



U.S. Securities and Exchange Commission
**Division of Investment
Management**

March 1, 2024

VIA ELECTRONIC MAIL

RESPONSE OF CHIEF ACCOUNTANT'S OFFICE
DIVISION OF INVESTMENT MANAGEMENT

Stephen E. Roth
Eversheds Sutherland (US) LLP
Email: steveroth@eversheds-sutherland.com

Re: Pacific Life Insurance Company and Pacific Life & Annuity Company

By letter dated February 26, 2024 (“Request Letter”), you request permission under Regulation S-X 3-13 (“Rule 3-13”) for Pacific Life Insurance Company and Pacific Life & Annuity Company (the “Companies”) to file audited financial statements prepared in accordance with statutory accounting principles¹ (“SAP”), in place of financial statements prepared in accordance with accounting principles generally accepted in the United States of America (“GAAP”), in registration statements on Form S-1 that the Companies have filed and/or intend to file for certain annuity contracts described in the Request Letter (the “Contracts”) in satisfaction of the financial information required by Form S-1, including the requirements of Items 11(e), 11(g), and 16(b) of Form S-1, as described in the Request Letter.

Based on the facts and representations set forth in the Request Letter, as well as the conditions outlined in the Request Letter,² and without necessarily agreeing with all of your analysis, your request for permission under Rule 3-13 for the Companies to file SAP financial statements, audited by an independent auditor, in lieu of GAAP financial statements in registration statements filed for the Contracts on Form S-1, as it relates to the accounting basis of

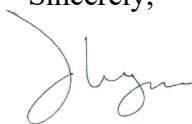
¹ You note that these principles are those that are prescribed or permitted by the Companies’ domiciliary state regulator.

² Any different facts, representations or conditions might require the Division to reach a different conclusion.

those financial statements only and as described above, is granted.³

If you have any questions regarding this letter, please call the Chief Accountant's Office of the Division of Investment Management at (202) 551-6918.

Sincerely,



Jenson Wayne
Chief Accountant
Division of Investment Management

For the Commission, by the Division of Investment Management, pursuant to delegated authority.

³ Our position has been developed in consultation with the staff of the Commission's Office of the Chief Accountant.

This permission is provided for the Contracts described in the Request Letter based on the facts disclosed therein, including that the Contracts seeking to rely on the permission are non-variable annuity contracts classified as market-value adjusted annuities, contingent deferred annuities, and/or indexed annuities. As to any Contract registered or materially amended in the future, this permission is subject to the Commission staff's assessment of the Contract's registration statement for consistency with the facts described in the Request Letter and the intended product types. In this regard, you have stated that each Company will notify the staff, in a letter accompanying the filing of any new registration statement for a Contract or any post-effective amendment to an existing registration statement that reflects a material change to a Contract, of its intent to rely on the permission granted in this letter.

February 26, 2024

Mr. Jenson Wayne
Chief Accountant
Division of Investment Management
U.S. Securities and Exchange
Commission
100 F Street, NE
Washington, DC 20549

RE: Pacific Life Insurance Company and Pacific Life & Annuity Company

Dear Mr. Wayne:

On behalf of Pacific Life Insurance Company ("PL") and Pacific Life & Annuity Company ("PL&A") (individually, a "Company"; together, the "Companies"), we respectfully request that, pursuant to Rule 3-13 of Regulation S-X, the staff of the Division of Investment Management (the "Staff") permit the Companies to file audited financial statements prepared in accordance with statutory accounting principles ("SAP") prescribed or permitted by their domiciliary state regulator, in place of financial statements prepared in accordance with United States generally accepted accounting principles ("GAAP") in registration statements on Form S-1 that the Companies have filed and/or intend to file for certain annuity contracts described in this letter (the "Contracts"), in satisfaction of the financial information required by Form S-1, including the requirements of Items 11(e), 11(g) and 16(b) of Form S-1.

Because the Contracts are insurance products subject to state regulation, the Companies believe that SAP financial statements are of a comparable character to GAAP financial statements and would provide investors in the Contracts ("Contract owners") with sufficient information to assess each Company's ability to meet its obligations under the Contracts, and that filing SAP financial statements in place of GAAP financial statements in registration statements on Form S-1 for the Contracts would be consistent with investor protection. Forms N-3, N-4 and N-6 already permit insurers that meet certain criteria to use SAP financial statements on those forms, which relief is intended to reduce the burden on insurance companies that would otherwise prepare GAAP financial statements solely to register variable insurance products. Because of the significant costs and administrative burdens associated with preparing GAAP financial statements, relief permitting use of SAP financial statements in Forms N-3, N-4, and N-6 serves as precedent for allowing use of SAP financial statements in registration statements on Form S-1 for the Contracts.

The Companies

The Companies are indirect wholly owned subsidiaries of Pacific Mutual Holding Company ("PMHC"), a mutual holding company incorporated in the state of Nebraska.

