

QDIA OPINION LETTER

November 6, 2015

Mr. Chin Kim
Pacific Life Fund Advisors LLC.
700 Newport Center Drive
Newport Beach, CA 92660

Dear Mr. Chin Kim:

We have evaluated the [PF Portfolio Optimization Funds \(Investment\)](#) of the [Pacific Funds](#) offered by [Pacific Life Fund Advisors LLC.](#) to determine if they comply with the requirements to be used as a qualified default investment alternative ("QDIA") as defined by the Employee Retirement Income Security Act of 1974, as amended ("ERISA") Section 404(c)(5). The [Investment](#) was also assessed to determine if standards of prudence for selection and monitoring have been met per the Evaluation of Prudence attached hereto.

Based on evaluations concluded on [November 6, 2015](#) it is our opinion that ERISA plan fiduciaries who meet all other ERISA requirements and use the [Investment\(s\)](#) listed below will qualify for the fiduciary relief granted by QDIA. [Pacific Life Fund Advisors LLC.](#) is hereby granted the right to use the DALBAR QDIA Validation Seal on its materials and to advertise the fact that the following investments have been validated by DALBAR for the 12 months following the date of this letter:

- [PF Optimization Aggressive Growth Fund](#)
- [PF Optimization Growth Fund](#)
- [PF Optimization Moderate Fund](#)
- [PF Optimization Moderate-Conservative Fund](#)
- [PF Optimization Conservative Fund](#)

Detailed findings from our evaluations are available from DALBAR and may be obtained from the website www.DALBAR.com.

Our opinion regarding the [Investment](#) listed above and the rights granted to [Pacific Life Fund Advisors LLC.](#) by this letter are based on information provided by [Pacific Life Fund Advisors LLC.](#) and confirmed through public sources where possible. Any material change or discrepancy in this information could change our opinion and revoke the rights granted herein.

The scope of our evaluations consists of those aspects of the requirements of ERISA Section 404(c)(5) that can reasonably be met by practices, procedures and obligations of investment managers. These include the prudence of using the [Investment](#), applicability of the [Investment](#) to one or more types of QDIA, qualification of the manager and the [Investment](#) under QDIA requirements as well as the reasonableness of the [Investment](#) with respect to fees, performance and use of generally accepted investment theory.

It should be noted that our evaluations are intended to facilitate plan fiduciary compliance and do not replace the requirements for ERISA plan fiduciaries to prudently select and monitor plan investments, including QDIAs.

Very truly yours,



Dalbar, Inc.

EVALUATION OF PRUDENCE

November 6, 2015

Federal regulations and common sense require that responsible plan fiduciaries make a prudent choice of the investments that are used by participants in ERISA plans. In order to facilitate the prudent choice, DALBAR has examined the *Investment* and rated the prudence of using it. The following table summarizes DALBAR's findings regarding the prudence of using the *Investment* in an ERISA plan:

Prudence Criteria	DALBAR Rating	Primary Basis for Prudence Rating
Benefit to Employees	Excellent	The <i>PF Portfolio Optimization Funds</i> consist of five discrete strategies that enable the proper QDIA to be assigned to the risk profile of each participant or participant groups. The range of portfolios, from can be directly aligned with plan participants desire for appreciation and need for capital preservation.
Cost Effectiveness	Excellent	The use of the best available investment managers in their respective fields (independent of company affiliation) is funded by expenses that are only modestly above average.
Specific ERISA Requirements	Good	Potential conflicts of interests and other ERISA prohibitions are avoided by the use of "arms length" arrangements with unaffiliated investment managers in their respective areas of expertise.
Good Business Practices	Fair	Communications effectively lays out the choices and the overarching considerations but also attempts to present the complexities of the investment that may not be meaningful to the average plan fiduciary of participant.
Avoidance of Litigation	Good	Choosing the entire set of five funds as a QDIA limits exposure to litigation regarding losses, poor choices, excessive fees and fiduciary breaches. Additionally, in all cases expenses of the underlying investments are significantly lower than comparable funds.