



**Ann M. Kappler**

Deputy General Counsel and Head of External Affairs

**Prudential Financial, Inc.**

751 Broad Street, 21st Floor

Newark NJ 07102

Tel 973 802-9133 Fax 973 802-5315

ann.kappler@prudential.com

November 6, 2014

Robert deV. Frierson  
Secretary  
Board of Governors of the Federal Reserve System  
20<sup>th</sup> Street and Constitution Avenue, NW  
Washington, DC 20551

Re: Amendments to the Capital Plan and Stress Test Rules  
(Docket No. 1492: RIN 7100-AE 20)

Dear Mr. Frierson,

I write on behalf of Prudential Financial, Inc. ("Prudential") to supplement the record with respect to the Board's recent rulemaking to amend the capital plan and stress test rules by moving the start of the planning and testing cycles from October 1 of a calendar year to January 1 of the following calendar year (the "Final Rule").

Prudential's generally supportive views regarding the changes that have been incorporated in the Final Rule were included in the comments provided by trade associations in which we participate. We wish to specifically note, however, that we share a concern mentioned by American International Group, Inc. in its comment letter of August 11, 2014, namely, that insurance companies, because they must incorporate actuarial valuations as part of their closing process, generally complete the close of their books and produce final financial results several weeks after banking organizations. As a result, the interval of three months plus five days between the start of a capital planning and testing cycle and a reporting entity's obligation to submit a capital plan and stress test results to the Board would be a tighter deadline for insurers than it is for banking organizations.

The Supplementary Information provided with publication of the Final Rule on October 17 indicated that, following designation of a nonbank financial company, the Board will consider "the business model, capital structure, and risk profile of the designated company to determine

how, and under what transition schedule, the stress test and capital planning standards should [be] applied” to that company. Prudential welcomes this flexible approach, which we hope will include consideration of the timing of production of financial results noted above in determining the amount of time that insurance concerns are given, after the beginning of a cycle, to develop their capital plans and perform required stress testing.

Prudential appreciates the Board’s consideration of this matter. Should you have any questions or require any additional information, please do not hesitate to contact me.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Ann Kappler", with a stylized, cursive script.

Ann M. Kappler  
Deputy General Counsel

cc: James Bohn  
Federal Reserve Bank of Boston

Rob Boyle  
Deputy Controller