

# PACIFIC SECURED BUY-IN<sup>®</sup>

## EXECUTIVE SUMMARY

A solution for plan sponsors seeking to de-risk their defined benefit pension plans.

### VALUE PROPOSITION

#### STABILITY

The plan asset (contract value) moves with the projected plan liability.

#### SIMPLICITY

With a single-premium payment, the plan risks for covered participants are transferred to Pacific Life.

#### FLEXIBILITY

The plan can be converted at any time to a Pacific Transferred Buy-Out<sup>®</sup> contract for no additional cost.

### PACIFIC SECURED BUY-IN IS FOR PLAN SPONSORS SEEKING TO:

- De-risk without reducing the plan's funded status.
- Match plan assets and liabilities to reduce volatility while ensuring liquidity for monthly plan benefit payments.
- Transfer benefit risks such as investment risk, interest-rate risk, and longevity (mortality) risk.
- Defer recognition of settlement loss.

### BENEFITS FOR PLAN SPONSOR

- Funded status is not reduced like a buy-out because the Pacific Secured Buy-In contract value is held as an

asset of the plan.

- Reduces plan-related volatility on the balance sheet and income statement.
- Provides monthly liquidity equal to the amount needed to pay covered retiree benefits.
- No change visible to plan participants.
- Plan sponsor chooses when to convert to a Pacific Transferred Buy-Out contract.

### HOW IT WORKS

- Participant data is provided to Pacific Life for all participants to be covered by the contract.
- A single premium is paid by the plan sponsor.
- No ongoing additional fees or costs are

paid to Pacific Life.

- Contract value moves with plan liability as market interest rates change.
- Plan sponsor uses monthly bulk payment from Pacific Life to make individual payments to participants.

### PACIFIC LIFE:

- Provides monthly contract value based on projected benefit payments for covered participants that are discounted using a blend of publicly available discount curves.
- Makes a single, monthly bulk payment to the pension plan equal to the aggregate monthly benefit payments for the covered participants.

### CONTRACTHOLDER OPTIONS

- Convert to a Pacific Transferred Buy-Out contract for no additional cost.

INSURANCE PRODUCTS ARE ISSUED BY PACIFIC LIFE INSURANCE COMPANY IN ALL STATES EXCEPT NEW YORK, AND IN ALL STATES BY PACIFIC LIFE & ANNUITY COMPANY. PRODUCT AVAILABILITY AND FEATURES MAY VARY BY STATE.



## **STRENGTH. STABILITY. SOLUTIONS.**

**TO LEARN MORE, PLEASE CALL YOUR DEDICATED PACIFIC LIFE REPRESENTATIVE OR CALL (877) 536-4382 (OPTION 1) OR EMAIL [RETIREMENTINCOME@PACIFICLIFE.COM](mailto:RETIREMENTINCOME@PACIFICLIFE.COM).**

Pacific Life is a product provider. It is not a fiduciary and therefore does not give advice or make recommendations regarding insurance or investment products. Pacific Life, its affiliates, its distributors, and respective representatives do not provide any employer-sponsored qualified plan administrative services or impartial advice about investments and do not act in a fiduciary capacity for any plan.

This material is provided for informational purposes only and should not be construed as investment, tax, or legal advice. Information is based on current laws, which are subject to change at any time. Clients should consult with their accounting or tax professionals for guidance regarding their specific financial situations.

Pacific Life refers to Pacific Life Insurance Company and its affiliates, including Pacific Life & Annuity Company. Insurance products can be issued in all states, except New York, by Pacific Life Insurance Company or Pacific Life & Annuity Company. In New York, insurance products are only issued by Pacific Life & Annuity Company. Product availability and features may vary by state. Each insurance company is solely responsible for the financial obligations accruing under the products it issues.

CONTRACT FORM SERIES: 80-1291, 80-1297 (STATE VARIATIONS MAY APPLY)  
PRT0041-0524



THE OFFICIAL SPONSOR  
OF RETIREMENT™