Michael H. Wu

December 5, 2012

VIA ELECTRONIC MAIL

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Mr. David A. Stawick
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Re: Prohibitions and Restrictions on Proprietary Trading and Certain Interests in, and Relationships With, Hedge Funds and Private Equity Funds (SEC Rel. No. 34-65545, File No. S7-41-11; Federal Reserve Board Docket No. R-1432, RIN 7100-AD 82; FDIC RIN 3064-AD85; OCC Docket ID OCC-2011-14; CFTC RIN 3038-AD05)

Dear Ladies and Gentlemen:

Michael Wu, a current contract owner of Prudential Variable Annuity, appreciates the opportunity to submit additional comments on the Agencies' proposed rules to implement Section 619 of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Dodd-Frank Act"), known as the "Volcker rule."

On July 26, 2012, I wrote an e-mail to Ms. Karen Barr, IAA General Counsel (Ref. http://www.federalreserve.gov/SECRS/2012/August/20120801/R-1432/R-1432_072712_107945_318438398136_1.pdf) asking her if Prudential proprietary trading should be prohibited and restricted, which she did not reply directly. On September 21, 2012, I submitted additional comments. Today, I am submitting what I learned about the misconducts of Judy Ann Rice, Chairman of Prudential Investments LLC (PI), recently, i.e., Judy Ann Rice misuses her contracts with her Prudential affiliates (as contracts between Prudential Variable Annuity customers and Pruco Life Insurance Company) to make two-sided proprietary trading between the entrusted fund of Prudential Variable Annuity customers and the private Prudential Series Fund illegally.

President, CEO, and Chairman of Prudential Insurance Company of America (PICA), i.e., John Robert Strangfeld Jr., said that Prudential Financial Companies have helped their customers grow and protect wealth for more than 135 years.

According to executive officers of PICA, what Prudential Financial Companies (Prudential) use to help their customer grow and protect wealth is a self-hedging program or their Groundbreaking Defined Benefit Risk Transfer (DBRT) theory or a robust capital protection framework or the top talent of their watchdog (i.e., Judy Ann Rice) by doing nothing except transferring account value between "Your Chosen Investment Options" and "Bond Portfolio" as shown in ***Figure 1*** below:

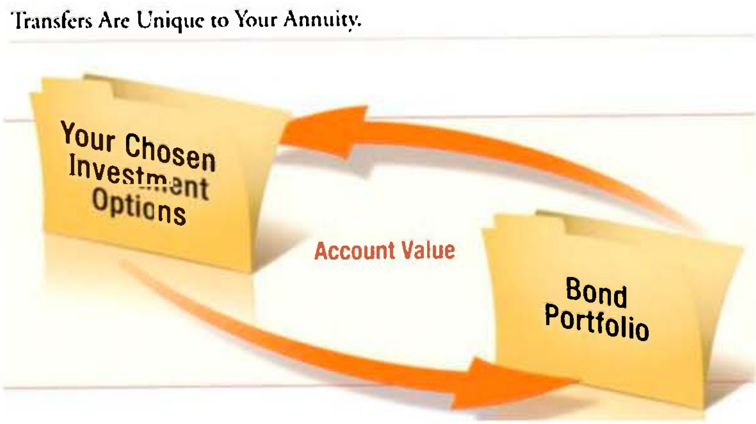

Figure 1. What Prudential Financial Companies Have Been Saying

Direct transfer of "Account Value" documented in ***Figure 1*** is impossible. What Prudential Financial Companies did is hiring Judy Ann Rice to play duo roles: 1) investment manager of the entrusted Advanced Series Trust (AST) of Prudential Variable Annuity customers [ps. AST Investment Services, Inc. (ASTI) is the other investment manager of AST], and 2) investment manager of Prudential Series Fund of PICA in order to allow her to carry out misconducts for Prudential where Prudential Series Fund has a projected Annual Income Amount, i.e., the predetermined ROE of PFI (NYSE ticker PRU).

