
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

**FORM S-3
REGISTRATION STATEMENT**
*UNDER
THE SECURITIES ACT OF 1933*

**PRUDENTIAL FINANCIAL, INC.
PRUDENTIAL FINANCIAL CAPITAL TRUST II
PRUDENTIAL FINANCIAL CAPITAL TRUST III**

(Exact Name of Registrants as Specified in Their Charters)

New Jersey	22-3703799
Delaware	73-6345636
Delaware	73-6345639
(State or Other Jurisdiction of Incorporation or Organization)	(IRS Employer Identification Number)

751 Broad Street
Newark, New Jersey 07102
(973) 802-6000
(Address, Including Zip Code, and Telephone Number, Including Area Code, of Registrant's Principal Executive Offices)

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751 Broad Street
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(Name, Address, Including Zip Code, and Telephone Number, Including Area Code, of Agent for Service)

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Approximate date of commencement of proposed sale to the public: From time to time after the effective date of this Registration Statement.

If the only securities being registered on this Form are being offered pursuant to dividend or interest reinvestment plans, please check the following box. "

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, other than securities offered only in connection with dividend or interest reinvestment plans, check the following box. x

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If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. "

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. "

If this Form is a registration statement pursuant to General Instruction I.D. or a post-effective amendment thereto that shall become effective upon filing with the Commission pursuant to Rule 462(e) under the Securities Act, check the following box. x

If this Form is a post-effective amendment to a registration statement filed pursuant to General Instruction I.D. filed to register additional securities or additional classes of securities pursuant to Rule 413(b) under the Securities Act, check the following box. "

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer x

Accelerated filer "

Non-accelerated filer " (Do not check if a smaller reporting company)

Smaller reporting company "

CALCULATION OF REGISTRATION FEE

Title of each class of securities to be registered	Amount to be registered	Proposed maximum offering price per unit	Proposed maximum aggregate offering price	Amount of registration fee (1)(2)
Senior Debt Securities of Prudential Financial, Inc.				
Subordinated Debt Securities of Prudential Financial, Inc.				
Preferred Stock of Prudential Financial, Inc.				
Depository Shares of Prudential Financial, Inc.				
Common Stock, par value \$0.01 per share, of Prudential Financial, Inc.				
Warrants of Prudential Financial, Inc. (3)				
Stock Purchase Contracts of Prudential Financial, Inc.		(1)(2)		\$ 0
Units of Prudential Financial, Inc.				
Preferred Securities of Prudential Financial Capital Trust II (4)				
Preferred Securities of Prudential Financial Capital Trust III (4)				
Prudential Financial, Inc. Guarantees of Preferred Securities of Prudential Financial Capital Trust II and Prudential Financial Capital Trust III (4)				
Rights (5)				

- (1) An unspecified aggregate initial offering price or number of the securities of each class identified above is being registered as may from time to time be offered, reoffered or resold, at indeterminate prices. Separate consideration may or may not be received for securities that are issuable on exercise, conversion or exchange of other securities or that are issued in units or represented by depository shares. In accordance with Rules 456(b) and 457(r) under the Securities Act, Prudential Financial, Inc. is deferring payment of all of the related registration fees.
- (2) This Registration Statement also covers an indeterminate number of senior debt securities, subordinated debt securities, preferred stock, depository shares, common stock, warrants, stock purchase contracts and units of Prudential Financial, Inc., and of the preferred securities of Prudential Financial Capital Trust II and Prudential Financial Capital Trust III and the related guarantees of Prudential Financial, Inc. that may be reoffered and resold on an ongoing basis after their initial sale in remarketing or other resale transactions by the registrants or affiliates of the registrants.
- (3) Warrants may be sold separately or with senior debt securities, subordinated debt securities, preferred stock, common stock, depository shares or preferred securities.
- (4) Includes the rights of holders of the preferred securities under the guarantees of preferred securities and back-up undertakings, consisting of obligations by Prudential Financial, Inc. as set forth in each declaration of trust, the senior or the subordinated debt securities indenture and any supplemental indenture thereto, in each case as further described in the prospectus included in this Registration Statement. Separate consideration may or may not be received for any guarantees or any back-up undertakings. Pursuant to Rule 457(n) under the Securities Act, no separate registration fee will be paid in respect of any such guarantees or any other obligations.
- (5) Each share of common stock includes one shareholder protection right as described under "Description of Our Common Stock—Our Common Stock—Shareholder Rights Plan" in the prospectus included in this Registration Statement.

