As filed with the SEC on _____. Registration No. 33-37587

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM S-1

Post-Effective Amendment No. 5

REGISTRATION STATEMENT UNDER THE
SECURITIES ACT OF 1933

PRUCO LIFE INSURANCE COMPANY
(Exact Name of Registrant)

Arizona
(State or other jurisdiction of incorporation or organization)

6311
(Primary Standard Industrial Classification Code Number)

22-194455
(I.R.S. Employer Identification Number)

c/o PRUCO LIFE INSURANCE COMPANY
213 Washington Street
Newark, New Jersey 07102-2992
(800) 445-4571
(Address and telephone number of principal executive offices)

Thomas C. Castano
Assistant Secretary

Pruco Life Insurance Company
213 Washington Street
Newark, New Jersey 07102-2992

(800)445-4571

(Name, address, and telephone number of agent for service)

Copy to:

Jeffrey C. Martin

Shea & Gardner
1800 Massachusetts Avenue, N.W.
Washington, D.C. 20036

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CROSS REFERENCE SHEET
(as required by Form S-1)

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1. Forepart of the Registration Statement and Outside Front Cover Page of Prospectus	Cover
2. Inside Front and Outside Back Cover Pages of Prospectus	Inside Front Cover
3. Summary Information, Risk Factors and Ratio of Earnings to Fixed Charges	Cover; Charges, Fees, and Deductions
4. Use of Proceeds	Investments by Pruco Life
5. Determination of Offering Price	Not applicable

6. Dilution	Not applicable
7. Selling Security Holders	Not applicable
8. Plan of Distribution	Sale of the Contract and Sales Commissions
9. Description of Securities to be Registered	Cover; Pruco Life Insurance Company; Charges, Fees, and Deductions
10. Interests of Named Experts and Counsel	Not applicable
11. Information with Respect to the Registrant	The Company; Selected Financial Data; Management's Discussion and Analysis of Financial Condition and Results of Operations; Litigation; Financial Statements; State Regulation; Federal Tax Status; Directors and Officers; Executive Compensation
12. Disclosure of Commission Position on Indemnification for Securities Act Liabilities	Not applicable

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PART I

INFORMATION REQUIRED IN PROSPECTUS

PROSPECTUS

May 1, 1995

PRUCO LIFE INSURANCE COMPANY

FUTURE VALUE ANNUITY(SM)

Individual Deferred

Annuity Contracts

This prospectus describes the Future Value Annuity(SM) Contract* (the "Contract"), an individual deferred annuity contract offered by Pruco Life Insurance Company ("Pruco Life"), a stock life insurance company that is a wholly-owned subsidiary of The Prudential Insurance Company of America ("The Prudential").

The Contract is purchased by making a single payment of at least $10,000. Subsequent purchase payments are not permitted; however, more than one Contract may be purchased by a Contract owner. These contracts are guaranteed only by Pruco Life, and are not guaranteed by The Prudential. All of the assets of Pruco Life will be available to meet Pruco Life's obligations under this annuity.

Contract owners will select among various initial interest rate periods offered by Pruco Life. IF AMOUNTS ARE WITHDRAWN PRIOR TO THE EXPIRATION OF THE SELECTED INTEREST RATE PERIOD, THE CONTRACT VALUE MAY BE SUBJECT TO A SUBSTANTIAL WITHDRAWAL CHARGE AND/OR MARKET VALUE ADJUSTMENT, WHICH COULD RESULT IN RECEIPT OF LESS THAN THE ORIGINAL PURCHASE PAYMENT. WITHDRAWALS MAY BE SUBJECT TO TAX AND, UNDER CERTAIN CIRCUMSTANCES, A TAX PENALTY EQUAL TO 10% OF THAT PORTION OF THE AMOUNT WITHDRAWN WHICH IS INCLUDIBLE IN INCOME.

UPON A SUBSEQUENT GUARANTEED PERIOD, A NEW GUARANTEED INTEREST RATE WILL BE DECLARED BY PRUCO LIFE IN ITS DISCRETION. IT MAY BE HIGHER OR LOWER THAN THE PREVIOUS GUARANTEED INTEREST RATE.

PLEASE READ THIS PROSPECTUS AND KEEP IT FOR FUTURE REFERENCE.

THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION NOR HAS THE COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY

OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

Pruco Life Insurance Company
213 Washington Street
Newark, New Jersey 07102-2992
Telephone: (800) 445-4571

*Future Value Annuity is a service mark of The Prudential.

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Catalog #646676L

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THIS PROSPECTUS DOES NOT CONSTITUTE AN OFFERING IN ANY JURISDICTION IN WHICH SUCH OFFERING MAY NOT LAWFULLY BE MADE. NO PERSON IS AUTHORIZED TO MAKE ANY REPRESENTATIONS IN CONNECTION WITH THIS OFFERING OTHER THAN THOSE CONTAINED IN THIS PROSPECTUS.

The Registrant is required by the Securities Exchange Act of 1934 to file reports and provide other information to the Securities and Exchange Commission. All reports and information filed by the Registrant can be inspected and copied at the Public Reference Section of the Commission at 450 Fifth Street, N.W., Washington, D.C. 20549, and at certain of its regional offices: 500 West Madison Street, Suite 1400, Chicago, IL 60661-2511; 75 Park Place, New York, NY 10007. Copies of the Registrant's filings can be obtained from the Public Reference Section of the Commission at prescribed rates.

REPORTS TO CONTRACT OWNERS

Once each Contract year, Contract owners will be sent an annual statement that provides certain information pertinent to their own Contract. These statements detail values and transactions made and specific Contract data that apply only to each particular Contract. On request, a Contract owner will be sent a current statement in a form similar to that of the annual statement but Pruco Life may limit the number of such requests or impose a reasonable charge if such requests are made too frequently.

DEFINITIONS OF SPECIAL TERMS USED IN THIS PROSPECTUS

annuitant--The person or persons, designated by the Contract owner, upon whose life or lives monthly annuity payments are based after an annuity is effected.

annuity contract--A contract designed to provide an annuitant with an income, which may be a lifetime income, beginning on the annuity date.

annuity date--The date specified in the Contract when the annuity payments begin.

cash value--The Contract fund after any Market Value Adjustment, minus any withdrawal charge.

Contract anniversary--The same day and month as the Contract date in each later year.

Contract date--The date Pruco Life received the purchase payment for the Contract.

Contract fund--The amount of the invested purchase payment plus any interest less any administrative charges and less any withdrawals.

Contract owner--The person who purchases a Future Value Annuity Contract and makes the purchase payment. The owner will usually also be an annuitant, but need not be. The owner has all rights in the Contract before the annuity date.

Contract year--A year that starts on the Contract date or on a Contract anniversary.

Guaranteed Interest Rate--The effective annual interest rate credited during the Interest Rate Period.

Interest Rate Period--The period for which the Guaranteed Interest Rate is credited. The initial Interest Rate Period is selected by the Contract owner. Each subsequent Interest Rate, generally of the same duration as the Initial Interest Rate period, may also be selected by the Contract owner at the end of the initial and each subsequent Interest Rate Period. A subsequent Interest Rate Period resulting in an annuity date beyond 90 will not be permitted. If a subsequent Interest Rate Period is not selected, a 1 year duration will automatically apply.

Minimum Guaranteed Interest Rate--The effective annual interest rate (3%) guaranteed to be credited during any Interest Rate Period.

BRIEF DESCRIPTION OF THE CONTRACT

Pruco Life Insurance Company ("Pruco Life"), a subsidiary of The Prudential Insurance Company of America ("The Prudential"), is offering the Future Value Annuity Contract (the "Contract"), an individual deferred annuity contract. The Contract may, but need not be, purchased in connection with tax favored plans. This prospectus describes the Contract.

Pruco Life guarantees stipulated rates of interest for stated periods of time on the Contract fund. The currently available initial Interest Rate Periods range from 2 years to 10 years. The quoted interest rates will be expressed as an

effective annual yield. Interest is credited daily throughout the Interest Rate Period at a rate that will provide the guaranteed annual effective yield over the period of 1 year.

Subsequent Interest Rate Periods, generally of the same duration as the initial Interest Rate Periods, may be selected at the end of the initial and each subsequent Interest Rate Period. If a subsequent Interest Rate Period is not selected and if the annuitant is not yet 89 years old, a 1 year duration will automatically apply. Guaranteed Interest Rates will never be less than an annual effective rate of 3%. (See Guaranteed Interest Rates, page 3.) However, each subsequent Guaranteed Interest Rate may be higher or lower than the previous Guaranteed Interest Rate. Pruco Life cannot predict future levels of Guaranteed Interest Rates above the contractually guaranteed rate of 3% nor guarantee what such rates will be until they are declared for each guaranteed term.

On the annuity date specified in the Contract, Pruco Life will begin to make a series of monthly payments to the annuitant based on the annuity option or options which the Contract owner has selected. (See EFFECTING AN ANNUITY, page 8.) However, if the Contract fund is not large enough to produce a monthly payment of $50, the Contract owner will be paid the value of the Contract fund in a single sum.

On any Contract subject to premium tax, the tax will be deducted, as provided under applicable law, from the purchase payment when received, or from the Contract fund at the time the annuity is effected. The deduction for taxes imposed on purchase payments will be lower, or not made at all, if total purchase payments meet certain minimum amounts. (See Premium Taxes, page 4.)

Subject to certain restrictions, partial and total withdrawals from the Contract fund are permitted. Any such withdrawal may be subject to tax, and under certain circumstances may be subject to a tax penalty equal to 10% of that portion of the amount withdrawn which is includible in income. Moreover, withdrawals may be subject to a withdrawal charge and/or a Market Value Adjustment. (See Withdrawal Charge, page 4 and FEDERAL TAX STATUS, page 6.)

Except as described below, a withdrawal charge will be deducted from any partial or full withdrawal made before the end of the initial Interest Rate Period. (See Withdrawal Charge, page 4.) The withdrawal charge will vary depending upon the Contract owner's initial Interest Rate Period and the Contract year of the withdrawal. If otherwise applicable, the withdrawal charge will be applied to withdrawals on the annuity date made to effect an annuity, unless the annuity option effected is a lifetime annuity or a period certain annuity with a duration of 10 years or more.

A full or partial withdrawal made other than at the end of an Interest Rate Period may be subject to a Market Value Adjustment. The Market Value Adjustment reflects the difference between the Guaranteed Interest Rate on the Contract and the Guaranteed Interest Rate Pruco Life offers as of the date of the withdrawal on similar contracts. (See MARKET VALUE ADJUSTMENT, page A1, for the mechanics of this calculation.) If the Guaranteed Interest Rate Pruco Life is offering on the date a request for withdrawal is made is higher than the Guaranteed Interest Rate on the Contract, the Market Value Adjustment will decrease the cash value of the Contract. If the Guaranteed Interest Rate Pruco Life is offering on the date a request for withdrawal is made is lower than the Guaranteed Interest Rate on the Contract, the Market Value Adjustment will increase the cash value of the Contract. However, if the Guaranteed Interest Rate Pruco Life is offering on the date a request for withdrawal is made is the same as the Guaranteed Interest Rate on the Contract, the Market Value Adjustment will neither increase nor decrease the cash value of the Contract. In any event, the maximum value of the Market Value Adjustment, either positive or negative, is 40% of the Contract fund.

During the 1-month period beginning at the end of each Interest Rate Period, any withdrawals made will not be subject to a Market Value Adjustment and will not be subject to a withdrawal charge.

The application of premium taxes, the Market Value Adjustment, and the withdrawal charge may result in a cash value upon withdrawal that is less than the amount initially invested.

An administrative charge of up to $30 will be deducted from the Contract fund on any Contract anniversary, or upon a full withdrawal, when the value of the Contract fund is less than $10,000. There is no administrative charge assessed after annuitization.

The Contract also provides for a death benefit. See Death Benefit, page 4.

DETAILED INFORMATION ABOUT THE CONTRACT

Requirements for Issuance of the Contract. The minimum purchase payment is $10,000. The Contract may generally be issued on proposed annuitants below the age of 89. Pruco Life currently will not accept purchase payments on or after

the annuitant's 89th birthday. Before issuing any Contract, Pruco Life requires submission of certain information. Following Pruco Life's review of the information and approval of issuance of the Contract, a Contract will be issued that sets forth precisely the owner's rights and the Company's obligations. Subsequent purchase payments are not permitted; however, additional Contracts may be purchased by the Contract owner.

The Contract date will be the date the purchase payment and required information are received in the Pruco Life Home Office. If the issuance of the Contract is not approved, because the current underwriting requirements are not met, the purchase payment will promptly be returned. The Company reserves the right to change these requirements on a non-discriminatory basis.

Short-Term Cancellation Right or "Free Look". Generally, a Contract may be returned for a refund within 10 days after it is received by the Contract owner. Some states allow a longer period of time during which a Contract may be returned for a refund. A refund can be requested by mailing or delivering the Contract to the representative who sold it or to the Pruco Life Home Office specified in the Contract. The Contract owner will then receive a refund of the purchase payment.

Investments by Pruco Life. Assets of Pruco Life must be invested in accordance with requirements established by applicable state laws regarding the nature and quality of investments that may be made by life insurance companies and the percentage of their assets that may be committed to any particular type of investment. In general, these laws permit investments, within specified limits and subject to certain qualifications, in federal, state, and municipal obligations, corporate bonds, preferred and common stocks, real estate mortgages, real estate and certain other investments.

Contracts do not represent a unit ownership of assets belonging to this separate account. Owners of Contracts do not participate in the investment gain or loss from assets relating to such accounts. Such gain or loss is borne, in total, by Pruco Life. All benefits attributable to the Contract are Contract guarantees made by Pruco Life. All assets of Pruco Life will be available to meet the guarantees under the Contract.

Interest Rate Periods. Upon application, the Contract owner will select the duration of the initial Interest Rate Period. Pruco Life determines the effective guaranteed, annual interest rate (initial "Guaranteed Interest Rate") that the invested purchase payment will earn throughout the initial Interest Rate Period.

