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This Brochure provides information about the qualifications and business practices of Pacific Asset Management LLC ("Pacific Asset Management"). If you have any questions about the contents of this Brochure, please contact us at PAMCompliance@PacificLife.com. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (the "SEC") or by any state securities authority.

Additional information about Pacific Asset Management also is available on the SEC's Investment Adviser Public Disclosure website at www.adviserinfo.sec.gov.

Registration as an investment adviser with the SEC does not imply that Pacific Asset Management has a certain level of skill or training.

ITEM 2: MATERIAL CHANGES

Item 2 – Material Changes

This Brochure, dated November 18, 2022, replaces the previous version filed on March 30, 2022, which was our last annual amendment.

This summary of material changes is designed to make clients, and prospective clients, aware of information that has changed since the Brochure's annual update and that may be of importance to them.

Material information as part of this update:

- On October 24, 2022, Pacific Life Insurance Company and Pacific Global Asset Management LLC, Pacific Asset Management's indirect and immediate parent companies, entered into a transaction agreement with Aristotle Capital Management LLC, an SEC-registered investment adviser that specializes in equity and fixed income portfolio management services for institutional and advisory clients worldwide, to sell all of Pacific Asset Management's equity interests to Aristotle (the "Transaction"). The Transaction, which is subject to customary closing conditions, is expected to be completed during the first half of 2023.

- The acquisition of Pacific Asset Management comprises the firm's personnel, including its investment team members. Neither the pending Transaction, nor the acquisition upon completion of the Transaction, is expected to adversely impact Pacific Asset Management's continuing business operations.

- Further updates to this Brochure may be made to provide additional information regarding the Transaction as it becomes available.

ITEM 3: TABLE OF CONTENTS

ITEM 4: ADVISORY BUSINESS

Pacific Asset Management LLC offers total return credit oriented investment strategies to institutional investors. Pacific Asset Management believes that its focus on credit investments across an issuer's capital structure, an experienced portfolio management group, an integrated credit analyst team and a boutique structure all serve to differentiate Pacific Asset Management's services from the services provided by its competitors.

Pacific Asset Management was initially established in 2007 as business division of Pacific Life Fund Advisors LLC ("PLFA"). As part of an internal corporate restructuring effort, the Pacific Asset Management business division was reorganized on December 31, 2019, from PLFA into Pacific Asset Management LLC. The internal corporate modification did not alter Pacific Asset Management's ownership or control structure, nor did it result in any changes to the investment personnel or support staff responsible for providing investment management services to the firm's clients.

Pacific Asset Management LLC ("Pacific Asset Management") is a wholly-owned subsidiary of Pacific Global Asset Management LLC and an indirect wholly-owned subsidiary of Pacific Mutual Holding Company, the ultimate parent company of the Pacific Life group of companies.

Regulatory Assets Under Management. As of December 31, 2021, Pacific Asset Management managed $18,287,590,261on a discretionary basis.

Types of Advisory Services:
Pacific Asset Management provides and/or intends to provide investment management services to U.S. and non-U.S. institutional clients. As an adviser, Pacific Asset Management generally has discretionary authority to determine which investments are bought and sold and the amounts of such investments that are appropriate for each client. Limitations on Pacific Asset Management's authority, if any, are set forth in the applicable governing documents or investment management agreement. Pacific Asset Management's advisory services are expected to be offered through the following types of products and/or investment vehicles:

- open-ended mutual funds ("Mutual Funds") registered under the Investment Company Act of 1940 (the "Company Act");
- exchange traded funds ("ETF") registered under the Company Act;
- private investment funds offered pursuant to Regulation D of the Securities Act of 1933 and excluded from the investment company definition under Section 3(c)(7) of the Company Act (a "Private Fund");
- collective trust funds and/or underlying portfolios of stable value funds (referred to as "Collective Investment Trusts" or "CITs") maintained by a bank or trust company and excluded from the investment company definition under Section 3(c)(11) of the Company Act (Mutual Funds, ETFs, Private Funds and CITs are referred to collectively as "Pooled Funds");
- separately managed custodial accounts ("Managed Accounts") maintained by a qualified custodian on behalf of institutional clients; and,
- securitized asset pools (otherwise known as collateralized loan obligations or "CLOs").

Pooled Funds:
Pacific Asset Management expects to engage in the business of managing, advising or sub-advising certain affiliated and non-affiliated Pooled Funds. In certain circumstances, Pacific Asset Management may provide both investment advisory services and administrative services to Pooled Funds. Investment advisory services may include the selection of securities, the placement of orders for the purchase and sale of securities, and/or the engagement and monitoring of an affiliated or unaffiliated sub-adviser. Complete information concerning each Pooled Fund advised by Pacific Asset Management, including fees, is disclosed in the offering materials for each applicable Pooled Fund.

Managed Accounts:
Pacific Asset Management expects to provide discretionary investment management services directly to certain institutional investors through Managed Accounts. Pacific Asset Management has full power and authority to supervise and direct investments in Managed Accounts, subject to the investment management agreement for such clients. Managed Accounts may pursue any of the investment strategies described below in Item 8: **Methods Of Analysis, Investment Strategies And Risk Of Loss**.

CLOs:
As a collateral manager, Pacific Asset Management is responsible for the selection and disposition of the CLOs investments, which are primarily corporate senior-secured loans that meet the criteria set forth in the terms of the applicable CLO's indenture. Additional information concerning each CLO that Pacific Asset Management manages is disclosed in the applicable CLO's offering memorandum.

ITEM 5: FEES AND COMPENSATION

Pacific Asset Management expects to provide investment management services to a wide variety of institutional clients through various investment vehicles, such as Pooled Funds, Managed Accounts or CLOs. The advisory fees charged by Pacific Asset Management for such management services and such types of accounts are described below. Fees may be negotiated based on various parameters, such as the investment vehicle, type of account, investment strategy and other factors, on a per-client basis. Pacific Asset Management reserves the right to reduce or waive its management fee for any of its investment strategies or for any account. Fees are generally calculated monthly based on an annualized percentage charge on the value of the portfolio and are typically billed quarterly in arrears. Other arrangements, however, may be negotiated with individual clients. In the event of account termination, fees paid in advance to Pacific Asset Management, if any, will be prorated to the date of termination specified in the notice of termination, and any unearned portion thereof will be refunded to the client. Existing clients may be charged based on a fee schedule that was previously agreed to and may differ from the fee schedule listed below.

I. Pooled Funds.
The Pooled Funds advised, subadvised or managed by Pacific Asset Management each compensate Pacific Asset Management for its services pursuant to an investment advisory, sub-advisory, or management agreement approved by the applicable fund's Board of Directors/Trustees, general partner or adviser. Management fees are calculated separately for each Pooled Fund. Pooled Funds generally also pay administration, custody and other fees and those expenses are indirectly borne by its shareholders, limited partners or investors. In addition, Pacific Asset Management may also be paid an incentive fee from a Private Fund that is dependent upon the achievement of specified target returns. Please refer to the applicable Pooled Fund's offering documents for a more detailed description of all applicable fees.