This Registration Statement contains a prospectus relating to both the offering of newly issued securities and remarketing or other resale transactions that occur on an ongoing basis in securities that have been previously or will be issued under this Registration Statement.

PROSPECTUS



Prudential Financial, Inc.
Senior Debt Securities
Subordinated Debt Securities
Preferred Stock
Depositary Shares
Common Stock
Warrants
Stock Purchase Contracts
Units
Prudential Financial Capital Trust II
Prudential Financial Capital Trust III
Preferred Securities
guaranteed by Prudential Financial, Inc.
to the extent set forth in this prospectus

We or either of the trusts named above may offer these securities, or any combination thereof, from time to time in amounts, at prices and on other terms to be determined at the time of the offering. We or either of the trusts named above may sell these securities to or through one or more underwriters, dealers and agents, or directly to purchasers, on a continuous or delayed basis. In addition, selling securityholders may sell these securities, from time to time, on terms described in the applicable prospectus supplement.

This prospectus describes some of the general terms that may apply to these securities and the general manner in which they may be offered. The specific terms of any securities to be offered, and the specific manner in which they may be offered, will be described in a supplement to this prospectus.

Prudential Financial, Inc.'s common stock, other than the Class B Stock, is listed on the New York Stock Exchange under the symbol "PRU". There is no established public trading market for Prudential Financial, Inc.'s Class B Stock.

Investing in the securities involves risks. See the section entitled "[Risk Factors](#)" beginning on page 2 and, if applicable, any risk factors described in any accompanying prospectus supplement or in our Securities and Exchange Commission filings that are incorporated by reference into this prospectus.

Neither the Securities and Exchange Commission nor any other regulatory body has approved or disapproved of these securities or passed upon the accuracy or adequacy of this prospectus. Any representation to the contrary is a criminal offense.

This prospectus and applicable prospectus supplement may be used in the initial sale of the securities or in resales by selling securityholders. In addition, Prudential Financial, Inc., either of the trusts named above or any of their respective affiliates may use this prospectus and the applicable prospectus supplement in a remarketing or other resale transaction involving the securities after their initial sale. These transactions may be executed at negotiated prices that are related to market prices at the time of purchase or sale, or at other prices, as determined from time to time.

Prospectus dated March 11, 2009.

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ABOUT THIS PROSPECTUS

This prospectus is part of a registration statement that we filed with the Securities and Exchange Commission, which we refer to as the “SEC”, utilizing a shelf registration or continuous offering process. Under this shelf registration or continuous offering process, we or the trusts may sell any combination of the securities described in this prospectus in one or more offerings.

This prospectus describes some of the general terms that may apply to the securities that we or the trusts may offer and the general manner in which the securities may be offered. Each time we or the trusts sell securities, we or the trusts will provide a prospectus supplement containing specific information about the terms of the securities being offered and the manner in which they may be offered. We and any underwriter or agent that we may from time to time retain may also provide you with other information relating to an offering, which we refer to as “other offering material”. A prospectus supplement or any such other offering material provided to you may include a discussion of any risk factors or other special considerations applicable to those securities or to us and may also include, if applicable, a discussion of material United States federal income tax considerations and considerations under the Employee Retirement Income Security Act of 1974, as amended, which we refer to as “ERISA”. A prospectus supplement or such other offering material may also add, update or change information in this prospectus. If there is any inconsistency between the information in this prospectus and the applicable prospectus supplement or other offering material, you must rely on the information in the prospectus supplement or other offering material. Throughout this prospectus, where we indicate that information may be supplemented in an applicable prospectus supplement or supplements, that information may also be supplemented in other offering material provided to you. You should read this prospectus and any prospectus supplement or other offering material together with additional information described under the heading “Where You Can Find More Information”.

The registration statement containing this prospectus, including exhibits to the registration statement, provides additional information about us and the securities offered under this prospectus. The registration statement can be read at the SEC’s web site or at the SEC’s public reference room mentioned under the heading “Where You Can Find More Information”.

You should rely only on the information provided in this prospectus and in the applicable prospectus supplement, including the information incorporated by reference, and in other offering material, if any, provided by us or any underwriter or agent that we may from time to time retain. Reference to a prospectus supplement means the prospectus supplement describing the specific terms of the securities you purchase. The terms used in your prospectus supplement will have the meanings described in this prospectus, unless otherwise specified. Neither we nor the trusts, nor any underwriters or agents whom we may from time to time retain, have authorized anyone to provide you with different information. Neither we nor the trusts are offering the securities in any jurisdiction where the offer is prohibited. You should not assume that the information in this prospectus, any prospectus supplement, any document incorporated by reference, or any other offering material is truthful or complete at any date other than the date mentioned on the cover page of these documents.

