an underlying notional amount. Generally, no cash is exchanged at the outset of the contract and no principal payments are made by either party.

The maximum length of time over which the Company is hedging its exposure to the variability in future cash flows for forecasted transactions is 40 years. The Company may discontinue cash flow hedge accounting because it is no longer probable that the forecasted transaction will occur by the end of the originally specified time period or within two months of the anticipated date. The Company did not have cash flow hedges that have been discontinued.

DERIVATIVES NOT DESIGNATED AS HEDGING INSTRUMENTS

The Company offers a rider on certain variable annuity contracts that guarantees net principal over specified periods, as well as riders on certain variable annuity contracts that guarantee a minimum withdrawal benefit over specified periods, subject to certain restrictions.

The Company may utilize total return swaps, exchange-traded futures and equity options based upon domestic and international equity market indices to economically hedge the equity risk of the guarantees in its variable annuity products. Total return swaps are swaps whereby the Company agrees to exchange the difference between the economic risk and reward of an equity index and a floating rate of interest, calculated by reference to an agreed upon notional amount. Cash is paid and received over the life of the contract based on the terms of the swap. In exchange-traded futures transactions, the Company agrees to purchase or sell a specified number of contracts, the values of which are determined by the underlying equity indices, and to post variation margin on a daily basis in an amount equal to the change in the daily fair value of those contracts. The equity options involve the exchange of an upfront payment for the return, at the end of the option agreement, of the equity index below a specified strike price. The Company also utilizes interest rate swaps to manage interest rate risk in the variable annuity products.

The Company offers fixed indexed annuity products where interest is credited to the policyholder's account balance based on domestic and/or international equity index changes, subject to various caps or participation rates. The Company utilizes total return swaps, exchange-traded equity futures and equity options based upon market indices to economically hedge the interest credited to the policyholder based upon the underlying equity index. These equity option contracts involve the exchange of an upfront premium payment for the return, at the end of the option agreement, of the differentials in the index at the time of exercise and the strike price subject to a cap.

Interest rate swaps are used by the Company to reduce market risk from changes in interest rates and other interest rate exposure arising from duration mismatches between assets and liabilities.

Foreign currency interest rate swap agreements are used to convert foreign-denominated assets or liabilities to U.S. dollar assets or liabilities.

The average and ending fair value of derivatives not designated as hedging instruments during and as of the periods presented are as follows:

	December 31, 2025			December 31, 2024		
	Asset	Liability	Average Asset (Liability)	Asset	Liability	Average Asset (Liability)
			(In Millions)			
Equity options	$722		$593	$650		$554
Equity futures	82		65	9		30
Equity total return swaps						(1)
Foreign currency swaps	286	$215	112	352	$151	174
Interest rate swaps	3	129	(108)		119	(73)
Total	$1,093	$344	$662	$1,011	$270	$684

The following table summarizes the impact from derivative instruments not designated as hedging instruments on surplus and results of operations:

	Year Ended December 31, 2025		
	Surplus	Net Realized Capital Gains (Losses)	Net Investment Income
		(In Millions)	
Equity options	$51	$767	($563)
Equity futures	(40)	(430)	
Foreign currency swaps	(130)		22
Interest rate swaps	(9)		(11)
Total	($128)	$337	($552)

	Year Ended December 31, 2024		
	Surplus	Net Realized Capital Gains (Losses)	Net Investment Income
		(In Millions)	
Equity options	$140	$585	($349)
Equity futures	159	(435)	
Equity total return swaps	2		(8)
Foreign currency swaps	25	8	40
Interest rate swaps		29	(5)
Total	$326	$187	($322)

	Year Ended December 31, 2023		
	Surplus	Net Realized Capital Gains (Losses)	Net Investment Income
		(In Millions)	
Equity options	$250	$164	($262)
Equity futures	(163)	(201)	
Equity total return swaps	(2)		(16)
Foreign currency swaps	(80)		19
Interest rate swaps	(1)	(8)	(12)
Total	$4	($45)	($271)

For derivatives with deferred financing premiums which are paid at the end of the derivative contract, summarized in the tables below are the undiscounted future premium commitments, derivative fair value with premium commitments and derivative fair value excluding impact of financing premiums:

	Premium Payments Due
	(In Millions)
Years Ending December 31:	
2026	$49
2027	123
2028	25
Total	$197

	December 31,	
	2025	2024
	(In Millions)	
Undiscounted future premium commitments	$197	$247
Derivative fair value with premium commitments	580	649
Derivative fair value excluding impact of financing premiums	580	649

DERIVATIVES DESIGNATED AS HEDGING UNDER SSAP NO. 108

The hedged obligation consists of a portion of the Company's guaranteed benefits on variable annuity contracts, including related minimum benefit guarantees that is sensitive to interest rate movement. Changes in interest rates impact the present value of future product cash flows (discount rate), as well as the value of the investments comprising the account value to be assessed against the guarantee. The hedged portion of the block is determined on a monthly basis based on the percentage of the economic liability being hedged.

Interest rate risk may be hedged by a duration matched portfolio of interest sensitive derivatives, such as treasury futures, interest rate swaps, interest rate swaptions or treasury caps/floors. The Company entered into this hedging relationship effective January 1, 2022 and no changes have been made to the hedging strategy since inception. Hedge effectiveness is measured in accordance with the requirements outlined under SSAP No. 108 on a quarterly basis, both prospectively and retrospectively, and remains highly effective as of December 31, 2025.

The following table summarizes the scheduled amortization for the recognition of gains/losses and deferred assets and liabilities:

	Deferred Assets	Deferred Liabilities
	(In Millions)	
Amortization Year:		
2026	$48	
2027	48	
2028	48	
2029	48	
Thereafter	158	
Total	$350	$—

The following table presents the rollforward of future amortization and total deferred balance:

	Years Ended December 31,	
	2025	2024
	(In Millions)	
Prior year total deferred balance	$396	$214
Current year amortization	(42)	(34)
Current year deferred recognition	(4)	216
Ending deferred balance	$350	$396

The following table presents the open derivative removed from SSAP No. 86 and captured in scope of SSAP No. 108:

	Years Ended December 31,	
	2025	2024
	(In Millions)	
Total derivative fair value change		($37)
Unrealized gain/loss recognized prior to reclassification to SSAP No. 108		
Other changes		
Fair value changes available for applicants under SSAP No. 108	$—	($37)

DERIVATIVE CREDIT EXPOSURE

The Company is exposed to credit-related losses in the event of nonperformance by counterparties to derivatives. The Company manages its credit risk by dealing with creditworthy counterparties, establishing risk-control limits, executing legally enforceable master netting agreements, and obtaining collateral where appropriate. In addition, the Company evaluates the financial stability of each counterparty before entering into each agreement and throughout the period that the financial instrument is owned. The Company's credit exposure is measured on a counterparty basis as the net positive fair value of all derivative positions with the counterparty, net of income or expense accruals and collateral received.

The Company's OTC-cleared derivatives are effected through central clearing counterparties and its exchange-traded derivatives are effected through regulated exchanges. Such positions are marked to market and margined on a daily basis (both initial margin and variation margin), and the Company has minimal exposure to credit-related losses in the event of nonperformance by counterparties to such derivatives.

For OTC derivative transactions, the Company enters into legally enforceable master netting agreements which provide for the netting of payments and receipts with a single counterparty. The net position with each counterparty is calculated as the aggregate fair value of all derivative instruments with each counterparty, net of income or expense accruals and collateral paid or received. These master netting agreements include collateral arrangements with derivative counterparties, which require positions be marked to market and margined on a daily basis by the daily settlement of variation margin. The Company has minimal counterparty exposure to credit-related losses in the event of nonperformance by these counterparties.

The OTC agreements may include a termination event clause associated with financial strength ratings assigned by certain independent rating agencies. If these financial strength ratings were to fall below a specified level, as defined within each counterparty master netting agreement, or if one of the rating agencies were to cease to provide a financial strength rating, the counterparty could terminate the master netting agreement with payment due based on the net fair value of the underlying derivatives. As of December 31, 2025 and 2024, the Company's financial strength ratings were above the specified level.

The Company has not incurred any losses on derivative financial instruments due to counterparty nonperformance for the years ended December 31, 2025, 2024 and 2023. The Company does not expect any counterparties to fail to meet their obligations given their investment-grade ratings.

6. INCOME TAXES

The components of net deferred tax assets (DTAs) and deferred tax liabilities (DTLs) are as follows:

	December 31, 2025			December 31, 2024		
	Ordinary	Capital	Total	Ordinary	Capital	Total
			(In Millions)			
Gross DTAs	$1,861	$100	$1,961	$1,977	$90	$2,067
Nonadmitted DTAs				205		205
Net admitted DTAs	1,861	100	1,961	1,772	90	1,862
DTLs	139	998	1,137	139	714	853
Net admitted DTAs (DTLs)	$1,722	($898)	$824	$1,633	($624)	$1,009

	Change during 2025		
	Ordinary	Capital	Total
		(In Millions)	
Gross DTAs	($116)	$10	($106)
Nonadmitted DTAs	(205)		(205)
Net admitted DTAs	89	10	99
DTLs		284	284
Net admitted DTAs (DTLs)	$89	($274)	($185)

The admission calculation components of SSAP No. 101, *Income Taxes,* are as follows:

	December 31, 2025			December 31, 2024		
	Ordinary	Capital	Total	Ordinary	Capital	Total
			(In Millions)			
Adjusted gross DTAs expected to be realized after application of the threshold limitation	$824		$824	$1,009		$1,009
Adjusted gross DTAs expected to be realized following the balance sheet date	824		824	1,009		1,009
Adjusted gross DTAs allowed per limitation threshold			2,063			1,670
Adjusted gross DTAs offset by gross DTLs	139	$998	1,137	139	$714	853
DTAs admitted as the result of application of SSAP No. 101	$963	$998	$1,961	$1,148	$714	$1,862

	Change during 2025		
	Ordinary	Capital	Total
		(In Millions)	
Adjusted gross DTAs expected to be realized after application of the threshold limitation	($185)		($185)
Adjusted gross DTAs expected to be realized following the balance sheet date	(185)		(185)
Adjusted gross DTAs allowed per limitation threshold			393
Adjusted gross DTAs offset by gross DTLs		$284	284
DTAs admitted as the result of application of SSAP No. 101	($185)	$284	$99

The ratio percentage and adjusted capital and surplus used to determine recovery period and threshold limitation are as follows:

	December 31,	
	2025	2024
	($ In Millions)	
Ratio percentage	1,073%	1,007%
Amount of adjusted capital and surplus	$13,750	$11,134

As of December 31, 2025 and 2024, there was no impact on adjusted gross and net admitted DTAs due to tax planning strategies. The Company's tax planning strategies did not include the use of reinsurance.