Unless a full withdrawal has been made (See Withdrawal Charge, page 4), a subsequent Interest Rate Period, generally of the same duration as the initial Interest Rate Period, may be selected at the end of the initial and each subsequent Interest Rate Period. A subsequent Interest Rate Period resulting in an annuity date beyond age 90 will not be permitted. If a subsequent Interest Rate Period is not selected, a 1 year duration will automatically apply. The subsequent Guaranteed Interest Rate may be higher, lower or the same as the previous Guaranteed Interest Rate; however, the Minimum Guaranteed Interest Rate for any guaranteed period will be at least an effective annual rate of 3%.

Guaranteed Interest Rates. At the time the Contract is purchased, the Contract owner will know his or her Guaranteed Interest Rate for the initial Interest Rate Period. Subsequent Guaranteed Interest Rates, which will be applicable to the subsequent Interest Rate Periods, will be determined periodically.

Interest will be added to the Contract fund daily at a rate that will provide the guaranteed effective yield over the period of 1 year. Thus, for Interest Rate Periods of 2 or more years, the Guaranteed Interest Rate will be compounded annually.

Factors such as regulatory and tax requirements, general economic trends, Pruco Life administrative expenses and sales commissions, and competitive factors may be taken into consideration when determining the Guaranteed Interest Rates. PRUCO LIFE RESERVES THE RIGHT TO DETERMINE THE GUARANTEED INTEREST RATES IT WILL PROVIDE. PRUCO LIFE CANNOT PREDICT NOR GUARANTEE FUTURE RATES BEYOND THE 3% MINIMUM GUARANTEED INTEREST RATE.

Withdrawals. Subject to any restrictions on withdrawals contained in the tax favored plan under which the Contract owner is covered, the Contract owner may at any time before the annuity date make a withdrawal from the Contract fund of all or part of the cash value of the Contract. The cash value is the Contract fund after any Market Value Adjustment (see Market Value Adjustment, page 5), minus any withdrawal charge (see Withdrawal Charge, page 4). During the 1-month period beginning at the end of each Interest Rate Period, the cash value will

equal the Contract fund. However, Pruco Life's consent will be required for a partial withdrawal if the amount is less than $500 or if it would reduce the Contract fund to less than $10,000.

In addition, there are certain restrictions on the withdrawal of salary

reduction contributions and earnings invested in contracts issued under plans subject to section 403(b) of the Internal Revenue Code (the "Code"). Under such contracts, withdrawals may be made prior to attaining age 59 1/2 in the event of severance of employment, death, total and permanent disability and, in limited circumstances, hardship. The withdrawal restrictions do not apply if the amount withdrawn is transferred directly to a different tax-deferred annuity contract of Pruco Life, to a tax-deferred annuity contract of another issuer or to a mutual fund custodial account under section 403(b)(7) of the Code.

Pruco Life will generally pay the amount of any withdrawal, less any applicable charges and any required tax withholding, promptly after it receives a properly completed withdrawal request. However, Pruco Life has the right to delay payment of such withdrawal for up to 6 months (or a shorter period if required by applicable law). Only under extraordinary circumstances will Pruco Life defer payment of a withdrawal. While all circumstances under which Pruco Life may defer payment of a withdrawal are not foreseeable, such circumstances could include an inability to liquidate assets due to a general financial crisis. Pruco Life will pay interest of at least 3% a year if it delays such a payment for more than 30 days (or a shorter period if required by applicable law). If Pruco Life intends to defer payment on a properly completed withdrawal request for more than 30 days, the Contract owner will be notified in writing.

A withdrawal will generally have federal income tax consequences, which could include tax penalties. The Contract owner should consult with a tax advisor before making a withdrawal. See FEDERAL TAX STATUS, page 6.

Death Benefit. If the last surviving or sole annuitant dies prior to the annuity date, Pruco Life will, upon receipt of all the information necessary to make the payment (including due proof of death and election of a payment option), pay a death benefit to the beneficiary or beneficiaries designated by the Contract owner. Unless the beneficiary or beneficiaries have been irrevocably designated, the owner may change the beneficiary designation at any time. The death benefit will equal the greater of: (1) the Contract fund, and (2) the Contract fund after any Market Value Adjustment. Both of these alternatives will be calculated as of the date on which Pruco Life's Home Office receives due proof of death. A certified copy of the death certificate will constitute such due proof of death, but Pruco Life may also deem alternative forms of proof acceptable. The beneficiary may receive the death benefit in one sum or in a settlement option, including installments for a fixed period or a life income option with 120 monthly payments certain. Certain minimum distribution requirements apply when the annuitant is also the Contract owner. See Required Distributions on Death of Owner, page 13.

If the last surviving or sole annuitant dies after he or she has begun to receive annuity payments, the death benefit, if any, will be determined by the type[s] of annuity payments in effect.

CHARGES, FEES, AND DEDUCTIONS

1. Premium Taxes. In some states a premium tax is imposed on purchase payments. In several other states a premium tax is payable when a Contract fund is converted into an annuity. The tax rates currently in effect in those states that impose a tax range from 1% to 5%. Some local jurisdictions also impose a tax. On any Contract subject to premium tax, the tax will be deducted at the rate and incidence provided under applicable law, either from the purchase price when received or from the Contract fund at the time the annuity is effected.

A deduction for any such taxes imposed on purchase payments will not be made, however, except to the extent that the total tax attributable to premiums is in excess of 4% when: (1) a Contract owner's combined purchase payment for Contract[s] purchased at the same time is equal to or exceeds $50,000; or (2) a Contract owner purchases separate Contracts for each of his or her children or grandchildren as annuitants, each Contract has purchase payments totaling at least $25,000, and total purchase payments equal or exceed $50,000. Pruco Life currently does not waive premium taxes due upon annuitization.

2. Withdrawal Charge. A charge may be applied against the amount withdrawn when a full or partial withdrawal is made. However, the amount subject to a withdrawal charge is first reduced by the following amounts not subject to a withdrawal charge: (1) any charge-free withdrawal amount not previously withdrawn. The charge-free withdrawal amount that is available in a given Contract year is equal to 10% of the Contract fund, after any Market Value Adjustment (see Market Value Adjustment, page 5), as of the first withdrawal in a Contract year. (These amounts may not be accumulated from Contract year to Contract year); (2) earnings not previously withdrawn. Earnings are the excess, if any, of the Contract fund after any Market Value Adjustment, over the total purchase payment amount less any prior withdrawals and less any associated withdrawal charges; (3) any amount used to provide a lifetime annuity or a period certain annuity with a duration of 10 years or more; (4) any amount

withdrawn during the 1-month period following the end of an Interest Rate Period; and (5) Critical Care Access, where available based on regulatory approval of the Waiver of Withdrawal Charges endorsement, for non-qualified contracts issued on or after February 1, 1985 and qualified contracts issued on or after May 1, 1993, all or part of any withdrawal and maintenance charges associated with a full or partial withdrawal, or an annuitization or withdrawal charge due on the annuity date, following the receipt of due proof that the annuitant or co-annuitant (if applicable) has been confined to an eligible nursing home or hospital for a period of at least 3 months or a physician has certified that the annuitant or co-annuitant (if applicable) has 6 months or less to live.

Once the amount subject to a withdrawal charge is determined by subtracting the amounts described above, the withdrawal charge is determined by multiplying the balance of the withdrawal, if any, by the appropriate charge rate below. The charge rate depends on the Contract owner's initial Interest Rate Period and Contract year in which the withdrawal is made.

For contracts issued in Michigan and New Jersey, withdrawal charges apply for seven years. After an initial interest Rate Period of 6 years or less, the withdrawal charge is 1% through year seven.

Table of Withdrawal Charges

Contract Owner's Initial Interest Rate Period (Years)	Year of Withdrawal 1	2	3	4	5	6	7	8 and after
7 - 10	7%	7%	7%	7%	6%	5%	4%	0%
6	7%	7%	6%	5%	4%	3%	0%	0%
5	6%	6%	5%	4%	3%	0%	0%	0%
4	5%	4%	3%	2%	0%	0%	0%	0%
3	4%	3%	2%	0%	0%	0%	0%	0%
2	3%	2%	0%	0%	0%	0%	0%	0%

For example, if the Contract owner's initial Interest Rate Period is for 5 years and a withdrawal is requested during year 2, the amount subject to the withdrawal charge would be multiplied by 6% to determine the withdrawal charge.

Pruco Life will not apply a withdrawal charge upon any amount which becomes payable due to the death of the annuitant before the annuity date.

3. Administrative Charge. An annual maintenance charge of $30 will be deducted if and only if the Contract fund is less than $10,000 on a Contract anniversary or at the time a full withdrawal is effected. This charge is not made after annuitization or if option (5) under the Withdrawal Charge section is elected.

4. Market Value Adjustment. When a full or partial withdrawal is made during an Interest Rate Period, a Market Value Adjustment will be applied. The only time a Market Value Adjustment is not applied is during the 1-month period immediately following the end of any Interest Rate Period.

The amount payable on a full withdrawal or the amount deducted from the Contract fund on a partial withdrawal may be adjusted up or down as a result of the application of the Market Value Adjustment. This is because the Market Value Adjustment reflects the relationship between the Contract owner's Guaranteed Interest Rate and the rate Pruco Life is offering on a Contract with an Interest Rate Period equal to 1 year more than the number of years remaining in the Interest Rate Period at the time the withdrawal is requested.

Generally, if the Contract owner's Guaranteed Interest Rate is higher than the applicable current rate, the application of the Market Value Adjustment will result in a higher payment upon full withdrawal. Similarly, if the Contract owner's Guaranteed Interest Rate is lower than the applicable current rate, the application of the Market Value Adjustment will result in a lower payment upon full withdrawal. If the Contract owner's Guaranteed Interest Rate is the same as the applicable current rate, the application of the Market Value Adjustment will have no effect on the full withdrawal amount.

Partial withdrawals are handled differently. Since a request for a partial withdrawal is made in terms of a dollar amount (e.g., $9,000), the application of the Market Value Adjustment will affect the remaining Contract fund. The value of the remaining Contract fund will be increased if the Contract owner's Guaranteed Interest Rate is higher than the applicable current rate. Similarly, the value of the remaining Contract fund will be decreased if the Contract owner's Guaranteed Interest Rate is lower than the applicable current rate. There will be no impact on the remaining Contract fund if the rates are equal.

The Market Value Adjustment formula can be found on page A1, along with examples explaining how it works.

FEDERAL TAX STATUS

During the period that a Contract is in force, the interest added to the Contract fund is not treated as taxable income of the Contract owner. A tax is generally payable, however, whenever a withdrawal is made and when annuity payments are received. The discussion below is general in nature. It is not intended as tax advice. Nor does it consider any applicable state or other tax laws. A qualified tax advisor should be consulted for complete information and advice. The discussion is based on current laws and interpretations, which may change.

The following rules do not generally apply to annuity contracts held by or for non-natural persons (e.g., corporations). Where a contract is held by a non-natural person, unless the contract owner is a nominee or agent for a natural person (or in other limited circumstances), the contract will generally not be treated as an annuity for tax purposes, and increases in the value of the contract will be subject to current tax.

Taxes Payable by Contract Owners Upon Withdrawals For Non-Qualified Contracts. The Internal Revenue Code (the "Code") provides generally that amounts withdrawn by a Contract owner from his or her Contract, before annuity payments begin, will be treated for tax purposes as being first withdrawals of investment income, rather than as withdrawals of purchase payments, until all investment income has been withdrawn. The assignment or pledge of (or agreement to assign or pledge) any portion of the value of the Contract for a loan will be treated as a withdrawal subject to this rule. Amounts withdrawn before annuity payments begin which represent a distribution of investment income will be taxable as ordinary income and may be subject to a penalty tax. Amounts which represent a withdrawal of purchase payments will not be taxable as ordinary income or subject to a penalty tax. Amounts withdrawn from tax-qualified contracts are generally subject to taxation and penalty, if applicable. All contracts issued by the same company (and affiliates) to the same contract owner during any calendar year are treated as one annuity contract for purposes of determining the amount includible in income of any distribution that is not received as an annuity payment.

The amount of the penalty tax is equal to 10% of that portion of the amount withdrawn which is includible in income. Some withdrawals will be exempt from the penalty. They include withdrawals: (1) made on or after the Contract owner reaches age 59 1/2, (2) made on or after the death of the Contract owner, (3) attributable to certain Contract owners becoming disabled within the meaning of Code section 72(m)(7); (4) in the form of level annuity payments, made not less frequently than annually under a lifetime annuity; (5) allocable to investment in the contract before August 14, 1982; (6) under a qualified funding asset (defined by Code section 130(d)); or (7) under an immediate annuity contract (within the meaning of section 72(u)(4)).

If the 10% penalty tax does not apply to a withdrawal by reason of the exception for withdrawals in the form of a level annuity (clause (4) above), but the series of payments is modified (other than by reason of death or disability), either (a) before the end of the 5-year period beginning with the first payment and after the Contract owner reaches age 59 1/2, the Contract owner's tax for the year of the modification will be increased by the penalty tax that would have been imposed without the exception, plus interest for the deferral period.

Where a contract is issued, in exchange for a contract continuing purchase payments made before August 14, 1982, favorable tax rules may apply to certain withdrawals from the contract. Consult a tax advisor for information regarding these rules.

Taxes Payable Upon Receipt of Annuity Payments For Non-Qualifed Contracts. A portion of each annuity payment received under a Contract will be treated as a partial return of the purchase payments and will not be taxable. The remaining portion of the annuity payment will be taxed as ordinary income. Exactly how an annuity payment is divided into taxable and non-taxable portions depends upon the period over which annuity payments are expected to be received, which in turn is governed by the form of annuity selected and, where a lifetime annuity is chosen, by the life expectancy of the annuitant. Annuity payments which are received after the annuitant recovers the full amount of the purchase payment will be fully includible in income. Generally, annuity payments from tax-qualified contracts are fully includible in ordinary income. Should annuity payments cease on account of the death of the annuitant before the purchase payment has been fully recovered, the annuitant on his or her last tax return (or in certain cases the beneficiary), is allowed a deduction for the unrecovered amount. A lump sum payment taken in lieu of remaining annuity payments is not considered an annuity payment for tax purposes. Any such lump sum payment distributed to an annuitant generally would be taxable as ordinary income and may be subject to a penalty tax as described above.

Generally, the same tax rules apply to amounts received as a death benefit by

the beneficiary as those set forth above with respect to the Contract owner, except that the early withdrawal penalty tax does not apply. The election of an annuity payment option by the beneficiary may defer taxes otherwise payable upon the receipt of a lump sum death benefit. Certain minimum distribution requirements apply in the case where the owner dies. See Required Distributions on Death of Owner, page 13.