We or the trusts may sell securities to underwriters who will sell the securities to the public on terms fixed at the time of sale. In addition, the securities may be sold by us or the trusts directly or through dealers or agents designated from time to time. If we or the trusts, directly or through agents, solicit offers to purchase the securities, we and the trusts reserve the sole right to accept and, together with any agents, to reject, in whole or in part, any of those offers. In addition, selling securityholders may sell securities on terms described in the applicable prospectus supplement.

Any prospectus supplement will contain the names of the underwriters, dealers or agents, if any, together with the terms of offering, the compensation of those underwriters and the net proceeds to us. Any underwriters, dealers or agents participating in the offering may be deemed “underwriters” within the meaning of the Securities Act of 1933, as amended, which we refer to as the “Securities Act”.

References in this prospectus to the “Company”, “Prudential Financial, Inc.”, “Prudential Financial”, “we”, “us” or “our” refer to Prudential Financial, Inc. only and do not include its consolidated subsidiaries.

Unless otherwise stated, currency amounts in this prospectus and any prospectus supplement are stated in United States dollars, or “\$”.

RISK FACTORS

Investing in the securities described herein involves risk. We urge you to carefully consider the risk factors described in our filings with the SEC that are incorporated by reference in this prospectus and, if applicable, in any prospectus supplement, pricing supplement or free writing prospectus used in connection with an offering of our securities, as well as the information relating to us identified herein in “Note Regarding Forward-Looking Statements and Certain Risks”, before making an investment decision.

WHERE YOU CAN FIND MORE INFORMATION

We file annual, quarterly and current reports, proxy statements and other information with the SEC. Our SEC filings are available to the public over the Internet at the SEC's web site at <http://www.sec.gov>. You may also read and copy any document we file at the SEC's public reference room at 100 F Street, N.E., Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information on the public reference room. Our Common Stock is traded on the New York Stock Exchange under the symbol "PRU". You may inspect the reports, proxy statements and other information concerning us at the offices of the New York Stock Exchange, 11 Wall Street, New York, New York 10005.

The SEC allows us to incorporate by reference the information we file with it, which means that we can disclose important information to you by referring you to those documents. The information incorporated by reference is an important part of this prospectus, and information that we file later with the SEC will automatically update and supersede this information. Information furnished under the applicable items of our Current Reports on Form 8-K is not incorporated by reference in this registration statement and prospectus, unless specifically stated in a prospectus supplement. We incorporate by reference the documents listed below and filings that we will make after the date of filing the initial registration statement and prior to the effectiveness of the registration statement, and any future filings made by us with the SEC under Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934, as amended, which we refer to as the "Exchange Act":

- Annual Report on Form 10-K for the year ended December 31, 2008;
- Definitive proxy statement filed on March 21, 2008, pursuant to Section 14 of the Exchange Act;
- Definitive additional materials filed on March 24, 2008, March 25, 2008 and March 26, 2008 pursuant to Section 14 of the Exchange Act; and
- Current Reports on Form 8-K filed on May 16, 2008 (with respect only to Item 5.02), September 9, 2008, February 10, 2009 and February 18, 2009.

You may request a copy of these filings at no cost, by writing or telephoning us at the following address:

Corporate Secretary
Prudential Financial, Inc.
751 Broad Street
Newark, New Jersey 07102
(973) 802-6000

We have not included or incorporated by reference in this prospectus any separate financial statements of the trusts. We do not believe that these financial statements would provide holders of preferred securities with any important information for the following reasons:

- we will own all of the voting securities of the trusts;
- the trusts do not and will not have any independent operations other than to issue securities and to purchase and hold our debt securities; and
- we are fully and unconditionally guaranteeing the obligations of the trusts as described in this prospectus.

We do not expect that the trusts will be required to file information with the SEC on an ongoing basis, for as long as we continue to file our information with the SEC.