PL's and PL&A's issuance of annuities and life insurance contracts is regulated under the insurance laws of their domiciliary states, Nebraska and Arizona, respectively, as well as under the insurance laws of all other jurisdictions where they are licensed to issue such contracts.

PL, a stock life insurance company, was established on January 2, 1868 under the name Pacific Mutual Insurance Company of California. It was reincorporated as Pacific Mutual Life Insurance Company on July 22, 1936. On September 2, 1997, Pacific Mutual Life Insurance Company converted from a mutual life insurance company to a stock life insurance company and changed its name to Pacific Life Insurance Company. On August 24, 2005, PL redomesticated to Nebraska. PL is a direct wholly owned subsidiary of Pacific LifeCorp ("PLC"), an intermediate Delaware stock holding company, which is wholly owned by PMHC.

PL is authorized to transact business in 49 states, the District of Columbia, Puerto Rico and the U.S. Virgin Islands. The business of PL consists of life insurance, reinsurance, individual annuities, investment related products, and institutional products.

PL&A, a stock life insurance company wholly-owned by PL, was incorporated on September 20, 1982 under the laws of Arizona. PL&A is principally engaged in offering annuities and life insurance.

PL&A is authorized to issue, and is licensed to sell, annuity and insurance contracts in the District of Columbia and every state.

Neither of the Companies, nor any of their direct or indirect parents/holding companies, are registered under the Securities Exchange Act of 1934 ("1934 Act"), and therefore they do not file periodic reports under the 1934 Act. Neither Company has issued or has outstanding any publicly-traded equity securities (common stock or preferred stock), nor has either Company issued any publicly-traded debt securities. The Contracts are the only securities that either Company will register with the SEC that require the preparation of entity-level, GAAP financial statements. Neither of the Companies prepare full audited GAAP financial statements or GAAP reporting packages or partial GAAP financial statements for any purpose. Although not required to do so under federal securities laws, the Companies' ultimate parent, PMHC, and PL's direct parent, PLC, each prepare full GAAP financial statements used for internal corporate management and published as information to PMHC members. The Companies currently provide certain limited GAAP financial information to PMHC and PLC for consolidation in their GAAP financial statements. However, neither PMHC nor PLC require that their subsidiaries, including PL and PL&A, provide GAAP financial statements or prepare GAAP reporting packages or partial GAAP financial statements in connection with the preparation of PMHC's or PLC's consolidated GAAP financial statements. Rather, the parents' businesses are organized and managed by operating segments rather than through a legal entity approach. The operating segments are defined by type of business and represent the combination of the operations of their subsidiaries, including PL and PL&A. PMHC and PLC do not maintain separate consolidated GAAP general ledgers for their direct and indirect subsidiaries, including PL and PL&A.

As insurance companies subject to state regulation, PL and PL&A each prepare SAP financial statements that are audited by an independent auditor, and that are filed with the Nebraska and Arizona Departments of Insurance, respectively, and with the National Association of Insurance Commissioners ("NAIC").

Both PL and PL&A have a number of variable annuity and variable life insurance products registered with the Securities and Exchange Commission ("SEC") on Forms N-4 and N-6, respectively, none of which requires the preparation of audited GAAP financial statements. Absent the permission being sought herein, the Companies would not otherwise be required to prepare audited GAAP financial statements for any reason other than in connection with the filing of Form S-1 registration statements to register the interests under the Contracts.

State regulators periodically examine the respective SAP financial statements of each Company as part of a comprehensive regulatory program that focuses on each Company's solvency, with the goal of ensuring that each of the Companies can fulfill its contractual obligations to its contract owners. The ultimate objective of state solvency regulation is to ensure that an insurance company can pay contract owner liabilities when they become due and that the insurance company maintains capital and surplus at all times in such forms as required by state law to provide a margin of safety. With the objective of solvency regulation and contract owner protection, SAP focuses on an insurance company's balance sheet and solvency and emphasizes the insurance company's liquidity.

Each of the Companies is eligible for the exemption from filing periodic reports required by the 1934 Act provided by Rule 12h-7 thereunder and will rely on this exemption and comply with the conditions of the rule as long as it relies on the permission provided in response to this letter. PL and PL&A each are subject to supervision by its domiciliary state regulator, the Nebraska and Arizona Departments of Insurance, respectively. The Contracts will not constitute an equity interest in the issuing Company and

will be subject to regulation under the insurance laws of the issuing Company's domiciliary state. Each of the Companies files annual statements of its financial condition with, and is supervised and has its financial condition examined periodically by, its domiciliary state regulator. The Contracts will not be listed, traded or quoted on an exchange, alternative trading system, inter-dealer quotation system, electronic communications network, or any other similar system, network or publication for trading or quoting. Each of the Companies will take steps reasonably designed to ensure that a trading market for its Contracts does not develop. Prospectuses for the Contracts will disclose that the issuing Company relies on the relief provided by Rule 12h-7.