Federal income taxes are as follows:

	Years Ended December 31,			Change	Change
	2025	2024	2023	2025-2024	2024-2023
			(In Millions)		
Federal income taxes	$243	$79	($26)	$164	$105
Federal income taxes on net capital gains (losses)	64	(8)	57	72	(65)
Other			5		(5)
Total	$307	$71	$36	$236	$35

The tax effects of temporary differences that give rise to significant portions of the DTAs and DTLs are as follows:

	December 31,		
	2025	2024	Change
	(In Millions)		
DTAs:			
Ordinary:			
Policyholder reserves	$968	$899	$69
Deferred acquisition costs	697	600	97
Tax credit carryforward	99	344	(245)
Compensation and benefits accrual	81	75	6
Fixed assets	5	45	(40)
Policyholder dividend accruals	1	2	(1)
Other	10	12	(2)
Total	1,861	1,977	(116)
Nonadmitted DTAs		205	(205)
Admitted ordinary DTAs	1,861	1,772	89
Capital:			
Investments	98	90	8
Net capital loss carry-forward	2		2
Admitted capital DTAs	100	90	10
Admitted DTAs	1,961	1,862	99
DTLs:			
Ordinary:			
Investments	136	133	3
Other	3	6	(3)
Total	139	139	—
Capital:			
Investments	998	714	284
DTLs	1,137	853	284
Net admitted DTAs	$824	$1,009	($185)

The change in net deferred income taxes, exclusive of the nonadmitted assets, is as follows:

	December 31,		
	2025	2024	Change
	(In Millions)		
Total DTAs	$1,961	$2,067	($106)
Total DTLs	1,137	853	284
Net DTAs	$824	$1,214	(390)
Excluding tax effect of unrealized gains (losses)			75
Change in net deferred income tax			(315)
Tax credits not reflected in change in net deferred income tax			245
Change in net operating deferred income tax			($70)

Federal income tax expense (benefit) is different from that which would be incurred by applying the statutory Federal income tax rate of 21% to income before income taxes. The significant items causing these differences are as follows:

	Years Ended December 31,		
	2025	2024	2023
	(In Millions)		
Provision computed at statutory rate	$364	$31	$1
Tax impact from surplus including reinsurance	90	24	(20)
Taxable derivative gains	23	49	46
Tax impact from affiliates	3	22	(3)
Tax exempt interest	(12)	(9)	(9)
Taxes allocated under tax sharing agreement	(13)	(16)	(19)
Interest accrual	(17)	(25)	
Tax credits	(27)	(19)	(18)
Separate account dividends received deduction	(28)	(29)	(26)
Other	(6)	(15)	(10)
Total statutory income tax	$377	$13	($58)
Federal income taxes incurred	$307	$71	$36
Change in net deferred income taxes	70	(58)	(94)
Total statutory income tax	$377	$13	($58)

As of December 31, 2025, the Company had $99 million of tax credit carry-forwards that originated in 2023 and 2024 and expire in 2043 and 2044.

The Company had no adjustments of DTAs and DTLs for enacted changes in tax laws or a change in tax status other than the impact from the One Big Beautiful Bill Act (OBBB) discussed below. The Company had no adjustments to gross DTAs because of a change in circumstances that causes a change in judgment about the realizability of the related DTAs.

The following are income taxes incurred in the current and prior years that will be available for recoupment in the event of future net losses:

	Ordinary	Capital
	(In Millions)	
2025 estimated		$64
2024		
2023		41

The Company had no federal or foreign income tax loss contingencies for which it is reasonably possible that the total liability will significantly increase within 12 months from December 31, 2025.

PMHC and its subsidiaries file income tax returns in the U.S. Federal and various state jurisdictions. PMHC is under continuous audit by the Internal Revenue Service (IRS) and is audited periodically by some state taxing authorities. The IRS is currently examining PMHC's tax returns for the years ended December 31, 2013 through 2022. The exam of the Federal tax returns through tax years ended December 31, 2012 has been completed and certain issues are under appeals. The State of California is auditing the tax year ended December 31, 2009 and certain issues are under protest. The Company does not expect the current Federal and California audits to result in any material assessments.

The Inflation Reduction Act enacted on August 16, 2022 was effective January 1, 2023 and imposed a 15% Corporate Alternative Minimum Tax (CAMT) on corporations with three-year average adjusted financial statement income over $1.0 billion. The Company is part of the PMHC consolidated group which has determined that it is an applicable reporting entity for purposes of the CAMT beginning in 2024. CAMT has not been recognized in the Company's financial statements - statutory basis for the years ended December 31, 2025 and 2024 because the PMHC consolidated group's regular tax liability exceeded its CAMT liability.

In July 2025, OBBB was enacted into law. The legislation includes a broad range of tax reform provisions affecting businesses, including extensions and modifications to certain provisions of the Tax Cuts & Jobs Act, as well as expansions and accelerations of provisions under the Inflation Reduction Act. While most provisions are effective January 1, 2026, certain provisions are retroactive to an earlier date in 2025. The Company has evaluated the impact of OBBB and concluded that it does not have a material impact on the financial statements - statutory basis for the year ended December 31, 2025.

7. BORROWED MONEY

The Company maintains a commercial paper program with $1.0 billion of capacity as of December 31, 2025 and 2024. There was no commercial paper debt outstanding as of December 31, 2025 and 2024. In May 2025, the Company entered into a new senior revolving credit facility with a total borrowing capacity of $1.5 billion, replacing its existing $1.0 billion facility. The new facility includes Pacific Life Re International Limited (RIBM), a wholly-owned indirect subsidiary of Pacific LifeCorp, as an additional borrower and has a maturity date of May 2030. Under the terms of the agreement, the Company and Pacific LifeCorp may borrow up to the full commitment amount, while RIBM may borrow up to $500 million. This facility serves as a back-up line of credit to the commercial paper program. Borrowings under this facility bear interest at variable rates. There were no amounts outstanding as of December 31, 2025 and 2024. The revolving credit facility has certain debt covenants and the Company was in compliance with those debt covenants as of December 31, 2025.

The Company maintains a reverse repurchase line of credit with an unaffiliated financial institution. There was no debt outstanding in connection with this line of credit as of December 31, 2025 and 2024.

The Company is a member of the Federal Home Loan Bank (FHLB) of Topeka. Through its membership, the Company has conducted business activity (borrowings) with the FHLB. The Company may utilize these funds for spread margin business or as a source of additional liquidity. The Company's estimated maximum borrowing capacity (after taking into account required collateralization levels) was $9.2 billion and $7.8 billion as of December 31, 2025 and 2024, respectively. However, asset eligibility determination is subject to the FHLB's discretion and to the availability of qualifying assets at the Company.

The advances received as additional liquidity under short-term debt arrangements are accounted for as borrowed money under SSAP No. 15, *Debt and Holding Company Obligations.* In addition, the Company issues funding agreements to the FHLB in exchange for cash advances. As such, the Company applies SSAP No. 52, *Deposit-Type Contracts*, accounting treatment to these funds, consistent with its other deposit-type contracts.

The collateral pledged to the FHLB is as follows:

	December 31, 2025			December 31, 2024		
	Fair Value	Carrying Value	Aggregate Total Borrowing	Fair Value	Carrying Value	Aggregate Total Borrowing
	(In Millions)					
General Account: [1]						
Total collateral pledged	$13,286	$13,580	$2,290	$10,930	$11,609	$1,690
Maximum collateral pledged	13,286	13,580	2,290	10,930	11,609	1,690

[1] The Company has a Subsidiary Collateral and Security Agreement with PAH to pledge certain affiliate collateral to the FHLB on behalf of the Company.

The amount borrowed from the FHLB is as follows:

	December 31, 2025		December 31, 2024	
	General Account	Funding Agreement Reserves Established	General Account	Funding Agreement Reserves Established
	(*In Millions*)			
Funding agreements	$2,290	$2,298	$1,690	$1,696
Total	$2,290	$2,298	$1,690	$1,696

The maximum borrowing from FHLB is as follows:

	General Account	
	Years Ended December 31,	
	2025	2024
	(In Millions)	
Debt	$354	$100
Funding agreements	2,290	1,890
Total	$2,644	$1,990

The Company's debt borrowings from FHLB are not subject to prepayment obligations. The Company's funding agreements with the FHLB are subject to prepayment obligations.

The Company is required to purchase stock in FHLB of Topeka each time it receives an advance. As of December 31, 2025 and 2024, the Company held $105 million and $78 million, respectively, of restricted FHLB of Topeka stock, primarily consisting of membership Class B stock, which is recorded in common stock. None of the membership stock is eligible for redemption.

In March 2025, the Company entered into an agreement with the Federal Agricultural Mortgage Corporation (Farmer Mac), under which the Company can issue up to $900 million of funding agreements to a subsidiary of Farmer Mac. The Company may utilize these funds for spread margin business or as a source of additional liquidity. As of December 31, 2025, the Company had $100 million of fixed rate funding agreements with Farmer Mac. As of December 31, 2025, agricultural mortgage loans of $896 million were pledged as collateral for the funding agreements.

8. CAPITAL AND SURPLUS

DIVIDEND RESTRICTIONS

The payment of dividends by the Company to Pacific LifeCorp is subject to restrictions set forth in the State of Nebraska insurance laws. These laws require (i) notification to the NE DOI for the declaration and payment of any dividend and (ii) approval by the NE DOI for accumulated dividends within the preceding twelve months that exceed the greater of 10% of statutory policyholder surplus as of the preceding December 31 or statutory net gain from operations for the preceding twelve months ended December 31. Based on these restrictions and 2025 statutory results, the Company could pay up to $918 million in dividends in 2026 to Pacific LifeCorp, without prior approval by the NE DOI, subject to the notification requirement. Within the dividend restrictions, there are no restrictions placed on the portion of Company profits that may be paid as ordinary dividends to stockholders. There are no other restrictions on unassigned surplus.

The Company paid a $50 million ordinary cash dividend to Pacific LifeCorp during the year ended December 31, 2025. No dividends were paid during the years ended December 31, 2024 and 2023.

UNASSIGNED SURPLUS

The portion of unassigned surplus represented or reduced by cumulative net unrealized gains was $1.7 billion and $1.2 billion as of December 31, 2025 and 2024, respectively.

SPECIAL SURPLUS FUNDS

During the years ended December 31, 2025 and 2024, changes in the balance of special surplus funds from the prior year were due to admittance of negative IMR and unrealized gain/(loss) from derivatives under SSAP No. 108. There were no significant changes in the balance of special surplus funds for the year ended December 31, 2023.