In addition, a transfer of the Contract to or the designation of a beneficiary who is either 37 1/2 years younger than the Contract owner or a grandchild of the Contract owner may have Generation Skipping Transfer Tax consequences under section 2601 of the Code.

Certain transfers of a Contract for less than full consideration, such as a gift, will trigger tax on the investment income in the Contract. This rule does not apply to certain transfers between spouses or incident to divorce. See Ownership of the Contract, page 13.

Withholding. The taxable portion of any amounts received under the Contract will be subject to withholding to meet federal income tax obligations. If the Contract owner fails to elect that there be no withholding, or if mandatory 20% withholding applies, Pruco Life will withhold from every withdrawal or annuity payment the appropriate percentage of the amount of the payment that is taxable. Pruco Life will provide the Contract owner with forms and instructions concerning the right to elect that no amount be withheld from payments or the ability to avoid mandatory withholding by requesting a direct rollover. Recipients who elect not to have withholding made are liable for payment of federal income taxes on the taxable portion of the distribution. All recipients may be subject to penalties under the estimated tax payment rules if withholding and estimated tax payments are not sufficient. Contract owners who do not provide a social security number or other taxpayer identification number will not be permitted to elect out of withholding.

Generally, there will be no withholding for taxes until payments are actually received under the Contract. The rate of withholding on annuity payments will be determined on the basis of federal and state withholding laws and if applicable according to the withholding certificate filed by the Contract owner with Pruco Life. If no such certificate is filed, the Contract owner will be treated, for purposes of determining the withholding rate on annuity payment, as a married person with three exemptions. The rate of withholding on eligible rollover distributions from qualified plans (other than IRSs), that are not direct rollovers, is 20%. The rate of withholding on all other payments made under Contracts that are not tax qualified will be 10%.

Contracts Used in Connection with Tax Favored Plans. The Contract may be purchased for use in connection with various retirement arrangements entitled to favorable federal income tax treatment ("tax favored plans"). These are individual retirement accounts and annuities ("IRAs") subject to sections 408(b) of the Code, simplified employee pension plans ("SEPs") under section 408(k) of the Code, tax deferred annuities ("TDA's") under section 403(b) of the Code, deferred compensation plans of state and local governments and tax exempt organizations under section 457 of the Code, and pension, profit sharing and annuity plans qualified under sections 401(a) and 403(a) of the Code. Such plans, accounts, and annuities must satisfy certain requirements of the Code in order to be entitled to the federal income tax benefits according to these plans. A discussion of these requirements is beyond the scope of this prospectus, and it is assumed that such requirements are met with respect to a Contract purchased for use in connection with a tax favored plan. In addition, a discussion of the federal tax rules applicable to distributions from tax favored plans is beyond the scope of this prospectus. As suggested above, a qualified tax advisor should be consulted for advice and answers to any questions.

ERISA Disclosure. If a Contract is purchased in connection with a tax favored plan, the provisions of The Employee Retirement Income Security Act of 1974 ("ERISA") may become applicable. ERISA prevents a fiduciary with respect to a pension or profit sharing plan from receiving any benefit from any party dealing with the plan as a result of the sale of the Contract (other than benefits that would otherwise be provided in the plan).

Administrative exemptions issued by the IRS and the Department of Labor under ERISA permit transactions between insurance agents and qualified pension and profit sharing plans under section 401(a) and 403(a) of the Code and with SEP IRAs. To be able to rely on the exemption, certain information must be disclosed to the plan fiduciary. The information that must be disclosed includes the relationship between the agent and the insurer, a description of any charges, fees, discounts, penalties or adjustments that may be imposed in connection with the purchase, holding, exchange or termination of the Contract, as well as the commissions received by the agent. Information about any applicable charges, fees, discounts, penalties or adjustments may be found under CHARGES, FEES, AND

DEDUCTIONS, page 4. Information about sales representatives and commissions may be found under Sale of the Contract and Sales Commissions, page 13. In addition to disclosure, other conditions apply to the use of the exemption. For example, a plan fiduciary may not be a partner or employee of the Pruco Life representative making the sale. The fiduciary must not be a relative of the representative (including spouse, direct descendant, spouse of a direct descendant, ancestor, brother, sister, spouse of a brother or sister). The representative may not be an employee, officer, director or partner of either the independent fiduciary or the employer establishing the plan. No relative of the representative may: (1) control, directly or indirectly, the corporation establishing or maintaining the plan; (2) be either a partner with 10% or more interest in the partnership or the sole proprietor establishing or maintaining the plan; or (3) be an owner of a 5% or more interest in a Subchapter S Corporation establishing or maintaining the plan. In addition, no affiliate (including relatives) of the representative may be a trustee, administrator or a fiduciary with written authority to acquire, manage or dispose of the assets of the plan.

Taxes on Pruco Life. Pruco Life is taxed as a life insurance company under Part I of Subchapter L of the Code. The income earned on assets underlying the Contract will be Pruco Life's income.

EFFECTING AN ANNUITY

Upon the annuity date, the Contract fund, after a Market Value Adjustment (unless it is during the 1-month period following the end of an Interest Rate Period), is converted into a fixed-dollar annuity payable to the annuitant[s] named in the Contract. If two annuitants are named in the Contract, the Contract owner may decide how much of the amount is to be applied to each annuitant and under which form[s] of annuity. If the Contract is not large enough to produce a monthly payment of $50, the Contract owner will be paid the cash value in a single sum.

When a Contract owner requests a withdrawal in the form of an annuity, an amount equal to the withdrawal charge, if any, will be deducted, unless a lifetime annuity or a period certain annuity with a duration of 10 years or more is selected, or unless the annuity date is within the 1-month period following the end of an Interest Rate Period. An amount equal to the premium tax, if any, imposed by the jurisdiction in which the annuitant resides is then deducted (unless deducted earlier). Many states do not impose a premium tax. In other states the tax ranges from 1% to 5% of the amount applied to effect an annuity. See Premium Taxes, page 4. Some local jurisdictions also impose a tax. The amount remaining after deducting any applicable premium tax is used to effect a fixed-rate annuity.

The amount of the monthly payments will depend upon the amount applied and tables of rates, set forth in the Contract, which Pruco Life guarantees will be used even if longevity has significantly improved since the Contract date. If, however, Pruco Life at the time is offering more favorable rates, then those will be used.

The annuity will be in one of two forms listed below and other forms may be available with Pruco Life's consent. The annuity options under this Contract are fixed annuity options and the amount of each monthly payment does not change. An annuity must begin on the annuity date designated in the Contract which may be no later than the first Contract anniversary after the annuitant's 90th birthday. For tax favored plans, the annuity must begin no later than April 1st of the year after the annuitant's 70 1/2 birthday. The annuity date may be changed, if Pruco Life consents. Pruco Life will then make monthly payments to the annuitant on the first day of each month for a period determined by the form of the annuity selected. If the Contract owner has not selected an annuity option to take effect by the annuity date, the interest payment option (see option 3 below) will then become effective.

1. Installments for a Fixed Period. Equal payments will be made to the annuitant quarterly, semi-annually or annually for up to 25 years. If the annuitant dies before the last payment is due, the beneficiary designated by the annuitant will not continue to receive periodic payments unless he or she so selects. Instead, the discounted value of the remaining unpaid installments, to and including the last payment, is payable to the beneficiary in one sum. In calculating the discounted value of the unpaid future payments, Pruco Life will discount each such payment at an interest rate of 3.5% a year or at the interest rate Pruco Life used to compute the actual payments under this option, if higher. Once annuity payments have begun, an annuitant may withdraw the present value of any of the equal payments that have not been paid.

2. Life Annuity with 120 Payments Certain. Payments will be made to the annuitant monthly during his or her lifetime. If the annuitant dies before the 120th monthly payment is due, the beneficiary designated by the annuitant will not continue to receive monthly payments unless he or she so selects. Instead, the discounted value of the remaining unpaid installments, to and including the

120th monthly payment, is payable to the beneficiary in one sum. In calculating the discounted value of the unpaid future payments, Pruco Life will discount each such payment at an interest rate of 3.5% a year or at the interest rate Pruco Life used to compute the actual payments under this option, if higher.

3. Interest Payment Option. The annuitant may choose to have Pruco Life hold and pay interest upon the amount of the Contract fund. Pruco Life will pay interest at an effective rate of at least 3.5% a year, and it may pay a higher rate of interest. Pruco Life will inform the Contract owner, upon request, what interest rate it will pay. Once this option is effected, an annuitant may withdraw the unpaid balance, or any part not less than $100.

4. Minimum Distribution Option. The Minimum Distribution Option is a new program available with IRA and SEP programs. It enables the client to satisfy IRS minimum distribution requirements, without having to annuitize or cash surrender their Contracts. Each year until the maturity date, Pruco Life will recalculate the minimum amount the Contract owner is required to withdraw from his or her IRA or SEP. Pruco Life will send the Contract owner a check for the minimum distribution amount less any partial withdrawals made during the year. Pruco Life's calculations are based solely on the cash value of the Contract. If the Contract owner has other IRA accounts, he or she will be responsible for taking the minimum distribution from each.

Legal Considerations Relating to Sex-Distinct Annuity Purchase Rates. It should be noted that while in general the Contract provides for sex-distinct annuity purchase rates for life annuities, those rates are not applicable to

Contracts offered in states that have adopted regulations prohibiting sex-distinct annuity purchase rates or to qualified plans. Rather, blended unisex annuity purchase rates for life annuities will be provided under all Contracts issued in those instances whether the annuitant is male or female. Other things being equal, such unisex annuity purchase rates will result in the same monthly annuity payments for male and female annuitants.

In addition, employers and employee organizations considering purchase of a Contract should consult their legal advisors to determine whether purchase of a Contract based on sex-distinct annuity purchase rates is consistent with Title VII of the Civil Rights Act of 1964 or other applicable law. Pruco Life may offer the Contract with unisex annuity purchase rates to such prospective purchasers.

Special provisions may apply if the Contract is issued in connection with a tax favored retirement plan. The necessary information will be provided by the plan sponsor or administrator.

THE COMPANY

Pruco Life Insurance Company. Pruco Life Insurance Company ("Pruco Life") is a stock life insurance company, organized in 1971 under the laws of the State of Arizona. It is licensed to sell life insurance and annuities in the District of Columbia, Guam, and in all states except New York, and through its branch office in Taiwan. These Contracts are not offered in any state in which the necessary approvals have not yet been obtained. Pruco Life has two subsidiaries, Pruco Life Insurance Company of New Jersey ("Pruco Life of New Jersey") and The Prudential Life Insurance Company of Arizona ("PLICA"). Pruco Life of New Jersey is a stock life insurance company organized in 1982 under the laws of the State of New Jersey. It is licensed to sell life insurance and annuities only in the States of New Jersey and New York. PLICA is a stock life insurance company organized in 1989 under the laws of the State of Arizona. It is licensed to sell life insurance and annuities only in the State of Arizona. PLICA had no new business sales in 1994 and at this time will not be issuing new business.

Pruco Life is a wholly-owned subsidiary of The Prudential, a mutual insurance company founded in 1875 under the laws of the State of New Jersey. As of December 31, 1994, it has invested over $442 million in Pruco Life in connection with Pruco Life's organization and operation. The Prudential intends from time to time to make additional capital contributions to Pruco Life as needed to enable it to meet its reserve requirements and expenses in connection with its business. However, The Prudential is under no obligation to make such contributions and its assets do not back the benefits payable under the Contract. Pruco Life's consolidated financial statements begin on page B1 and should be considered only as bearing upon Pruco Life's ability to meet its obligations under the Contracts.

Pruco Life is engaged in a business that is highly competitive because of the large number of stock and mutual life insurance companies and other entities engaged in marketing insurance products. There are approximately 1,900 stock, mutual and other types of insurers in the life insurance business in the United States.

Pruco Life has no United States common-law employees; its Taiwan branch has approximately 330 employees. Officers and directors of Pruco Life are employees of The Prudential serving pursuant to a service agreement. All insurer functions of Pruco Life are likewise performed by The Prudential under service, marketing, distribution and lease agreements.

SELECTED FINANCIAL DATA

The following selected financial data for Pruco Life should be read in conjunction with the CONSOLIDATED FINANCIAL STATEMENTS OF PRUCO LIFE INSURANCE COMPANY AND SUBSIDIARIES and notes thereto included in this prospectus beginning on page B1.

<TABLE>
<CAPTION>

	Pruco Life Insurance Company and Subsidiaries For The Years Ended December 31,				
	1994	1993	1992	1991	1990
			($000'S)		
<S>	<C>	<C>	<C>	<C>	<C>
Revenues					
Premiums, annuity fund deposits and other revenue	$ 603,864	$ 591,660	$ 541,248	$ 521,590	$ 577,692
Net investment income	245,977	260,939	274,037	285,565	270,785
Total revenues	849,841	852,599	815,285	807,155	848,477
Benefits and expenses					
Current and future benefits and claims	559,658	534,354	478,148	501,454	513,165
Other expenses	149,478	157,557	129,701	126,201	144,642
Total benefits and expenses	709,136	691,911	607,849	627,655	657,807
Income before provision in lieu of federal income tax and cumulative effect of a change in accounting principle	140,705	160,688	207,436	179,500	190,670
Provision in lieu of federal income tax	87,750	83,640	96,578	75,242	62,871
Net income before cumulative effect of a change in accounting principle	$ 52,955	$ 77,048	$ 110,858	$ 104,258	$ 127,799
Cumulative effect on prior years (to December 31, 1990) of change in reserve basis	--	--	--	140,424	--
Net income	$ 52,955	$ 77,048	$ 110,858	$ 244,682	$ 127,799
Assets	$7,090,802	$7,172,104	$6,709,958	$6,369,288	$5,570,360

</TABLE>

Prior years' financial statements have been revised to reflect a change in presentation of Separate Account policyholder net investment income and net realized and unrealized gains (losses). Please see Note 1J of the Notes to the Consolidated Financial Statements.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Pruco Life Insurance Company consists of Pruco Life Insurance Company (Pruco Life), Pruco Life Insurance Company of New Jersey and The Prudential Life Insurance Company of Arizona (collectively, the Company). The Company markets individual life insurance and single pay deferred annuities primarily through The Prudential's sales force. The Company held $7 billion in assets at December 31, 1994, $3.5 billion of which were held in Separate Accounts under variable life insurance policies and variable annuity contracts. The remaining assets were held in the general account for investment primarily in bonds, short-term investments and mortgage loans.