NOTE REGARDING FORWARD-LOOKING STATEMENTS AND CERTAIN RISKS

Certain of the statements included in this prospectus may constitute forward-looking statements within the meaning of the U.S. Private Securities Litigation Reform Act of 1995. Words such as “expects,” “believes,” “anticipates,” “includes,” “plans,” “assumes,” “estimates,” “projects,” “intends,” “should,” “will,” “shall” or variations of such words are generally part of forward-looking statements. Forward-looking statements are made based on management’s current expectations and beliefs concerning future developments and their potential effects upon Prudential Financial, Inc. and its subsidiaries. There can be no assurance that future developments affecting Prudential Financial, Inc. and its subsidiaries will be those anticipated by management. These forward-looking statements are not a guarantee of future performance and involve risks and uncertainties, and there are certain important factors that could cause actual results to differ, possibly materially, from expectations or estimates reflected in such forward-looking statements, including, among others:

- general economic, market and political conditions, including the performance and fluctuations of fixed income, equity, real estate and other financial markets, particularly in light of ongoing severe economic conditions and the severe stress experienced by the global financial markets that began in the second half of 2007 and has continued and substantially increased since then;
- the availability and cost of external financing for our operations, which has been affected by the stress experienced by the global financial markets;
- interest rate fluctuations;
- reestimates of our reserves for future policy benefits and claims;
- differences between actual experience regarding mortality, morbidity, persistency, surrender experience, interest rates or market returns and the assumptions we use in pricing our products, establishing liabilities and reserves or for other purposes;
- changes in our assumptions related to deferred policy acquisition costs, valuation of business acquired or goodwill;
- changes in our claims-paying or credit ratings;
- investment losses, defaults and counterparty non-performance;
- competition in our product lines and for personnel;
- changes in tax law;
- economic, political, currency and other risks relating to our international operations;
- fluctuations in foreign currency exchange rates and foreign securities markets;
- regulatory or legislative changes, including government actions in response to the stress experienced by the global financial markets;
- adverse determinations in litigation or regulatory matters and our exposure to contingent liabilities, including in connection with our divestiture or winding down of businesses;
- domestic or international military actions, natural or man-made disasters including terrorist activities or pandemic disease, or other events resulting in catastrophic loss of life;
- ineffectiveness of risk management policies and procedures in identifying, monitoring and managing risks;
- effects of acquisitions, divestitures and restructurings, including possible difficulties in integrating and realizing the projected results of acquisitions;
- changes in statutory or U.S. GAAP accounting principles, practices or policies;

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- changes in assumptions for retirement expense;
- Prudential Financial, Inc.'s primary reliance, as a holding company, on dividends or distributions from its subsidiaries to meet debt payment obligations and the ability of the subsidiaries to pay such dividends or distributions in light of our ratings objectives and/or applicable regulatory restrictions; and
- risks due to the lack of legal separation between our Financial Services Businesses and our Closed Block Business.

As noted above, the adverse market and economic conditions that began in the second half of 2007 have continued and substantially worsened since then. The foregoing risks are even more pronounced in these unprecedented market and economic conditions. Prudential Financial, Inc. does not intend, and is under no obligation, to update any particular forward-looking statement included in this document.

PRUDENTIAL FINANCIAL, INC.

Business

Prudential Financial, Inc., a financial services leader with approximately \$558 billion of assets under management as of December 31, 2008, has operations in the United States, Asia, Europe and Latin America. Through our subsidiaries and affiliates, we offer a wide array of financial products and services, including life insurance, annuities, retirement-related services, mutual funds, investment management, and real estate services. We offer these products and services to individual and institutional customers through one of the largest distribution networks in the financial services industry.

We are a holding company, and our principal asset is investments in subsidiaries. As a holding company, the principal sources of funds available to meet our obligations are dividends, returns of capital, loans or advances, or other intercompany transfers of funds from our subsidiaries. The subsidiaries are separate and distinct legal entities and have no obligation to pay any amounts due under our obligations or to make any funds available for such payment. Because we are principally a holding company, our right to participate in any distribution of assets of any of our subsidiaries, including The Prudential Insurance Company of America, upon the subsidiary's liquidation or reorganization or otherwise, is subject to the prior claims of its creditors, except to the extent we may be recognized as a creditor of that subsidiary. Accordingly, our obligations under the debt securities will be effectively subordinated to all existing and future indebtedness and liabilities of our subsidiaries, including liabilities under contracts of insurance and annuities written by our insurance subsidiaries, and you, as holders of debt securities, should look only to our assets for payment thereunder.

Prudential Financial has two classes of common stock outstanding: our Class A Common Stock, which we refer to as our "Common Stock" in this prospectus and which began trading on December 13, 2001 on the New York Stock Exchange under the symbol "PRU", reflects the performance of the Financial Services Businesses, while our Class B Stock, which was issued through a private placement and does not trade on any exchange, reflects the performance of the Closed Block Business. On December 18, 2001, our date of demutualization, The Prudential Insurance Company of America converted from a mutual life insurance company owned by its policyholders to a stock life insurance company and became an indirect, wholly owned subsidiary of Prudential Financial.

