April 17, 2013

VIA ELECTRONIC MAIL

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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:

Here I am going to share with you my additional findings on misconducts of Prudential Financial Companies (Prudential) and the provable damages to our Prudential variable annuity account as calculated based on the market values of April 16, 2013.

Prudential issues variable annuity products with living benefits. Prudential does not provide product/benefit training to her sales firms and branch office managers, and registered individual representatives. Prudential misrepresented that underlying registered individual sales representative had received specific product/benefit training from her sales firms prior to our purchase of said VA product/benefit.

Prudential Insurance Company of America (PICA) is the investment adviser and also the trust of the core taxable Prudential Series Fund and the entrusted Advances Series Trust (AST) of hundred millions of Prudential variable annuity (VA) customers. Prudential Investments LLC (PI) is the sub-investment adviser and also investment manager of underlying Prudential Series Fund and the entrusted AST.

Variable Annuities (VA) are registered securities and, therefore, Prudential must follow SEC Act and Exchange Rules – no misstatements, no omissions, no deceptive devices, no switching (i.e., churning or market timing), no private broker-dealer self-offerings (BDOs), and no commingled funds. However, Prudential violates those SEC Act and Exchange Rules in doing her VA business.

Prudential does not conduct her VA business base on the sale materials, the contract and the prospectus, which have a lot of misstatement and omissions and Prudential sales representative did not give us the contract and the prospectus at the time of recommendation per FINRA conduct rules. More specifically, asset transfers between "Your Chosen Investment Options" and "Bond Portfolio" as shown in ***Figure 1*** below are impossible and, therefore, never happen.

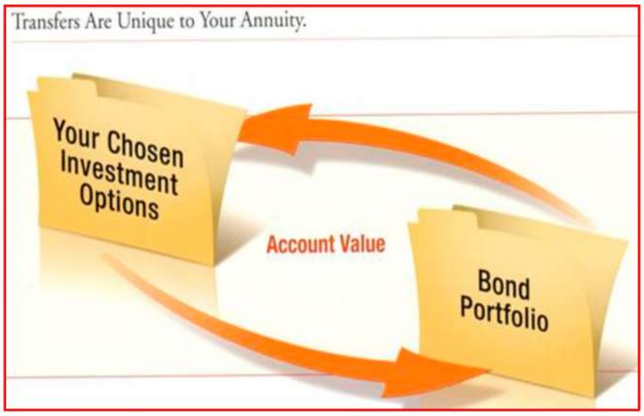

Figure 1. Asset Transfers, Which Are Impossible and Never Happen

Prudential uses unregistered funds, commingled funds, PI researches, which PI provides after the equity markets close, and a deceptive device called Predetermined Mathematical Formula to transfer assets from accounts of her VA customers to accounts of PICA based on switching and embezzlement. More specifically, Prudential transfers contract values from VA customers to PICA accounts at lower prices (i.e., more shares with the same value) when the equity markets decline and back from PICA accounts to VA customers at higher prices (i.e., less shares with the same value) when the equity markets improve, which are done based on PI's researches and recommendations without knowledge and agreements of Prudential VA customers, as sketched in ***Figure 2*** below.

