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BEFORE THE DEPARTMENT OF INSURANCE
STATE OF NEBRASKA

NEBRASKA DEPARTMENT
OF INSURANCE

IN THE MATTER OF THE MERGER OF)
PACIFIC MUTUAL HOLDING)
COMPANY, a California corporation and)
mutual holding company, with)
and into INTERIM PACIFIC MUTUAL)
HOLDING COMPANY, a Nebraska)
corporation and mutual insurance holding)
company.)

ORDER APPROVING
MERGER

CAUSE NO.: C-1624

Pursuant to *Neb. Rev. Stat.* §44-6125(5), Pacific Mutual Holding Company ("PMHC"), a California corporation and mutual holding company, filed an Application for Approval of Merger to merge PMHC with and into the Nebraska corporation and mutual insurance holding company, Interim Pacific Mutual Holding Company ("IPC"), established for the purposes of transferring the domicile of PMHC from California to Nebraska.

After a review of the filing, correspondence and information provided to the Nebraska Department of Insurance ("Department"), the Director of Insurance hereby approves the merger and transfer, and signs, concludes and orders as follows:

FINDINGS OF FACT

1. On March 9, 2007, PMHC applied to the Director of Insurance for approval of this merger. The Department's review of the merger is pursuant to *Neb. Rev. Stat.* §44-6125(5).

2. PMHC is a California mutual holding company formed pursuant to the Plan of Conversion of Pacific Mutual Life Insurance Company, dated as of April 21, 1997, whereby Pacific Mutual Life Insurance Company was converted into a stock

insurer, renamed Pacific Life Insurance Company, and became a subsidiary of Pacific LifeCorp, a Delaware domiciled intermediate stock holding company. Pacific LifeCorp is a wholly owned subsidiary of PMHC and will remain a corporation organized under Delaware law after consummation of the merger.

3. Pacific Life Insurance Company transferred its domicile from the State of California to the State of Nebraska on September 1, 2005, in Cause Number C-1523. As a part of the redomestication filing, PMHC and the Department entered into an agreement dated as of August 12, 2005. Said agreement shall terminate as of the effective time of the merger. To the extent required by Section 5(f) of such agreement, the Director of Insurance accepts the First Amendment to the Plan of Conversion of Pacific Mutual Life Insurance Company filed by PMHC with the Department as part of the Application for Approval of Merger.

4. At the time of the redomestication filing, PMHC remained incorporated in the State of California. In accordance with *Neb. Rev. Stat. §44-6125(5)*, the merger of PMHC into IPC is taking place in connection with the transfer of Pacific Life Insurance Company's domicile from the State of California to the State of Nebraska.

5. The PMHC Board of Directors approved the creation of IPC on or about August 25, 2006, for purposes of accomplishing this merger. IPC's Articles of Incorporation were filed with the Nebraska Secretary of State's office on November 20, 2006, and approved by the Department on November 20, 2006. IPC's Bylaws were filed with the Department on November 20, 2006.

6. Under the proposed merger of PMHC with and into IPC, the separate existence of PMHC will cease and IPC will be the surviving mutual insurance holding

company. When the merger takes effect, title to all of PMHC's property and assets will be vested in IPC and IPC will likewise assume all of PMHC's outstanding liabilities. Furthermore, when the merger takes effect, the directors of PMHC immediately prior to the effective time will be the directors of IPC, the members of PMHC immediately prior to the effective time will be the members of IPC, and the voting and other rights of policyholders of Pacific Life Insurance Company, will continue in their capacity as members of a mutual insurance holding company. Accordingly, the merger will not result in an acquisition or other change of "control," within the meaning of *Neb. Rev. Stat. §44-2121(2)*, of Pacific Life Insurance Company.

7. In a draft letter with the filing, PMHC/IPC, Pacific LifeCorp, and the subsidiary insurer, Pacific Life Insurance Company, proposed to provide certain representations to the Department. The letter, which is a part of the official record, acknowledges, among other things, that the mutual insurance holding company will be subject to the Mutual Insurance Holding Company Act, *Neb. Rev. Stat. §44-6122 et seq.*, the Insurance Holding Company System Act, *Neb. Rev. Stat. §44-2120 et seq.*, and will be subject to examination pursuant to the Insurer's Examination Act, *Neb. Rev. Stat. §44-5901 et seq.* PMHC, Pacific LifeCorp, and Pacific Life Insurance Company have agreed to execute and deliver the letter containing the aforementioned representations prior to the consummation of the merger.