II. Managed Accounts.
For Managed Accounts, Pacific Asset Management's role is generally limited to portfolio management functions. Clients typically pay separate fees to third parties for other services associated with the account, such as custody, administrative or audit services. Pacific Asset Management's standard management fee schedules for new client Managed Accounts, expressed as an annualized percentage, are as follows:

Core Plus Strategy

	Asset Value	*% of Assets*
First	$100 Million	0.35%
Next	$100 Million	0.30%
Excess	Excess	Negotiable

Corporate (Bank) Loan Strategy

	Asset Value	*% of Assets*
First	$100 Million	0.50%
Excess	Excess	Negotiable

Investment Grade Strategy

	Asset Value	*% of Assets*
First	$100 Million	0.30%
Next	$100 Million	0.25%
Excess	Excess	Negotiable

High Yield Strategy

	Asset Value	*% of Assets*
First	$100 Million	0.45%
Next	$100 Million	0.35%
Excess	Excess	Negotiable

Strategic Credit Strategy

	Asset Value	*% of Assets*
First	$100 Million	0.50%
Next	$100 Million	0.40%
Excess	Excess	Negotiable

Intermediate Gov/Credit Strategy

	Asset Value	*% of Assets*
First	$100 Million	0.22%
Next	$100 Million	0.20%
Excess	Excess	Negotiable

Intermediate Credit Strategy

	Asset Value	*% of Assets*
First	$100 Million	0.25%
Next	$100 Million	0.22%
Excess	Excess	Negotiable

Short Duration Strategy

	Asset Value	*% of Assets*
First	$100 Million	0.25%
Next	$100 Million	0.20%
Excess	Excess	Negotiable

CLO Opportunies Strategy

	Asset Value	*% of Assets*
First	$100 Million	0.70%
Next	$100 Million	0.60%
Excess	Excess	Negotiable
Incentive	10%, subject to a 7% preferred return	

ESG Core Strategy

	Asset Value	*% of Assets*
First	$100 Million	0.35%
Next	$100 Million	0.30%
Excess	Excess	Negotiable

III. CLOs.
As collateral manager to CLOs, Pacific Asset Management is paid a collateral management fee at an annual rate, as specified in the applicable collateral management agreement, of the net assets of the CLO, payable quarterly in arrears. Pacific Asset Management may also be paid an incentive fee from a CLO that is dependent upon achieving target returns for junior and/or equity noteholders.

IV. Other Fees.
In addition to Pacific Asset Management's advisory fees, Pooled Funds, Managed Accounts and CLOs may incur certain other fees and expenses, such as investment related expenses, custodial fees, legal expenses, audit and tax preparation costs and expenses, regulatory and filing fees, fees payable to an administrator and other similar expenses. In addition, almost all fixed income instruments trade at a bid/ask spread and without an explicit brokerage charge. Accordingly, while there is not a formal trading expense, clients will bear the implicit trading costs reflected in those spreads. See Item 12: **Brokerage Practices** below for more information about Pacific Asset Management's brokerage practices.

Neither Pacific Asset Management nor any of its supervised persons accepts any sales-based compensation for investment advisory services. In addition, neither Pacific Asset Management nor its supervised persons earn commissions for the sale of securities or other investment products.

Pacific Asset Management believes that its fees are competitive with those fees charged by other investment advisers for comparable services; however, comparable services may be available from other sources for lower fees.

ERISA Disclosure. Pacific Asset Management is required under Section 408(b)(2) of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), to provide written disclosures to clients which are subject to ERISA, including the following: (a) a description of all services provided under contract or arrangement to the client, (b) a statement that Pacific Asset Management reasonably expects to provide certain services as a fiduciary under ERISA or as an investment adviser registered under the Investment Advisers Act of 1940 (the "Advisers Act"), and (c) the direct or indirect compensation Pacific Asset Management reasonably expects to receive in connection with the services. The specific written disclosures required by ERISA Section 408(b)(2) are set forth in Pacific Asset Management's investment management agreement with such clients.

ITEM 6: PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

A description of the fees, including performance-based fees, received by Pacific Asset Management is provided above in **Item 5**. Pacific Asset Management may provide investment advisory services to additional clients in the future that have similar or different performance-based compensation arrangements than those discussed above.

The fees, including performance-based fees, that Pacific Asset Management receives as compensation for managing certain client accounts may differ from one another. This creates a potential conflict of interest because the financial benefit that comes from a client account paying a higher fee or a performance-based fee may provide an incentive for Pacific Asset Management to favor such client account over others. As a registered investment adviser, Pacific Asset Management has a fiduciary duty to exercise due care to ensure that investment opportunities are allocated equitably among all participating clients over time.

In general, investment decisions for each client will be made independently from those of other clients, with specific reference to the individual needs and objectives of each client. Different account guidelines and/or differences within particular investment strategies may lead to the use of different investment practices for client accounts within a similar investment strategy. In addition, Pacific Asset Management will not necessarily purchase or sell the same securities at the same time or in the same proportionate amounts for all accounts, particularly if different accounts have materially different amounts of capital under management by Pacific Asset Management or different amounts of investable cash available. As a result, although Pacific Asset Management manages multiple accounts with similar or identical investment objectives, or may manage accounts with different objectives that trade in the same securities, the portfolio management decisions relating to these accounts, and the performance resulting from such decisions, may differ from account to account. Pacific Asset Management has implemented policies and procedures to address trade allocation and aggregation decisions. These policies and procedures seek to ensure fair and equitable treatment of all participating clients over time. The policies and procedures include compliance monitoring and oversight of allocation and aggregation practices.

ITEM 7: TYPES OF CLIENTS

As described above, Pacific Asset Management expects to provide investment management services to Pooled Funds, Managed Accounts and CLOs. Existing clients, as well as any future client, may include pooled funds, collateralized loan obligation transactions, state and municipal entities, private and public pension funds, corporations, foundations and endowments, Taft-Hartley pension plans, investment consultants, high net worth individuals, insurance companies and other types of investors.

Account Requirements. The minimum account size for a Managed Account is generally $25 million, except that the minimum account size for a Managed Account pursing Pacific Asset Management's Corporate (Bank) Loan Strategy account is generally $100 million. Pacific Asset Management may, however, agree to manage a client account below the stated minimum account size depending upon various considerations. Please see Item 5: **Fees and Compensation** for additional information on advisory fees for Managed Accounts. Currently there are no maintenance requirements in order to keep a Managed Account open.

With respect to Pooled Funds and CLOs, minimum investments are generally set forth in the applicable governing documents; in certain cases, however, the general partner or Board of Directors, as the case may be, may reduce or waive the minimum investment amount in its sole discretion.