SURPLUS NOTES

The carrying values of surplus notes are shown below:

	December 31,	
	2025	2024
	(In Millions)	
2009 Surplus Notes	$300	$300
2013 Surplus Note	406	406
2017 Surplus Notes	749	749
2025 Surplus Notes	750	
Total	$2,205	$1,455

2009 Surplus Notes:

In June 2009, the Company issued $1.0 billion of surplus notes at a fixed interest rate of 9.25%, maturing in June 2039 (2009 Surplus Notes). Interest is payable semiannually on June 15 and December 15. The 2009 Surplus Notes were issued pursuant to Rule 144A under the Securities Act of 1933. Total interest and principal paid on a cumulative basis was and $1.1 billion and $700 million, respectively, as of December 31, 2025. Interest paid on the 2009 Surplus Notes amounted to $28 million for the years ended December 31, 2025, 2024 and 2023, and is included in net investment income. During the years ended December 31, 2025 and 2024, no principal was paid. In September 2022, with the approval of the Director of the NE DOI, the Company repurchased and retired $85 million of the 2009 Surplus Notes. The Company may redeem all or a portion of the 2009 Surplus Notes at its option, subject to the prior approval of the Director of the NE DOI for such optional redemption. The 2009 Surplus Notes are unsecured and subordinated to all present and future senior indebtedness and policy claims of the Company. Each payment of interest on and the repayment of principal of the 2009 Surplus Notes may be made only out of the Company's surplus and with the prior approval of the Director of the NE DOI. The Company entered into interest rate swaps converting these surplus notes to variable rate notes based upon the London Interbank Offered Rate (LIBOR). During the year ended December 31, 2011, the interest rate swaps were terminated. Deferred gains related to the termination of the interest rate swaps were recorded directly to surplus in other surplus adjustments and are amortized as a reduction of interest expense over the life of the surplus notes using the effective interest method. As of December 31, 2025, total unamortized gains were $76 million. Amortization totaled $3 million for the years ended December 31, 2025, 2024 and 2023.

2013 Surplus Note:

In January 2013, the Company issued a $500 million, 30-year surplus note to its parent, Pacific LifeCorp, at a fixed interest rate of 5.125%, with semi-annual interest payments due January 25 and July 25, maturing in January 2043 (2013 Surplus Note). Each payment of interest on and the repayment of principal of the 2013 Surplus Notes may be made only out of the Company's surplus and with the prior approval of the Director of the NE DOI. The 2013 Surplus Note is unsecured and subordinated to all present and future senior indebtedness and policy claims of the Company. Total interest and principal paid on a cumulative basis was $275 million and $90 million, respectively, as of December 31, 2025. Interest paid on the 2013 Surplus Note amounted to $12 million, $21 million and $21 million for the years ended December 31, 2025, 2024 and 2023, respectively, and is included in net investment income. There was no principal paid during the years ended December 31, 2025, 2024 and 2023.

2017 Surplus Notes:

In October 2017, with the approval of the Director of the NE DOI, the Company issued $750 million of 4.3% surplus notes maturing in October 2067 (2017 Surplus Notes). The 2017 Surplus Notes accrue interest at a fixed rate of 4.3% through October 23, 2047, and thereafter until maturity at a floating rate equal to the three-month LIBOR for deposits in U.S. dollars plus 2.796%. The loan agreement contains fallback language in the event LIBOR becomes unavailable. Interest is payable semiannually on April 24 and October 24 until and including October of 2047, and thereafter quarterly on January 24, April 24, July 24 and October 24 of each year, commencing on January 24, 2048. Total interest and principal paid on a cumulative basis was $258 million and zero, respectively, as of December 31, 2025. Interest paid on the 2017 Surplus Notes amounted to $32 million for the years ended December 31, 2025, 2024 and 2023, and is included in net investment income. There was no principal paid during the years ended December 31, 2025, 2024 and 2023.

The 2017 Surplus Notes were issued pursuant to Rule 144A under the Securities Act of 1993. The Company may redeem all or a portion of the 2017 Surplus Notes at its option any time on or after October 2047 at the redemption price described under the terms of the 2017 Surplus Notes subject to the prior approval of the Director of the NE DOI for such optional redemption. Each payment of interest on and the repayment of principal of the 2017 Surplus Notes may be made only out of the Company's surplus and with the prior approval of the Director of the NE DOI. The 2017 Surplus Notes are unsecured and subordinated to all present and future senior indebtedness and policy claims of the Company.

2025 Surplus Notes:

In September 2025, with the approval of the Director of the NE DOI, the Company issued $750 million surplus notes at a fixed interest rate of 5.95%, maturing on September 15, 2055 (2025 Surplus Notes). Interest is payable semiannually on March 15 and September 15. The 2025 Surplus Notes were issued pursuant to Rule 144A under the Securities Act of 1933. The Company may redeem all or a portion of the 2025 Surplus Notes at its option, subject to the prior approval of the Director of the NE DOI for such optional redemption. Each payment of interest on and the repayment of principal of the 2025 Surplus Notes may be made only out of the Company's surplus and with the prior approval of the Director of the NE DOI. The 2025 Surplus Notes are unsecured and subordinated to all present and future senior indebtedness and policy claims of the Company.

9. RELATED PARTY TRANSACTIONS

The Company provides certain subsidiaries and affiliates with services that are routine in nature. Fees for these services are determined using cost allocations or a negotiated basis intended to reflect market prices. The Company provides investment and administrative services for certain subsidiaries and affiliates under administrative services agreements. Effective March 2024, PL&A provides certain administrative and special services to the Company under an administrative service agreement. For the years ended December 31, 2025, 2024 and 2023, the Company received $158 million, $132 million and $138 million, respectively, for services provided to, and paid $20 million, $17 million, and $16 million, respectively, for services received from certain subsidiaries and affiliates, which are included in operating expenses. As of December 31, 2025 and 2024, the Company reported $127 million and $338 million, respectively, due from other affiliated companies. It is the Company's practice to settle these amounts no later than 90 days after the due date.

In connection with the operations of certain subsidiaries, the Company has made commitments to provide for additional capital funding as may be required. In connection with the operations of PLFA, the Company and PL&A are obligated to contribute additional capital funding as may be required according to their respective membership percentages.

The following table presents capital contributions to subsidiaries:

	Years Ended December 31,		
	2025	2024	2023
	(In Millions)		
PL&A			$49
PAH	$3,850	$2,507	1,061
Total	$3,850	$2,507	$1,110

Distributions to the Company from subsidiaries are summarized below:

	Years Ended December 31,			Years Ended December 31,		
	2025	2024	2023	2025	2024	2023
	Net Investment Income			Return of Capital		
	(In Millions)					
PAH	$409	$50	$212	$1,006	$604	$249
PLFA	78	91	98			
PAR Vermont					50	
PGAM	32	21		3		40
Total	$519	$162	$310	$1,009	$654	$289

PSD primarily serves as the distributor of registered investment-related products and services, principally variable life and annuity contracts issued by the Company and PL&A. In connection with PSD's distribution of these variable life and annuity contracts for the Company and PL&A, the Company incurred commission expense of $738 million, $582 million and $486 million during the years ended December 31, 2025, 2024 and 2023, respectively. A service plan was adopted by the Pacific Select Fund whereby the Pacific Select Fund pays PSD, as distributor of the funds, a service fee in connection with services rendered or procured for shareholders of the fund or their variable contract owners. These services may include, but are not limited to, payment of compensation to broker-dealers, including PSD itself, and other financial institutions and organizations, which assist in providing any of the services. From these service fees, PSD reimbursed the Company $73 million, $74 million and $69 million, included in commission expense, for the years ended December 31, 2025, 2024 and 2023, respectively. PSD also offers limited retail broker-dealer services that include selling variable annuities issued by the Company to customers advised by third-party fiduciaries such as trust companies and registered investment advisers. With respect to these sales, PSD acts as the broker-dealer of record for the initial sale, but does not receive commissions.

The Company's structured settlement transactions are typically designed such that an affiliated assignment company assumes settlement obligations from external parties in exchange for consideration. The affiliated assignment company then funds the assumed settlement obligations by purchasing annuity contracts from the Company. Consequently, substantially all of the Company's structured settlement annuities are sold to an affiliated assignment company. Included in the liability for aggregate reserves are insurance contracts with the affiliated assignment company with contract values of $3.8 billion and $3.5 billion as of December 31, 2025 and 2024, respectively. Related to these contracts, the Company received $487 million, $78 million, and $241 million of premiums and annuity considerations and paid $226 million, $219 million and $217 million of current and future policy benefits for the years ended December 31, 2025, 2024 and 2023, respectively. In addition, included in the liability for deposit-type contracts are insurance contracts with the affiliated assignment company of $6.7 billion and $5.9 billion as of December 31, 2025 and 2024, respectively.

The Company has reinsurance agreements with subsidiaries and affiliates. See Note 10.

In June 2022, the Company entered into a promissory note with Pacific LifeCorp to borrow up to $200 million at a variable interest rate. There were no borrowings outstanding as of 2024. The promissory note matured on March 31, 2025.

The Company has an agreement with PL&A to lend up to $100 million at a variable interest rate. There were no borrowings outstanding as of December 31, 2025 and 2024.

The Company also has an intercompany uncommitted revolving credit facility with affiliates to lend or borrow funds. Under the agreement, the Company can lend or borrow up to 3% of the Company's admitted assets to certain affiliates as of the preceding December 31. The aggregate total borrowing of all outstanding loans is limited to $3.0 billion including any outstanding loans under other affiliate lending agreements. The amount outstanding under the facility was zero and $200 million at an interest rate of 4.71% as of December 31, 2025 and 2024, respectively.

The Company entered into agreements with Pacific Life Re (Australia) Pty Limited (PLRA), RIBM and RGBM, all such entities being wholly-owned indirect subsidiaries of Pacific LifeCorp, to guarantee the performance of reinsurance obligations of PLRA, RIBM and RGBM, respectively. The guarantees for PLRA and RIBM are secondary to the guarantees provided by Pacific LifeCorp and would only be triggered in the event of nonperformance by PLRA or RIBM and Pacific LifeCorp. PLRA, RIBM and RGBM each pay the Company a fee for their respective guarantees. Management believes that obligations, if any, related to the guarantee agreements are not likely to have a material adverse effect on the Company's financial statements - statutory basis.

During the years ended December 31, 2025, 2024 and 2023, participants previously covered by a group annuity contract at the Company were transferred to PL&A. As a result, the Company surrendered premium revenue and decreased reserves by $8 million, $51 million and $8 million, respectively.

10. REINSURANCE

The Company has reinsurance contracts with other insurance companies and affiliates to limit potential losses, reduce exposure from larger risks, and provide additional capacity for growth. As part of its risk management process, the Company routinely evaluates its reinsurance programs and may change retention limits, reinsurers, or other features at any time.

The ceding of risk does not discharge the Company from its primary obligations to contract owners. To the extent that the assuming companies become unable to meet their obligations under reinsurance contracts, the Company remains liable. The Company evaluates the financial strength and stability of each reinsurer prior to entering into each reinsurance contract and throughout the period that the reinsurance contract is in place.

Reserve adjustments on reinsurance ceded in the statements of operations - statutory basis relate to amounts ceded by the Company in connection with modified coinsurance reinsurance agreements. These amounts primarily represent ceded current and future policy benefits, net investment income, and net realized capital gains (losses) less tax related to these agreements.

All assets associated with business reinsured on a modified coinsurance basis remain with, and under the control of, the Company.

