

Media Statement – LPL/Pacific Life Insurance Transaction

On March 1, 2007, Linsco/Private Ledger Corp. (LPL Financial Services), the nation's leading independent brokerage firm, announced a definitive agreement to acquire three of Pacific Life Insurance Company's broker-dealers -- Mutual Service Corporation, Associated Financial Group, and Waterstone Financial Group. Collectively, these broker-dealers have approximately 2,200 financial advisors serving retail clients and \$353 million in revenues. The transaction will increase LPL's independent financial advisors to 9,900 nationwide. Pacific Life will retain ownership of its other broker-dealers, M.L. Stern & Co. and United Planners' Financial Services of America.

The transaction is expected to close in by June 2007. Financial terms of the transaction were not disclosed.

Mark Casady, Chairman and CEO, LPL

"LPL's success has been built through an unwavering commitment to our financial advisors and a relentless focus on providing them with an outstanding platform of investment products and services, which enables them to render, independent investment counsel to their more than 2.5 million client accounts. The acquisition of Mutual Service, Associated Financial and Waterstone Financial is a major cornerstone for our growth strategy in an industry where, increasingly, size and scale matters. This transaction further reinforces the necessary critical mass LPL has been building to drive investments in technology, research, training as well as products and back-office support platforms that are vital to our company and the advisors we serve. Importantly, we believe the acquisition of these three high quality broker-dealers will be straightforward, as the transaction was constructed to be a 'win-win' for LPL advisors as well as the new advisors we are acquiring through this transaction. Specifically, these three new entities will continue to operate under their current brands, management and Pershing clearing and operational platforms. At the same time, our LPL advisors will continue to enjoy, from our entire organization, the same high quality, uninterrupted services and support to which they are accustomed."

Bill Dwyer, President LPL Independent Advisor Services

"We are delighted to welcome the employees and financial advisors of Mutual Service, Associated Financial, and Waterstone Financial to our organization. These broker-dealers clearly share LPL's commitment to providing financial advisors with access to high quality products and support services, a commitment that will continue by utilizing the increased scale and expanded revenues from this transaction to continue to drive investments in advisor support and services. At the same time, we are confident that the financial advisors of these broker-dealers will also benefit from our historic focus on independent, unaligned financial advice, as reflected in the non-proprietary products and services that we provide, as well as our fully independent, industry-leading research resources."

Jim Morris, Chief Operating Officer, Pacific Life

"As part of our process of moving to a stronger focus on our insurance and annuity business, it was essential for us to select an outstanding partner for our broker-dealer businesses and their financial advisors. LPL's longstanding commitment to independence for its financial advisors makes it an ideal partner for Mutual Service Corporation, Associated Financial Group, and Waterstone Financial Group. We are confident that these broker-dealers and their advisors will enjoy a bright future in affiliation with LPL."

Key Facts About Mutual Service Corporation, Associated Financial Group, and Waterstone Financial Group:

Mutual Service Corporation	Associated Financial Group	Waterstone Financial Group
CEO: John Dixon	CEO: Fitz Fisher	CEO: Stephan Anderson
Headquarters: West Palm Beach, FL	Headquarters: Los Angeles, CA	Headquarters: Chicago, IL
# of Employees: 141	# of Employees: 52	# of Employees: 43
# of Advisors: Approx. 1300	# of Advisors: Approx. 250	# of Advisors: Approx. 620

LPL Financial Services

Linsco/Private Ledger Corp. (LPL) is committed to providing its financial advisors with the tools they need to offer the highest quality of independent investment advice. LPL has ranked first among independent broker/dealers for 11 consecutive years by *Financial Planning Magazine* (June 1996-2006, based on revenues). With over 1,700 staff members headquartered in Charlotte, Boston and San Diego, LPL offers non-proprietary investment products, unbiased research and wealth management services to retail clients and the clients of its 400 financial institutions through more than 7,700 advisors nationwide. LPL financial advisors manage assets totaling more than \$160 billion for their clients. For additional information about LPL Financial Services, visit www.lpl.com.

Pacific Life Insurance Company

Founded in 1868, Pacific Life provides life insurance products, annuities, and mutual funds, and offers a variety of investment products and services to individuals, businesses, and pension plans.¹ Pacific Life counts more than half of the 100 largest U.S. companies as clients² and is a member of the Insurance Marketplace Standards Association (IMSA), whose membership promotes high ethical standards for the sale of individual life insurance and annuities. For additional information about Pacific Life, including its current financial strength ratings from A.M. Best, Fitch Ratings, Standard & Poor's, and Moody's, visit the company Web site at www.PacificLife.com.

¹ Product features and availability vary by state.

² Data compiled by Pacific Life using the FORTUNE 500® list as of April 2006.

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