Judy Ann Rice signed contract with PICA who gives Judy Ann Rice discretionary authority in managing Prudential Series Fund. Prudential Series Fund has three discretionary accounts, which are not disclosed in the Brochure of Prudential Series Fund. According to our research, these three discretionary accounts are: 1) unaffiliated mutual fund (also known as Variable Insurance Trust, or VIT) whose account is managed by ASTI, 2) affiliated retail (or investment) mutual fund whose account (i.e., VCA-10) is managed by Jennison Associates LLC (a Prudential affiliate), and 3) fixed-income fund whose account (i.e., VCA-11) is managed by Prudential Investment Management, Inc. (PIM).

As investment manager of Prudential Series Fund, Judy Ann Rice hired seven affiliated and unaffiliated portfolio managers (PMs) to help manage 12 portfolios of Prudential Series Fund; oversees the performance of Prudential Series Fund daily; and directs seven PMs to carry out Prudential misconducts based on churning.

Prudential VA customers signed contracts with Pruco Life Insurance Company (Pruco Life), which allow Pruco Life to transfer assets of Prudential VA customers between their groups of sub-accounts: 1) "Chosen Investment Options", which have circulated securities, and 2) "Bond Portfolio", which contains uncirculated junk bonds.

Transfers between circulated securities and uncirculated junk bonds are impossible. I.e., what Prudential Financial Companies have been saying in ***Figure 1*** is untrue. More specifically, circulated securities are transferred outside Prudential VA accounts and uncirculated junk bonds are transferred into Prudential VA accounts from outside.

As documented in ***Attachment 17q6. Response to and Questions for Christopher Hagan of Prudential Annuities Operations (071612)***, we asked Christopher, Hagan, Judy Ann Rice, and/or Stuart Sherman Parker the following questions: (1) **HOW,** which is already documented in **Q3a,** **Attachment 17q3.** ***Response to and Questions for Christopher Hagan of Prudential Annuities Operations (032712)***, as well as: (2) **WHO,** (3) **WHEN** (i.e., the **TIMESTAMP** on top of the transaction **DAY**), and (4) **WHERE** as shown in ***Figure 2*** below, where "**Junk Bonds**" contains "**AST Investment Grade Bond Portfolio**" and "Predetermined Mathematical Formula" is a manipulative device. Prudential does not answer above-mentioned questions as of today.

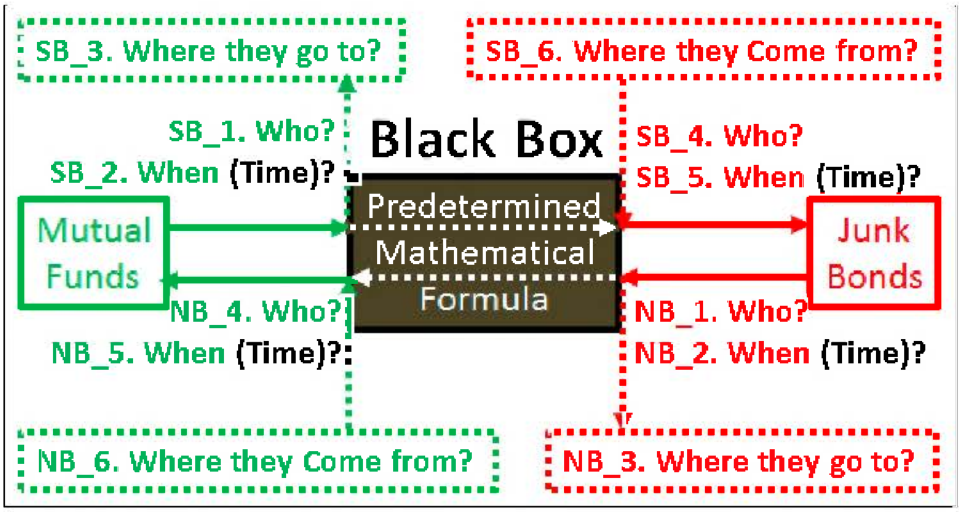

Figure 2. The Black Box of Two-sided, Self-hedging Prudential Benefit Fund Transfer

