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Securities Act of 1933  
Section 5

Securities Exchange Act of 1934  
Sections 13(e) and 14(d)  
Rules 13e-4, 14e-1, 14e-5  
Section 15

August 29, 2003

David Lynn, Esq.  
Chief Counsel, Division of Corporation Finance,  
Catherine McGuire, Esq.  
Associate Director and Chief Counsel  
Division of Market Regulation,  
Securities and Exchange Commission  
450 Fifth Street, N.W.  
Washington, D.C. 20549

Attention: Robert Plesnarski  
Joseph Corcoran

Re: The Prudential Insurance Company of America

Dear Mr. Lynn and Ms. McGuire:

Prudential Financial, Inc. ("Prudential") appreciated the opportunity to discuss with you our intended revisions to its Sales Facility which was the subject of the no-action letter issued by the staff of the Securities and Exchange Commission ("Commission") on April 6, 2001 ("No-Action Letter") to The Prudential Insurance Company of America in connection with its demutualization on December 18, 2001.

As a result of those discussions, Prudential intends to make only minor modifications to the eligibility requirements of its Sales Facility, as described below. In addition, Prudential wishes to remind its shareholders eligible to utilize the Sales Facility of the existence of the Sales Facility on an annual basis, as described below. We believe

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these changes do not affect the issues or conclusions of the No-Action Letter or the related request for no-action relief, dated March 14, 2001, of Andrew S. Rowen of Sullivan & Cromwell ("No-Action Request"), and we seek your confirmation (oral or written) that the staff has no objection thereto.

***Changes to Sales Facility Eligibility Requirements***

As described in the No-Action Request, the existing Sales Facility is limited to shareholders who received Prudential stock in the demutualization who hold shares in book-entry form at the Transfer Agent and who own not more than 1,000 shares. The two amendments to the Sales Facility, which Prudential wishes to implement as soon as practical, are:

- *Expand the Sales Facility to include Prudential shareholders owning not more than 1,000 shares and who hold shares in book-entry form at the Transfer Agent and who are transferees, directly or through successive transfers, of shares originally issued to policyholders in the demutualization. In the eighteen months since demutualization, a number of shares originally issued in the demutualization have been transferred by policyholders to heirs (following death), other family members or third parties, making these new shareholders ineligible to use the Sales Facility under its current terms. However, these transferees have essentially the same need for the Sales Facility as our original policyholders. This group does not include shares deposited in the Depository Trust Corporation ("DTC").*
- *Expand the Sales Facility to include additional "round-up" shares acquired by Prudential shareholders, who received shares in the demutualization (or transferees thereof as described in the previous paragraph), as a result of participation in a Commission Free Sales and Purchases Program or any odd-lot program that Prudential may offer its shareholders in the future. Roundup shares (up to 100 shares) purchased by Prudential shareholders, who received shares in the demutualization (or transferees thereof as described in the previous paragraph), in either (i) the Commission Free Sales and Purchases Program offered in August 2002 or (ii) any future Commission Free Sales and Purchases Program or odd-lot program that Prudential may offer its shareholders in the future are, or would be, ineligible for the Sales Facility under its current terms. However, these shareholders have the same need for the Sales Facility for their "roundup shares" as the shares issued in the demutualization.*

These newly eligible shareholders would not receive a mailing concerning these amended eligibility terms of the Sales Facility (other than in the Annual Notification discussed below). However, sales requests and requests for information about the Sales Facility initiated by such shareholders would be processed.