Because of the large number of stock and mutual life insurance companies and other entities engaged in marketing insurance products, the Company is engaged in a business that is highly competitive. During the past several years, the

insurance industry has suffered setbacks both financially and in public relations. The Company, however, remains sound.

1. Results of Operations

(a) 1994 Versus 1993

Net income for 1994 was $53 million, representing a $24 million decrease from the same period in 1993.

Premiums and annuity considerations increased $48 million in 1994, from $564 million for the year ended December 31, 1993, to $612 million for the same period in 1994. An increase in unscheduled premium payments on two individual life insurance products together with an increase in renewal premiums, driven by these two products, account for this increase.

Net investment income decreased $15 million for the twelve months ended December 31, 1994, from the same period in 1993. Reduced yields on the Company's fixed rate investment portfolio lead to reduced net investment income. In addition, net cash outflows to meet policyholder obligations resulted in a decrease in invested assets which, in turn, contributed to the lower investment income.

The Company had net realized investment losses of $21 million during 1994 compared to investment gains of $9 million during 1993. Sales of Corporate and Mortgage-Backed Securities during the twelve months of 1994 generated realized losses attributable to the increase in interest rates during this period. However, the expectation is that the newly structured portfolio will align more closely with the company's liability duration and reduce the portfolio's interest rate risk. Following statutory Interest Maintenance Reserve (IMR) guidelines, net realized investment losses of $20 million were deferred for the period ended December 31, 1994. In comparison, $19 million of net realized investment gains were deferred for the period ended December 31, 1993. Amortized into net investment income were $5 million and $7 million of IMR for the twelve month period ended December 31, 1994, and 1993, respectively.

Current and future benefits and claims increased $25 million for the twelve months ended December 31, 1994, from the same period in 1993. An increase in benefits paid during 1994 as compared to 1993 combined with high surrender benefits, which can be attributed to contract maturities of annuity products as the Company's inforce ages, was more than offset by an increase in reserves resulting from the 1994 increase in premiums and annuity considerations.

Total expenses for the year ended December 31, 1994 decreased by $8 million from the same period in 1993. General, administrative, and other expenses for the year ended December 31, 1994, decreased $9.8 million due to the decrease in allocation of costs from The Prudential. Allocations are primarily based on average compensation over a period of recent years and inforce. The average compensation and inforce amounts used in 1994 decreased from 1993 by 48% and 5% respectively. This can be attributable to a decline in the sales of certain life insurance products between periods of allocation. Offsetting this decrease is an increase in commission expense of $1.8 million from the same period in 1993, which is consistent with the increase in first year premiums.

Provision in lieu of federal income taxes increased $4 million for the year ended December 31, 1994, as compared to December 31, 1993. Although operating income for 1994 was lower than the previous year, provision in lieu of federal income taxes increased due to federal income taxes applicable to prior years.

(b) 1993 versus 1992

Net income for 1993 was $77 million, representing a $34 million decrease from the same period in 1992.

Premiums and annuity considerations increased $67 million in 1993, from $497 million for the year ended December 31, 1992, to $564 million for the same period in 1993. This increase was primarily from sales of two new individual life insurance products. Offsetting this increase were the continuing decline in renewal premiums from normal surrender and lapse activity for certain life insurance contracts and contract maturities. In addition, sales of the Future Value Annuity contract decreased during the year ended December 31, 1993.

Net investment income decreased $13 million for the twelve months ended December 31, 1993, from the same period in 1992. Reduced yields on the Company's fixed rate investment portfolio lead to reduced net investment income. A decline in invested assets also contributed to this decrease.

Net realized investment gains decreased $19 million for the twelve months ended December 31, 1993, from the same period in 1992. This decrease is primarily due to the decline in activity in the purchases and sales of fixed maturities. Net realized investment gains of $19 million and $37 million were deferred in 1993 and 1992, respectively, as dictated by Interest Maintenance Reserve (IMR) guidelines. Amortized into net investment income were $7 million and $3 million of IMR for the year ended December 31, 1993 and 1992, respectively.

Current and future benefits and claims increased $56 million for the year ended December 31, 1993, from the same period in 1992. Surrender benefits, which increased from $223 million at December 31, 1992, to $462 million at December 31, 1993, and change in reserves, which decreased from $129 million at December 31, 1992, to $(49) million at December 31, 1993, were the two major components of this increase. Surrender activity increased significantly during the first three months of 1993, as contractholders exercised a provision included in the contract which allows withdrawal of funds without surrender charges if the Company's renewal crediting rate is more than 1% below the initial crediting rate (renewal crediting rates are established at January 1 each year). A contractholder's ability to exercise this provision is limited to 30 days following notification of the renewal crediting rate. The surrender activity has a direct correlation with reserve activity and accounts for a significant portion of the change in reserves. The effect of the surrender activity on the change in reserve was somewhat mitigated by new business sales of the two new individual life insurance products.

Total expenses for the year ended December 31, 1993, increased by $28 million, from the same period in 1992. The commission expense increase of $10 million is due to first year sales of two new individual life insurance products. Commission rates on new business sales are higher than on renewal business. General, administrative, and other expenses for the year ended December 31, 1993, increased $18 million due to an increase in the allocation of costs from The Prudential. Under service and lease agreements with The Prudential, services of officers and employees, supplies, use of equipment and office space are provided to the Company. The increase in allocated costs is due to a rise in the inforce caused by increased sales. The allocations were further affected by the reorganization of The Prudential's Individual Insurance Department. Effective January 1, 1993, the corporate staff of the Company was absorbed by the parent as a result of this reorganization. The costs associated with these employees are now charged to the Company under the service and lease agreements with the parent.

Provision in lieu of federal income tax decreased $13 million for the year ended December 31, 1993, as compared to December 31, 1992. This decrease in tax is due primarily to the effect of the large decrease in capital gains and a lower equity tax assessment by the consolidated tax sharing group. The effective tax rates for the years ended December 31, 1993 and 1992, were 52% and 47%, respectively. This increase is due primarily to the tax effect of the change in tax reserves as compared to the change in statutory reserves. However, the decrease in the equity tax assessment and the effect of the IMR offset this increase. Provision in lieu of federal income tax for the year ended December 31, 1993, reflects the new corporate income tax rate of 35%, an increase of 1% over the same period in 1992. This rate change did not have a material effect on net income.

2. Liquidity

For an insurance company, cash needs, for the purpose of paying current benefits, making policy loans, and paying expenses, are met primarily from premiums and investment income. Benefit expenses incurred in 1994, 1993 and 1992 were respectively, $547 million, $584 million and $350 million. Cash flows are anticipated to be ample to meet the Company's liquidity needs for the foreseeable future.

3. Investments

The Company maintains a well diversified portfolio consisting of fixed as well as equity investments. Of the Company's total assets of $7 billion as of December 31, 1994, 37.33% was invested in fixed maturities, 0.05% in equity securities, 2.70% in short-term investments, 1.01% in mortgage loans, 0.10% in real estate, 49.53% in separate account assets and the remaining 9.28% in other assets.

Fixed Maturities. As of December 31, 1994 and 1993, the Company's investments in fixed maturities, which are primarily carried at amortized cost, were $2.6 billion and $2.8 billion, respectively. Included in fixed maturities are securities classified by the National Association of Insurance Commissioners (NAIC) as being in the lowest three rating categories. The lowest three NAIC

categories represent, for the most part, high-yield securities. These approximate 1.5% of the Company's assets at December 31, 1994 and 1.6% at December 31, 1993.

Mortgage Loans. As of December 31, 1994 and 1993, the Company's investments in mortgage loans were $72 million and $56 million, respectively. Mortgage loans are carried at the lower of unpaid principal balance or fair value of the underlying property. The increase in mortgage loans is due to the acquisition of 7 new loans totaling $35.3 million. During the year ended December 31, 1994, one loan in the amount of $4.7 million was transferred to real estate through foreclosure. A net loss of $.6 million was realized in 1994 as a result of this foreclosure. This loss was reserved for in the Asset Valuation Reserve and therefore had no impact on surplus. Currently, the Company has one loan in the amount of $6 million in the process of foreclosure and two loans with restructured terms in the amount of $7.1 million.

Real Estate. As of December 31, 1994 and 1993, the Company's investment in real estate was $7 million and $10 million, respectively. Real estate is carried at the lower of cost or fair value less disposition costs. Pruco Life sold three properties during the second half of 1994 for $10.8 million and acquired one property through foreclosure for $4.1 million.

4. Emerging Accounting Issues

The Financial Accounting Standards Board (the "FASB") issued Financial Interpretation No. 40, "Applicability of Generally Accepted Accounting Principles to Mutual Life Insurance and Other Enterprises", which, as amended is effective for fiscal years beginning after December 15, 1995. Interpretation No. 40 changes the current practice of the Company with respect to utilizing statutory basis financial statements for general purposes in that it would not allow such financial statements to be referred to as having been prepared in accordance with GAAP. Interpretation No. 40 requires GAAP financial statements to apply all GAAP pronouncements, unless specifically exempted. Implementation of the Interpretation will require significant effort and judgment as to determining GAAP for insurance operations. The Company is currently unable to determine the impact of Interpretation No. 40 on its financial statements.

OTHER INFORMATION

Required Distributions on Death of Owner. If the Contract owner dies before the entire interest in the Contract is distributed, the value of the Contract must be distributed to the designated beneficiary as described in this section so that the Contract qualifies as an annuity under the Internal Revenue Code.

If the death occurs on or after the annuity date, the remaining portion of the interest in the Contract must be distributed at least as rapidly as under the method of distribution being used as of the date of death. If the death occurs before the annuity date, the entire interest in the Contract must be distributed within 5 years after date of death. However, if an annuity payment option is selected by the designated beneficiary and if annuity payments begin within 1 year of the owner's death, the value of the Contract may be distributed over the beneficiary's life or over a specified period not exceeding the beneficiary's life expectancy. The owner's designated beneficiary is the person to whom ownership of the Contract passes by reason of death, and must be a natural person. If the designated beneficiary is the owner's spouse these rules will not apply until the death of the owner's spouse. For Contracts purchased in connection with a tax favored plan where the Contract owner's spouse is the designated beneficiary, annuity payments need only begin on or before April 1st of the calendar year following the calendar year in which the owner would have attained age 70 1/2 or, in some instances, the remaining interest in the Contract may be rolled over to an IRA owned by the spouse. Special additional rules apply to contracts issued in connection with plans subject to section 457 of the Code.

If any portion of the Contract owner's interest is payable to (or for the benefit of) the surviving spouse of the owner, the Contract may be continued with the surviving spouse as the owner. This rule does not apply to Contracts issued in connection with tax favored plans other than IRAs.

Sale of the Contract and Sales Commissions. Pruco Securities Corporation ("Prusec"), an indirect wholly-owned subsidiary of The Prudential, acts as the principal underwriter of the Contract. Prusec, organized in 1971 under New Jersey law, is registered as a broker and dealer under the Securities Exchange Act of 1934 and is a member of the National Association of Securities Dealers, Inc. Prusec's principal business address is 1111 Durham Avenue, South Plainfield, New Jersey 07080. The Contract is sold by registered representatives of Prusec who are also authorized by state insurance departments to do so. The Contract may also be sold through other broker-dealers authorized by Prusec and applicable law to do so. Registered representatives of such other broker-dealers may be paid on a different basis than described below. The commissions that will be paid to the representative and the broker-dealer will vary with the duration

of the Interest Rate Period selected by the Contract owner (longer durations will result in higher commissions). Commissions up to 3% of the purchase payment received will be paid to the representative. The maximum commission that will be paid to the broker-dealer to cover both the individual representative's commission and other distribution expenses will not exceed 6.25% of the purchase payment. Pruco Life and Prusec reserve the right to change the portion of the total compensation paid to the representative. Payment of these commissions to a broker-dealer will not result in any decrease in the Contract fund. They will be paid by Pruco Life. Renewal commissions based on the size of the Contract fund may be paid. The representative may be required to return all of the first year commission if the Contract is not continued through the first year. Representatives who meet certain productivity, profitability, and persistency standards with regard to the sale of the Contract will be eligible for additional compensation.

Ownership of the Contract. The Contract owner is usually, but not always, an annuitant. The Contract owner is entitled to exercise all the rights under the Contract. Subject to certain limitations and requirements described in this prospectus, these rights include the right to make withdrawals or surrender the Contract, to designate and change the beneficiaries who will receive the proceeds at the death of the annuitant before the annuity date, and to designate a mode of settlement for the annuitant on the annuity date. Subject to certain limitations, ownership of the Contract may, however, be transferred to another person who need not be the person who is to receive annuity payments. Generally, ownership of the contract is not assignable to an employee benefit plan or program without Pruco Life's consent. Transfer of the ownership of a Contract may involve federal income tax consequences, or may be prohibited under certain Contracts, and the owner should consult with a qualified tax advisor before attempting any such transfer.

State Regulation. Pruco Life is subject to regulation and supervision by the Department of Insurance of the State of Arizona, which periodically examines its operations and financial condition. It is also subject to the insurance laws and regulations of all jurisdictions in which it is authorized to do business.

Pruco Life is required to submit annual statements of its operations, including financial statements, to the insurance departments of the various jurisdictions in which it does business to determine solvency and compliance with local insurance laws and regulations.

In addition to the annual statements referred to above, Pruco Life is required to file with Arizona and other jurisdictions a separate statement with respect to the operations of all its variable contract accounts, in a form promulgated by the National Association of Insurance Commissioners.

Experts. The financial statements included in this prospectus and the related financial statement schedules included elsewhere in the registration statement have been audited by Deloitte & Touche LLP, independent auditors, as stated in their reports appearing herein and elsewhere in the registration statement. Such financial statements and financial statement schedules have been included herein and elsewhere in the registration statement in reliance upon the reports of such firm given upon their authority as experts in accounting and auditing. Deloitte & Touche LLP's principal business address is Two Hilton Court, Parsippany, New Jersey 07054-0319.

Litigation. Pruco Life is involved in pending and threatened litigation in which claims for monetary damages are asserted. Pruco Life does not anticipate the ultimate liability arising from such pending or threatened litigation to have a material effect on the condition of the Company.