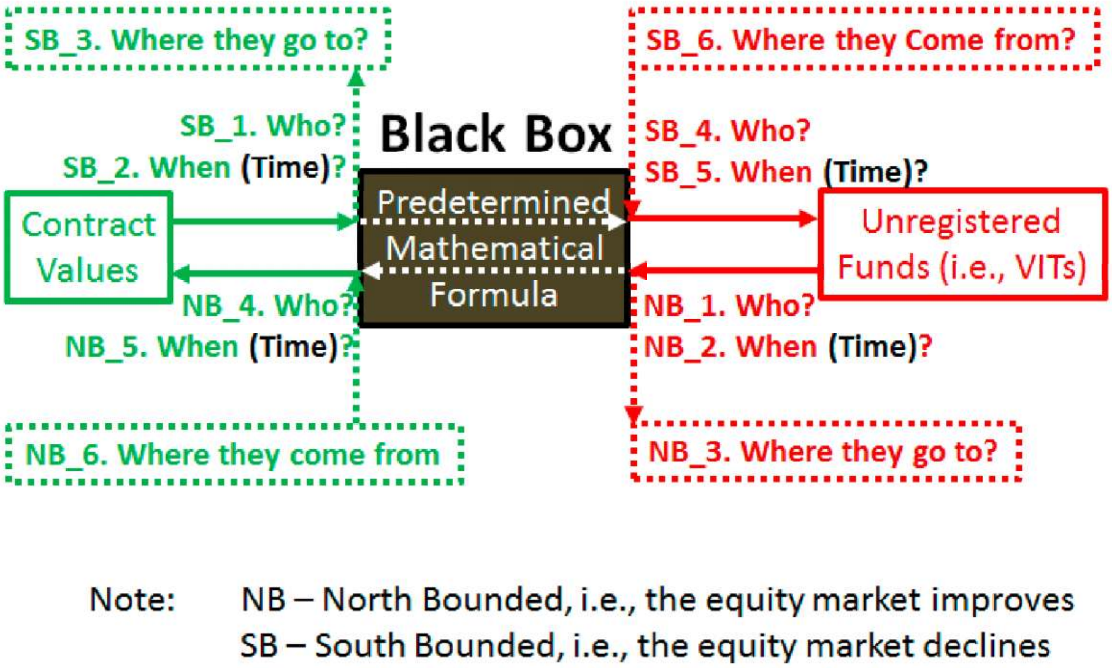

Figure 2. Asset (i.e., Contract Values) Are Transferred from Accounts of VA Customers to Accounts of PICA (the Trust) via Embezzlement

Judy Ann Rice of PI and Christopher Hagan of Prudential Annuities Operations did not answer our questions as Who, When, and Where in ***Figure 2***, which were documented in the letter to them dated July 16, 2012.

http://www.adviserinfo.sec.gov/Iapd/Content/Common/crd_iapd_Brochure.aspx?BRCHR_VRSN_ID=133942, i.e., Brochure "Prudential Investment Management, Inc. (Commercial Mortgage Backed Securities)", said that Prudential Financial Companies (Prudential) has unregistered funds (including hedge funds) and commingled vehicles.

Robert Denicola, David Hunt, and Tmothy Knierim of Prudential Investment Management, Inc. did not answer our questions regarding unregistered funds and commingled funds of Prudential since July 29, 2102.

http://www.adviserinfo.sec.gov/Iapd/Content/Common/crd_iapd_Brochure.aspx?BRCHR_VRSN_ID=186802, i.e., Brochure “Prudential Investments LLC (March 28, 2013)”, describes the balance of PI advisory business, as follows:

A. Research Services on Funds and Managers

1. Description of Research Services
2. Research Provided to Sponsors of Managed Account Wrap Programs
   a. Non-Discretionary Mutual Fund Wrap Programs
3. Research Provided to Insurance Company Separate Accounts of Affiliates for use in connection with:
   a. Group Life Insurance
   b. Annuities
   c. Individual Life Insurance
   d. Retirement Products
4. Research Services Provided to Affiliated Investment Adviser

According to 3a. Group Life Insurance above, Prudential has unaffiliated mutual funds, which are also known as variable insurance trusts (VITs). Prudential Affiliated insurance companies entered into participation agreements with VITs in order to purchase shares of the VITs. PI provides oversight of the VITs. An SEC substitution order is required to replace VIT shares with another VIT. (ps. The SEC substitution order dated August 29, 2012 is at ***www.sec.gov/rules/ic/2012/ic-30186.pdf***)

The contract and the prospectus say that asset transfers are done between “Your Chosen Investment Options” and “Bond Portfolio” within VA customers’ accounts as documented in ***Figure 1*** above. However, PI Brochure says that: (1) Prudential affiliated insurance companies exchange variable insurance trusts (VITs) with each other and (2) allocated values of Prudential VA contracts to VITs based of PI research services, which are provided after the markets closed, where only contract values are belonged to VA customers and VITs are belonged to Prudential affiliated insurance companies exclusively. This means that assets (i.e., contract values) of VA customers are not transferred within their own accounts but are transferred out to accounts of PICA based on switching via embezzlement.