Pruco Life did not tell Prudential VA customers in the contract, Prospectus, and the Brochures that the sub-account “Bond Portfolio” is manipulated by PIM exclusively; and “AST Investment Grade Bond Portfolio” in “Bond Portfolio” is mispriced and unregistered junk bonds (i.e., private Broker-Dealer self-Offerings, or private BDOs), which is derived from Similar Investment Option of Prudential Retirement Insurance and Annuity Company (PIRAC) and uncirculated in the equity markets.

Prudential VA customers do not sign contracts with Judy Ann Rice and do not give her discretionary authority to transfer their assets out of their VA accounts. Judy Ann Rice misuses her contracts with Prudential affiliates and seven portfolio managers instead to transfer assets of Prudential VA customers to PFI illegally via in-house, after-market-hours, two-sided, self-hedging Trade Misallocation Scheme based on churning and embezzlement in order to meet the project Annual Income Amount.

As investment manager of the entrusted AST of Prudential VA customers, Judy Ann Rice should use the contracts between Prudential VA customers and Pruco Life to manage the entrusted AST properly. However, Judy Ann Rice uses Prudential unregistered junk bonds; and her contracts with Prudential affiliates and underlying seven portfolio managers to transfer assets from “Your Chosen Investment Options” sub-accounts of Prudential VA customer to accounts of Prudential Series Fund whose shareholder is Prudential Financial, Inc. (PFI) based on churning and embezzlement without agreements and knowledge of Prudential VA customers.

Figure 3 below shows how Judy Ann Rice transfers assets out of “Your Chosen

Investment Options" of Prudential VA customers and gives underlying Prudential VA customers "Prudential Unregistered Junk Bonds" as payment when the equity market declines to its session low by using wrong contracts between PI and PI affiliates, etc. (ps. The asset transfer between "Your Chosen Investment Options" and "Bond Portfolio", which is documented in the right contracts between underlying Prudential VA customers and Pruco Life is impossible and, therefore, never happened.)

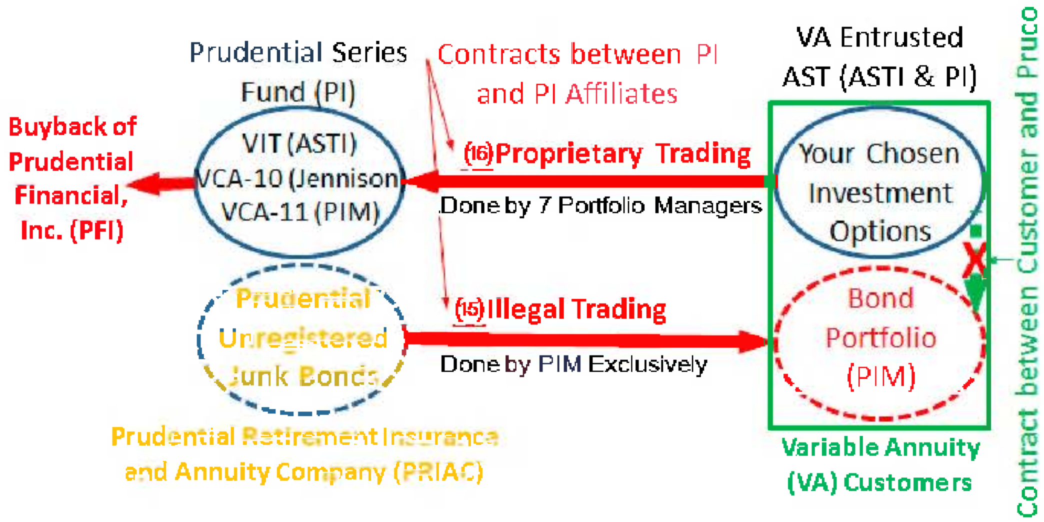

Figure 3. What Judy Ann Rice Does When the Market Reaches Session Low

Figure 4 below is what Judy Ann Rice does when the equity market reaches its session high in order to profit the price differences between that when the market reaches its session high and that when the market reaches its session low.