ITEM 8: METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

Investment Strategies. Pacific Asset Management generally concentrates on investment opportunities in the corporate credit space. Pacific Asset Management invests throughout the capital structure and across a broad spectrum of companies and industries. Pacific Asset Management may add strategies, undertake custom strategies, remove strategies or modify any of the strategies it employs, including those discussed below. There can be no assurances that the objectives associated with any such strategy will be met.

Core Plus Strategy seeks to outperform the Bloomberg Aggregate Index by investing primarily in investment-grade corporate debt. The strategy may also invest in non-investment grade corporate debt along with corporate debt outside that of the Bloomberg Aggregate Index.

Corporate (Bank) Loan Strategy seeks to outperform the Credit Suisse Leveraged Loan Index by investing primarily in bank debt instruments of non-investment grade companies, including secured and unsecured bank debt instruments, first-lien and second-lien loans and bank loans issued by domestic issuers. Although it is expected to be primarily focused on domestic issuers, the strategy may also invest a portion of its assets in U.S. dollar-denominated bank loans issued by foreign corporations. The strategy may also invest in high yield securities or use certain derivative instruments, such as loan credit default swaps, but does not borrow for investment purposes.

Investment Grade Corporate Strategy seeks to outperform the Bloomberg U.S. Credit Index by investing primarily in U.S. Corporate Bonds. The strategy may also invest opportunistically in other areas, including high yield bonds, bank loans and other non-investment grade securities. At the client's discretion, the strategy may invest opportunistically in bank debt, high yield bonds, credit default swaps, investment grade securities, dollar denominated foreign debt, structured products and equities.

High Yield Strategy seeks to outperform the Bloomberg High Yield 2% Capped Index by investing primarily in non-investment grade debt securities or instruments with characteristics of non-investment grade debt securities. At the client's discretion, the strategy may invest opportunistically in bank debt, credit default swaps, investment grade securities, dollar denominated foreign debt, structured products and equities.

Short Duration Strategy seeks to outperform the Bloomberg Capital 1-3 Year Government/Credit Bond Index by investing primarily in investment-grade corporate debt. The strategy may also invest in non-investment grade corporate debt along with corporate debt outside that of the Bloomberg Aggregate Index.

Strategic Credit Strategy seeks to outperform the Bloomberg Aggregate Bond Index by investing in a combination of investment and non-investment-grade debt. The strategy must hold a minimum of 35% in non-investment grade securities. This strategy may also invest in non-U.S. dollar securities, convertible securities, and equities.

Intermediate Credit Strategy seeks to outperform the Bloomberg U.S. Intermediate Credit Index by investing primarily in U.S. corporate bonds in a portfolio with a duration of typically less than five years. At the client's discretion, the strategy may invest in other non-corporate investment grade securities.

Intermediate Gov/Credit Strategy seeks to outperform the Bloomberg Intermediate U.S. Government/Credit Index by investing primarily in U.S. corporate and government bonds in a portfolio with a duration of typically less than five years. At the client's discretion, the strategy may invest in other non-corporate and non-government investment grade securities.

CLO Opportunities Strategy consists primarily of broadly syndicated U.S. CLO securities with an allowance of senior secured bank loans, first and second lien loans, 144A securities, senior unsecured loans, or other obligations listed in the concentration limitations of the applicable management agreement.
ESG Strategy: Each ESG strategy seeks to outperform a relevant benchmark, as identified by investment professionals. Each strategy invests primarily in U.S. dollar denominated fixed-income securities that meet its respective portfolio guidelines and ESG criteria. Each strategy may also invest opportunistically in other areas, including high yield bonds, bank loans and other non-investment grade securities, subject to any portfolio guideline or restriction.

Methods of Analysis. Pacific Asset Management's investment process is anchored by a fundamental, bottom-up approach that is complemented by a top-down analysis. As part of its active management process, multiple members of Pacific Asset Management's investment team participate throughout each stage of the investment process. Pacific Asset Management does not employ a quantitative strategy.

The investment process begins with a top-down assessment, which incorporates both the macro-economic environment as well as technical factors that could materially impact the credit markets. Members of Pacific Asset Management meet daily to discuss major economic releases, market news, and government policy. We assess the economic climate and outlook and also incorporate a review of credit events that may impact the portfolios and the new issue calendar. In addition to daily investment meetings, Pacific Asset Management conducts quarterly sector reviews that help formulate short-term and long-term sector outlooks. Pacific Asset Management articulates the top-down assessment through the portfolio risk position and sector allocation selection. These considerations also drive the allocation strategies, in terms of weights for rating quality and sector selection.

Pacific Asset Management's bottom-up analysis employs a screening process. The screening process focuses primarily on larger, more liquid issuers within the respective fixed income asset classes. Companies that pass the primary screens are then subjected to additional screening by the analysts and portfolio managers to assist in the decision to initiate the fundamental analysis based on the company's relative attractiveness. Research on other issuers may also be initiated by the portfolio managers and research analysts for other reasons such as an issue's relative attractiveness, company specific events, upcoming new issues and temporary market dislocations.

With the universe of potential investments narrowed through the screening process, fundamental credit analysis is the primary determinant in constructing Pacific Asset Management's investment strategies. Credit analysis is performed on each company and a relative value analysis is performed on each security. Together, we determine relative value across companies and within a capital structure. For the ESG Strategies, the universe of potential investments is also narrowed by the relevant ESG guidelines.

Pacific Asset Management's approach to underwriting credit uses a traditional methodology. Cash flow generation and the particular company's ability to service its debt is paramount. When operating cash flow is not sufficient to service a company's debt obligations, Pacific Asset Management will look for reliable secondary sources of liquidity. We also scrutinize the capital structure to determine the optimal relative value. Since each Pacific Asset Management analyst researches issuers with loans and/or bonds, they are able to scrutinize the capital structure of a company in greater detail and with greater understanding in order to determine the best relative value. Additionally, they assess factors such as a company's cost structure, competitive position, and management. The investment team may also meet with management teams to gain additional insight into a potential investment.

Portfolio managers are responsible for all final buy and sell decisions. Portfolio managers will construct portfolios that they feel contain the most effective mix of investments in accordance with investment objectives and portfolio guidelines. Investments with the most favorable risk/reward analysis will tend to have a greater representation in the portfolio. Other considerations include how an investment contributes to the overall portfolio's composition (diversification, ratings, duration, yield, etc.).