We are incorporated under the laws of the State of New Jersey.

Our Executive Offices

Our registered office and principal executive offices are located at 751 Broad Street, Newark, New Jersey 07102. Our telephone number is (973) 802-6000.

PRUDENTIAL FINANCIAL CAPITAL TRUSTS

Prudential Financial Capital Trust II and Prudential Financial Capital Trust III are statutory trusts created under Delaware law. Each trust exists only for the purposes of:

- issuing the preferred securities, which represent preferred undivided beneficial ownership interests in each trust's assets;
- issuing the common securities, which represent common undivided beneficial ownership interests in each trust's assets, to us;
- using the proceeds from the issuances to purchase one or more series of securities issued by us, including senior debt securities, subordinated debt securities and warrants;
- maintaining each trust's status as a grantor trust for federal income tax purposes; and

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- engaging in only those other activities necessary, advisable or incidental to these purposes, such as registering the transfer of preferred securities.

Any senior or subordinated, convertible or non-convertible, debt securities or any warrants that we sell to each trust will be its sole assets, and, accordingly, payments under those securities will be its sole revenues and such trust's ability to distribute shares of our Common Stock or other securities upon conversion of the preferred securities, if convertible, will depend solely on our performance under the warrants sold by us to such trust.

We will acquire and own all of the common securities of each trust. The common securities will rank equally with, and payments will be made on the common securities *pro rata* with, the preferred securities, except that upon an event of default under the amended and restated declaration of trust resulting from an event of default under the senior or subordinated debt securities, our rights as holder of the common securities to distributions and payments upon liquidation or redemption will be subordinated to the rights of the holders of the preferred securities. We will guarantee distributions on the preferred and the common securities to the extent of available trust funds. See "Effect of Obligations Under the Debt Securities and the Trust Guarantees".

Each trust will dissolve on a date certain, but may dissolve earlier, in either case, as provided in its respective amended and restated declaration of trust. Each trust's business and affairs are conducted by the trustees. The trustees for the trusts are The Bank of New York Mellon, a New York banking corporation, as successor to JPMorgan Chase Bank, N.A., as property trustee, BNY Mellon Trust of Delaware, a Delaware corporation, as successor to Chase Bank USA, N.A., as the Delaware trustee, and three regular trustees or "administrative trustees" who are officers of us. The Bank of New York Mellon, as property trustee, acts as sole indenture trustee under each declaration of trust, and also acts as guarantee trustee under the guarantees and as indenture trustee under the senior and subordinated debt indentures. The duties and obligations of each trustee are governed by the amended and restated declaration of trust for each trust.

As issuer of the debt securities to be purchased by each trust and as sponsor of each trust, we will pay all fees, expenses, debts and obligations (other than the payment of distributions and other payments on the preferred securities) related to each trust and any offering of each trust's preferred securities and will pay, directly or indirectly, all ongoing costs, expenses and liabilities of each trust. The registered offices of the trusts in Delaware are c/o BNY Mellon Trust of Delaware, White Clay Center, Route 273, Newark, Delaware 19711, and their telephone number is (302) 283-8905.

The accounting treatment of the trusts will be specified in the applicable prospectus supplement.

USE OF PROCEEDS

We intend to use the net proceeds from the sale or resale of the securities referenced in this prospectus for (a) general corporate purposes, which may include, among other things, working capital, contributions of capital to our insurance underwriting and other subsidiaries, capital expenditures, the repurchase of shares of Common Stock, the repayment of short-term borrowings or other debt or acquisitions, or (b) any other purpose disclosed in the applicable prospectus supplement. Unless otherwise indicated in an accompanying prospectus supplement, the trusts will use all proceeds received from the sale of their preferred securities to purchase our senior or subordinated debt securities.

DESCRIPTION OF DEBT SECURITIES WE MAY OFFER

The following briefly summarizes some provisions of our senior debt indenture and our subordinated debt indenture that would be important to holders of debt securities. The following description may not be complete, may be supplemented in prospectus supplements, and is subject to, and qualified in its entirety by reference to, the terms and provisions of our senior debt indenture and our subordinated debt indenture that are exhibits to the registration statement that contains this prospectus.

Overview

We may issue senior or subordinated debt securities. Neither the senior debt securities nor the subordinated debt securities will be secured by any of our property or assets. Thus, by owning a debt security, you are one of our unsecured creditors.