For the years ended December 31, 2025, 2024 and 2023, premiums assumed were $438 million, $(9) million and $1.0 billion, respectively, and premiums ceded were $5.8 billion, $3.3 billion and $12.7 billion, respectively. As of December 31, 2025 and 2024, reserve credits recorded on ceded reinsurance were $22.5 billion and $19.0 billion, respectively.

Amounts recoverable from reinsurers on paid losses, included in other assets, were $321 million and $305 million as of December 31, 2025 and 2024, respectively, of which $75 million and $107 million, respectively, related to affiliates. Reinsurance recoveries for unpaid losses, included in other liabilities, totaled $440 million and $370 million as of December 31, 2025 and 2024, respectively, of which $112 million and $99 million, respectively, related to affiliates.

Restricted assets held under modified coinsurance reinsurance agreements and their related liabilities in the general account were $3.1 billion as of December 31, 2025. Restricted assets held under modified coinsurance reinsurance agreements and their related liabilities in the separate account were $1.4 billion as of December 31, 2025.

Restricted assets held under funds withheld reinsurance agreements and their related liabilities in the general account were $13.2 billion as of December 31, 2025.

The estimated amount of the aggregate reduction in surplus of termination of all reinsurance agreements, by either party, was $4.8 billion and $2.7 billion as of December 31, 2025 and 2024, respectively.

The Company had ceded and assumed reinsurance contracts in place with Scottish Re (U.S.), Inc. (Scottish Re), a reinsurer whose financial condition deteriorated. In March 2019, Scottish Re's domiciliary state regulator issued a rehabilitation and injunction order, in which the regulator shall conduct and continue business of the reinsurer. In July 2023, the court granted a liquidation order for Scottish Re, which terminated the reinsurance contracts as of September 30, 2023. Scottish Re's reinsurance recoverable amounts from paid claims incurred prior to the reinsurance contract cancellation and which are not in dispute were $15 million as of December 31, 2025 and 2024, and are reported in other assets. Total amounts recoverable from Scottish Re's estate for claims incurred before the reinsurance contract cancellation and other amounts expected to be recovered were $1 million and $9 million, respectively, as of December 31, 2025 and 2024, and were nonadmitted. The net amount owed to Scottish Re’s estate was $45 million and $46 million as of December 31, 2025 and 2024, respectively, consisting of $60 million of contract claims reported in other liabilities and $15 million of uncollected premiums reported in other assets as of December 31, 2025 and $61 million of contract claims reported in other liabilities and $15 million of uncollected premiums reported in other assets as of December 31, 2024. As of December 31, 2025, timing of expected settlements of the reinsurance recoverables remains uncertain. The Company does not expect the reinsurer's financial deterioration to have a material adverse effect on the Company's financial statements - statutory basis as of December 31, 2025.

As part of a strategic alliance, the Company reinsures risks associated with policies written by an independent producer group primarily through modified coinsurance arrangements with this producer group's reinsurance company. Premiums ceded to this producer group amounted to $994 million, $474 million and $423 million for the years ended December 31, 2025, 2024 and 2023, respectively. Direct premiums written or produced by this producer group amounted to $1.6 billion, $497 million and $409 million for the years ended December 31, 2025, 2024 and 2023, respectively.

The Company has issued policies that have been reinsured by Union Hamilton Reinsurance, Ltd., a Bermuda based subsidiary, which is wholly-owned by Wells Fargo & Company. Wells Fargo & Company provides a broad range of retail banking and brokerage, asset and wealth management, and corporate and investment banking products and services.

Effective April 2023, the Company entered into an agreement with Security Life of Denver Insurance Company to recapture two coinsurance/Yearly Renewable Term (YRT) agreements ceding varying amounts of mortality risk related to specific life business. For the year ended December 31, 2023, the coinsurance/YRT reserves recaptured were $354 million, reported in current and future policy benefits, and the assets received were $215 million, reported in premiums and annuity considerations.

In September 2023, the Company signed an indemnity reinsurance agreement with Hannover Life Reassurance Company of America (Bermuda) LTD to cede risks under certain indexed universal life insurance policies issued by the Company, effective December 31, 2023. The reinsurance will be on a coinsurance basis in respect of the Coinsurance Benefits under the Coinsured Policies and on a YRT basis in respect of the YRT benefits under the YRT reinsured policies. The amount of reserve credits taken was $12.2 billion as of December 31, 2024.

In April 2025, the Company executed a novation agreement transferring term life business reinsured from other direct writers to Hannover Life Reassurance Company of America (HLRUS). Under the terms of the novation, HLRUS assumed all of the Company's rights and obligations thereunder and became the direct reinsurer with the ceding companies. The Company derecognized assumed reserves of $113 million, net of the ceded impact of $92 million, offset by a cash settlement of $15 million, for a net gain of $6 million.

In August 2025, the Company and PL&A entered into an Assumption Reinsurance Agreement (the ARA) with Guaranty Association Benefits Company (GABC) pursuant to which the Company and PL&A will assume all of the remaining GABC liabilities previously assumed by GABC under the Restructuring Agreement (as defined below, and such liabilities, the GABC Liabilities) which was approved by the Liquidation Order (as defined below). The GABC Liabilities consist of certain remaining annuity obligations of the insolvent Executive Life Insurance Company of New York (ELNY), as restructured and enhanced under that certain Agreement of Restructuring in Connection with the Liquidation of Executive Life Insurance Company of New York, dated April 2012 (the Restructuring Agreement). In April 2012, the Supreme Court of the State of New York, County of Nassau (the Liquidation Court) entered an Order of Liquidation and Approval of the ELNY Restructuring Agreement (the Liquidation Order), which approved the Restructuring Agreement. The Restructuring Agreement provides that GABC should seek to transfer all of its assumed liabilities to a commercial insurer; hence, GABC entered the ARA with the Company and PL&A.

In December 2025, GABC gave public notice that it has petitioned the Liquidation Court for an order, in furtherance of the Liquidation Order to, inter alia, approve the ARA and the transactions it contemplates. A hearing on the petition is scheduled for March 2026 at the Liquidation Court. The assumption will have no significant impact to the Company's operations or surplus position.

CEDED AFFILIATED REINSURANCE

The Company utilizes affiliated reinsurers to mitigate the statutory capital impact of NAIC Model Regulation “Valuation of Life Insurance Polices” (Regulation XXX) and NAIC Actuarial Guideline 38 on the Company’s universal life products with flexible duration no lapse guarantee rider (FDNLGR) benefits. PAR Vermont and PBRC are Vermont based special purpose financial insurance companies subject to regulatory supervision by the Vermont Department of Financial Regulation. PAR Vermont and PBRC are wholly-owned subsidiaries of the Company and accredited authorized reinsurers in Nebraska. The Company cedes certain level term life insurance to PBRC and FDNLGR benefits to PAR Vermont and PBRC. Economic reserves, as defined in the PAR Vermont and PBRC reinsurance agreements, are supported by cash and invested and other assets, including funds withheld at the Company.

The reinsurance agreement with PBRC is subject to the requirements of NAIC Actuarial Guideline 48. The reinsurance agreement was effective January 1, 2015 and covers certain level term insurance policies and the FDNLGR benefits on certain covered policies issued from January 1, 2015 through December 31, 2019. For this reinsurance agreement, funds consisting of certain defined assets (Primary Security) in an amount at least equal to the minimum amount required of Primary Security are held by the Company as security under the reinsurance agreement on a funds withheld basis. Funds consisting of other security in an amount at least equal to the portion of the statutory reserves, as to which Primary Security is not held, are held in a trust on behalf of the Company as security under the reinsurance agreement.

The Company has reinsurance agreements with RGBM through which the Company retrocedes statutory reserves for a majority of the underlying YRT treaties on a 100% coinsurance basis to RGBM. As of June 2021, RGBM is recognized as a Reciprocal Jurisdiction Reinsurer in Nebraska.

Effective September 2024, the Company entered into a coinsurance with funds withheld agreement to cede certain group annuities to RGBM. As of December 31, 2024, the Company recognized a reserve credit of $1.0 billion. The transaction generated a gain, net of tax, of $134 million which was reported in unassigned surplus and will be recognized in future periods as earnings emerge from the business reinsured in accordance with NAIC SAP Appendix A-791.

Effective September 2025, the Company entered into a modified coinsurance agreement to cede certain group annuities to RGBM. As part of this new agreement, the Company recognized a deferred reinsurance gain in unassigned surplus of $139 million. The Company will recognize these gains in the income statement with corresponding reductions in surplus during future periods as earnings emerge from the business reinsured in accordance with NAIC SAP Appendix A-791.

Effective September 2025, the Company also amended and restated its existing coinsurance with funds withheld agreement with RGBM, originally effective September 2024, to cede an additional block of certain group annuities. As part of this new agreement, the Company recognized reserve credit of $2.5 billion and a deferred reinsurance gain in unassigned surplus of $200 million. The Company will recognize these gains in the income statement with corresponding reductions in surplus during future periods as earnings emerge from the business reinsured in accordance with NAIC SAP Appendix A-791.

Effective December 2025, the Company entered into a 100 percent quota share, coinsurance agreement to cede certain term life policies to RGBM. As part of this new agreement, the Company recognized a reserve credit of $389 million and a deferred reinsurance gain in unassigned surplus of $184 million. The Company will recognize these gains in the income statement with corresponding reductions in surplus during future periods as earnings emerge from the business reinsured in accordance with NAIC SAP Appendix A-791.

The Company has assumed reinsurance agreements with affiliated reinsurer RIBM through which the Company provides two longevity reinsurance solutions associated with individual annuities and pension schemes. Reserves assumed through this agreement totaled $2.1 billion and $2.0 billion as of December 31, 2025 and 2024, respectively.

Effective January 2024, an amendment was made to the existing in-force longevity treaties between the Company and RIBM. The Company increased the quota share assumed under the treaties and paid a ceding commission of $221 million to RIBM due to this transaction.

In December 2024, a retrocession treaty between the Company and RIBM was terminated. As of December 31, 2024, the Company derecognized $568 million of reserves and recognized a gain, net of tax, of $5 million.

During 2024, RIBM terminated certain assumed longevity reinsurance agreements in exchange for cash consideration of $81 million. This consideration was retroceded fully to the Company as part of the retrocession arrangement between RIBM and the Company.

11. EMPLOYEE BENEFIT PLANS

PENSION PLAN

The Company maintains a Supplemental Executive Retirement Plan (SERP) for certain eligible employees. The SERP is a non-qualified defined benefit plan. As of December 31, 2025 and 2024, the benefit obligation and total liability recognized were $86 million and $80 million, respectively. The accrued benefit costs were $65 million and $63 million and the liability for pension benefits was $21 million and $17 million as of December 31, 2025 and 2024, respectively. The fair value of plan assets as of December 31, 2025 and 2024 was zero. Total net periodic benefit cost was $8 million, $8 million and $14 million for the years ended December 31, 2025, 2024 and 2023, respectively. Amounts in unassigned surplus that have not yet been recognized as components of net period benefit cost consisted of net prior service cost of zero and $1 million and net recognized gains of $21 million and $16 million as of December 31, 2025 and 2024, respectively.