Additional Information. A registration statement has been filed with the SEC under the Securities Act of 1933, relating to the offering described in this prospectus. This prospectus does not include all of the information set forth in the registration statement. Certain portions have been omitted pursuant to the rules and regulations of the SEC. The omitted information may, however, be obtained from the SEC's principal office in Washington, D.C., upon payment of a prescribed fee.

Further information, including statutory statements filed with the state insurance departments, may also be obtained from Pruco Life's office. The address and telephone number of Pruco Life are set forth on the cover of this prospectus.

Financial Statements. The consolidated financial statements of Pruco Life and subsidiaries included herein should be considered only as bearing upon the ability of Pruco Life to meet its obligations under the Contracts.

DIRECTORS AND OFFICERS

The directors and officers of Pruco Life, listed with their principal occupations during the past 5 years, are shown below.

DIRECTORS OF PRUCO LIFE

E. MICHAEL CAULFIELD, Director. -- Chief Executive Officer, Prudential Preferred Financial Services since 1995; 1993 to 1995: President, Prudential Preferred Financial Services; 1992 to 1993: President, Prudential Property and Casualty Insurance Company*; Prior to 1992: President of Investment Services of The Prudential. Age 48.

ROBERT P. HILL, Chairman and Director.-- Executive Vice President of The Prudential. Age 54.

GARNETT L. KEITH, JR., Director. -- Vice Chairman of The Prudential. Age 59.

IRA J. KLEINMAN, Director. -- President, Prudential Select Marketing since 1993; 1992 to 1993: Senior Vice President of The Prudential; Prior to 1992: Vice President of The Prudential. Age 48.

ESTHER H. MILNES, President and Director. -- Senior Vice President and Chief Actuary, Prudential Insurance and Financial Services since 1993; Prior to 1993: Vice President and Associate Actuary of The Prudential. Age 44.

I. EDWARD PRICE, Vice Chairman and Director. -- Chief Executive Officer, International Insurance of The Prudential since 1994; 1993 to 1994: President, International Insurance of The Prudential; Prior to 1993: Senior Vice President and Company Actuary of The Prudential. Age 52.

DONALD G. SOUTHWELL, Director. -- President, Prudential Insurance and Financial Services since 1993; Prior to 1993: Senior Vice President of The Prudential. Age 43.

OFFICERS WHO ARE NOT DIRECTORS

BEVERLY R. BARNEY, Senior Vice President. -- Vice President and Associate Actuary, Prudential Insurance and Financial Services since 1995; 1993 to 1995: Senior Vice President and Associate Actuary, Prudential Direct; 1991 to 1993: Senior Vice President and Actuary of Pruco Life; Prior to 1991: Vice President and Actuary of Pruco Life. Age 47.

ROBERT EARL, Senior Vice President. -- Vice President, Strategic Initiatives, Prudential Preferred Financial Services since 1993; Prior to 1993: Vice President Regional Marketing of The Prudential. Age 44.

JOHN P. GUALTIERI, Senior Vice President and Assistant Secretary. -- Vice President and Insurance Counsel of The Prudential since 1993. Prior to 1993: Senior Vice President and General Counsel of Pruco Life. Age 60.

RICHARD F. LAMBERT, Senior Vice President, Chief Actuary, Appointed Actuary. -- Vice President and Associate Actuary, Prudential Preferred Financial Services since 1993; 1991 to 1993: Vice President and Actuary of The Prudential. Prior to 1991: Vice President, Prudential Select Marketing. Age 37.

DOROTHY K. LIGHT, Secretary. -- Vice President and Secretary of The Prudential. Age 57.

DIANE M. MCGOVERN, Vice President and Actuary. -- Vice President and Assistant Actuary of The Prudential. Age 44.

MARTIN PFINSGRAFF, Treasurer. -- Vice President and Treasurer of The Prudential since 1991; Prior to 1991: Managing Director, Corporate Finance of The Prudential. Age 40.

MICHAEL R. SHAPIRO, Senior Vice President. -- Senior Vice President, Prudential Select Brokerage. Age 47.

LAWRENCE J. SUNDRAM, Senior Vice President. -- Senior Vice President of Property and Casualty, Prudential Insurance and Financial Services since 1994; 1993 to 1994: Vice President, Prudential Insurance and Financial Services; Prior to 1993: Vice President, District Agencies Marketing for The Prudential. Age 48.

STEPHEN P. TOOLEY, Vice President, Comptroller and Chief Accounting Officer. -- Vice President and Comptroller, Prudential Insurance and Financial Services since 1993; Prior to 1993: Director, Financial Analysis for The Prudential. Age 42.

The business address of all directors and officers of Pruco Life is 213 Washington Street, Newark, New Jersey 07102-2992.

* Subsidiary of The Prudential

EXECUTIVE COMPENSATION

Executive Officers of Pruco Life may also serve one or more affiliated companies of Pruco Life. Allocations have been made as to each individual's time devoted to his duties as an executive officer of Pruco Life and its subsidiaries. The following table shows the cash compensation paid, based on these allocations, to the executive officers of Pruco Life as a group for services rendered in all capacities in Pruco Life and its subsidiaries during 1994. Directors of Pruco Life who are also employees of The Prudential do not receive compensation in addition to their compensation as employees of The Prudential.

Name & Principal Position	Year	Allocated Cash Compensation ($)
Esther H. Milnes	1994	$ 14,250
President	1993	$ 9,846
	*1992	$ ------
John P. Gualtieri, Jr.	1994	$ 25,285
Senior Vice President	1993	$ 72,608
	1992	$142,038
Beverly R. Barney	1994	$ ------
Senior Vice President	1993	$126,142
	1992	$105,380
Helen M. Galt	**1994	$ ------
President	**1993	$ 13,382
	1992	$169,626
Robert B. Likins	**1994	$ ------
Senior Vice President	**1993	$ 6,181
	1992	$138,511

* Current position was not held as of reporting date.
** Resigned position as of July, 1993.

MARKET VALUE ADJUSTMENT FORMULA

The Market Value Adjustment, which is applied to withdrawals made at any time other than the 1-month period following the end of an Interest Rate Period, involves four amounts:

1. The number of whole months remaining in the existing Interest Rate Period.

2. The Guaranteed Interest Rate.

3. The interest rate that Pruco Life would guarantee today if the Contract owner were to purchase a similar Contract at the time the withdrawal is requested, for a term of years equal to the number of whole years remaining on the existing Contract, plus 1 additional year.

4. The value of the Contract fund.

An adjusted Contract fund prior to withdrawal is first determined by the following steps:

Step 1: Divide the number of whole months left in the existing Interest Rate Period by 12.

Step 2: Determine the interest rate Pruco Life will guarantee on the date the request for withdrawal is received for a similar contract, for a term of years equal to the whole number of years determined in Step 1, plus 1 additional year. Subtract this interest rate from the Guaranteed Interest Rate. The result could be negative.

Step 3: Multiply the results of Step 1 and Step 2. Again, the result could be negative. If the result is less than -0.4, use the value -0.4. If the result is in between -0.4 and 0.4, use the actual value. If the result is more than 0.4, use the value 0.4.

Step 4: Multiply the result of Step 3 (which is the Market Value Factor) by the value of the Contract fund. The result is the Market Value Adjustment.

Step 5: The result of Step 4 is added to the Contract fund. If the Market Value Adjustment is positive, the Contract fund will go up in value. If the Market Value Adjustment is negative, the Contract fund will go down in value.

Depending upon when the withdrawal request is made, a withdrawal charge may apply.

Example 1:

If the Contract owner asks for a total withdrawal, and it is not during the 1-month period following the Interest Rate Period, and

1. There are 30 months remaining in the existing Interest Rate Period,

2. The Guaranteed Interest Rate is 10% (0.10),

3. The interest rate of 8% (0.08) would then be guaranteed by Pruco Life on a newly-issued contract of this type with an Interest Rate Period of 3 years (the 2 whole years remaining, plus 1 year), and

4. The value of the Contract fund is $20,000.

First, 30 would be divided by 12, resulting in 2.5. Second, 0.08 would be subtracted from 0.10, resulting in 0.02. Then, 2.5 would be multiplied by 0.02, resulting in 0.05 (the Market Value Factor). Next, 0.05 would be multiplied by $20,000, resulting in a Market Value Adjustment of $1,000. Finally, $1,000 would be added to $20,000, and the market value adjusted Contract fund would become $21,000.

If, in this example, the Contract owner wished to receive only $9,000, the amount deducted from the Contract fund would be $9,000 divided by 1.05, which is $8,571.43, so that the Contract fund remaining under the Contract would be $20,000 minus $8,571.43, resulting in $11,428.57. The Contract owner would receive the requested $9,000.

Example 2:

If the Contract owner asks for a total withdrawal, and it is not during the 1-month period following the Interest Rate Period, and

1. There are 30 months remaining in the existing Interest Rate Period,

2. The Guaranteed Interest Rate is 10% (0.10),

3. The interest rate of 12% (0.12) would then be guaranteed by Pruco Life on a newly-issued contract of this type with an Interest Rate Period of 3 years (the 2 whole years remaining on the Contract, plus 1 year), and

4. The value of the Contract fund is $20,000.

First, 30 would be divided by 12, resulting in 2.5. Second, 0.12 would be subtracted from 0.10, resulting in -0.02. Then, 2.5 would be multiplied by - -0.02, resulting in -0.05 (the Market Value Factor). Next, -0.05 would be multiplied by $20,000, resulting in a Market Value Adjustment of -$1,000. Finally, $1,000 would be added to $20,000, and the market value adjusted Contract fund would become $19,000.

If, in this example, the Contract owner wished to receive only $9,000, the amount deducted from the Contract fund would be $9,000 divided by 0.95 (because the adjustment is downward), which is $9,473.68, so that the Contract fund remaining under the Contract would be $20,000 minus $9,473.68, resulting in $10,526.32. The Contract owner would receive the requested $9,000.

Stated as a formula, the Market Value Factor is equal to:

(M/12) x (R-C), not to exceed +0.40 or be less than -0.40;

Where,

M = the number of whole months remaining in the Interest Rate Period.

R = the Contract's Guaranteed Interest Rate expressed as a decimal. Thus 6.2% is converted to 0.062.

C = the interest rate, expressed as a decimal, that Pruco Life would offer on newly issued contracts like this one for a term equal to the number of whole years remaining in the present Interest Rate Period, plus 1 year as of the date the request for a withdrawal is received.

The Market Value Adjustment is then equal to the Market Value Factor multiplied by the Contract fund.

If these Contracts are no longer offered by Pruco Life, a rate equal to the most recent Moody's Corporate Bond Yield Average-Monthly Average Corporate, for that duration, as published by Moody's Investment Services, Inc. or any successor to that service will be used. If that average is no longer published, a substantially similar average, established by the insurance regulator where this Contract is delivered, will be used.

CONSOLIDATED FINANCIAL STATEMENTS OF
PRUCO LIFE INSURANCE COMPANY AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	DECEMBER 31,	
	1994	1993
	($000'S)	
ASSETS		
Fixed maturities (market value $2,596,172 and $2,951,602)	$2,647,315	$2,835,251
Equity securities (cost $5,434 and $4,405)	3,326	2,788
Mortgage loans	71,919	56,184
Investment in real estate	7,189	9,994
Policy loans	493,862	420,271
Other long-term investments	4,044	2,753
Short-term investments	191,455	201,079
Total Investments	3,419,110	3,528,320
Cash	27,780	671
Notes receivable from affiliates	-	50,000
Interest receivable from affiliates	-	23
Accrued investment income	59,382	56,785
Premiums due and deferred	16,821	16,569
Receivable from affiliates	7,517	6,880
Federal income taxes--from affiliate	23,306	4,151
Other assets	25,102	15,829
Assets held in Separate Accounts	3,511,784	3,492,876
TOTAL ASSETS	$7,090,802	$7,172,104
LIABILITIES AND STOCKHOLDER'S EQUITY		
LIABILITIES:		
Policy liabilities and insurance reserves:		
Future policy benefits and claims	$2,767,552	$2,912,283
Other policy claims and benefits payable	15,184	13,606
Interest Maintenance Reserve (IMR)	21,802	46,506
Payable to affiliates	30,257	54,286
Other liabilities	131,695	103,985
Asset Valuation Reserve (AVR)	23,690	22,692
Liabilities related to Separate Accounts	3,424,535	3,399,953
Total Liabilities	6,414,715	6,553,311
STOCKHOLDER'S EQUITY:		
Common Stock, $10 par value; authorized, 1,000,000 shares; issued and outstanding, 250,000 shares	2,500	2,500
Paid-in capital	439,582	439,582
Unassigned surplus	234,005	176,711
Total Stockholder's Equity	676,087	618,793
TOTAL LIABILITIES AND STOCKHOLDER'S EQUITY	$7,090,802	$7,172,104

CONSOLIDATED STATEMENTS OF OPERATIONS

	Years Ended December 31,		
	1994	1993	1992
	($000'S)		
REVENUE			
Premiums and annuity considerations	$ 611,820	$ 563,900	$ 497,088
Net investment income	245,977	260,939	274,037
Net realized investment gains/(losses)	(21,215)	8,878	28,117
Other income	13,259	18,882	16,043
Total Revenue	849,841	852,599	815,285
BENEFITS AND EXPENSES			
Current and future benefits and claims	559,658	534,354	478,148
Commission expenses	30,169	28,386	17,956
General, administrative and other expenses	119,309	129,171	111,745
Total Benefits and Expenses	709,136	691,911	607,849
Income before provision in lieu of federal income tax	140,705	160,688	207,436
Provision in lieu of federal income tax	(87,750)	(83,640)	(96,578)
NET INCOME	$ 52,955	$ 77,048	$ 110,858

SEE NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED FINANCIAL STATEMENTS OF
PRUCO LIFE INSURANCE COMPANY AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF STOCKHOLDER'S EQUITY