Once an investment is made, Pacific Asset Management conducts on-going investment oversight of the portfolios and their holdings each business day. Portfolio values are monitored daily through third-party pricing. Credit updates are captured in our investment research system. The system aggregates information such as portfolio holdings, analyst comments and investment theses for portfolio management and credit teams. Research on individual issuers is typically updated quarterly and instantly shared with the investment teams. On a quarterly basis, Pacific Asset Management's Executive Committee along with the portfolio managers and portfolio support professionals formally meet to review portfolio positioning, investment views, and benchmarks to ensure all investment decisions are known and the portfolio is not subjected to unintended risks. Decisions to sell investments are generally based upon achieving appreciation targets, relative value opportunities elsewhere and/or changes in the corporate fundamentals.

Investment Strategy and Client Account Risks. The investment strategy and client account specific risk factors discussed below provide a general description of the nature of various risks a client may be exposed to as a result of pursuing strategies managed by Pacific Asset Management. Investing involves risk of loss that clients should be prepared to bear. Past performance does not guarantee future results. Clients are likely to be exposed to additional risks not described herein. The following list of risks factors do not purport to be a complete enumeration or explanation of the risks involved in an investment in any or all of the strategies of Pacific Asset Management. Clients and prospective clients are advised to review the most current prospectus and statement of additional information, offering documents or private placement memorandum for a complete and in-depth description of the applicable investment strategies, objectives and risks.

Active Management Risk – The portfolio manager's judgments about the value or potential appreciation of an investment may prove to be incorrect or fail to have the intended results, which could adversely impact the strategy's performance and cause it to underperform relative to other strategies with similar goals or relative to its benchmark, or not to achieve its investment objective.

Market and Regulatory Risk – Events in the financial markets and in the economy (including wars, pandemics, natural disasters, terrorist acts or security operations) may cause volatility and uncertainty and may affect performance. Due to the interdependencies between markets, events in one market may adversely impact other markets or issuers in unforeseen ways which may negatively impact a strategy's performance. Illiquid investments may experience periods of diminished liquidity. During a general downturn in the financial markets, multiple asset classes may decline in value simultaneously. Governmental and regulatory actions may impair portfolio management and have unexpected consequences on particular markets, strategies, or investments. Future market or regulatory events may impact a strategy in unforeseen ways.

Price Volatility Risk – The market value of investments within each strategy will go up or down, sometimes rapidly or unpredictably. Price volatility can be caused by many factors, including changes in the economy or financial markets or for reasons specific to a particular issuer. The volatility of non-investment grade debt securities (including loans) may be greater than for investment grade securities.

Interest Rate Risk – The values of debt securities fluctuate as interest rates change. Debt securities with longer durations or fixed interest rates tend to be more sensitive to changes in interest rates, making them more volatile than debt securities with shorter durations or floating or adjustable interest rates. Given the historically low interest rate environment in the U.S., risks associated with rising interest rates are heightened. It is possible that there will be less governmental action in the near future to maintain low interest rates, or that governmental actions will be less effective in maintaining low interest rates. The negative impact on debt securities from resulting rate increases could be swift and significant, including falling market values, increased redemptions and reduced liquidity. Floating or adjustable rate instruments (such as most loans) typically have less exposure to interest rate fluctuations and such fluctuations will generally be limited to the period of time until the interest rate on the security is reset. There is a lag in the adjustment of interest rates between periods when these interest rates are reset.

Credit Risk – The risk that an issuer or guarantor of a debt instrument is unable or unwilling to meet its financial obligations. The credit quality of a portfolio's securities can change rapidly in certain market environments, particularly during volatile markets, and the default of a single holding could cause significant deterioration of a portfolio's value. A debt instrument's issuer (or borrower or counterparty to a repurchase agreement or reverse repurchase agreement) may not be able to meet its financial obligations (e.g., may not be able to make principal and/or interest payments when they are due or otherwise default on other financial terms) and/or may go bankrupt.

Even though certain securities (such as loans) may be collateralized, there is no assurance that the liquidation of any collateral would satisfy interest and/or principal payments due to the portfolio on such securities, or that collateral could be easily liquidated in the event of a default. Such collateral may be difficult to identify and/or value, and if the value of the underlying collateral depreciates, recovery upon default may be difficult to realize.

Non-investment grade debt instruments are especially subject to credit risk during periods of economic uncertainty or during economic downturns, are considered to be mostly speculative in nature and are more likely to default on their interest and/or principal payments than higher rated securities.

High-Yield Securities Risk – High yield securities are typically issued by companies that are highly leveraged, less creditworthy or financially distressed and are considered to be mostly speculative in nature (high risk), are potentially less liquid, and have a greater risk of loss, that is they are more likely to default than higher rated securities.

Floating Rate Loan Risk – Floating rate loans (or bank loans) are usually rated below investment grade. Floating rate loans may be subject to liquidity risk, as they may be subject to irregular trading activity, wide bid/ask spreads and extended trade settlement periods. Investments in floating rate loans are typically in the form of an assignment or participation. Investors in a loan participation assume the credit risk associated with the borrower and may assume the credit risk associated with an interposed financial intermediary. Accordingly, if a lead lender becomes insolvent or a loan is foreclosed, the portfolio could experience delays in receiving payments or suffer a loss. In an assignment, the portfolio effectively becomes a lender under the loan agreement with the same rights and obligations as the assigning bank or other financial intermediary. Accordingly, if the loan is foreclosed, the portfolio could become part owner of any collateral, and would bear the costs and liabilities associated with owning and disposing of the collateral.

Liquidity Risk – Liquidity is the ability to sell securities or other investments within a reasonable amount of time at approximately the price at which the portfolio valued the security, which relies on the willingness of market participants to buy and sell securities. Certain investments may be difficult to purchase and sell, particularly during adverse market conditions, because there is a limited market for the investment or restrictions on resale. If the portfolio holds illiquid securities, it may be unable to take advantage of market opportunities or it may be forced to sell other, more desirable, liquid securities or sell illiquid securities at a loss if it is required to raise cash to conduct its operations.

Foreign Market Risk – Exposure to foreign markets through issuers can involve additional risks relating to market, economic, political, regulatory, geopolitical, or other conditions. These factors can make foreign investments more volatile and less liquid than U.S. investments. In addition, foreign markets can react differently to these conditions than the U.S. market. Markets and economies throughout the world are increasingly interconnected, and conditions or events in one market, country or region may adversely impact investments or issuers in another market, country or region.

Mortgage-Related and Other Asset –Backed Securities Risk – Mortgage-related and other asset-backed securities are subject to certain other risks. The value of these securities is influenced by the factors affecting the housing market and the market for the assets underlying such securities. As a result, during periods of declining asset value, difficult or frozen credit markets, swings in interest rates, or deteriorating economic conditions, mortgage-related and asset-backed securities may decline in value, face valuation difficulties, become more volatile and/or become illiquid. These securities are also subject to extension risk, where issuers may pay principal later than expected, and prepayment risk, where issuers may pay principal more quickly than expected, causing proceeds to be reinvested at lower prevailing interest rates.

