



PACIFIC LIFE

November 28, 2011

Office of the Secretary
Public Company Accounting Oversight Board
1666 K Street, N.W.
Washington, D.C. 20006-2803

Subject: PCAOB Rulemaking Docket Matter No. 37

To Whom It May Concern:

Pacific Life Insurance Company (Pacific Life) appreciates the opportunity to comment on the Public Company Accounting Oversight Board's (PCAOB) Release No. 2011-006. Although Pacific Life supports the PCAOB's objective of ensuring auditor independence, objectivity and professional skepticism, we believe that the PCAOB's proposed mandatory audit firm rotation will not result in any meaningful improvement in these areas and will result in substantial increased costs and inefficiencies. We strongly believe our Board of Directors' Audit Committee is in the best position to independently evaluate the selection of the right auditor, based on the firm's experience and industry knowledge, and should not be forced to change auditors based on a mandatory requirement. We believe this would not be in the best interests of our policyholders.

Pacific Life has a long-term association with our audit firm, which we believe has served us and our policyholders very well over the years. Our audit firm has an in-depth level of knowledge of our company's operations, processes and the very specialized life insurance industry in which we operate. This knowledge base has translated into efficient and effective audits for the protection of our policyholders. Performing an audit without the benefit of prior knowledge of the company, its processes and controls and its unique risks and challenges, creates additional risks that are a detriment to audit quality. Please note that although we are not a public company, we have chosen to comply with the SEC audit partner rotation rule and other PCAOB standards. When partners rotate, we welcome new perspective, while remaining confident that continuity of the audit team preserves institutional knowledge and allows the audit to be conducted in an efficient and effective manner, without sacrifice to audit quality.

Costs and time associated with mandatory audit firm rotation will be significant and difficult to justify. Companies will incur substantial costs in selecting new auditors and extensive effort and time will be expended by the Audit Committee, senior management and other employees throughout the company during the process. Mandatory audit firm rotation will require companies to spend significant time educating a new audit firm on the operations and processes of the company, as well as industry specific risks and issues in which the company operates. The length of time required by the new audit firm to become familiar with company operations, processes and key risks could result in decreased audit

quality and a reduction in efficiency and effectiveness. This inefficient process would repeat every time a new audit firm is required to be rotated.

We believe the current rigorous PCAOB inspection process provides strong governance over audit firms to perform quality audits and that mandatory partner rotations adequately reinforce auditor independence and objectivity. Due to the concerns mentioned above, Pacific Life respectfully requests the PCAOB to discontinue its mandatory audit firm rotation proposal.

Thank you for considering our views.

A handwritten signature in black ink, appearing to read "Edward R. Byrd". The signature is fluid and cursive, with a prominent loop at the end of the last name.

Edward R. Byrd
Senior Vice President and Chief Accounting Officer