	Years Ended December 31,		
	1994	1993	1992
	($000'S)		
COMMON STOCK			
Balance, beginning of year	$ 2,500	$ 2,500	$ 2,500
Issued during year	-	-	-
Balance, end of year	2,500	2,500	2,500
Paid-in Capital			
Balance, beginning of year	439,582	439,582	439,582
Paid-in during year	-	-	-
Balance, end of year	439,582	439,582	439,582
Unassigned Surplus			
Balance, beginning of year	176,711	162,530	98,966
Net income	52,955	77,048	110,858
Net unrealized investment gains/(losses)	5,814	(9,351)	2,750
(Increase) decrease in non-admitted assets	(477)	575	130
(Increase) decrease in AVR	(998)	5,909	3,681
Dividends to stockholder	-	(60,000)	(53,855)
Balance, end of year	234,005	176,711	162,530
TOTAL STOCKHOLDER'S EQUITY	$ 676,087	$ 618,793	$ 604,612

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Years Ended December 31,		
	1994	1993	1992
	($000'S)		
CASH FLOW FROM OPERATING ACTIVITIES			
Net income	$ 52,955	$ 77,048	$ 110,858
Adjustments to reconcile net income to net cash from operations:			
Increase (decrease) in policy liabilities and insurance reserves	(143,153)	(124,602)	95,927
Net decrease in Separate Accounts	5,674	12,173	4,531
Net realized investment(gains)/ losses	21,215	(8,878)	(28,117)
Depreciation, amortization and other non-cash items	314	1,907	(1,810)
(Increase) decrease in operating assets:			
Policy loans	(73,591)	(71,472)	(86,306)
Notes receivable from affiliates	50,000	9,000	4,000
Interest receivable from affiliates	23	420	361
Accrued investment income	(2,597)	880	(45)

CONSOLIDATED STATEMENTS OF CASH FLOWS (CONT'D)

	Years Ended December 31,		
	1994	1993	1992
	($000'S)		
Premiums due and deferred	(252)	(880)	47,374
Receivable from affiliates	(637)	1,970	10,818
Federal income taxes--from affiliate	(19,155)	6,879	(11,030)
Other assets	(9,273)	(9,481)	(3,476)
Increase (decrease) in operating liabilities:			
Payable to affiliates	(24,029)	13,260	(53,063)
Federal income taxes--to affiliate	-	-	(497)
Other liabilities	27,710	34,632	(50,303)
Cash Flow From (Used For) Operating Activities	(114,796)	(57,144)	39,222
CASH FLOW FROM INVESTING ACTIVITIES			
Proceeds from the sale/ maturity of:			
Fixed maturities	2,710,424	1,687,992	3,898,399
Equity securities	1,909	4,032	1,791
Mortgage loans	10,821	21,691	954
Other long-term investments	607	520	-
Investment in real estate	8,676	-	-
Payments for the purchase of:			
Fixed maturities	(2,561,081)	(1,483,234)	(3,986,331)
Equity securities	(2,436)	(3,068)	(1,170)
Mortgage loans	(35,276)	(918)	-
Other long-term investments	(1,584)	(84)	(860)
Investment in real estate	-	(20)	(71)
Net proceeds (payments) of short-term			

investments.....	9,845	(116,735)	108,858
Cash Flow From Investing Activities.....	141,905	110,176	21,570
CASH FLOW FROM FINANCING ACTIVITIES			
Dividends paid.....	-	(60,000)	(53,855)
Net increase (decrease) in Cash.....	27,109	(6,968)	6,937
Cash, beginning of year...	671	7,639	702
CASH, END OF YEAR.....	$ 27,780	$ 671	$ 7,639
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION			
Non-cash financing:			
Investment in real estate from foreclosed mortgage loans.....	$ 4,139	$ 7,300	$ 6,338
Cash paid in lieu of income taxes.....	$ 73,903	$ 76,760	$ 108,105

SEE NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF
PRUCO LIFE INSURANCE COMPANY AND SUBSIDIARIES
For the Years Ended December 31, 1994, 1993, and 1992

1. Summary of Significant Accounting Policies and Principles

A. Principles of Consolidation

The accompanying financial statements include the consolidated accounts of Pruco Life Insurance Company (Pruco Life), a stock life insurance company, and its subsidiaries (collectively, the Company). Pruco Life is a wholly-owned subsidiary of The Prudential Insurance Company of America (The Prudential), a mutual life insurance company. The Company markets individual life insurance and single pay deferred annuities primarily through The Prudential's sales force. All significant intercompany balances and transactions have been eliminated in consolidation.

B. Basis of Presentation

The financial statements are presented in conformity with Generally Accepted Accounting Principles (GAAP), which for mutual life insurance companies and their life insurance subsidiaries are statutory accounting practices prescribed or permitted by state regulatory authorities in the domiciliary states. Certain reclassifications have been made to the 1992 and 1993 financial statements and footnotes to conform to the 1994 presentation. Included in the Statement of Operations are certain items which, under statutory accounting practices, are charged or credited directly to surplus.

In 1994, The American Institute of Certified Public Accountants issued Statement of Position 94-5 "Disclosures of Certain Matters in the Financial Statements of Insurance Enterprises" ("SOP 94-5") which requires insurance enterprises to disclose in their financial statements the accounting methods used in their statutory financial statements that are permitted by the state insurance departments rather than prescribed statutory accounting practices.

Pruco Life Insurance Company, domiciled in the State of Arizona, prepares its statutory financial statements in accordance with accounting practices prescribed or permitted by the Arizona Department of Insurance ("the Department"), and its insurance subsidiaries prepare statutory financial statements in accordance with accounting practices prescribed or permitted by their domiciliary home state insurance department. Prescribed statutory accounting practices include publications of the National Association of Insurance Commissioners (NAIC), state laws, regulations, and general administrative rules. Permitted statutory accounting practices encompass all accounting practices not so prescribed.

The Company has established guaranty fund liabilities for the insolvencies of certain life insurance companies. The liabilities were established net of premium tax credits and federal income tax. Prescribed statutory accounting practices do not address the establishment of liabilities for guaranty fund assessments.

The Company, with permission from the Department, prepares an Annual Report that differs from the Annual Statement filed with the Department in that subsidiaries are consolidated and certain financial statement captions are presented differently.

The following is a reconciliation of Pruco Life's statutory net income with net income per the consolidated financial statements.

<TABLE>
<CAPTION>

	Years Ended December 31,		
	1994	1993	1992
		($000'S)	
<S>	<C>	<C>	<C>
Pruco Life Statutory Net Income including net gains and losses on sales of investments	$ 49,374	$ 79,405	$ 126,507
Adjustments to reconcile to net income as follows:			
Dividends from subsidiary	-	(26,000)	(27,162)
Change in determination of deferred premiums	-	-	(12,495)
Provision for future assessments	349	577	(3,493)
Net gain from operations in Separate Accounts	7,508	5,572	2,563
Income tax applicable to other than current year	(25,467)	-	-
Other	7,684	(2,429)	1,459
Subsidiaries' Net Income	13,507	19,923	23,479
Net Income	$ 52,955	$ 77,048	$ 110,858

</TABLE>

C. Future Application of Accounting Standards

The Financial Accounting Standards Board (the "FASB") issued Financial Interpretation No. 40, "Applicability of Generally Accepted Accounting Principles to Mutual Life Insurance and Other Enterprises", which, as amended is effective for fiscal years beginning after December 15, 1995. Interpretation No. 40 changes the current practice of the Company with respect to utilizing statutory basis financial statements for general purposes in that it would not allow such financial statements to be referred to as having been prepared in accordance with GAAP. Interpretation No. 40 requires GAAP financial statements to apply all GAAP pronouncements, unless specifically exempted. Implementation of the Interpretation will require significant effort and judgment as to determining GAAP for insurance operations.

The Company is currently unable to determine the impact of Interpretation No. 40 on its financial statements.

D. Selected Financial Data of Pruco Life

Pruco Life markets the Future Value Annuity Contract, an individual deferred annuity contract. Only assets of Pruco Life, shown below, are available to meet the guarantees under this annuity contract. The following is the selected financial data of Pruco Life:

<TABLE>
<CAPTION>

	December 31,	
	1994	1993
	($000'S)	
<S>	<C>	<C>
Assets:		
Investments	$2,758,088	$2,835,163
Investment in subsidiaries	169,816	156,515
Other assets	135,778	133,020
Assets held in Separate Accounts	2,869,734	2,846,792

Total Assets	$5,933,416	$5,971,490
Liabilities:		
Policy liabilities and insurance reserves	$2,296,987	$2,417,098
Other liabilities	163,322	165,974
Liabilities related to Separate Accounts	2,797,020	2,769,625
Total Liabilities	$5,257,329	$5,352,697

</TABLE>

	Years Ended December 31,		
	1994	1993	1992
		($000'S)	
Revenues	$ 698,685	$ 716,402	$ 675,863
Benefits, expenses and taxes	659,237	633,277	561,322
Net Income	$ 39,448	$ 83,125	$ 114,541

E. Investments

Fixed maturities, which include long-term bonds and redeemable preferred stock, are stated primarily at amortized cost. Certain investments in this category were non-income producing at December 31, 1994 and 1993. These investments amounted to $13.2 million and $2 million, respectively. Equity securities, which consist primarily of common stock, are carried at market value which is based on quoted market prices, where available, or prices provided by the National Association of Insurance Commissioners' (NAIC) Securities Valuation Office (SVO).

Mortgage loans are carried at the lower of the fair value of the underlying property or unpaid principal balance. At December 31, 1994, one loan was in foreclosure in the amount of $6 million. At December 31, 1993, aside from one loan in foreclosure, one mortgage, in the amount of $3 million, was in default.

Policy loans are stated primarily at unpaid principal balances.

All the Company's real estate investments were acquired through foreclosure during 1994 and 1993. These properties are carried at the lower of cost or fair value less disposition costs. Fair value is considered to be the amount that could reasonably be expected in a current transaction between willing parties, other than in forced or liquidation sale. Depreciation on these properties for the years ended December 31, 1994 and 1993 was $456 thousand and $289 thousand, respectively.

Other long-term investments, which consist solely of limited partnerships, are valued at the aggregate net equity in the partnerships. There were no non-income producing investments in this category at December 31, 1994. Certain investments in this category were non-income producing at December 31, 1993. These investments amounted to $118 thousand.

Short-term investments are stated at amortized cost, which approximates fair value.

Realized investment gains and losses are reported based on specific identification of the investments sold.

F. Future Policy Benefits, Losses and Claims

Reserves for individual life insurance are calculated using various methods, interest rates and mortality tables which produce reserves that meet the aggregate requirements of state laws and regulations. Approximately 7% of individual life insurance reserves are determined using the net level premium method, or by using the greater of a net level premium reserve or the policy cash value. About 93% of individual life insurance reserves are calculated according to the Commissioner's Reserve Valuation Method ("CRVM"), or methods which compare CRVM reserves to policy cash values.

Reserves for individual annuity contracts are determined using the Commissioner's Annuity Reserve Valuation Method.

For life insurance, unpaid claims include estimates of both the death benefits on reported claims and those which are incurred but not reported.

G. Revenue Recognition and Related Expenses

Premium revenues are recognized as income over the premium paying period of the related policies. Annuity considerations are recognized as revenue when received. Expenses, including new business acquisition costs such as commissions, are charged to operations as incurred.

H. Asset Valuation Reserve and Interest Maintenance Reserve

The Asset Valuation Reserve (AVR) and the Interest Maintenance Reserve (IMR) are required reserves for assets of life insurance companies. AVR is calculated based on a statutory formula and designed to mitigate the effect of valuation and credit related losses on unassigned surplus.

The components of AVR at December 31, 1994 and 1993 are as follows:

<TABLE>
<CAPTION>

	Fixed Maturities	Mortgages	Equity Securities	Real Estate & Other Inv.	Total
			($000'S)		
<S>	<C>	<C>	<C>	<C>	<C>
Transfer from December 31, 1992 -- AVR	$23,152	$5,139	$310	$ 0	$28,601
Additions	7,197	0	650	2,353	10,200
Deductions	(12,055)	(1,440)	(261)	(2,353)	(16,109)
End of Year 1993 -- AVR	18,294	3,699	699	0	22,692
Beginning of Year 1994 -- AVR	18,294	3,699	699	0	22,692
Additions	12,062	2,166	348	2,047	16,623
Deductions	(10,454)	(4,355)	(314)	(502)	(15,625)
End of Year 1994 -- AVR	$19,902	$1,510	$733	$1,545	$23,690

</TABLE>

The IMR is designed to reduce the fluctuations of surplus resulting from market interest rate movements. Predominantly all interest rate related realized capital gains and losses are deferred and amortized into investment income over the remaining life of the investment sold. The IMR balance was $21.8 million and $46.5 million at December 31, 1994 and 1993, respectively. "Net realized investment gains/(losses)" of $(19.9) million and $19.2 million were deferred in 1994 and 1993, respectively. Amortized into "Net investment income" were $4.8 million and $6.7 million of IMR for the year ended December 31, 1994 and 1993, respectively.

I. Federal Income Taxes

The Company is a member of a group of affiliated companies which join in filing a consolidated federal tax return. Pursuant to a tax allocation agreement, current tax liabilities are determined for individual companies based upon their separate return basis taxable income. Members with taxable income incur an amount in lieu of the separate return basis federal tax. Members with a loss for tax purposes recognize a current benefit in proportion to the amount of their losses utilized in computing consolidated taxable income. Differences

between estimated liabilities and actual payments are included in the current year's operations as an adjustment to the provision in lieu of income taxes. For the years 1993 and 1992, the Company was allocated a portion of the consolidated income tax liability attributable to Section 809 of the Internal Revenue Code (commonly referred to as "Equity Tax"). Beginning in 1994, the Company will no longer be allocated this Equity Tax.

Taxes on the Company are calculated under the Internal Revenue Code of 1986 which provides that life insurance companies be taxed on their gain from operations after dividends to policyholders. In calculating this tax, the Code requires the capitalization and amortization of policy acquisition expenses.

J. Separate Accounts

Separate accounts represent funds for which investment income and investment gains and losses accrue directly to, and investment risk is borne by, the policyholders. Each account has specific investment objectives. Assets are carried at market value. Deposits to such accounts are included in revenues with a corresponding liability increase included in benefits and expenses. The assets of each account are legally segregated and are not subject to claims that arise out of any other business of the Company. Consequently, management believes that it is appropriate to combine Separate Account policyholder net investment income and net realized and unrealized capital gains/(losses) along with benefit payments and change in reserves in "Current and future benefits and claims". Policyholder net investment income and net realized and unrealized gains/(losses) for the years ended December 31, 1994, 1993 and 1992 were ($28) million, $443 million and $223 million, respectively.