Weighted average assumptions are as follows:

	Years Ended December 31,		
Net Periodic Benefit Costs:	2025	2024	2023
Weighted average discount rate	5.10%	5.65%	5.30%
Interest crediting rates/Pre-1994 Retiree Reimbursement Agreement (RRA) subsidy increase (for cash balance plan and other plans with promised interest crediting rates)	5.20%	5.00%	5.00%

	December 31,	
	2025	2024
Projected Benefit Obligations:		
Weighted average discount rate	4.90%	5.10%
Interest crediting rates/Pre-1994 RRA subsidy increase (for cash balance plan and other plans with promised interest crediting rates)	5.45%	5.20%

The following estimated future payments, which reflect expected future service, as appropriate, are expected to be paid for the pension and postretirement plans:

	Amount
	(In Millions)
Years Ending December 31:	
2026	$7
2027	8
2028	9
2029	9
2030	10
2031 through 2035	51

POSTRETIREMENT BENEFIT PLAN

The Company provides a postretirement defined benefit health care reimbursement plan (the Plan) that provides benefits for eligible retirees and their dependents. As of December 31, 2025 and 2024, the benefit obligation and total liability recognized were $4 million. The accrued benefit costs were $4 million and $5 million and the liability (asset) for pension benefits was $1 million and $(1) million as of December 31, 2025 and 2024, respectively. The fair value of the plan assets as of December 31, 2025 and 2024 was zero. The Company reserves the right to modify or terminate the Plan at any time. As in the past, the general policy is to fund these benefits on a pay-as-you-go basis.

RETIREMENT INCENTIVE SAVINGS PLAN

The Company provides a Retirement Incentive Savings Plan (RISP) covering all eligible employees. The Company's RISP matches 100% of each employee's contribution, up to a maximum of 5% of eligible employee compensation. The Company's match plus other contributions made by the Company to the RISP amounted to $62 million, $58 million and $51 million for the years ended December 31, 2025, 2024 and 2023, respectively.

OTHER PLANS

The Company has deferred compensation plans that permit eligible employees to defer portions of their compensation and earn interest on the deferred amounts. The interest rate is determined quarterly. The compensation that has been deferred has been accrued and the primary expense related to this plan, other than compensation, is interest on the deferred amounts. As of December 31, 2025 and 2024, the deferred amounts were $190 million and $175 million, respectively. The plan was credited $15 million, $13 million and $11 million for the years ended December 31, 2025, 2024 and 2023, respectively.

12. RESERVES FOR LIFE CONTRACTS AND ANNUITY CONTRACTS AND CHANGE IN INCURRED LOSSES AND LOSS ADJUSTMENT EXPENSES

For whole life and term life policies with flat extra premium, the reserve consists of the regular standard reserve plus 50% of such extra premium. For whole life policies with a substandard rating, the reserve consists of the regular standard reserve plus an extra reserve based on an appropriate multiple of the valuation mortality table. For other policies with a substandard rating or flat extra, mean reserves are based on an appropriate multiple of or addition to the valuation mortality table.

As of December 31, 2025 and 2024, the Company had $9.0 billion and $12.0 billion, respectively, of insurance in force for which gross premiums are less than the net premiums according to the valuation standard set by the State of Nebraska.

For traditional policies, tabular interest, tabular less actual reserve released, and tabular cost have been determined by formula as described by the NAIC instructions. For non-traditional universal life type policies, the tabular interest and tabular cost are based on the actual interest credited to and monthly deductions from the policies. For some deferred annuity policies and some immediate payout policies, tabular interest was calculated using basic data.

The tabular interest on deposit funds not involving life contingencies has been determined from actual interest credited to deposits.

The components for other reserve changes, which include the changes in separate account fair value, surrender or alternative comparison values, partial withdrawals, changes in deficiency reserves, changes in CRVM expense allowances, and changes in additional actuarial reserves for Actuarial Guideline 38, are as follows:

	December 31,	
	2025	2024
	(In Millions)	
Ordinary		
Life insurance	($151)	$111
Individual annuities	14	(4)
Group		
Annuities	122	(25)
Total	($15)	$82

As of December 31, 2025 and 2024, there were $18 million and $21 million, respectively, in aggregate reserves for accident and health contracts.

13. ANALYSIS OF ANNUITY ACTUARIAL RESERVES AND DEPOSIT-TYPE CONTRACT LIABILITIES BY WITHDRAWAL CHARACTERISTICS

The tables below describe withdrawal characteristics of individual annuities, group annuities and deposit-type contracts:

Individual Annuities:	December 31, 2025				
	General Account	Separate Account With Guarantees	Separate Account Nonguaranteed	Total	% of Total
			($ In Millions)		
Subject to discretionary withdrawal:					
With market value adjustment	$14,493	$2,381		$16,874	18%
At book value less current surrender charge of 5% or more [1]	9,589			9,589	10%
At fair value			$51,133	51,133	54%
Total with market value adjustment or at fair value	24,082	2,381	51,133	77,596	82%
At book value without adjustment	9,693			9,693	10%
Not subject to discretionary withdrawal	7,264		3	7,267	8%
Total (gross: direct + assumed)	41,039	2,381	51,136	94,556	100%
Reinsurance ceded	1,143			1,143	
Total (net)	$39,896	$2,381	$51,136	$93,413	
Amount included at book value less current surrender charge of 5% or more that will move to at book value without adjustment for the first time within the year after the statement date:	$1,464			$1,464	

[1] Withdrawal characteristic categories were evaluated using effective surrender charge rates, where applicable.

Group Annuities:	December 31, 2025				
	General Account	Separate Account With Guarantees	Separate Account Nonguaranteed	Total	% of Total
			($ In Millions)		
Subject to discretionary withdrawal:					
At fair value			$68	$68	0%
Not subject to discretionary withdrawal	$7,265	$10,480		17,745	100%
Total (gross: direct + assumed)	7,265	10,480	68	17,813	100%
Reinsurance ceded	3,440			3,440	
Total (net)	$3,825	$10,480	$68	$14,373	

Deposit-type Contracts:

	December 31, 2025			
	General Account	Separate Account Nonguaranteed	Total	% of Total
	($ In Millions)			
Subject to discretionary withdrawal:				
With market value adjustment	$202		$202	1%
At fair value		$7	7	0%
Total with market value adjustment or at fair value	202	7	209	1%
At book value without adjustment	4,589		4,589	12%
Not subject to discretionary withdrawal	32,891		32,891	87%
Total (gross: direct + assumed)	37,682	7	37,689	100%
Reinsurance ceded				
Total (net)	$37,682	$7	$37,689	

Total Individual and Group Annuities and Deposit-type Contracts:

	December 31, 2025				
	General Account	Separate Account With Guarantees	Separate Account Nonguaranteed	Total	% of Total
			($ In Millions)		
Subject to discretionary withdrawal:					
With market value adjustment	$14,695	$2,381		$17,076	11%
At book value less current surrender charge of 5% or more [1]	9,589			9,589	6%
At fair value			$51,208	51,208	34%
Total with market value adjustment or at fair value	24,284	2,381	51,208	77,873	51%
At book value without adjustment	14,282			14,282	10%
Not subject to discretionary withdrawal	47,420	10,480	3	57,903	39%
Total (gross: direct + assumed)	85,986	12,861	51,211	150,058	100%
Reinsurance ceded	4,583			4,583	
Total (net)	$81,403	$12,861	$51,211	$145,475	

[1] Withdrawal characteristic categories were evaluated using effective surrender charge rates, where applicable.

Total Individual and Group Annuities and Deposit-type Contracts:	December 31, 2024				
	General Account	Separate Account With Guarantees	Separate Account Nonguaranteed	Total	% of Total
			($ In Millions)		
Subject to discretionary withdrawal:					
With market value adjustment	$16,362			$16,362	12%
At book value less current surrender charge of 5% or more [1]	7,795			7,795	6%
At fair value			$48,796	48,796	37%
Total with market value adjustment or at fair value	24,157		48,796	72,953	55%
At book value without adjustment	11,797			11,797	9%
Not subject to discretionary withdrawal	38,202	$8,654	2	46,858	36%
Total (gross: direct + assumed)	74,156	8,654	48,798	131,608	100%
Reinsurance ceded	2,689			2,689	
Total (net)	$71,467	$8,654	$48,798	$128,919	

[1] Withdrawal characteristic categories were evaluated using effective surrender charge rates, where applicable.

The following information is obtained from the applicable exhibit in the Company's Annual Statement and related Separate Accounts Annual Statement, both of which are filed with the NE DOI, and are provided to reconcile annuity reserves and deposit-type contract funds and other liabilities without life or disability contingencies to amounts reported in the Annual Statement:

	December 31,	
	2025	2024
	(In Millions)	
Annual Statement:		
Annuities	$43,716	$42,664
Supplementary contracts with life contingencies	5	6
Deposit-type contracts and funding agreements	37,682	28,797
Subtotal	81,403	71,467
Separate Accounts Annual Statement:		
Annuities	64,065	57,444
Other contract deposit funds	7	8
Subtotal	64,072	57,452
Total	$145,475	$128,919

14. ANALYSIS OF LIFE ACTUARIAL RESERVES BY WITHDRAWAL CHARACTERISTICS

The tables below describe withdrawal characteristics of life actuarial reserves:

	December 31, 2025					
	General Account			Separate Account - Nonguaranteed		
	Account Value	Cash Value	Reserve	Account Value	Cash Value	Reserve
			(In Millions)			
Subject to discretionary withdrawal, surrender values, or contract loans:						
Universal life	$2,511	$2,955	$3,010			
Universal life with secondary guarantees	5,439	5,380	8,716			
Indexed universal life	226	179	193			
Indexed universal life with secondary guarantees	21,462	19,082	21,140			
Other permanent cash value life insurance	8,820	9,617	9,946			
Variable universal life	3,672	3,626	3,836	$17,951	$17,667	$17,662
Miscellaneous reserves			1			
Not subject to discretionary withdrawal or no cash values:						
Term policies without cash value			1,805			
Disability - active lives [1]			40			
Disability - disabled lives			28			
Miscellaneous reserves			909			
Total (direct + assumed)	42,130	40,839	49,624	17,951	17,667	17,662
Reinsurance ceded			17,913			
Total (net)	$42,130	$40,839	$31,711	$17,951	$17,667	$17,662

	December 31, 2024					
	General Account			Separate Account - Nonguaranteed		
	Account Value	Cash Value	Reserve	Account Value	Cash Value	Reserve
			(In Millions)			
Subject to discretionary withdrawal, surrender values, or contract loans:						
Universal life	$2,565	$3,025	$3,069			
Universal life with secondary guarantees	5,500	5,449	8,634			
Indexed universal life	184	138	150			
Indexed universal life with secondary guarantees	18,504	16,547	18,308			
Other permanent cash value life insurance	9,208	10,006	10,319			
Variable universal life	3,649	3,609	3,795	$14,268	$14,053	$14,045
Miscellaneous reserves			1			
Not subject to discretionary withdrawal or no cash values:						
Term policies without cash value			1,475			
Disability - active lives [1]			32			
Disability - disabled lives			20			
Miscellaneous reserves			899			
Total (direct + assumed)	39,610	38,774	46,702	14,268	14,053	14,045
Reinsurance ceded			16,357			
Total (net)	$39,610	$38,774	$30,345	$14,268	$14,053	$14,045

[1] Certain disability - active lives were reported in the first section instead of the Disability - active lives row in the second section since they are subject to discretionary withdrawal.