U.S. Government Securities Risk – Not all U.S. government securities are backed or guaranteed by the U.S. government and different U.S. government securities are subject to varying degrees of credit risk. There is risk that the U.S. government will not make timely payments on its debt or provide financial support to U.S. government agencies, instrumentalities or sponsored enterprises if those entities are not able to meet their financial obligations.

Issuer Risk - The value of a security or instrument may decline for reasons directly related to the issuer, such as management performance, financial leverage and reduced demand for the issuer's goods or services.

Equity Securities Risk – Stock markets are volatile. The price of equity securities tend to go up or down in value, sometimes rapidly and unpredictably, in response to many factors, which may be due to the particular issuer, its industry or broader economic or market events.

Debt Securities Risk – Debt securities are affected by many factors, including prevailing interest rates, market conditions, governmental and regulatory actions, and market liquidity. Volatility of below investment grade fixed income securities (including loans) may be relatively greater than for investment grade securities.

Non-Diversification Risk – Non-diversification involves investing a greater percentage of assets in a single issuer or a fewer number of issuers as compared to a diversified portfolio. This increases potential price volatility and the risk that the value of the portfolio could go down because of the poor performance of a single investment or a small number of investments.

ESG Strategy Risks

ESG Criteria Risk – The consideration of ESG criteria in the investment process could cause the ESG strategies to forgo investment opportunities available to strategies not using these criteria and underperform such strategies. Further, there can be no assurance that the ESG criteria utilized by or any judgment exercised by Pacific Asset Managementwill reflect the beliefs or values of any particular investor. An independent third party ESG data provider's assessment of the financial materiality of ESG factors could be inaccurate, which may have an adverse impact on the strategies' performance or cause the strategies to hold a security that might be ranked low from an environmental, social or governance perspective based on a methodology or perspective different from another provider.

Limited or No ESG Metrics Risk - Certain investments in which the ESG strategies seek to invest may have limited or unavailable ESG metrics. The ESG strategies therefore will rely solely upon the ESG exclusions when seeking to satisfy the ESG criteria for these investments. This could result in fewer ESG criteria being applied for opportunities for the strategies compared to potential investments where ESG metrics are available or less limited. Further, there may be limited or no availability of ESG metrics in certain asset classes such as mortgage-related securities and asset-backed securities, as well as limited availability of investments with strong ESG assessments in certain asset classes, such as low income focused mortgage-related securities.

Derivatives Risk - Derivatives, such as Interest Rate Swaps, Credit Default Swaps, or Total Return Swaps may be riskier than other types of investments and may increase the volatility of a strategy. Derivatives may experience large, sudden or unpredictable changes in liquidity and may be difficult to sell or unwind. Derivatives can also create investment exposure that exceeds the initial amount invested (leverage). A strategy may lose more money using derivatives than it would have lost if it had invested directly in the underlying security or asset on which the value of a derivative is based.

Collateralized Loan Obligations Risk - CLO securities present risks similar to those of other types of credit investments, including default (credit), interest rate, liquidity, prepayment and reinvestment risks. The market value of a CLO will fluctuate with, among other things, the financial condition of the obligors on or issuers of the CLO's holding, general economic conditions, the condition of the debt trading markets and certain other financial markets, political events, developments or trends in any particular industry and changes in prevailing interest rates. Such changes in market value will impact the value of CLO securities.

CLO investments are often illiquid. Consequently, an investor in CLO securities must be prepared to hold its investment in the securities until the stated maturity date. The securities are not, and will not be, registered under the U.S. Securities Act or any state securities law. Although one or more classes of CLO securities may be listed on the Irish Stock Exchange, such listing does not guarantee liquidity of investment or that an active secondary market for such securities will develop. In the past several years, securities issued in securitization transactions (such as CLO securities) have experienced significant market value fluctuations. In addition, a variety of potential investors now consider such investments as inappropriate or are prohibited by regulatory restrictions or investments policies from purchasing such securities.

CLOs are governed by a complex series of legal documents and contracts, which increases the risk of dispute over the interpretation and enforceability of such documents relative to other types of investments. There is also a risk that the trustee of a CLO does not properly carry out its duties to the CLO, potentially resulting in loss to the CLO. CLOs are also inherently leveraged vehicles and are subject to leverage risk.

Cybersecurity Risk - The computer systems, networks and devices used by Pacific Asset Management, its service providers and its Funds to carry out routine business operations employ a variety of protections designed to prevent damage or interruption from computer viruses, network failures, computer and telecommunication failures, infiltration by unauthorized persons and security breaches. Despite the various protections utilized, systems, networks, or devices potentially can be breached.

Cybersecurity breaches can include unauthorized access to systems, networks, or devices; infection from computer viruses or other malicious software code; and attacks that shut down, disable, slow, or otherwise disrupt operations, business processes, or website access or functionality. A cybersecurity breach could (i) cause disruptions and impact business operations, potentially resulting in financial losses to our clients; (ii) interfere with our ability or that of a service provider to calculate the value of an investment held in a portfolio; (iii) create impediments to trading or disrupt us and other service providers to transact business; (iv) result in violations of applicable privacy and other laws along with regulatory fines, penalties, reputational damage, reimbursement or other compensation costs, or additional compliance costs; and, (v) include the inadvertent release of confidential information.

Similar adverse consequences could result from cybersecurity breaches affecting issuers of securities in which our strategies invest; counterparties with whom we engage in transactions; governmental and other regulatory authorities; exchange and other financial market operators, banks, brokers, dealers, insurance companies, and other financial institutions; and other parties.

Bankruptcy Cases. Certain client accounts' portfolios may, from time to time, have an investment in a company undergoing a bankruptcy proceeding. Many of the events within a bankruptcy case are adversarial and may be beyond the control of the creditors. While creditors generally are afforded an opportunity to object to significant actions, there can be no assurance that a bankruptcy court would not approve actions which may be contrary to the interests of a Pooled Fund or Managed Account. Generally, the duration of a bankruptcy case can only be roughly estimated. The reorganization of a company usually involves the development and negotiation of a plan of reorganization, plan approval by creditors and confirmation of such plan by the bankruptcy court. This process can involve substantial legal, professional and administrative costs to the company; it is subject to unpredictable and lengthy delays and during the process, the company's competitive position may eorde, key management may depart and the company may not be able to invest adequately. In some cases, the company may not be able to reorganize and may be required to liquidate assets. The debt of companies in financial reorganization will, in most cases, not pay current interest, may not accure interest during the reorganization and may be adversely affected by an erosion of the issuer's fundamental values. Such investments can result in a total loss of principal. Investments in the debt of financially distressed companies domiciled outside of the United States involves additional risks, as bankruptcy laws and procedures may differ substantially from those in the United States. These differences may result in greater uncertainty as to the rights of creditors, the enforceability of such rights, reorganization timing and the classification, seniority and treatment of claims.