Besides, the predetermined mathematical formula, which is documented in the prospectus, is a non-operative deceptive device because it has a lot of data, which are not disclosed on the 3-page description of the formula. The letter dated June 15, 2012 from Christopher Hagan of Prudential Annuities Operations misrepresented that "The Asset Transfers as you noted between the Bond Portfolio and your sub-accounts are entirely normal and based on this formula" because Christopher could not demo to us that said formula is entirely normal by using our 2011 contract base and 2011 transaction data as inputs to reach our 2012 contract base.

Based on previous paragraphs, assets are transferred between VA customers and PICA based on switching via embezzlement as shown on the left-hand side in ***Figure 3*** below. (ps. The exchanges of unregistered VITs on the right-hand side in ***Figure 3*** are done between Prudential affiliated insurance companies exclusively, which has nothing to do with assets of Prudential VA customers.)

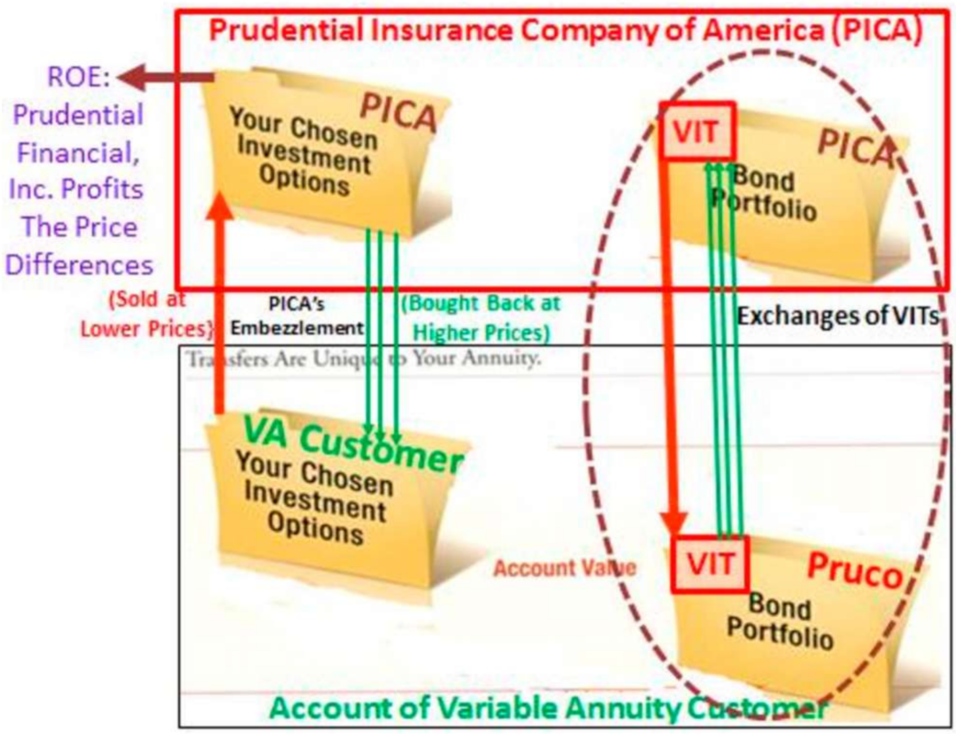

Figure 3. Asset Transfers Based on Switching and Embezzlement

PI provides researches and recommendations to sponsors of managed account wrap programs, affiliated insurance companies and affiliated investment advisers long after

4 p.m. ET; and then Prudential affiliated insurance companies and investment advisers submit transaction orders accordingly Those orders should be executed at the closing price for the next business day according to SEC Act and Exchange rules but were executed by Prudential affiliated broker-dealers at the closing price on the day they're received.

Now we are going to estimate the provable damage to our Prudential VA account. (ps. We have asked Prudential to revoke all unauthorized transactions, which can prove our estimate immediately but was refused by Prudential without good reason.)

Prudential just did her last three unauthorized/improper transactions of benefit fee (for her misconducts), benefit fund transfer, and program rebalance on April 16, 2013 when the S&P 500 Index was 1,574.57. As of April 16, 2013, value of unregistered VITs in our "AST Investment Grade Bond Portfolio" sub-account is now down to US$6,493.28. We will use said US$6,493.28 of VITs, which will various daily according to its unit value mispriced by Prudential Retirement, Insurance and Annuity Company (PRIAC), to estimate as how many shares in our "Chosen Investment Options" sub-accounts were embezzled by Prudential since April 16, 2010.