The table below describes the total withdrawal characteristics of life actuarial reserves for life and accident and health in the Company's Annual Statement and related Separate Accounts Annual Statement:

	December 31,	
	2025	2024
	(In Millions)	
Annual Statement:		
Life insurance section	$30,592	$29,297
Disability - active lives section	645	600
Disability - disabled lives section	18	16
Miscellaneous reserves section	456	432
Subtotal	31,711	30,345
Separate Accounts Annual Statement:		
Life insurance section	17,662	14,045
Total	$49,373	$44,390

15. PREMIUM AND ANNUITY CONSIDERATIONS DEFERRED AND UNCOLLECTED

Deferred and uncollected life insurance premiums and annuity considerations are as follows:

	December 31, 2025		December 31, 2024	
	Gross	Net of Loading	Gross	Net of Loading
	(In Millions)			
Ordinary new business	($17)	($51)	($2)	($36)
Ordinary renewal	(341)	(348)	95	87
Group annuity	36	36	54	54
Total	($322)	($363)	$147	$105

16. ELECTRONIC DATA PROCESSING EQUIPMENT AND SOFTWARE

Electronic data processing (EDP) equipment and non-operating software are carried at cost less accumulated depreciation and amortization and are included in other assets. The net amount of all non-operating software is nonadmitted. Depreciation and amortization expense is computed using the straight-line method over the lesser of the estimated useful life or three years for EDP equipment and five years for non-operating software. Costs incurred for the development of internal use non-operating software are capitalized and amortized using the straight-line method over the lesser of the estimated useful life or five years. Depreciation and amortization expense related to EDP equipment and non-operating software amounted to $35 million, $30 million and $25 million for the years ended December 31, 2025, 2024 and 2023, respectively.

Net admitted EDP equipment and non-operating software consist of the following:

	December 31,	
	2025	2024
	(In Millions)	
EDP equipment	$32	$39
Non-operating system software	393	367
Total	425	406
Accumulated depreciation and amortization	255	236
Net	170	170
Nonadmitted	167	164
Net admitted	$3	$6

17. SEPARATE ACCOUNTS

The Company utilizes an insulated separate accounts to record and account for assets and liabilities related to variable annuities (individual and group), variable universal life and group annuities. The liabilities consist of reserves established to meet withdrawal and future benefit payment contractual provisions. Investment risk associated with market value changes are generally borne by the contract holders, except to the extent of the minimum guarantees made by the Company with respect to certain separate accounts. In addition, the Company has a non-insulated separate account for registered index-linked annuities.

In accordance with the products recorded within the separate accounts, some assets are considered legally insulated whereas others are not legally insulated from the general account. The legal insulation of the separate account assets prevents such assets from being generally available to satisfy claims resulting from the general account.

The assets legally insulated and not legally insulated from the general account are attributed to the following products:

	December 31, 2025		December 31, 2024	
	Legally Insulated	Not Legally Insulated	Legally Insulated	Not Legally Insulated
	(In Millions)			
Variable annuities	$52,050		$49,643	
Variable universal life	17,957		14,396	
Group annuities	9,818		8,075	
Registered index-linked annuities		$3,164		
Total	$79,825	$3,164	$72,114	$—

In accordance with the products recorded within the separate account, some separate account liabilities are guaranteed by the general account. In accordance with guarantees provided, if the investment proceeds are insufficient to cover the rate of return guaranteed for the product, the policyholder proceeds will be remitted by the general account. Asset adequacy testing includes variable universal life, group annuities, and variable annuities, excluding registered index-linked annuities, separate accounts.

The Company has separate accounts with guarantees comprised of registered index-linked annuities and the group annuities business where the general account guarantees annuity payments if the separate account is unable to do so. Registered index-linked annuities assets are carried at amortized cost, and the related reserves are non-indexed with a guarantee of 4% or less subject to discretionary withdrawal with market value adjustment. Assets of the group annuities business are carried at amortized cost and the Company establishes an AVR as required.The Company's separate accounts without guarantees consist of the variable annuities and variable universal life businesses, with assets carried at fair value.

To compensate the general account for the risk taken, the separate account paid risk charges for the years ended December 31, 2025, 2024, 2023, 2022 and 2021 of $341 million, $347 million, $355 million, $352 million and $347 million, respectively.

For the years ended December 31, 2025, 2024, 2023, 2022 and 2021, the general account paid $11 million, $15 million, $31 million, $35 million and $10 million, respectively, toward the separate account guarantees.

For the assets not measured at fair value, the following table shows the comparison of the amortized cost to the fair value and the unrealized gain (loss) that would have been recorded if the assets had been reported at fair value:

	December 31,	
	2025	2024
	(In Millions)	
Assets held at amortized cost	$12,287	$8,075
Fair value	12,090	7,566
Unrecorded unrealized gain (loss)	(197)	(509)

Information regarding the separate accounts of the Company is as follows:

	Separate Accounts with Guarantees				Separate Accounts with Guarantees			
	Nonindexed Guarantee				Nonindexed Guarantee			
	4% or Less	More than 4%	Without Guarantees	Total	4% or Less	More than 4%	Without Guarantees	Total
	Year Ended December 31, 2025				Year Ended December 31, 2024			
				(In Millions)				
Premiums, considerations or deposits	$2,355	$2,122	$6,781	$11,258		$2,375	$5,260	$7,635

	December 31, 2025				December 31, 2024			
Reserves for accounts with assets at:				*(In Millions)*				
Fair value			$68,873	$68,873			$62,843	$62,843
Amortized cost	$5,241	$7,620		12,861	$3,009	$5,645		8,654
Total	$5,241	$7,620	$68,873	$81,734	$3,009	$5,645	$62,843	$71,497
Reserves by withdrawal characteristics:								
Subject to discretionary withdrawal:								
With market value adjustment	$2,381			$2,381				
At fair value			$68,870	68,870			$62,841	$62,841
Total with market value adjustment or at fair value	2,381	—	68,870	71,251	—	—	62,841	62,841
Not subject to discretionary withdrawal	2,860	7,620	3	10,483	$3,009	$5,645	2	8,656
Total	$5,241	$7,620	$68,873	$81,734	$3,009	$5,645	$62,843	$134,338

	Years Ended December 31,		
	2025	2024	2023
	(In Millions)		
Transfers as reported in the summary of operations - statutory basis of the Separate Accounts Annual Statement:			
Transfers to separate accounts	$11,258	$7,632	$5,884
Transfers from separate accounts	9,284	7,938	5,928
Net transfers to (from) separate accounts	1,974	(306)	(44)
Reconciling adjustments:			
Net lag gain (loss) for annuities in general account only		2	(1)
Transfers as reported in current and future policy benefits in the accompanying statements of operations - statutory basis	$1,974	($304)	($45)

For the year ended December 31, 2025, assets transferred as a sale for cash from the general account to the separate account were $156 million.

The Company does not engage in securities lending transactions or enter into repurchase or reverse repurchase agreements within the separate account.

18. COMMITMENTS AND CONTINGENCIES

COMMITMENTS

As of December 31, 2025, the Company had $2.6 billion and $60 million of outstanding mortgage loan commitments in the general account and separate account, respectively, which were primarily advances available for construction loans. Construction loan advances are made during the term of the construction loan as the borrower meets certain loan advance requirements.

As of December 31, 2025, the Company had $8.6 billion of commitments to fund investments in SCA entities, joint ventures, partnerships or limited liability companies.

As of December 31, 2025, the Company has commitments or contingent commitments related to investments in tax credit structures expected to be paid in the following years:

	Amount
	(In Millions)
Year Ending December 31:	
2026	$87
2027	108
2028	108
2029	9
2030	2
Thereafter	19
Total	$333

As of December 31, 2025, the Company had $3.8 billion and $102 million of outstanding contractual obligations to acquire private placement securities for the general account and separate account, respectively.

The Company has operating leases for office space and equipment of its primary operating centers in Newport Beach, California and Omaha, Nebraska and for its various field offices, which in most, but not all cases, are noncancelable. Rental expense, which is included in operating expenses, in connection with these leases was $9 million, $15 million and $12 million for the years ended December 31, 2025, 2024 and 2023, respectively. Aggregate minimum future commitments are as follows:

	Amount
	(In Millions)
Year Ending December 31:	
2026	$10
2027	10
2028	9
2029	9
2030 and thereafter	65
Total	$103

Certain rental commitments have renewal options extending through the year 2038. Some of these renewals are subject to adjustments in future periods.

CONTINGENCIES - LITIGATION

In the ordinary course of business, the Company is a respondent in a number of legal proceedings. Although the Company is confident of its position and the likelihood of an unfavorable outcome is low, it remains possible that a judge or jury could rule against the Company. It is the opinion of management, that such an outcome would be unlikely to have a material adverse effect on the Company's financial statements - statutory basis. The Company believes adequate provision has been made in its financial statements - statutory basis for probable and reasonably estimable losses for litigation claims against the Company, if any.

CONTINGENCIES - IRS REVENUE RULING

In 2007, the IRS issued Rev. Rul. 2007-54, interpreting then-current tax law regarding the computation of the dividend received deduction (DRD). Later in 2007, the IRS issued Rev. Rul. 2007-61, suspending Rev. Rul. 2007-54 and indicating that the IRS would re-address this issue in a future regulation project. In 2014, the IRS issued Rev. Rul. 2014-7, stating that it would not address this issue through regulation, but instead would defer to legislative action. Rev. Rul. 2014-7 also expressly superseded Rev. Rul. 2007-54, and declared Rev. Rul. 2007-61 obsolete. With the enactment of tax reform legislation in December 2017, DRD computations have been modified effective January 1, 2018. Therefore, the Company does not expect that any of the rulings described above will affect DRD computations in the future. However, in open tax years before 2018, the Company could still lose a substantial portion of its DRD claims, which could in turn have a material adverse effect on the Company's financial statements - statutory basis.