Private Funds. Each purchaser of an interest in a private fund may bear the economic risk of its investment for an indefinite period of time (subject to the limited right to withdraw capital from the fund) because the interests have not been registered under the Securities Act and therefore, cannot be sold unless they are subsequently registered under the Securities Act or an exemption from such registration is available. Investments in private funds are generally not transferable without the general partner's prior written consent, which may be given or withheld in the general partner's sole discretion. In addition, withdrawal rights may be subject to certain restrictions, as described in the funds applicable offering documents. The general partner of a private fund may also suspend or postpone the withdrawal rights of an investor. During any period where withdrawals are restricted, suspended or postponed, the assets in the private fund would remain subject to market risks. Investors should consider their short-term and long-term cash access needs prior to investing in a private fund.

CLOs. Each class of CLO securities (other than the highest-ranking class) is subordinated to higher-ranking classes and all classes of securities are subordinated to the payment of certain fees and expenses to the extent provided under the priorities of payment. In addition, amounts otherwise available to make payments on lower-ranking classes are subject to diversion to pay interest on and/or principal of secured notes under the priorities of payment. Notwithstanding the priority of interest payments and the priority of principal payments, if the CLO notes are accelerated following certain events and such acceleration is not rescinded, no payments of interest on and principal of any lower-ranking classes will be made until each higher-ranking class has been paid in full. To the extent that any losses are suffered, such losses will be borne by the securities in reverse order of priority, commencing with the subordinated notes. Other risks associated with CLOs are described in the applicable offering memorandum.

Tax Considerations. Tax laws and regulations applicable to a client account are subject to change, and unanticipated tax liabilities could be incurred by investors as a result of such changes. Investors should consider their own tax-related consequences of investing in a separate account, registered fund or private fund.

Frequent Trading. Frequent trading or "portfolio turnover" is the frequent buying and selling of assets within a portfolio by the portfolio manager. Portfolio turnover may result in increased transaction costs which could have a negative impact on performance. In general, the higher the turnover rate, the higher the transaction costs.

During normal market environments, we expect the annual turnover for our strategies to be between 50% and 75% per year. The source of the turnover will be the result of sector rotation and security selection as part of our investment process. However, in periods of volatility of the markets and financial conditions, the annual turnover may exceed 100%. Additionally, due to inflows expected from the launch of new accounts, turnover may exceed 100% during the first few years.

Managing Frequent Trading Risks. The Portfolio Management group is responsible for portfolio construction, trading, and risk management as it pertains to investment risk. Activities include setting portfolio parameters, initial screening of primary and secondary investment opportunities, managing individual issuer and single industry investment limits, monitoring overall credit quality and liquidity risk, and providing key market information.

Pacific Asset Management takes a holistic view regarding risk management and carefully monitors all portfolio investments in the portfolios on an on-going basis. Pacific Asset Management takes a disciplined approach to managing investment risk by focusing on the following factors:

> Capital preservation – Portfolio management works closely with our research team, actively monitoring credits.
>
> Diversification – In addition to monitoring sector and security weights, duration, term structure, and credit quality are monitored on a portfolio level and on an individual security basis.
>
> Liquidity – A significant portion of the positions in each strategy are considered liquid securities. Our research focus is geared toward companies with an EBITDA of greater than $100 million. These companies tend to issue more liquid debt.
>
> Active Management – As an active investment manager, we manage portfolios using quick, decisive decision making. We believe this aspect of our firm drives performance for our clients, and helps to mitigate risk in the portfolio.

ITEM 9: DISCIPLINARY INFORMATION.

Pacific Asset Management and its employees do not have any legal or disciplinary events to report that would be material to a client's or prospective client's evaluation of Pacific Asset Management's advisory business or the integrity of Pacific Asset Management's management.

ITEM 10: OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

Pacific Asset Management's Other Financial Industry Activities or Affiliations. Pacific Asset Management has business arrangements with the following broker-dealers, registered investment companies, registered investment advisers, insurance companies, and other financial entities, some of which may be considered material and some which are affiliates, as described below:

Pacific Life Insurance Company ("Pacific Life") – A Nebraska stock insurance company and an indirect wholly-owned subsidiary of Pacific Mutual Holding Company, a mutual insurance holding company whose members are the policyholders and contract holders of Pacific Life and Pacific Life & Annuity Company.

Pacific Life Fund Advisors LLC ("PLFA") is a direct subsidiary of Pacific Life and serves as the investment adviser to Pacific Funds Series Trust and Pacific Select Fund. In addition to being an SEC registered investment adviser, PLFA is registered with the Commodity Futures Trading Commission ("CFTC") as a commodity pool operator and is a member of the National Futures Association ("NFA").

Pacific Life & Annuity Company ("PL&A") – An Arizona insurance company and a wholly owned subisidiary of Pacific Life.

Pacific Funds Series Trust ("Pacific Funds") **-** A registered open-end investment company that publicly offers its mutual funds to investors. PLFA serves as the Investment Adviser to Pacific Funds. Pacific Asset Management serves as the sub-adviser providing day-to-day investment management services to certain Pacific Funds portfolios.

Pacific Select Fund – Pacific Select Fund is a registered open-end investment company which serves as underlying investment options for the variable annuity and insurance products offered by Pacific Life and PL&A. PLFA serves as the Investment Adviser to Pacific Select Fund. Pacific Asset Management serves as the sub-adviser for certain Pacific Select Fund portfolios.

Pacific Select Distributors, LLC ("PSD") - PSD is a limited purpose FINRA registered broker-dealer that serves as the underwriter and distributor to Pacific Select Fund and Pacific Funds, and the variable annuity products offered by Pacific Life and PL&A. Certain employees of Pacific Asset Management are registered representatives of PSD.

Pacific Private Fund Advisors LLC ("Pacific Private Fund Advisors") - Pacific Private Fund Advisors is an indirect wholly-owned subsidiary of Pacific Life and a SEC registered investment adviser. Pacific Private Fund Advisors provides investment advisory services to private fund-of-funds on a discretionary basis.

PAM Bank Loan GP LLC **-** PAM Bank Loan GP LLC is the general partner of Pacific Asset Management Bank Loan Fund L.P., a private fund to which Pacific Asset Management provides investment management services. Pacific Asset Management is the managing member of PAM Bank Loan GP LLC.

PAM CLO Opportunities GP LLC – PAM CLO Opportunities GP LLC is the general partner of Pacific Asset Management CLO Opportunities Fund L.P., a private fund to which Pacific Asset Management provides investment management services. Pacific Asset Management is the managing member of PAM CLO Opportunities GP LLC.

Trestles CLO 2017-1, Ltd., Trestles CLO II, Ltd., Trestles CLO III, Ltd., Trestles CLO IV, Ltd., Trestles CLO V, Ltd. and Trestles CLO VI, Ltd. (the "Trestles CLOs") – The Trestles CLOs are limited liability companies organized under the laws of the Cayman Islands. Pacific Asset Management serves as collateral manager for the Trestles CLOs.