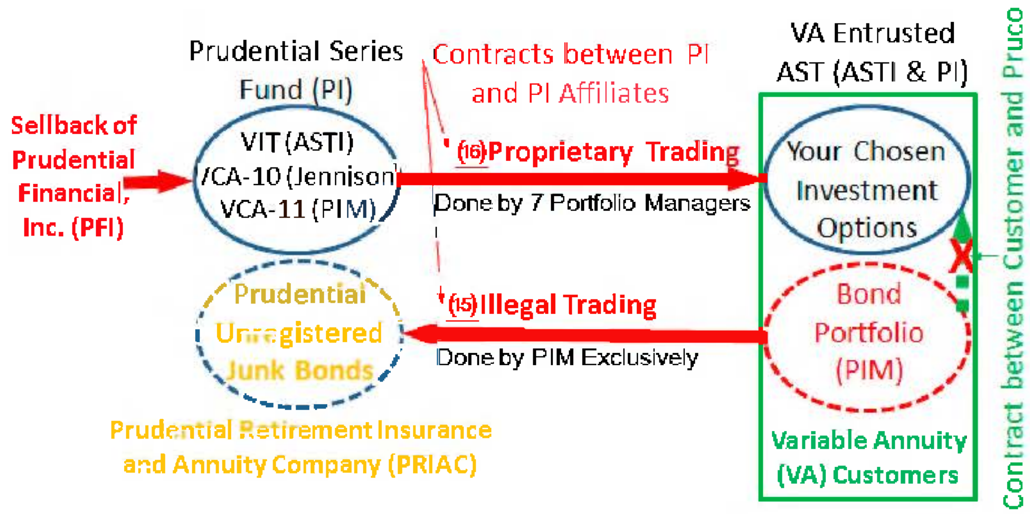

Figure 4. What Judy Ann Rice Does When the Market Reaches Session High

Besides her profiting from the price differences and pocketing dividends of Prudential VA customers, Judy Ann Rice and her team members also charge Prudential VA customers investment adviser fees; and commissions of broker-dealers of her and team members for her misconducts.

Judy Ann Rice and her team have been transferring about $50B of assets from accounts of Prudential VA customers to accounts of Prudential Series Fund since 2005. Judy Ann Rice received a lifetime achievement award from Fund Industry Intelligence (Ref. http://news.prudential.com/article_display.cfm?article_id=6212) due to her top misconduct talent in meeting the projected Annual Income Amount.

Judy Ann Rice is located at 100 Mulberry Street, 14th FL, Gateway Center 3, Newark, NJ 07102 (Tel: 973-367-3321). She plans to retire by the end of 2012.

The House Financial Services Committee announced on Nov. 29, 2012 a Dec. 13 hearing on the rule's implementation status. Misconducts of Prudential must be stop as soon as possible. Judy Ann Rice and her team have conducted 49 unauthorized transactions since we bought Prudential VA on April 16, 2010. Any Volcker Rule implementation delay will cause additional loss to Prudential VA customers both financially and spiritually.

Sincerely,

Michael H. Wu

cc: The Honorable Mary L. Schapiro, Chairman
The Honorable Elisse B. Walter, Commissioner
The Honorable Luis A. Aguilar, Commissioner
The Honorable Troy A. Paredes, Commissioner
The Honorable Daniel M. Gallagher, Commissioner

Ms. Eileen Rominger, Director, Division of Investment Management
Mr. Robert Plaze, Deputy Director, Division of Investment Management