The senior debt securities will constitute part of our senior debt, will be issued under a senior debt indenture described below and will rank equally with all of our other unsecured and unsubordinated obligations.

The subordinated debt securities will constitute part of our subordinated debt, will be issued under a subordinated debt indenture described below and will be subordinate in right of payment to all of our “senior indebtedness”, as defined in the subordinated debt indenture. Neither indenture limits our ability to incur additional senior indebtedness.

In this prospectus, “debt securities” refers to both the senior debt securities and the subordinated debt securities.

We are a Holding Company

Because we are a holding company, our right to participate in any distribution of assets of any of our subsidiaries, including The Prudential Insurance Company of America, upon the subsidiary’s liquidation or reorganization or otherwise, is subject to the prior claims of its creditors, except to the extent we may be recognized as a creditor of that subsidiary. Accordingly, our obligations under the debt securities will be effectively subordinated to all existing and future indebtedness and liabilities of our subsidiaries, including liabilities under contracts of insurance and annuities written by our insurance subsidiaries, and you, as holders of debt securities, should look only to our assets for payment thereunder.

Indentures and Trustees

Our senior debt securities and our subordinated debt securities each are governed by a document called an indenture—the senior debt indenture, in the case of the senior debt securities, and the subordinated debt indenture, in the case of the subordinated debt securities. The senior debt indenture is a contract between us and The Bank of New York Mellon, as successor to JPMorgan Chase Bank, N.A., which acts as trustee. The subordinated debt indenture is a contract between us and The Bank of New York Mellon (formerly known as The Bank of New York), which acts as trustee. The indentures are substantially identical, except for the covenant described below under “—Restrictive Covenants—Limitation on Liens and Other Encumbrances on Voting Stock of Designated Subsidiary”, which is included only in the senior debt indenture, and the event of default described below relating to sinking fund obligations and the provisions relating to subordination, which are included only in the subordinated debt indenture.

Reference to the indenture or the trustee with respect to any debt securities means the indenture under which those debt securities are issued and the trustee under that indenture.

The trustee has two main roles:

- First, the trustee can enforce your rights against us if we default on our obligations under the terms of the applicable indenture or the debt securities. There are some limitations on the extent to which the

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trustee acts on your behalf, described later under “—Default and Related Matters—Events of Default—Remedies if an Event of Default Occurs”; and

- Second, the trustee performs administrative duties for us, such as sending you interest payments, transferring your debt securities to a new holder if you sell them and sending you notices.

The indentures and their associated documents contain the full legal text of the matters described in this section. A copy of the senior debt indenture, the second and third supplemental indentures to the senior debt indenture and the subordinated debt indenture appear as exhibits to our registration statement. See “Where You Can Find More Information” for information on how to obtain a copy.

Different Series of Debt Securities

We may issue as many distinct series of debt securities under either indenture as we wish. The provisions of each indenture allow us not only to issue debt securities with terms different from those of debt securities previously issued under that indenture, but also to “reopen” a previously issued series of debt securities and issue additional debt securities of that series. This section summarizes the material terms of the debt securities that are common to all series, although the prospectus supplement which describes the terms of each series of debt securities will also describe any differences with the material terms summarized here.

Because this section is a summary, it does not describe every aspect of the debt securities. This summary is subject to and qualified in its entirety by reference to all the provisions of the indentures, including definitions of some of the terms used in the indentures. We discuss only the more important terms in this prospectus. Whenever we refer to the defined terms of the indentures in this prospectus or in a prospectus supplement, those defined terms are incorporated by reference here or in the prospectus supplement. You must look to the indentures for the most complete description of what we describe in summary form in this prospectus.

This summary also is subject to and qualified by reference to the description of the particular terms of your series described in the prospectus supplement. Those terms may vary from the terms described in this prospectus. The prospectus supplement relating to each series of debt securities will be attached to the front of this prospectus. There may also be a further prospectus supplement, known as a pricing supplement, which contains the precise terms of debt securities you are offered.