2. Federal Income Taxes

The following is a reconciliation of the Company's federal tax provision as computed at the federal tax rate with that computed at the Company's effective tax rate. The below amounts include federal income tax applicable to prior years, where appropriate.

<TABLE>
<CAPTION>

	Years Ended December 31,		
	1994	1993	1992
		($000'S)	
<S>	<C>	<C>	<C>
Operating income before federal income taxes.....	$ 140,705	$ 160,688	$ 207,436
Statutory tax rate.....	35%	35%	34%
Expected federal income taxes.....	49,247	56,241	70,528
Tax effect of:			
Statutory/tax policy reserve difference.....	19,949	14,577	(16,381)
Timing differences in tax/book income recognition on investments.....	11,608	4,055	14,404
Timing differences in tax/book income recognition--other.....	(6,816)	(415)	921
Change in determination of deferred premiums.....	-	-	6,128
Decrease/(Increase) in life insurance premiums deferred and uncollected.....	(88)	(308)	2,650
Capitalization of policy acquisition expenses.....	13,850	7,374	8,158
Allocated equity tax.....	-	2,116	10,170
Federal income taxes.....	$ 87,750	$ 83,640	$ 96,578
Effective tax rate.....	62%	52%	47%

</TABLE>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF
PRUCO LIFE INSURANCE COMPANY AND SUBSIDIARIES
For the Years Ended December 31, 1994, 1993, and 1992

3. Net Investment Income

Net investment income consisted of:

<TABLE>
<CAPTION>

	Years Ended December 31,		
	1994	1993	1992
		($000'S)	
<S>	<C>	<C>	<C>
Gross investment income			
Fixed maturities.....	$ 196,909	$ 216,660	$ 237,884
Equity securities.....	14	22	14
Mortgage loans.....	4,041	6,359	7,529
Investment in real estate.....	2,146	2,066	1,258
Policy loans.....	25,692	21,741	17,437
Short-term investments.....	12,676	9,031	11,638
Other.....	5,075	3,945	2,681
	246,553	259,824	278,441
Investment expenses.....	(5,421)	(5,570)	(7,687)
Net investment income before IMR.....	241,132	254,254	270,754

Amortization of Interest Maintenance Reserve.....	4,845	6,685	3,283
Net investment income.....	$ 245,977	$ 260,939	$ 274,037

</TABLE>

4. Investments and Investment Gains (Losses)

<TABLE>
<CAPTION>

	Years Ended December 31,		
	1994	1993	1992
		($000'S)	
<S>	<C>	<C>	<C>
Realized Gains (Losses)			
Fixed maturities.....	$ (38,180)	$ 32,471	$ 69,559
Equity securities.....	503	607	967
Mortgage loans.....	(4,581)	(2,592)	(3,889)
Investment in real estate.....	1,184	(2,004)	(1,757)
Other.....	(1)	(411)	517
Tax effected amounts transferred to Interest Maintenance Reserve.....	19,860	(19,193)	(37,280)
Net realized investment gains.....	$ (21,215)	$ 8,878	$ 28,117
Unrealized Gains (Losses)			
Fixed maturities.....	5,430	(9,380)	3,637
Equity securities.....	(490)	260	(1,305)
Other.....	874	(231)	418
Net unrealized investment gains (losses).....	5,814	(9,351)	2,750
Balance beginning of year.....	(18,166)	(8,815)	(11,565)
Balance end of year.....	$ (12,352)	$ (18,166)	$ (8,815)

</TABLE>

Equity Securities at December 31,
($000'S)

	Cost	Unrealized Gains	Unrealized Losses
1994.....	$5,434	$ 386	$2,494
1993.....	4,405	742	2,359
1992.....	4,762	1,093	2,969

Fixed Maturities
($000'S)

At December 31,

	Amortized Cost	Market Value	Increase (Decrease) in Difference Between Market Value and Amortized Cost During the Year
1994.....	$2,647,315	$2,596,172	$(167,494)
1993.....	2,835,251	2,951,602	10,453
1992.....	3,025,030	3,130,928	(74,958)

The amortized cost and estimated market value of fixed maturities at December 31, 1994 and 1993 are as follows:

<TABLE>
<CAPTION>

	1994			
	Amortized Cost ($000'S)	Gross Unrealized Gains ($000'S)	Gross Unrealized Losses ($000'S)	Estimated Market Value ($000'S)

U.S. Treasury securities and obligations of U.S. government corporations and agencies...	$ 409,678	$ 224	$20,259	$ 389,643
Obligations of U.S. and political subdivisions	-	-	-	-
Debt securities issued by foreign governments and their agencies	86,026	2,075	2,310	85,791
Corporate securities	1,960,296	17,005	43,521	1,933,780
Mortgage-backed securities	191,315	1,429	5,786	186,958
Total	$2,647,315	$20,733	$71,876	$2,596,172

<CAPTION>

	1993			
	Amortized Cost ($000'S)	Gross Unrealized Gains ($000'S)	Gross Unrealized Losses ($000'S)	Estimated Market Value ($000'S)
U.S. Treasury securities and obligations of U.S. government corporations and agencies...	$ 374,797	$ 3,819	$ 638	$ 377,978
Obligations of U.S. and political subdivisions	3,705	1,106	-	4,811
Debt securities issued by foreign governments and their agencies	99,524	6,632	3	106,153
Corporate securities	2,070,066	107,643	4,514	2,173,195
Mortgage-backed securities	287,159	6,223	3,917	289,465
Total	$2,835,251	$125,423	$9,072	$2,951,602

</TABLE>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS OF
PRUCO LIFE INSURANCE COMPANY AND SUBSIDIARIES
For the Years Ended December 31, 1994, 1993, and 1992

The amortized cost and estimated market value of debt securities at December 31, 1994 by contractual maturity, are shown below. Expected maturities will differ from contractual maturities because borrowers may have the right to call or prepay obligations with or without call or prepayment penalties.

<TABLE>
<CAPTION>

	Amortized Cost ($000'S)	Estimated Market Value ($000'S)
Due in one year or less	$ 127,296	$ 130,795
Due after one year through five years	1,823,406	1,794,674
Due after five years through ten years	402,232	384,814
Due after ten years	103,066	98,931
	2,456,000	2,409,214
Mortgage-backed securities	191,315	186,958
Total	$2,647,315	$2,596,172

</TABLE>

Proceeds from the sale/maturity of debt securities during 1994, 1993 and 1992 were $2.7 billion, $1.7 billion and $3.9 billion, respectively. Gross gains of $16.8 million, $44.5 million and $90.4 million and gross losses of $49.8 million, $12.0 million and $20.8 million were realized on those sales during 1994, 1993, and 1992, respectively.

The Company invests in both investment grade and non-investment grade securities. The SVO of the NAIC rates fixed maturities held by insurers (SVO rated securities accounted for approximately 93.6% and 93.0% of the Company's total fixed maturities balances at both December 31, 1994 and 1993) for regulatory purposes and groups investments into six categories ranging from highest quality bonds to those in or near default. The lowest three NAIC categories represent, for the most part, high-yield securities and are defined by the NAIC as including any security with a public agency rating of B+ or B1 or less.

Included in "fixed maturities" are securities that are classified by the NAIC as being in the lowest three rating categories. These approximated

1.5% and 1.6% of the Company's assets at December 31, 1994 and 1993, respectively. The amount by which the market value of these securities exceeded the carrying value was approximately $(.9) million and 1.0 million at December 31, 1994 and 1993, respectively.

5. Related Party Transactions

A. Service Agreements

The Company, The Prudential, Pruco Life of New Jersey and Pruco Securities Corporation, an indirect wholly-owned subsidiary of The Prudential, operate under service and lease agreements whereby services of officers and employees, supplies, use of equipment and office space are provided. The net cost of these services allocated to the Company were $78 million, $98 million, and $71 million for the years ended December 31, 1994, 1993, and 1992, respectively.

In a reorganization of the parent's Individual Insurance Department, effective January 1, 1993, the corporate staff of the Company was absorbed by the parent. The costs associated with these employees, which were previously borne by the Company, are now charged to the Company under the service and lease agreements with the parent.

B. Employee Benefit Plans

Pension Plans

The Company is a wholly-owned subsidiary of The Prudential which sponsors a defined benefit pension plan. The defined benefit pension plan is generally based on career average earnings and credit length of service. The Prudential's funding policy is to contribute annually the amount necessary to satisfy the Internal Revenue Service contribution guidelines.

No pension expense for contributions to the plan was allocated to the Company in 1994, 1993 or 1992 because the plan was subject to the full funding limitation under the Internal Revenue Code.

Postretirement Life and Health Benefits

The Prudential also sponsors postretirement defined benefit plans which provide certain life insurance and health care benefits. Substantially all employees may become eligible to receive a benefit if they retire after age 55 with at least 10 years of service. Prior to 1993, The Prudential's policy was to fund the cost of providing these benefits in the years that the employees were providing services to the Company. Effective for 1993, The Prudential has recognized the cost of these benefits in accordance with the accounting policy issued by the National Association of Insurance Commissioners (NAIC). The NAIC's policy is similar to SFAS No. 106, "Employers' Accounting for Postretirement Benefits Other Than Pensions" except that the NAIC policy excludes non-vested employees and only allows the transition obligation to be recognized immediately or amortized over twenty years. The Prudential has elected to amortize its transition obligation over twenty years. A provision for contributions to the postretirement fund is included in the net cost of services allocated to the Company discussed above for the years ended December 31, 1994, 1993 and 1992.

C. Reinsurance

The Company currently has two reinsurance agreements in place with The Prudential (the reinsurer). Specifically: reinsurance of a Group Annuity Contract, whereby the reinsurer, in consideration for a single premium payment by the Company, provides Reinsurance equal to 100% of all payments due under the Contract; and, a Yearly Renewable Term agreement in which the Company may offer and the reinsurer may accept reinsurance on any life in excess of the Company's maximum limit of retention ($2.5 million). These agreements had no material effect on net income for the years ended December 1994, 1993, and 1992.

D. Other Transactions

A certificate of deposit issued by The Prudential Bank and Trust Company of $50 million as of December 31, 1993 was not renewed in 1994. The Company also received a $9 million payment settlement of a promissory note from Pruco Inc. during 1993.

The Company has issued approximately 375 variable universal life contracts to The Prudential for the purpose of funding non-qualified pension

benefits for certain employees. Included in insurance premiums and annuity considerations for the years ended December 31, 1994, 1993 and 1992 are respectively, $12 million, $12 million and $13 million, which are attributable to these contracts.

6. Dividends

The Company is subject to Arizona law which limits the amount of dividends that insurance companies can pay to stockholders. The maximum dividend which may be paid in any 12 month period without notification or approval is limited to the lesser of 10% of surplus as of December 31 of the preceding year or the net gain from operations of the preceding calendar year. Cash dividends may only be paid out of surplus derived from realized net profits. Based on these limitations and the Company's surplus position at December 31, 1994, the Company would be permitted a maximum of $60 million in dividend distributions in 1995, all of which could be paid in cash, without approval from The State of Arizona Department of Insurance.

7. Fair Value Information

The fair value amounts have been determined by the Company using available information and reasonable valuation methodologies for only those accounts for which fair value disclosures are required. Considerable judgment is necessarily applied in interpreting data to develop the estimates of fair value. Accordingly, the estimates presented may not be realized in a current market exchange. The use of different market assumptions and/or estimation methodologies could have a material effect on the estimated fair values.

The following methods and assumptions were used in calculating the fair values. For all other financial instruments presented in the table, the carrying value is a reasonable estimate of fair value.

Fixed Maturities. Fair values for fixed maturities, other than private placement securities, are based on quoted market prices or estimates from independent pricing services. Fair values for private placement securities are estimated using a discounted cash flow model which considers the current market spreads between the U.S.

Treasury yield curve and corporate bond yield curve adjusted for the type of issue, its current quality and its remaining average life. The fair value of certain non-performing private placement securities is based on amounts provided by state regulatory authorities.

Mortgage Loans. The fair value of the commercial mortgage and agricultural loan portfolio is primarily based upon the present value of the scheduled cash flows discounted at the appropriate U.S. Treasury rate, adjusted for the current market spread for a similar quality mortgage. For certain non-performing and other loans, fair value is based upon the value of the underlying collateral.

Policy Loans. The estimated fair value is calculated using a discounted cash flow model based upon current U.S. Treasury rates and historical loan repayments.

Investment-Type Insurance Contract Liabilities. Fair values for the Company's investment-type insurance contract liabilities are estimated using a discounted cash flow model, based on interest rates currently being offered for similar contracts.

The following table discloses the carrying amounts and estimated fair values of the Company's financial instruments at December 31, 1994 and 1993.

<TABLE>
<CAPTION>

	1994		1993	
	Carrying Value	Fair Value	Carrying Value	Fair Value
	($000'S)		($000'S)	
<S>	<C>	<C>	<C>	<C>
Financial Assets:				
Fixed maturities	$2,647,315	$2,596,172	$2,835,251	$2,951,602
Equity securities	3,326	3,326	2,788	2,788
Mortgage loans	71,919	71,805	56,184	58,738
Policy loans	493,862	448,617	420,271	416,243
Other long-term investments	4,044	4,044	2,753	2,753
Short-term investments	191,455	191,455	201,079	201,079

Financial Liabilities:				
Investment-type insurance contracts	$ 794,691	$ 761,324	$1,053,025	$1,033,692

</TABLE>

8. Contingencies

Various lawsuits against the Company have arisen in the course of the Company's business. In certain of these matters, large and/or indeterminate amounts are sought. In the opinion of the Company, any ultimate liability which would result from such litigation would not have a material adverse effect on the Company's financial position.

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Pruco Life Insurance Company
Newark, New Jersey

We have audited the accompanying consolidated statements of financial position of Pruco Life Insurance Company and subsidiaries as of December 31, 1994 and 1993, and the related consolidated statements of operations, stockholder's equity, and cash flows for each of the three years in the period ended December 31, 1994. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, such consolidated financial statements present fairly, in all material respects, the financial position of Pruco Life Insurance Company and subsidiaries as of December 31, 1994 and 1993, and the results of their operations and their cash flows for each of the three years in the period ended December 31, 1994 in conformity with generally accepted accounting principles.