CONTINGENCIES - OTHER

In the course of its business, the Company provides certain indemnifications related to dispositions, acquisitions, investments, lease agreements or other transactions that are triggered by breaches of representations, warranties or covenants provided by the Company, among other things. These obligations are typically subject to time limitations that vary in duration, including contractual limitations and those that arise by operation of law, such as applicable statutes of limitation. The Company is also subject to state and federal regulatory inquiries and examinations from time to time, which could result in fines or penalties. Because the amounts of these types of indemnifications and regulatory actions are often not explicitly stated, the overall maximum amount of the obligations under such indemnifications and regulatory actions cannot be reasonably stated. The Company has not historically made material payments for these types of indemnification and regulatory actions. However, the Company may record a contingent reserve for such matters. Management believes that Company liabilities related to such matters, if any, are not likely to have a material adverse effect on the Company's financial statements - statutory basis.

The Company issues synthetic guaranteed interest contracts to Employee Retirement Income Security Act of 1974 qualified defined contribution employee benefit plans and 529 plans. The plan uses the contract in its stable value fixed income option. The Company receives a fee for providing book value accounting for the plan’s stable value fixed income option. In the event that plan participant elections exceed the fair value of the assets or if the contract is terminated and at the end of the termination period the book value under the contract exceeds the fair value of the assets, then the Company is required to pay the plan the difference between book value and fair value. The Company mitigates the investment risk through pre-approval and monitoring of the investment guidelines, requiring high quality investments, and contractual provisions including a crediting rate reset that reflects the actual investment and cash flow experience of the underlying plan.

The Company is required by law to participate in the guaranty associations of the various states in which it is licensed to do business. The state guaranty associations ensure payments of guaranteed benefits, with certain restrictions, to policyholders of impaired or insolvent insurance companies by assessing all other companies operating in similar lines of business. The Company has not received notification of any insolvency that is expected to result in a material guaranty fund assessment.

The Company has a liability for estimated guaranty fund assessments and a related premium tax asset. As of December 31, 2025 and 2024, the estimated liability was $4 million and $9 million, respectively. As of December 31, 2025 and 2024, the related premium tax receivable was $27 million and $36 million, respectively. These amounts represent management's best estimate based on information received from the state in which the Company writes business and may change due to many factors including the Company's share of the ultimate cost of current insolvencies. Future guaranty fund assessments are expected to be paid based on anticipated funding periods for each guaranty association obligation. Premium tax offsets are expected to be realized based on regulations set forth by various state taxing authorities.

See Note 5 for discussion of other contingencies related to derivative instruments.

See Note 6 for discussion of other contingencies related to income taxes.

See Note 9 for discussion of other contingencies related to subsidiaries and affiliates.

See Note 10 for discussion of other contingencies related to reinsurance.

Pacific Life Insurance Company

SUPPLEMENTAL SCHEDULE OF SELECTED FINANCIAL DATA
AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2025

(In Millions)

Investment Income Earned	
U.S. Government bonds	
Bonds exempt from U.S. tax	
Other bonds (unaffiliated)	$4,294
Bonds of affiliates	
Preferred stocks (unaffiliated)	3
Preferred stocks of affiliates	
Common stocks (unaffiliated)	9
Common stocks of affiliates	
Mortgage loans	1,096
Real estate	25
Contract loans	386
Cash, cash equivalents and short-term investments	129
Derivative instruments	(1,681)
Other invested assets	786
Aggregate write-ins for investment income	(35)
Gross Investment Income	$5,012

Real Estate Owned - Book Value less Encumbrances	$63

Mortgage Loans - Book Value:	
Farm mortgages	$1,027
Residential mortgages	1,287
Commercial mortgages	19,548
Mezzanine	
Total Mortgage Loans	$21,862

Mortgage Loans By Standing - Book Value:	
Good standing	$21,773
Good standing with restructured terms	
Interest overdue more than 90 days, not in foreclosure	$10
Foreclosure in process	$79

Other Long-Term Assets - Statement Value	$17,469
Bonds and Stocks of Parents, Subsidiaries and Affiliates - Book Value:	
Bonds	
Preferred stocks	
Common stocks	$990

Bonds and Short-Term Investments by NAIC Designation and Maturity:	
Bonds by Maturity - Statement Value:	
Due within one year or less	$6,615
Over 1 year through 5 years	27,096
Over 5 years through 10 years	27,440
Over 10 years through 20 years	15,329
Over 20 years	15,116
No maturity date	
Total by Maturity	$91,596
Bonds by NAIC Designation - Statement Value:	
NAIC 1	$45,221
NAIC 2	41,607
NAIC 3	3,809
NAIC 4	747
NAIC 5	79
NAIC 6	133
Total by NAIC Designation	$91,596
Total Bonds Publicly Traded	$33,771
Total Bonds Privately Placed	$57,825
Preferred Stocks - Book/Adjusted Carrying Value	$57
Common Stocks - Fair Value	$1,096
Short-term Investments - Book/Adjusted Carrying Value	$45
Options, Caps & Floors Owned - Statement Value	$3,261
Options, Caps & Floors Written and In Force - Statement Value	
Collar, Swap & Forward Agreements Open - Statement Value	($483)
Futures Contracts Open - Current Value	$151
Cash Equivalents	$1,185
Cash on Deposit	$1,201
Life Insurance In Force, Net of Reinsurance:	
Industrial	
Ordinary	$230,364
Credit Life	
Group Life	$7
Amount of Accidental Death Insurance In Force Under Ordinary Policies	$36
Life Insurance Policies with Disability Provisions In Force:	
Industrial	
Ordinary	$18,977
Credit Life	
Group Life	

Supplementary Contracts In Force:	
Ordinary	
Not Involving Life Contingencies - Amount on Deposit	$16
Not Involving Life Contingencies - Income Payable	$1
Involving Life Contingencies - Income Payable	$1
Group	
Not Involving Life Contingencies - Amount on Deposit	
Not Involving Life Contingencies - Income Payable	
Involving Life Contingencies - Income Payable	
Annuities:	
Ordinary	
Immediate - Amount of Income Payable	$1,096
Deferred - Fully Paid Account Balance	$31,459
Deferred - Not Fully Paid - Account Balance	$40
Group	
Amount of Income Payable	$1,439
Fully Paid Account Balance	
Not Fully Paid - Account Balance	
Accident and Health Insurance - Premiums In Force:	
Other	$2
Group	
Credit	
Deposit Funds and Dividend Accumulations:	
Deposit Funds - Account Balance	$37,645
Dividend Accumulations - Account Balance	$21

Claim Payments 2025:

Group Accident and Health - Year Ended December 31, 2025	
2025	
2024	
2023	
2022	
2021	
Prior	
Other Accident and Health	
2025	$3
2024	
2023	
2022	
2021	
Prior	

Other Coverages that Use Developmental Methods to Calculate Claim Reserves:

2025	
2024	
2023	
2022	
2021	
Prior	

SUPPLEMENTAL SUMMARY INVESTMENT SCHEDULE
DECEMBER 31, 2025
($ In Millions)

	Gross Investment Holdings *		Admitted Assets as Reported in the Annual Statement			
	Amount	Percentage	Amount	Securities Lending Reinvested Collateral Amount	Total	Percentage
Issuer credit obligations:						
U.S. government obligations	$472	0.31%	$472		$472	0.31%
Non-U.S. sovereign jurisdiction securities	1,765	1.15%	1,765		1,765	1.15%
Municipal bonds - general obligations (direct & guaranteed)	436	0.28%	436		436	0.28%
Municipal bonds - special revenue	2,247	1.46%	2,247		2,247	1.46%
Project finance bonds issued by operating entities	3,818	2.48%	3,818		3,818	2.49%
Corporate bonds	49,251	32.02%	49,251		49,251	32.10%
Single entity backed obligations	2,022	1.32%	2,022		2,022	1.32%
Bond issued by funds representing operating entities	3,077	2.00%	3,077		3,077	2.01%
Bank loans - acquired	1,846	1.20%	1,846		1,846	1.20%
Other issuer credit obligations	20	0.01%	20		20	0.01%
Total issuer credit obligations	64,954	42.23%	64,954	—	64,954	42.33%
Asset-backed securities:						
Financial asset-backed securities – self-liquidating	18,996	12.35%	18,996		18,996	12.38%
Financial asset-backed securities – not self-liquidating	2,071	1.34%	2,071		2,071	1.35%
Non-financial asset-backed securities	5,516	3.59%	5,516		5,516	3.59%
Total asset-backed securities	26,583	17.28%	26,583	—	26,583	17.32%
Preferred stocks:						
Industrial and miscellaneous (unaffiliated)	57	0.04%	57		57	0.04%
Total preferred stocks	57	0.04%	57	—	57	0.04%
Common stocks:						
Industrial and miscellaneous - other (unaffiliated)	106	0.07%	106		106	0.07%
Parent, subsidiaries and affiliates - publicly traded	26	0.01%	26		26	0.02%
Parent, subsidiaries and affiliates - other	964	0.63%	622		622	0.40%
Total common stocks	1,096	0.71%	754	—	754	0.49%

(Continued)

	Gross Investment Holdings *		Admitted Assets as Reported in the Annual Statement			
	Amount	Percentage	Amount	Securities Lending Reinvested Collateral Amount	Total	Percentage
(Continued)						
Mortgage loans:						
Farm mortgages	$1,027	0.67%	$1,027		$1,027	0.67%
Residential mortgages	1,287	0.83%	1,287		1,287	0.84%
Commercial mortgages	19,548	12.71%	19,548		19,548	12.74%
Total mortgage loans	21,862	14.21%	21,862	—	21,862	14.25%
Real estate:						
Properties occupied by company	63	0.04%	63		63	0.04%
Total real estate	63	0.04%	63	—	63	0.04%
Cash, cash equivalents and short-term investments:						
Cash	1,201	0.78%	1,201	$4	1,205	0.78%
Cash equivalents	1,185	0.77%	1,185	5,519	6,704	4.37%
Short-term investments	45	0.03%	45		45	0.03%
Total cash, cash equivalents and short-term investments	2,431	1.58%	2,431	5,523	7,954	5.18%
Contract loans	8,797	5.72%	8,795		8,795	5.73%
Derivatives	3,866	2.52%	3,866		3,866	2.52%
Receivables for securities **	249	0.16%	249		249	0.16%
Securities lending	5,523	3.59%	5,523			
Other invested assets	18,336	11.92%	18,305		18,305	11.94%
Total invested assets	$153,817	100.00%	$153,442	$5,523	$153,442	100.00%

* Gross Investment Holdings as valued in compliance with NAIC Accounting Practices and Procedures Manual.

** Included in Other invested assets in the Annual Statement.

Pacific Life Insurance Company

S U P P L E M E N T A L S C H E D U L E O F I N V E S T M E N T R I S K I N T E R R O G A T O R I E S
D E C E M B E R 3 1 , 2 0 2 5

1. The Company's total admitted assets, excluding separate accounts, as reported in the statements of admitted assets, liabilities and capital and surplus (Total Admitted Assets) were $157.5 billion as of December 31, 2025.