There are potential material conflicts of interest associated with the side-by-side management of accounts with similar investment strategies and/or asset types. These potential conflicts are addressed by 1) fee arrangements based on assets under management and 2) trade allocation policies, procedures and monitoring. Please see the discussion of trade allocation and aggregation under **Item 6**: ***Performance-Based Fees and Side-by-Side Management***.

Pacific Asset Management does not currently recommend or select other investment advisers for client accounts, nor do we receive direct or indirect compensation from recommending or selecting other investment advisers.

Pacific Asset Management has an apparent conflict of interested associated with its role as the investment manager to certain Private Funds and with the selection of itself as investment manager of such Private Funds (pursuant to its role as managing and sole member of the General Partners). Prospective Limited Partners should be aware that the Private Funds were formed specifically as an investment product to be managed by Pacific Asset Management, and that we will not appoint any other investment adviser for such fund even if doing so might be in the fund's best interest.

ITEM 11: CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

Code of Ethics Procedures. Pacific Asset Management has adopted a written Code of Ethics (the "Code") pursuant to Rule 204A-1 under the Investment Advisers Act of 1940. The Code is intended to ensure that all acts, practices and courses of business engaged in by our firm reflect high standards of integrity and comply with the requirements of applicable federal securities laws. Employees that have access to nonpublic trading or securities holding information of the client accounts managed by Pacific Asset Management are Access Persons subject to the requirements of the Code. Employees deemed Access Persons must avoid activities, interest and relationships that might interfere or appear to interfere with making decisions in the best interest of our advisory clients. Violations of the Code by an Access Person can result in personal sanctions including termination of employment. In accordance with the Code, Access Persons must pre-clear certain transactions as outlined in the Code, and are restricted from trading in certain other securities. In order to monitor compliance with the Code, Access Persons are required to provide quarterly transactions reports and annual securities holdings reports to the Chief Compliance Officer ("CCO"). Additionally all Access Persons must certify to the terms of the Code annually or whenever the Code is materially amended. All Pacific Asset Management employees are also subject to a Code of Conduct, which includes a prohibition against insider trading.

Applying the Code of Ethics to Conflicts of Interests. Nonetheless, there is the possibility of conflicts of interests for various reasons including: (i) Access Persons may invest in the same securities as our advisory clients and as such may benefit from market activity resulting from transactions executed for our advisory clients and (ii) Access Persons may trade for their own accounts in close proximity to trades executed for our advisory clients. The Code is designed to assure that the personal securities transactions, activities and interests of the Access Persons of Pacific Asset Management will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts.

Requesting a Copy of the Code of Ethics. A copy of Pacific Asset Management's Code of Ethics may be obtained by written request. Please send requests to:

Pacific Asset Management LLC
c/o Pacific Life Insurance Company
700 Newport Center Drive
Newport Beach, CA 92660
Attention: PAM Compliance Dept.

Email requests may be sent to: PAMCompliance@PacificLife.com

ITEM 12: BROKERAGE PRACTICES

Soft Dollars. Pacific Asset Management does not currently have any soft dollar arrangements with broker-dealers and it is Pacific Asset Management's policy not to seek, receive, or benefit from soft dollar arrangements. However, Pacific Asset Management may receive research or other services (both solicited and unsolicited) from brokers in the ordinary course of trading on behalf of clients. These items are not received pursuant to arrangements or agreements to exchange brokerage activity for services or benefits and are not considered to be obtained using soft dollars. Pacific Asset Management is not obliged to direct brokerage in order to receive such information, and while Pacific Asset Management may benefit from the receipt of such services or information, it is not a factor considered in Pacific Asset Management's best execution decisions.

Selecting Broker-Dealers. Pacific Asset Management does not participate in directed brokerage and does not trade with any affiliated broker.

Pacific Asset Management has policies and procedures in place for the selection and approval of broker-dealers. Processes are designed to create an environment conducive to achieving consistent results. Broker-dealers (also called Counterparties) are selected from the Approved Broker-Dealer List. Broker-dealers are evaluated based on several criteria and require approval by the Pacific Asset Management Trading Oversight Committee, prior to addition to the Approved Broker-Dealer List. The criteria considered by the Committee which focuses on seeking best execution includes, but is not limited to, a firm's creditworthiness, professional capabilities, value, and the quality of brokerage services offered. Approval is not based upon soft-dollars, revenue sharing, distribution ability, relationships, or any other supplemental benefits that Pacific Asset Management may receive. Our policy is to not base the selection of broker-dealers upon any influence of sales of shares of mutual funds that we manage by these broker-dealers.

Broker-dealers on the Approved Broker-Dealer List are continuously evaluated by portfolio managers and traders for their execution capabilities. Gift and Entertainment reporting is required and reviewed regularly for potential conflicts or issues. Employees of Pacific Asset Management are required to disclose relationships with other firms that may cause a potential conflict. Additionally, it is firm policy not to trade with affiliated broker-dealers.

Cross Trades**.** A cross trade involves the pre-arranged purchase and sale of securities made directly between two accounts managed by us or our affiliates in order to benefit the accounts by eliminating or minimizing transaction and market impact costs. For example, if one portfolio needs to liquidate a position to raise cash while a second portfolio plans to invest, and the security is appropriate for the acquiring portfolio then a cross trade makes sense both operationally and from a cost savings standpoint. Pacific Asset Management may utilize cross trades as a portfolio management tool if a portfolio manager determines that a cross trade opportunity exists and is in the best interest of the portfolios involved. Cross trades are conducted by Pacific Asset Management in accordance with SEC rules and regulations, client restrictions and ERISA regulations, as applicable.

Best Execution**.** As an investment adviser, Pacific Asset Management has a fiduciary duty and obligation to seek to achieve best execution of client transactions reasonably available under the circumstances of particular transactions. To ensure an environment where best execution is sought for our clients, we have established internal policies, access to information and robust systems, and communication forums for traders and portfolio managers. Primary responsibility to seek best execution of trades rests with the traders and portfolio managers. We take several qualitative factors into consideration which affect the choice of broker or trading platform aimed at achieving the best net result for our clients. A subjective review of less tangible factors by the portfolio managers include certainty of execution, competitiveness of rates and spreads, ability to provide liquidity, and secondary market considerations to name but a few of the qualitative factors.**ITEM 13: REVIEW OF ACCOUNTS**

Account Review. We consistently monitor our accounts and utilize performance attribution analysis as a quantitative check on the results of our decision making process. The portfolio managers/managing directors are in charge of reviewing the accounts that they are assigned. Pacific Asset Management's internal committees oversee the review process for all of the portfolios managed by Pacific Asset Management. The various elements that make up the portfolio manager's daily review might include comparisons against benchmark figures, performance, structure, adherence to client guidelines, prices, market conditions, portfolio holdings, transactions, and cash flows. Compliance monitors client accounts daily for consistency with client objectives, portfolio guidelines and restrictions.