Deloitte & Touche LLP
Parsippany, New Jersey
March 6, 1995

FUTURE VALUE ANNUITY (SM)

Individual Deferred

Annuity Contracts

PRUCO LIFE INSURANCE COMPANY

213 Washington Street

Newark, New Jersey 07102-2992

Telephone: (800) 445-4571

PART II

INFORMATION NOT REQUIRED IN PROSPECTUS

ITEM 13. OTHER EXPENSES OF ISSUANCE AND DISTRIBUTION

Not applicable.

ITEM 14. INDEMNIFICATION OF DIRECTORS AND OFFICERS

The Prudential Directors' and Officers' Liability and Corporation Reimbursement Program, purchased by The Prudential from Aetna Casualty & Surety Company, CNA Insurance Company, Lloyds of London, Great American Insurance Company, Reliance Insurance Company, Corporate Officers & Directors Assurance Ltd., A.C.E. Insurance Company, Ltd., XL Insurance Company, Ltd., and Zurich-American Insurance Company, provides coverage for "Loss" (as defined in the policies) arising from any claim or claims by reason of any actual or alleged act, error, misstatement, misleading statement, omission, or breach of duty by persons in the discharge of their duties solely in their capacities as directors or officers of The Prudential, any of its subsidiaries, or certain investment companies affiliated with The Prudential. Coverage is also provided to the individual directors or officers for such Loss, for which they shall not be indemnified. Loss essentially is the legal liability on claims against a director or officer, including adjudicated damages, settlements and reasonable and necessary legal fees and expenses incurred in defense of adjudicatory proceedings and appeals therefrom. Loss does not include punitive or exemplary damages or the multiplied portion of any multiplied damage award, criminal or civil fines or penalties imposed by law, taxes or wages, or matters which are insurable under the law pursuant to which the policies are construed.

There are a number of exclusions from coverage. Among the matters excluded are Losses arising as the result of (1) claims brought about or contributed to by the criminal or deliberate fraudulent acts of a director or officer, and (2) claims arising from actual or alleged performance of, or failure to perform, services as, or in any capacity similar to, an investment adviser, investment banker, underwriter, broker or dealer, as those terms are defined in the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Advisers Act of 1940, the Investment Company Act of 1940, any rules or regulations thereunder, or any similar federal, state or local statute, rule or regulation.

The limit of coverage under the Program for both individual and corporate reimbursement coverage is $150,000,000. The retention for corporate reimbursement coverage is $10,000,000 per loss.

The relevant provisions of New Jersey law permitting or requiring indemnification, New Jersey being the state of organization of The Prudential, can be found in Section 14A:3-5 of the New Jersey Statutes Annotated. The relevant provisions of Arizona law, Arizona being the state of organization of Pruco Life, can be found in Section 10-005 of the Arizona Statutes Annotated. The text of The Prudential's by-law 27, which relates to indemnification of officers and directors, is incorporated by reference to Exhibit 1.A.(6)(b) of Post-Effective Amendment No. 4 to Form S-6, Registration No. 33-20000, filed March 2, 1990, on behalf of The Prudential Variable Appreciable Account. The text of Pruco Life's by-laws, Article VIII, which relates to indemnification of officers and directors, is incorporated by reference to Exhibit (3)(b) to this Registration Statement.

Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the Registrant pursuant to the foregoing provisions or otherwise, the Registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the Registrant of expenses incurred or paid by a director, officer or controlling person of the Registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the Registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Act and will be governed by the final adjudication of such issue.

ITEM 15. RECENT SALES OF UNREGISTERED SECURITIES

Not applicable.

ITEM 16. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

(a) Exhibits

(1) Distribution Agreement between Pruco Securities Corporation (Underwriter) and Pruco Life Insurance Company (Registrant), dated October 15, 1990. (Note 4)

(3) (a) Articles of Incorporation of Pruco Life Insurance Company, as amended July 25, 1972. (Note 2)

(b) By-laws of Pruco Life Insurance Company, as amended June 14, 1983. (Note 3)

(c) Resolution of the Board of Directors of Pruco Life Insurance Company establishing the Pruco Life Modified Guaranteed Annuity Account. (Note 4)

(5) Opinion and Consent of John P. Gualtieri, Jr. to the legality of the securities being registered. (Note 1)

(10) Modified Guaranteed Annuity Contract. (Note 4)

(22) Subsidiary Organizational Chart. (Note 6)

(23) Written consent of Deloitte & Touche LLP, independent auditors. (Note 1)

(24) (b) Written consent of John P. Gualtieri, Jr. (incorporated by reference to Exhibit (5) hereto)

(25) Powers of Attorney.
(Note 5)

(27) Financial Data Schedule. (Note 1)

(28) (a) Enhanced Death Benefit Endorsement PLI 387-91 to the Future Value Annuity Contract. (Note 6)

(b) Renewal Endorsement PLI 427-92 to the Future Value Annuity Contract. (Note 7)

(c) Waiver of Withdrawal Charges rider PLI 400-92 to the Future Value Annuity Contract (at issue). (Note 7)

(d) Waiver of Withdrawal Charges rider PLI 401-92 to the Future Value Annuity Contract (after issue). (Note 7)

(e) Spousal Continuance Rider PLI 436-93 (Note 8)

(f) Endorsement altering the Assignment provision. (Note 1)

(b) Financial Statement Schedules

Pruco Life Insurance Company and Subsidiaries:

Schedule I--Summary of Investments--Other than Investments in Affiliates. (Note 1)

Schedule VI--Schedule of Reinsurance. (Note 1)

(Note 1) Filed herewith.

(Note 2) Incorporated by reference to Form N-8B-2, Registration No. 2-80513, filed November 22, 1982, on behalf of the Pruco Life Variable Insurance Account.

(Note 3) Incorporated by reference to Post-Effective Amendment No. 13 to Form S-6, Registration No. 2-89558, filed March 2, 1989, on behalf of the Pruco Life Variable Appreciable Account.

(Note 4) Incorporated by reference to Registrant's Form S-1 Registration Statement, filed November 2, 1990.

(Note 5) Incorporated by reference to Form S-1, Registration No. 33-8670, filed November 23, 1994 on behalf of the Pruco Life Real Property Account.

(Note 6) Incorporated by reference to Registrant's Form S-1 Registration Statement, filed April 9, 1992.

(Note 7) Incorporated by reference to Post-Effective Amendment No. 3 to this Registration Statement, filed April 15, 1993.

(Note 8) Incorporated by reference to Post-Effective Amendment No. 4 to this Registration Statement filed April 7, 1994.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the Registrant has duly caused this Post-Effective Amendment No. 5 to the Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Newark, State of New Jersey, on the 3rd day of April, 1995.

Pruco Life Insurance Company
(Registrant)

By: /s/ Esther H. Milnes
Esther H. Milnes
President

Pursuant to the requirements of the Securities Act of 1933, this Post-Effective Amendment No. 5 to the Registration Statement has been signed by the following persons in the capacities and the date indicated.

Signature and Title	April 3, 1995
/s/ * Robert P. Hill Chairman of the Board and Director	
/s/ * Esther H. Milnes President and Director	
/s/ * Stephen P. Tooley Chief Accounting Officer and Comptroller	
/s/ * E. Michael Caulfield Director	*By: /s/ Thomas C. Castano Thomas C. Castano (Attorney-in-Fact)
/s/ * Garnett L. Keith, Jr. Director	
/s/ * Ira J. Kleinman Director	
/s/ * I. Edward Price Director	
/s/ * Donald G. Southwell Director	

EXHIBIT INDEX

(a)(5)	Opinion and Consent of John P. Gualtieri, Jr. as to the legality of the securities being registered.	Page II-5
(a)(23)	Written consent of Deloitte & Touche LLP, independent auditors.	Page II-6
(a)(27)	Financial Data Schedule.	Page II-7
(a)(28)(f)	Endorsement altering the Assignment provision.	Page II-8
(b)	Financial Statement Schedules:	Page II-9

Pruco Life Insurance Company and Subsidiaries:
Schedule I--Summary of Investments--Other than Investments in Affiliates.
Schedule VI--Schedule of Reinsurance.

Exhibit (a)(5)

April 3, 1995

Pruco Life Insurance Company
213 Washington Street
Newark, New Jersey 07102-2992

Gentlemen:

In my capacity as Senior Vice President and General Counsel of Pruco Life Insurance Company ("Pruco Life"), I have reviewed the establishment of the Pruco Life Modified Guaranteed Annuity Account (the "Account") on September 25, 1990 by the Executive Committee of the Board of Directors of Pruco Life as a separate account for assets applicable to certain modified guaranteed annuity contracts, pursuant to the provisions of Section 20-651 of the Arizona Insurance Code. I have also participated in the preparation and review of the Registration Statement on Form S-1, as amended, filed by Pruco Life with the Securities and Exchange Commission (Registration No. 33 - 37587) under the Securities Act of 1933 for the registration of certain modified guaranteed annuity contracts issued with respect to the Account.

I am of the following opinion:

(1) Pruco Life was duly organized under the laws of Arizona and is a validly existing corporation.

(2) The Account has been duly created and is validly existing as a separate account pursuant to the aforesaid provisions of Arizona law.

(3) The modified guaranteed annuity contracts are legal and binding obligations of Pruco Life in accordance with their terms.

In arriving at the foregoing opinion, I have made such examination of law and examined such records and other documents as I judged to be necessary or appropriate.

I hereby consent to the filing of this opinion as an exhibit to the Registration Statement.

Very truly yours,

John P. Gualtieri, Jr.

Exhibit (a)(23)

INDEPENDENT AUDITORS' CONSENT

We consent to (a) the use in this Post-Effective Amendment No.5 to Registration Statement No. 33-37587 on form S-1 of Pruco Life Insurance Company of our report dated March 6, 1995, relating to the consolidated financial statements of Pruco Life Insurance Company and subsidiaries appearing in the Prospectus, which is part of this Registration Statement; (b) the use in Part II of this Registration Statement of our report dated March 6, 1995, relating to the financial statement schedules of Pruco Life Insurance Company and subsidiaries listed in Item 16(b); and (c) the reference to us under the heading "Experts" in such Prospectus.

/s/ Deloitte & Touche LLP

Parsippany, New Jersey
April 7, 1995

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ENDORSEMENTS

(Only we can endorse this contract.)

ALTERATION OF TEXT

The provision of this contract entitled "Assignment" is replaced at issue by the following:

Assignment

We will not be deemed to know of an assignment unless we receive it, or a copy of it, at our Home Office. We are not obliged to see that an assignment is valid or sufficient. This contract may not be assigned to any employee benefit plan or program without our consent. This contract may not be assigned if such assignment would violate any federal, state, or local law or regulation prohibiting sex distinct rates for insurance.

The Prudential Insurance Company of America,

By Dorothy K. Light
Secretary

Pruco Life Insurance Company and Subsidiaries
Schedule I - Summary of Investments - Other than Investments in Affiliates
December 31, 1994

($000's)

<TABLE>
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Type of investment	Cost	Market Value	Amount at which shown on the Balance Sheet
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Fixed Maturities:			
Bonds:			
United States Government and government agencies and authorities	$ 600,992	$ 576,601	$ 600,992
Foreign governments	86,027	85,791	86,027
Public Utilities	174,687	174,972	174,687
All other corporate bonds	1,783,448	1,756,651	1,783,448
Redeemable preferred stock	2,161	2,157	2,161
Total fixed maturities	2,647,315	2,596,172	2,647,315
Equity Securities:			
Common Stock	4,531	2,765	2,765
Nonredeemable preferred stock	903	561	561
Total equity securities	5,434	3,326	3,326
Mortgage loans on real estate	71,919	XXXXXX	71,919
Real Estate	7,189	XXXXXX	7,189
Policy Loans	493,862	XXXXXX	493,862
Other long-term investments	4,044	XXXXXX	4,044
Short-term investments	191,455	XXXXXX	191,455
Total investments	$3,421,218		$3,419,110

</TABLE>

Pruco Life Insurance Company and Subsidiaries
Schedule VI - Schedule of Reinsurance
For Year Ended December 31, 1994

($000's)

<TABLE>
<CAPTION>

	Gross Amount	Ceded to other companies	Assumed from other companies	Net amount	Percentage of amount assumed to net
<S>	<C>	<C>	<C>	<C>	<C>
Life insurance in force	$48,003,675	$531,166	$ 0	$47,472,509	N/A
Life insurance premiums and					

annuity considerations	$ 613,237	$ 1,476	$ 59	$ 611,820	.010%

</TABLE>

Pruco Life Insurance Company and Subsidiaries
Schedule VI - Schedule of Reinsurance
For Year Ended December 31, 1993

($000's)

<TABLE>
<CAPTION>

	Gross Amount	Ceded to other companies	Assumed from other companies	Net amount	Percentage of amount assumed to net
<S>	<C>	<C>	<C>	<C>	<C>
Life insurance in force	$48,837,477	$290,386	$ 0	$48,547,091	N/A
Life insurance premiums and annuity considerations	$ 564,747	$ 847	$ 0	$ 563,900	N/A

</TABLE>

Pruco Life Insurance Company and Subsidiaries
Schedule VI - Schedule of Reinsurance
For Year Ended December 31, 1992

($000's)

<TABLE>
<CAPTION>

	Gross Amount	Ceded to other companies	Assumed from other companies	Net amount	Percentage of amount assumed to net
<S>	<C>	<C>	<C>	<C>	<C>
Life insurance in force	$49,317,116	$168,915	$ 0	$49,148,201	N/A
Life insurance premiums and annuity considerations	$ 497,610	$ 552	$ 0	$ 497,088	N/A

</TABLE>

Exhibit (b)

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Pruco Life Insurance Company
Newark, New Jersey

We have audited the consolidated financial statements of Pruco Life Insurance Company and subsidiaries as of December 31, 1994 and 1993 and for each of the three years in the period ended December 31, 1994, and have issued our report thereon dated March 6, 1995 (included elsewhere in this Registration Statement). Our audits also included the financial statement schedules listed in Item 16 of this Registration Statement. These financial statement schedules are the responsibility of the Company's management. Our responsibility is to express an opinion based on our audits. In our opinion, such financial statement schedules, when considered in relation to the basic financial statements taken as a whole, present fairly in all material respects the information set forth therein.

Deloitte & Touche LLP
Parsippany, New Jersey

March 6, 1995