*Tracking Mechanism for Transferees.* To implement the expansion of the Sales Facility to transferees as noted above, the Transfer Agent has informed us that it can establish a tracking mechanism designed to accommodate the expansion in all material respects. The tracking system would make ineligible for the Sales Facility, regardless of amount, any shares 1) legally transferred from a customer's account at a broker-dealer to the shareholder's account at the Transfer Agent or to certificated form and 2) held at DTC or in a treasury, affiliate or restricted share account. EquiServe will code transactions originating from DTC and shares held in treasury, affiliate or restricted share accounts and will prevent shares so coded from being considered eligible under the EquiServe Sales Facility. Other registered shares in an account with 1,000 shares or less on EquiServe's records would be eligible for the Sales Facility. Although the tracking mechanism is not specifically designed to track shares from the demutualization, EquiServe has informed us, and we believe, that there is a reasonably high assurance that this tracking mechanism will result in shares available to participate in the program being only those shares involved in the demutualization or round-up shares obtained by policyholders or transferees in the Commission Free Sales and Purchases Program previously offered or any future Commission Free Sales and Purchases Program or odd-lot program that may be offered. This tracking system could be implemented shortly by EquiServe and can eliminate the categories of shares noted above from the time of demutualization. We understand from EquiServe that the only way that shares that should be ineligible to participate could, by virtue of the tracking mechanism, participate is if shares came into EquiServe through DTC and were then transferred to another name in a registered position at EquiServe. The number of ineligible shares that could slip through the tracking mechanism should be de minimus.

*Tracking Mechanism for Round-Ups.* The Transfer Agent has informed us that it is able to precisely track round-up shares obtained by policyholders who received an odd-lot number of shares in the demutualization.

#### ***Annual Notification to Holders Eligible to Utilize the Sales Facility***

Prudential wishes to send, annually, one notice of the availability of the Sales Facility to each holder of shares eligible to participate in the Sales Facility. Notices will not be sent with respect to any ineligible shares.

Eighteen months following demutualization, as of June 2003, Prudential has approximately 3.6 million shareholders eligible to utilize the Sales Facility, holding approximately 36% of Prudential's outstanding shares. Prudential believes many of these shareholders do not have brokerage accounts and/or experience in selling securities

through brokers and that the majority of shareholders with brokerage relationships have moved shares to the brokerage accounts. This is confirmed by the nominal turnover in these shares since the termination of Prudential's Commission Free Sales and Purchases Program in November 2002. The ability to communicate once annually with holders who are eligible to use the Sales Facility regarding its existence would serve to remind these holders of the liquidity of their shares, through the Sales Facility and otherwise. The notice would briefly describe the availability of the Sales Facility consistent with terms of the No-Action Letter (including a copy of the Sales Facility Term Sheet, the absence of any recommendation to sell by Prudential or the Transfer Agent and disclosure of the ability of the holder to sell shares through other means) and would include telephone and Internet contact information and may be accompanied by a convenience reply card authorizing sale. Neither the Holding Company nor the Transfer Agent will initiate oral contact with eligible shareholders or otherwise publicize the Sales Facility. Each of the conditions specified on pages 15-19 of the No-Action Request applicable to the Sales Facility Term Sheet and the related conduct of the Transfer Agent and Prudential would apply to each such annual mailing.

***Legal Analysis of Sales Facilities Changes***

Other than as set forth above, the Sales Facility will continue to be operated in the manner described in the No-Action Request. Each of the eighteen conditions noted by the Division of Corporation Finance in the No-Action Letter (as applicable to the Sales Facility) would remain satisfied. Each of the five conditions noted by the Division of Market Regulation in the No-Action Letter would remain satisfied, although (i) the scope of availability of the Sales Facility would be expanded as indicated above and (ii) these new eligible shareholders will not receive the policyholder information materials distributed in 2001 to policyholders describing the Sales Facility as a component of the pending demutualization (but have and will receive ongoing shareholder reports and, through Prudential's website, have linked access to Prudential's SEC reports and the ability to request such reports by mail).

Accordingly, in our opinion the conclusions regarding Section 5 of the Securities Act of 1933 ("Securities Act"), Section 14(d) of the Securities Exchange Act of 1934 ("Exchange Act"), Rules 13e-4, 14e-1 and 14e-5 under the Exchange Act and Section 15 under the Exchange Act with respect to the Sales Facility contained in the No-Action Request are unaffected by the foregoing changes in the operation of the Sales Facility.

\* \* \* \*

David Lynn, Esq.  
Catherine McGuire, Esq.

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Thank you for your prompt attention to this matter. Please contact the undersigned at (212) 558-3896 or Gordon Calder of Prudential at (973) 802-4277 with questions or comments.

Very truly yours,

*Andrew S. Rowen*

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