The Contracts

The Contracts that either of the Companies will register with the SEC on Form S-1 will be standalone index-linked annuity contracts and/or combination annuity contracts that offer variable investment options as well as registered index-linked investment options.

During the accumulation phase, Contract owners will be able to select among one or more index-linked investment options each linked to the performance of a specified market index or benchmark. These interest crediting options may include one or more mechanisms for providing protection to Contract owners from negative performance of the specified market indexes or benchmarks, such as, but not limited to, a floor, establishing the maximum negative market performance to which Contract owners will be exposed at the end of the investment option period, or a buffer, establishing the maximum amount of negative market performance that the issuing Company will absorb at the end of the investment option period. These protection features may have a corresponding "cap" that establishes the maximum positive performance that may be credited to the Contract at the end of the investment option period. Index-linked investment options may include other forms of downside protection or limits on the maximum positive performance credited to the Contract. Proceeds payable to a Contract owner who withdraws Contract value or surrenders the Contract before the end of an investment option period will be adjusted according to a prescribed formula.

The Companies' Request

Rule 3-13 of Regulation S-X provides that the SEC "may, upon the informal written request of the registrant, and where consistent with the protection of investors, permit the omission of one or more of the financial statements herein required or the filing in substitution therefor of appropriate statements of comparable character." For the reasons stated herein, the Companies believe that SAP financial statements audited by an independent auditor¹ included in the Form S-1 registration statements for the Contracts are appropriate statements of a comparable character to GAAP financial statements and would be consistent with investor protection.

SAP financial statements will provide investors in the Contracts with sufficient information to assess the issuing Company's ability to meet its contractual obligations.

Forms N-3, N-4 and N-6, used to register variable insurance products under the Securities Act of 1933, already permit use of SAP financial statements in place of GAAP financial statements if the insurance company issuing the contract meets certain criteria, including that it would not have to prepare GAAP financial statements except for use in registration statements on such forms. When proposing Forms N-3 and N-4 for variable annuity contracts with instructions permitting the use of SAP financial statements, the SEC recognized that guarantees associated with annuity payments and other benefits provided by the contracts, which are backed by the insurance company's general account, depend on the solvency of the insurance company, and that contract owners, participants and annuitants who

¹ The Companies' auditor will satisfy the independence standards of Article 2 of Regulation S-X and be registered with and subject to inspection by the Public Company Accounting Oversight Board.

invest in the contracts may not want or need disclosure about the financial performance of the insurance company, but instead may be interested only in the insurance company's solvency.²

Similar to investors in variable annuity contracts, investors in the Contracts will be most interested in information relevant to assessing the issuing Company's ability to fulfill its contractual obligations. SAP is designed specifically to provide this type of information to state regulators. SAP financial statements contain detailed information about the Companies' respective assets and liabilities as well as their regulatory capital and surplus, which serve as financial cushions for paying Contract owner claims. Furthermore, SAP financial statements enable state regulators to determine each Company's ability to meet Contract owner obligations, based on the availability of readily marketable assets when obligations are due. In contrast, GAAP financial statements assist investors in understanding a company's going concern value. Due to the absence of any secondary market in the Contracts, investors in the Contracts do not need information regarding the issuing Company's going concern value.

Consequently, SAP financial statements would provide investors in the Contracts with sufficient information to assess the solvency of the issuing Company and its ability to satisfy its contractual obligations. GAAP financial statements, on the other hand, would not provide additional informative value to investors that would justify the significant costs and administrative burdens of preparing and auditing an additional set of financial statements solely to include in the Form S-1 registration statements for the Contracts.

Conclusion

For the reasons stated above, SAP financial statements are appropriate financial statements of a comparable character to GAAP financial statements and will provide investors in the Contracts with sufficient information to assess each issuing Company's ability to meet its obligations under the Contracts, and filing SAP financial statements in place of GAAP financial statements would be consistent with investor protection.

We respectfully request, on behalf of PL and PL&A, that the Staff grant permission pursuant to Rule 3-13 of Regulation S-X to permit the Companies to file SAP financial statements audited by an independent auditor in registration statements on Form S-1 for the Contracts. Should you provide this permission, each Company agrees to notify the Staff in a letter, accompanying the filing of any new registration statement for a Contract or any post-effective amendment to an existing registration statement that reflects a material change to a Contract, of its intent to rely on the permission granted in response to this letter.

² See Registration Forms for Insurance Company Separate Accounts that Offer Variable Annuity Contracts (Proposing Release) Rel. Nos. 33-6502 and IC-13689 (December 22, 1983).

Thank you for your attention to this matter. Please contact me at 202-383-0158 if you need additional information or have any questions concerning this request.

Sincerely,

(Add)

A handwritten signature in blue ink that reads "Stephen E. Roth". The signature is written in a cursive style with a large initial 'S' and 'R'.

Stephen E. Roth
Eversheds Sutherland (US) LLP