Tax Treatment of Original Issue Discount and Other Debt Securities

The prospectus supplement relating to specific debt securities will describe the U.S. federal income tax considerations applicable to such specific debt securities. We may issue debt securities as original issue discount securities, which are securities that are offered and sold at a substantial discount to their stated principal amount and which may provide that, upon redemption or acceleration of maturity, an amount less than their principal amounts will be payable. An original issue discount debt security may be a zero-coupon debt security. A debt security issued at a discount to its principal may, for U.S. federal income tax purposes, be considered an original issue discount debt security, regardless of the amount payable upon redemption or acceleration of maturity. The prospectus supplement relating to original issue discount securities will describe U.S. federal income tax consequences and other special considerations applicable to them. We also may issue debt securities as indexed securities or securities denominated in foreign currencies, currency units or composite currencies, which may trigger special U.S. federal income tax, accounting and other consequences, all as described in more detail in the prospectus supplement relating to any of the particular debt securities.

A Prospectus Supplement Will Describe the Specific Terms of a Series of Debt Securities

The specific financial, legal and other terms particular to a series of debt securities will be described in the prospectus supplement and the pricing supplement relating to the series. The prospectus supplement relating to a series of debt securities will describe the following terms of the series:

- the title of the series of debt securities;

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- whether it is a series of senior debt securities or a series of subordinated debt securities;
- if the series of debt securities are subordinated debt securities, whether the subordination provisions summarized below or different subordination provisions will apply;
- the aggregate principal amount of the series of debt securities and any limit thereon;
- the person to whom interest on a debt security is payable, if that person is not a holder on the regular record date;
- the date or dates on which the series of debt securities will mature;
- the price at which we originally issue your debt security, expressed as a percentage of the principal amount, and the original issue date;
- the rate or rates, which may be fixed, variable or indexed, per annum at which the series of debt securities will bear interest, if any, and the date or dates from which that interest, if any, will accrue;
- the place or places where the principal of (and premium, if any) and interest on the debt securities is payable;
- the dates on which interest, if any, on the series of debt securities will be payable and the regular record dates for the interest payment dates;
- if the series of debt securities are subordinated debt securities, the right, if any, to defer payment of interest or extend the interest payment periods and the duration of any such deferral or extension period, including the maximum consecutive period during which interest payment periods may be extended;
- any mandatory or optional sinking funds or analogous provisions or provisions for redemption at our option or the option of the holder;
- the date, if any, on or after which and the price or prices at which the series of debt securities may, in accordance with any optional or mandatory redemption provisions, be redeemed and the other detailed terms and provisions of those optional or mandatory redemption provisions, if any;
- if the debt securities may be converted into or exercised or exchanged for our Common Stock or preferred stock or any other of our securities, or of securities of any third party, the terms on which conversion, exercise or exchange may occur, including whether conversion, exercise or exchange is mandatory, at the option of the holder or at our option, the date on or the period during which conversion, exercise or exchange may occur, the initial conversion, exercise or exchange price or rate and the circumstances or manner in which the amount of Common Stock or preferred stock or such other securities issuable upon conversion, exercise or exchange may be adjusted;
- whether the debt securities are subject to mandatory or optional remarketing or other mandatory or optional resale provisions, and, if applicable, the date or period during which a resale may occur, any conditions to the resale and any right of a holder to substitute securities for the securities subject to resale;
- the denominations in which the series of debt securities will be issuable, including if other than in denominations of \$1,000 and any integral multiple thereof;
- if other than the principal amount thereof, the portion of the principal amount of the series of debt securities which will be payable upon the declaration of acceleration of the maturity of that series of debt securities;
- the currency or currencies, including currency units or composite currencies, of payment of principal, premium, if any, and interest on the series of debt securities and any special considerations relating to that currency or those currencies;
- if the currency or currencies, including currency units or composite currencies, of payment for principal, premium, if any, and interest on the series of debt securities is subject to our or a holder's election, the currency or currencies in which payment can be made and the period within which, and the terms and conditions upon which, the election can be made;

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- any index, formula or other method used to determine the amount of payment of principal or premium, if any, and interest, if any, on the series of debt securities;
- the applicability of the provisions described below under “—Restrictive Covenants” and “—Defeasance”;
- any event of default under the series of debt securities if different from those described below under “—Default and Related Matters—Events of Default—What Is an Event of Default?”;
- if the series of debt securities will be issuable only in the form of a global security, as described below under “—Legal Ownership—Global Securities”, the depository or its nominee with respect to the series of debt securities and the circumstances under which the global security may be registered for transfer or exchange in the name of a person other than the depository or its nominee;
- if applicable, a discussion of U.S. federal income tax considerations applicable to specific debt securities;
- any proposed listing of the series of debt securities on any securities exchange; and
- any other special feature of the series of debt securities.

Those terms may vary from the terms described here. Accordingly, this summary also is subject to and qualified by reference to the description of the terms of the series described in the applicable prospectus supplement.