Account Reporting. We provide reports to our clients that communicate account activity, strategy and performance updates. The reports also contain key statistical data for the reporting period, including characteristics, benchmark comparisons, attribution, and written commentary. The frequency of reports may be either monthly or quarterly at the client's discretion. For registered investment companies advised or sub-advised by Pacific Asset Management, we provide the client's Board with a quarterly commentary. Communication regarding consistency with the established guidelines and restrictions for our sub-advisory accounts occurs monthly and quarterly in the form of schedules and certifications of compliance as requested. At the client's request, communication regarding their accounts may be more frequent than the regularly scheduled reviews of the account, including ad hoc reviews. Additionally, unusual conditions that are considered outside of the norm of everyday trading activity will trigger more intensive scrutiny of the account by the portfolio managers in light of the potential effect of these events to the portfolios. Members of Pacific Asset Management are available for calls or face-to-face meetings as needed.

ITEM 14: CLIENT REFERRALS AND OTHER COMPENSATION

Pacific Asset Management does not have any arrangements with non-clients to provide any economic benefits to Pacific Asset Management or its staff in connection with advice or other advisory services.

For the avoidance of doubt, affiliates of Pacific Asset Management or employees of Pacific Asset Management may introduce prospective clients to Pacific Asset Management without being subject to a referral arrangement. Such introductions are not generally subject to compensation arrangements for the payment of referral fees. Pacific Asset Management employees may be compensated as part of their duties, but an employee carrying out their job function is not considered to be acting pursuant to a referral agreement and no disclosure statement or written referral agreement is required. If an affiliated party makes introductions and receives cash compensation from Pacific Asset Management for referrals, the arrangement must be memorialized in writing and the affiliated party must disclose their affiliation with Pacific Asset Management.

ITEM 15: CUSTODY

Pacific Asset Management does not have physical custody of any client funds or securities. Instead, client assets are held with banks, registered broker-dealers or other qualified custodians. Clients should receive statements directly from the banks, registered broker-dealers, or qualified custodians at least quarterly indicating the amounts of any funds or securities in their account as of the end of the statement period and any transactions in the account during the statement period.

With respect to certain private funds, Pacific Asset Management may be deemed to have custody, as defined in Rule 206(4)-2 under the Advisers Act (the "Custody Rule"), of such assets as a result of its affiliation with and control, or as a result of the legal structure of the entity.

Pacific Asset Management adheres to the applicable requirements of the Custody Rule with respect to the applicable private funds. Securities are held with a qualified custodian, with such custodian identified in the applicable offering memorandum. In addition, Pacific Asset Management arranges for the delivery to investors of the private funds a copy of the audited financial statements, which are prepared in accordance with U.S. generally accepted accounting principles, on an annual basis, and within the required time frames set forth in the Custody Rule. Finally, investors also receive unaudited monthly account statements from the applicable private fund's administrator and a statement of their capital account as of the fiscal year end.

ITEM 16: INVESTMENT DISCRETION

Pacific Asset Management manages client accounts on a discretionary basis. We receive discretionary authority from the client to determine the securities to be bought or sold, amount of securities to be bought or sold and the broker or dealer to be used. In all cases, however, such discretion is exercised subject to the investment objectives and guidelines that are established by written agreement between Pacific Asset Management and the client at the time the account is opened.

For registered investment companies advised or sub-advised by Pacific Asset Management, the respective Board of Directors, Managers, or Trustees of such companies establish investment guidelines, policies and restrictions which Pacific Asset Management complies with respect to investment strategies such as the type of securities to be bought and sold and the percentage limits of securities, issuers, and sectors. Such guidelines can be found in each fund's prospectus and statements of additional information.

As collateral manager, Pacific Asset Management has discretion to manage the assets of the CLO pursuant to the terms of the CLO's indenture.

ITEM 17: VOTING CLIENT SECURITIES

Pacific Asset Management votes proxies on behalf of our clients when so authorized by the investment management agreement or other governing documents. When voting on proxy proposals, Pacific Asset Management's foremost concern is that all decisions be made solely in the interests of the client consistent with the Advisers Act and ERISA, if applicable.

Pacific Asset Management uses a third-party to help receive, vote and maintain appropriate proxy voting records.

Pacific Asset Management acts in a manner which is intended to preserve or enhance the economic value of assets held in its client's portfolios. In the event that a proxy proposal raises a material conflict of interest between Pacific Asset Management and a client, Pacific Asset Management will (i) vote in accordance with the firm's established voting guidelines, if such a scenario is addressed in the guidelines and involves little or no discretion; (ii) implement information barriers around the individuals involved to insulate the decision from the conflict; (iii) notify the affected client(s) of the conflict of interest and seek a waiver of the conflict for the proxy to be voted; or, (iv) if agreed to with the client, allow the client or its designee to vote the proxy.

Contact Information Regarding Proxy Voting. If you are a client of Pacific Asset Management and you would like to find out how your proxies have been voted or you would like a copy of the current Proxy Voting Policies and Procedures, please send a written request to:

Pacific Asset Management LLC
c/o Pacific Life Insurance Company
700 Newport Center Drive
Newport Beach, CA 92660
Attention: PAM Compliance

Email requests may be sent to: PAMCompliance@PacificLife.com

Litigation and Class Actions
As an investment manager, we may be asked to decide whether to participate in litigation, including by filing proofs of claim in class actions, for assets held in a client's account (an "Account"). It is generally the client's responsibility, unless contractually specified otherwise, to monitor and analyze its portfolio and consult with its own advisers and custodian about whether it may have claims that it should consider pursuing.

As a general matter, Pacific Asset Management cannot, without a client's written authorization, exercise any rights such a client may have in participating in, commencing or defending suits or legal proceedings such as class actions for assets held or previously held in an Account, although we may do so for the Mutual Funds we manage. Generally, a client's custodian should receive all documents for these matters because the securities are held in the client's name at the custodian and the client should direct its custodian as to the manner in which such matters should be handled. Pacific Asset Management, however, will assist clients or their custodian in assembling transaction information to file a proof of claim if requested to do so.

ITEM 18: FINANCIAL INFORMATION

Under no circumstances does Pacific Asset Management require or solicit payment of fees in excess of $1,200 per client more than six months in advance of services rendered. Therefore, Pacific Asset Management is not required to include a financial statement.

As an advisory firm that maintains discretionary authority for client accounts, we are also required to disclose any financial condition that is reasonably likely to impair our ability to meet our contractual obligations. Pacific Asset Management has no such financial conditions to report.

Pacific Asset Management has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients, and has not been the subject of a bankruptcy proceeding.