1. Assets (i.e., numbers of shares) in our VA account should be as of July 20, 2011 If Prudential did not charge additional US$1,071.91 of benefit fees to pay sales firms, branch office managers, and individual representative greater compensations as documented in the prospectus and pocket 2.09% of dividends for shares of underlying mutual funds:

07/20/11	**CSR**	**LAC**	**MCG**	**NBM**	**SCG**
Account	1666.64852	1957.77137	1855.25018	1731.21824	1600.91686
(Fees)	15.99036	18.78349	17.79987	16.60987	15.35971
(Dividends)	35.16715	41.31000	39.14675	36.52961	33.78018
Total	1717.80604	2017.86486	1912.19680	1784.35771	1650.05675

Legend CSR: AST Cohen & Steers Realty
LAC: AST Lord Abbett Core Fixed Income Portfolio
MCG: AST Marsico Capital Growth
NBM: AST Neuberger Berman Mid-Cap Growth
SCG: AST Small Cap Growth

2. Assets (i.e., numbers of shares) in our VA account should be as of 12/31/2012 if there were 2.09% of dividends for 2011 and 2012 each and without unauthorized transactions from Prudential:

Date	CSR	LAC	MCG	NBM	SCG
07/20/11	1717.80604	2017.86486	1912.19680	1784.35771	1650.05675
12/31/11	1753.70818	2060.03824	1952.16171	1821.65079	1684.54293
12/31/12	1790.36068	2103.09304	1992.96189	1859.72329	1719.74988

3. Assets (i.e., numbers of shares) in our VA account should be as of 01/17/2013. (ps. We did a reallocation to replace LAC and MCG with PTR and TPN because Lord Abbett and Marsico are portfolio managers of Prudential Series Funds.)

   3a. Assets (i.e., numbers of shares) in our VA account before the replacement:

Date	CSR	LAC	MCG	NBM	SCG
01/1/13	1790.36068	2103.09304	1992.96189	1859.72329	1719.74988

   3b. Asset (i.e., number of shares) in our VA account after the replacement:

Date	CSR	NBM	PTR	SCG	TPN
01/17/13	1758.41899	2075.99195	2241.17213	1776.53759	2501.81491

Legend PTR: AST PIMCO Total Return Bond
TPN: AST T.Rowe Price Natural Resources

4. Assets (i.e., numbers of shares) in our VA account should be as of 04/16/2013 as shown below where the numbers of shares in the row "(IGB)" are computed by distributing the value in "AST Investment Grade Bond Portfolio (IGB)" sub-account (i.e., the value of those shares of Prudential unregistered VITs in our VA account) evenly into our five chosen sub-accounts

04/16/13	CSR	NBM	PTR	SCG	TPN
Account	1,297.16353	1,427.65390	1,777.48224	1,377.27600	2,053.95223
(IGB)	83.55096	91.95587	114.48853	88.71104	132.29588
Total	1380.71449	1519.60977	1891.97077	1465.98704	2186.2481

From Tables in items 3b and 4 above, we can calculate how many shares were embezzled by Prudential based on switching and embezzlements as shown below:

04/16/13	CSR	NBM	PTR	SCG	TPN
Should be	1758.41899	2075.99195	2241.17213	1776.53759	2501.81491
In Account	1380.71449	1519.60977	1891.97077	1465.98704	2186.2481
Shortage	377.7045	556.38218	349.20136	310.55055	315.56681
Unit Value	$15.54	$14.12	$11.34	$14.64	$9.82
Value	$5,870.77	$7,857.56	$3,961.03	$4,546.20	$3,097.70
Total Damages					$25,333.26

The same Prudential switching and embezzlement schemes by using unregistered funds, commingled funds, the deceptive device, and research/recommendations of Prudential Investments LLC are applicable to all Prudential VA customers. The total damages to all Prudential VA customers are about $30B from 2007 to 2012 (i.e., $1B for 2007, $2B for 2008, $3B for 2009, $4B for 2010, $10B for 2011 and another $10B for 2012) based on our conservative estimate.

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