8. The Board of Directors of PMHC approved the merger of PMHC with and into IPC on August 25, 2006. The Board of Directors of IPC approved the merger of PMHC with and into IPC on November 29, 2006. Annual and Special Meetings for the

members of PMHC and the policyholders of Pacific Life Insurance Company will be held on May 23, 2007.

9. The merger will be effected pursuant to an agreement and plan of merger, dated as of October 27, 2006, and amended and restated as of January 10, 2007, filed by PMHC with the Department ("Plan"). In accordance with California and Nebraska law, the merger will be effective on the date specified in the Plan, subject to the fulfillment of the terms and conditions set forth in the Plan, including approval by PMHC's members.

CONCLUSIONS OF LAW

1. The Department of Insurance has jurisdiction over the subject matter and parties to this proceeding as authorized under *Neb. Rev. Stat.* §44-101.01 and *Neb. Rev. Stat.* §44-6125(5).

2. PMHC filed the required documents with the Department including the Plan, merger filing fee, Boards of Directors Resolutions, Notices of Annual and Special Meetings for Members, Member Information Statement, and Proxy Forms. The Plan constitutes a "plan of merger and transfer" within the meaning of *Neb. Rev. Stat.* §44-6125(5).

3. On the basis of the information filed with the Department, there is sufficient reasons to believe the interests of the policyholders of Pacific Life Insurance Company and the interests of the members of PMHC will be protected under the proposed merger. After consummation of the merger, to ensure that policyholder interests are protected, the Director of Insurance will have jurisdiction over the surviving mutual insurance holding company in the merger and Pacific LifeCorp, and will continue

to exercise jurisdiction over Pacific Life Insurance Company, in each case, pursuant to the Nebraska Insurance Code and *Neb. Rev. Stat. §44-6122 et seq.*

4. In accordance with *Neb. Rev. Stat. §44-6125(5)*, for purposes of the Mutual Insurance Holding Company Act, Pacific Life Insurance Company will remain, after the effective time of the merger, a reorganized stock insurer as that term is defined in *Neb. Rev. Stat. §44-6124(4)*.

5. The merger is not being made or entered into for the purpose, and will not have the effect of changing or influencing the control of, Pacific Life Insurance Company. PMHC and IPC therefore are exempt, pursuant to *Neb. Rev. Stat. §44-2128(2)*, from any requirement to file a statement with and obtain the approval of the Director of Insurance of an acquisition of control of Pacific Life Insurance Company under *Neb. Rev. Stat. §44-2126*.

6. The Plan, the Application for Approval of Merger and the transactions contemplated thereby comply with applicable Nebraska law, including *Neb. Rev. Stat. §44-6125(5)*, and should be approved.

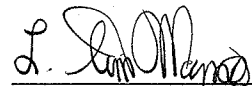
ORDER

There being no evidence to indicate that the Plan and the merger of PMHC with and into IPC are contrary to law or to the best interest of the members of PMHC and the policyholders of Pacific Life Insurance Company, it is ordered that the Plan, the Application for Approval of Merger, and the transactions contemplated thereby are approved.

Pacific Life Insurance Company shall amend its holding company registration statement filed under *Neb. Rev. Stat. §44-2132* within fifteen (15) days after the effective date of the merger.

Dated this 4th day of April, 2007.

STATE OF NEBRASKA
DEPARTMENT OF INSURANCE



L. TIM WAGNER
Director of Insurance

CERTIFICATE OF SERVICE

This Order Approving Merger was served upon Pacific Mutual Holding Company by mailing a copy of same to David R. Carmichael, Senior Vice President, General Counsel, Law Department, 700 Newport Center Drive, Newport Beach, California 92660-6397 and to Lawrence F. Harr, Lamson Dugan & Murray, LLP, 10306 Regency Pkwy. Dr., Omaha, NE 68114-3743 by first class U.S. Mail, postage prepaid on this 4th day of April, 2007.

