



**COMPENSATION SCHEDULE FOR  
PACIFIC INDEX FOUNDATION – FIXED INDEXED ANNUITY**

This Schedule B is to be attached to and is made a part of the Non Variable Producer Agreement (the “Agreement”) by and among Pacific Life and Annuity Company and Pacific Life Insurance Company (“Pacific Life”), and the Producer. It is subject to the terms and conditions of the Agreement. In no event shall Pacific Life be liable for the payment of any compensation with respect to any solicitation made, in whole or in part, by any person not appropriately state insurance licensed and registered prior to the commencement of such solicitation. The fixed annuity contract, together with any riders or endorsements to such policies, certificates relating to such contracts, supplemental contracts and forms, are referred to collectively herein as the “Contracts”.

Pursuant to the Agreement, Pacific Life has the right to terminate or amend this Schedule B within its sole discretion. When a Contract owner terminates a Producer, no further commissions or compensation due on existing Contracts after termination shall be payable to the Producer after the notice of termination is received and accepted by Pacific Life.

**1. Compensation:** Commissions will be paid to the Producer once the total of all commissions due to Producer are \$50.00 or greater for the commission period. The Producer may elect the compensation schedule(s) below under which commission payments will be based by returning a completed, executed copy of this Compensation Schedule to Pacific Life.

- **If the Producer does not elect a Compensation Option on the submitted Pacific Index Foundation application, compensation will be paid under the Option A as the Default Option.**



Surrender Charge Period	Compensation Option	Ages	Commission Percentage	Annualized Trail	Trail Paid	
<b>5 year Surrender Charge Period</b>	Option A	0-80	2.75%	Not Applicable		
		81-85	0.875%	Not Applicable		
	Option B	0-80	1.35%	0.25%	5 <sup>th</sup> quarter and thereafter	
		81-85	0.175%	0.185%	5 <sup>th</sup> quarter and thereafter	
	Option C	0-80		0.55%	0.25%	5 <sup>th</sup> -24 <sup>th</sup> quarter
					1.00%	25 <sup>th</sup> quarter and thereafter
		81-85		0.675%	0.185%	5 <sup>th</sup> -24 <sup>th</sup> quarter
					0.80%	25 <sup>th</sup> quarter and thereafter
Option D	0-80	0.65%	0.75%	5 <sup>th</sup> quarter and thereafter		
	81-85	0.40%	0.50%	5 <sup>th</sup> quarter and thereafter		
<b>7 year Surrender Charge Period</b>	Option A	0-80	3.50%	Not Applicable		
		81-85	1.25%	Not Applicable		
	Option B	0-80	1.75%	0.25%	5 <sup>th</sup> quarter and thereafter	
		81-85	0.40%	0.185%	5 <sup>th</sup> quarter and thereafter	
	Option C	0-80		0.75%	0.25%	5 <sup>th</sup> -24 <sup>th</sup> quarter
					1.00%	25 <sup>th</sup> quarter and thereafter
		81-85		0.80%	0.185%	5 <sup>th</sup> -24 <sup>th</sup> quarter
					0.80%	25 <sup>th</sup> quarter and thereafter
Option D	0-80	0.775%	0.875%	5 <sup>th</sup> quarter and thereafter		
	81-85	0.50%	0.60%	5 <sup>th</sup> quarter and thereafter		
<b>10 year Surrender Charge Period</b>	Option A	0-80	4.75%	Not Applicable		
		81-85	1.875%	Not Applicable		
	Option B	0-80	2.25%	0.25%	5 <sup>th</sup> quarter and thereafter	
		81-85	0.625%	0.185%	5 <sup>th</sup> quarter and thereafter	
	Option C	0-80		0.90%	0.25%	5 <sup>th</sup> -24 <sup>th</sup> quarter
					1.00%	25 <sup>th</sup> quarter and thereafter
		81-85		0.90%	0.185%	5 <sup>th</sup> -24 <sup>th</sup> quarter
					0.80%	25 <sup>th</sup> quarter and thereafter
Option D	0-80	0.775%	0.875%	5 <sup>th</sup> quarter and thereafter		
	81-85	0.50%	0.60%	5 <sup>th</sup> quarter and thereafter		



**2. Commission Calculation:** Commissions based on premium will be calculated only on premium actually received and accepted by Pacific Life. Commissions will be paid only on an earned basis. The commission percentage applied to premium received and trail commissions will be reduced for ages 81 to 85 as shown above.

Commission rates will be determined based on the older of the annuitant or owner. If there are joint annuitants or joint owners, the older annuitant or owner's issue age will be used to determine the commission rate where applicable. In the event any age is misstated, commissions will be recalculated and any adjustment will be made, as appropriate, in the next commission cycle.

**3. Trail Commission:** Trail commissions are calculated and paid quarterly, using the applicable annualized rate, and are based upon the Contract's accumulated value less any Contract debt. Trail commissions will be payable on the next commission cycle following each trail calculation date, provided the Contract is in force on such commission cycle date. The Contract's accumulated value and debt are determined as of the first business day of the applicable Contract quarter. Contract quarter is calculated from the issue date.

**4. Annuitization Commissions:** At annuitization of a contract, a onetime commission payment based on the contract value annuitized will be paid, regardless of the original commission option chosen at issue of the contract. There will be no further trail commissions paid. The commission rates are as stated below:

- 0.25% of contract value in year 2
- 0.50% of contract value in year 3
- 0.75% of contract value in year 4
- 1.00% of contract value in year 5
- 1.50% of contract value in year 6
- 2.00% of contract value in years 7 and thereafter

**5. Compensation Payments:** Commission on initial premium will be due to the Producer at the time of issuance of the Contract and for all other premium payments at the time of the receipt and acceptance of premium by Pacific Life. The amount, if any, and the time of payment of compensation on replacements, changes, exchanges and other special cases and programs will be governed by Pacific Life's underwriting and administrative rules then in effect. With respect to any Contract, or group of Contracts, that Pacific Life may determine to be a special case and for which at the time the application is submitted, the initial purchase payment is greater than \$1 million, Pacific Life may determine that the commissions in this Schedule B do not apply and establish an alternative commission schedule for such Contract or group of Contracts.

**6. Commission Chargeback:** In the event that a Contract for which a commission has been paid is rescinded or voided (including by reason of a death prior to Contract issue), or returned to Pacific Life as a result of a Contract owner exercising the "free look" provision of the Contract, or a premium for which commission has been paid is refunded by Pacific Life, then Pacific Life will charge back 100% of the commission paid.

If the Contract owner utilizes the Nursing Home Provision in the first twelve months or the annuitant dies of natural causes within the first three months of the Contract Issue date, then Pacific Life will charge back 100% of all Commissions and Expense Allowance paid.

Pacific Life may deduct commission chargebacks from any compensation otherwise due to the Producer by Pacific Life. If the amount to be deducted exceeds compensation otherwise due, the Producer will promptly reimburse Pacific Life before the next commission cycle or within 10 business days from the date of mailing of a written demand for reimbursement, whichever is later.

**Effective Date of this Compensation Schedule: July 17, 2017**