2. The 10 largest exposures to a single issuer/borrower/investment are as follows:

	(In Millions)	Percentage of Total Admitted Assets
AMAPS 2 LLC (Bonds)	$650	0.4%
Pacific Life & Annuity Company (Common Stock) (Subsidiary)	622	0.4%
Commercial loan (Mortgage Loan)	584	0.4%
Commercial loan (Mortgage Loan)	550	0.3%
Commercial loan (Mortgage Loan)	534	0.3%
Commercial loan (Mortgage Loan)	475	0.3%
Commercial loan (Mortgage Loan)	441	0.3%
Commercial loan (Mortgage Loan)	440	0.3%
Commercial loan (Mortgage Loan)	415	0.3%
Commercial loan (Mortgage Loan)	407	0.3%

3. The amounts and percentages of Total Admitted Assets held in bonds and preferred stocks by NAIC designation are as follows:

	(In Millions)	Percentage of Total Admitted Assets		*(In Millions)*	Percentage of Total Admitted Assets
Bonds:			Preferred Stock:		
NAIC 1	$45,221	28.7%	NAIC 1		
NAIC 2	41,607	26.4%	NAIC 2	$3	0.0%
NAIC 3	3,809	2.4%	NAIC 3	38	0.0%
NAIC 4	747	0.5%	NAIC 4		
NAIC 5	79	0.1%	NAIC 5		
NAIC 6	133	0.1%	NAIC 6	16	0.0%

4. Assets held in foreign investments totaled $24.9 billion, which represents 15.8% of Total Admitted Assets.

5. The aggregate foreign investment exposure categorized by NAIC sovereign designation is as follows:

	(In Millions)	Percentage of Total Admitted Assets
Countries designated NAIC 1	$21,764	13.8%
Countries designated NAIC 2	2,061	1.3%
Countries designated NAIC 3 or below	1,060	0.7%

6. The largest foreign investment exposures by country, categorized by the country's NAIC sovereign designation are as follows:

	(In Millions)	Percentage of Total Admitted Assets
Countries designated NAIC 1		
Country: Cayman Islands	$6,975	4.4%
Country: United Kingdom (Great Britain)	3,814	2.4%
Countries designated NAIC 2		
Country: Mexico	783	0.5%
Country: Peru	293	0.2%
Countries designated NAIC 3 or below		
Country: Colombia	284	0.2%
Country: Brazil	274	0.2%

7. The aggregate unhedged foreign currency exposure totaled $268 million, which represents 0.2% of Total Admitted Assets.

8. The aggregate unhedged foreign currency exposure categorized by NAIC sovereign designation is as follows:

	(In Millions)	Percentage of Total Admitted Assets
Countries designated NAIC 1	$268	0.2%

9. The largest unhedged foreign currency exposures by country, categorized by the country's NAIC sovereign designation are as follows:

	(In Millions)	Percentage of Total Admitted Assets
Countries designated NAIC 1		
Country: Switzerland	$103	0.1%
Country: United Kingdom (Great Britain)	76	0.0%

10. The 10 largest non-sovereign (i.e., non-governmental) foreign issues are as follows:

NAIC Designation	Issuer	*(In Millions)*	Percentage of Total Admitted Assets
2.B PL	Oak Holdings 2 GmbH	$294	0.2%
1.E FE/2.A FE/2.B FE	BPCE S.A.	254	0.2%
2.A PL	DFMG Holdings GmbH	236	0.1%
2.B FE/2.C FE	Societe Generale Societe Anonyme	233	0.1%
1.G FE/2.A FE	BNP Paribas SA	221	0.1%
2.A FE	Barclays PLC	203	0.1%
2.B PL/2.C FE/2.C PL	XpFibre Groupe	171	0.1%
1.G FE/2.A FE	HSBC Holdings PLC	171	0.1%
2.A FE/3.A FE	Vitality Re Limited	166	0.1%
1.E FE/1.G FE/2.A FE	Banco Santander, S.A.	165	0.1%

11. The amount and percentage of Total Admitted Assets held in Canadian investments and unhedged Canadian currency exposure are less than 2.5% of Total Admitted Assets.

12. The aggregate amount and percentage of Total Admitted Assets held in investments with contractual sales restrictions are less than 2.5% of Total Admitted Assets.

13. The amounts and percentages of Total Admitted Assets held in the largest 10 equity interests are as follows:

Issuer	*(In Millions)*	Percentage of Total Admitted Assets
Pacific Asset Holding LLC	$9,000	5.7%
Pacific Life & Annuity Company	622	0.4%
Pacific Private Equity Opportunities Fund IV, L.P.	470	0.3%
Pacific Private Equity Opportunities Fund V, L.P.	412	0.3%
Pacific Private Equity Opportunities Fund III, L.P.	410	0.3%
Pacific Private Credit Opportunities Fund II, L.P.	386	0.2%
Pacific Private Equity Fund II-A, L.P.	324	0.2%
Pacific Co-Invest Opportunities Fund II, L.P.	201	0.1%
Pacific Private Credit Fund V, L.P.	176	0.1%
Pacific Private Credit Fund IV, L.P.	137	0.1%

14. Assets held in nonaffiliated, privately placed equities are less than 2.5% of Total Admitted Assets.

    a. The 10 largest fund managers are as follows:

Fund Manager	Total Invested	Diversified
	(In Millions)	
R4 Housing Partners	$265	$265
Aristotle	261	261
Brookfield	147	147
Blackrock	144	144
Avanath AH Renaissance GP LLC	143	143
Carlyle	138	138
Manulife Investment Management	126	126
Red Stone Equity	125	125
Strategic Partners	116	116
Ares	91	91

15. Assets held in general partnership interests are less than 2.5% of Total Admitted Assets.

16. The amounts and percentages of Total Admitted Assets held in mortgage loans are as follows:

    a. The 10 largest aggregate mortgage interests sharing the same property or group of properties are as follows:

Type (Residential, Commercial, Agricultural)	*(In Millions)*	Percentage of Total Admitted Assets
Commercial loan	$550	0.3%
Commercial loan	407	0.3%
Commercial loan	375	0.2%
Commercial loan	360	0.2%
Commercial loan	352	0.2%
Commercial loan	345	0.2%
Commercial loan	335	0.2%
Commercial loan	334	0.2%
Commercial loan	333	0.2%
Commercial loan	290	0.2%

    b. The amounts and percentages of Total Admitted Assets held in the following categories of mortgage loans are as follows:

	(In Millions)	Percentage of Total Admitted Assets
Construction loans	$4,251	2.7%
Mortgage loans over 90 days past due	10	0.0%
Mortgage loans in the process of foreclosure	79	0.1%
Mortgage loans foreclosed	5	0.0%

17. The aggregate mortgage loans having the following loan-to-value ratios as determined from the most current appraisals as of December 31, 2025 are as follows:

	Residential:		Commercial:		Agricultural:	
	(In Millions)	Percentage of Total Admitted Assets	*(In Millions)*	Percentage of Total Admitted Assets	*(In Millions)*	Percentage of Total Admitted Assets
Above 95%			$630	0.4%		
91% to 95%			331	0.2%		
81% to 90%			1,175	0.7%		
71% to 80%	$110	0.1%	3,236	2.1%		
Below 70%	1,177	0.7%	14,176	9.0%	$1,027	0.7%

18. Assets held in real estate are less than 2.5% of Total Admitted Assets.

19. Assets held in investments held in mezzanine real estate loans are less than 2.5% of Total Admitted Assets.

20. The amounts and percentages of Total Admitted Assets subject to the following types of agreements are as follows:

	December 31, 2025	Percentage of Total Admitted Assets	As of Each Quarter End 1st Quarter	2nd Quarter	3rd Quarter
			($ In Millions)		
Securities lending agreements	$5,523	3.5%	$2,567	$3,391	$4,108

21. The amounts and percentages of Total Admitted Assets for warrants not attached to other financial instruments, options, caps, and floors are as follows:

	December 31, 2025	Percentage of Total Admitted Assets	December 31, 2025	Percentage of Total Admitted Assets
		($ In Millions)		
	Owned:		Written:	
Hedging	$3,261	2.1%		

22. The amounts and percentages of Total Admitted Assets of potential exposure for collars, swaps, and forwards are as follows:

	December 31, 2025	Percentage of Total Admitted Assets	As of Each Quarter End 1st Quarter	2nd Quarter	3rd Quarter
			($ In Millions)		
Hedging	$497	0.3%	$398	$455	$495

23. The amounts and percentages of Total Admitted Assets of potential exposure for futures contracts are as follows:

	December 31, 2025	Percentage of Total Admitted Assets	As of Each Quarter End 1st Quarter	2nd Quarter	3rd Quarter
			($ In Millions)		
Hedging	$151	0.1%	$176	$186	$149

Pacific Life Insurance Company

SUPPLEMENTAL SCHEDULE OF REINSURANCE DISCLOSURES
DECEMBER 31, 2025

The following information regarding reinsurance contracts is presented to satisfy the disclosure requirements in SSAP No. 61, *Life, Deposit-Type and Accident and Health Reinsurance*, which apply to reinsurance contracts entered into, renewed or amended on or after January 1, 1996.

1. The Company has not reinsured any risk with any other entity under a reinsurance contract (or multiple contracts with the same reinsurer or its affiliates) that is subject to Appendix A-791, *Life and Health Reinsurance Agreements*, that includes a provision that limits the reinsurer's assumption of significant risks identified in Appendix A-791.

2. The Company has not reinsured any risk with any other entity under a reinsurance contract (or multiple contracts with the same reinsurer or its affiliates) that is not subject to Appendix A-791, for which reinsurance accounting was applied and includes a provision that limits the reinsurer's assumption of risk.

3. The Company does not have any reinsurance contracts (other than reinsurance contracts with a federal or state facility) that contain one or more of the following features which may result in delays in payment in form or in fact:

    a. Provisions that permit the reporting of losses, or settlements to be made, less frequently than quarterly;

    b. Provisions that permit payments due from the reinsurer to not be made in cash within 90 days of the settlement date (unless there is no activity during the period); or

    c. The existence of payment schedules, accumulating retentions from multiple years, or any features inherently designed to delay timing of the reimbursement to the ceding entity.

4. The Company has not reflected reinsurance accounting credit for any contracts that are not subject to Appendix A-791 and not yearly renewable term reinsurance, which meet the risk transfer requirements of SSAP No. 61.

5. The Company has not ceded any risk, which is not subject to Appendix A-791 and not yearly renewable term reinsurance, under any reinsurance contract (or multiple contracts with the same reinsurer or its affiliates) during the year ended December 31, 2025 and are accounted for the contract as reinsurance under NAIC SAP and as a deposit under U.S. GAAP.

6. The Company has not ceded any risk, which is not subject to Appendix A-791 and not yearly renewable term reinsurance, under any reinsurance contract (or multiple contracts with the same reinsurer or its affiliates) during the year ended December 31, 2025 and accounted for the contract as reinsurance under U.S. GAAP and as a deposit under NAIC SAP.

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