Legal Ownership

Street Name and Other Indirect Holders

We generally will not recognize investors who hold debt securities in accounts at banks or brokers in “street name” as legal holders of debt securities. Instead, we would recognize only the bank or broker, or the financial institution the bank or broker uses to hold its debt securities. These intermediary banks, brokers and other financial institutions pass along principal, interest and other payments on the debt securities, either because they agree to do so in their customer agreements or because they are legally required to do so. If you hold debt securities in street name, you are responsible for checking with your own institution to find out:

- how it handles securities payments and notices;
- how it would handle a request for the holders’ consent if ever required;
- whether it imposes fees or charges;
- how it would handle voting if ever required;
- whether and how you can instruct it to send you debt securities registered in your own name so you can be a direct holder as described below; and
- how it would pursue rights under the debt securities if there were a default or other event triggering the need for holders to act to protect their interests.

Direct Holders

Our obligations, as well as the obligations of the trustee and those of any third parties employed by us or the trustee, run only to persons or entities who are the direct holders of debt securities, which means those who are registered as holders of debt securities. As noted above, we will not have obligations to you if you hold in street name or through other indirect means, either because you choose to hold debt securities in that manner or because the debt securities are issued in the form of global securities as described below. For example, once we make payment to the registered holder, we will have no further responsibility for that payment even if that registered holder is legally required to pass the payment along to you as a street name holder but does not do so.

Global Securities

What Is a Global Security? A global security is a special type of indirectly held security, as described above under “—Street Name and Other Indirect Holders”.

If we choose to issue debt securities in the form of global securities, the ultimate beneficial owners can only be indirect holders. We do this by requiring that the global security be registered in the name of a financial institution we select and by requiring that the debt securities included in the global security not be transferred to the name of any other direct holder unless the special circumstances described below occur. The financial institution that acts as the sole direct holder of the global security is called the depositary.

Any person wishing to own a debt security included in the global security must do so indirectly by virtue of an account with a broker, bank or other financial institution that in turn has an account with the depositary. The prospectus supplement will indicate whether your series of debt securities will be issued only in the form of global securities.

Special Investor Considerations for Global Securities. As an indirect holder, an investor’s rights relating to a global security will be governed by the account rules of the investor’s financial institution and of the depositary, as well as general laws relating to securities transfers. We will not recognize this type of investor as a registered holder of debt securities and instead deal only with the depositary that holds the global security.

If you are an investor in debt securities that are issued only in the form of global securities, you should be aware that:

- you cannot get debt securities registered in your own name except in certain limited circumstances as described below under “—Special Situations When Global Security Will Be Terminated”;
- you cannot receive physical certificates for your interest in the debt securities;
- you will be a street name holder and must look to your own bank or broker for payments on the debt securities and protection of your legal rights relating to the debt securities. See “—Street Name and Other Indirect Holders”;
- you may not be able to sell interests in the debt securities to some insurance companies and other institutions that are required by law to own their securities in the form of physical certificates;
- the depositary’s policies will govern payments, transfers, exchange and other matters relating to your interest in the global security. We and the trustee have no responsibility for any aspect of the depositary’s actions or for its records of ownership interests in the global security. We and the trustee also do not supervise the depositary in any way; and
- the depositary will require that interests in a global security be purchased or sold within its system using same-day funds for settlement.

Special Situations When Global Security Will Be Terminated. In a few special situations described below, the global security will terminate and interests in it will be exchanged for physical certificates representing debt securities. After that exchange, the choice of whether to hold debt securities directly or in street name will be up to you. You must consult your own bank or broker to find out how to have your interests in debt securities transferred to your own name, so that you will be a direct holder.

The special situations for termination of a global security are:

- when the depositary notifies us that it is unwilling, unable or no longer qualified to continue as depositary;
- when we notify the trustee that we wish to terminate (subject to the procedures of the depositary) the global security; or
- when an event of default on the debt securities has occurred and has not been cured.

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Defaults are discussed later under “—Default and Related Matters”.

The prospectus supplement may also list additional situations for terminating a global security that would apply only to the particular series of debt securities covered by the prospectus supplement. When a global security terminates, the depositary, not we or the trustee, is responsible for deciding the names of the institutions that will be the initial direct holders.

In the remainder of this description, “you” means direct holders and not street name or other indirect holders of debt securities. Indirect holders should read the previous subsection entitled “—Street Name and Other Indirect Holders”.

Overview of the Remainder of this Description

The remainder of this description summarizes:

- additional mechanics relevant to our debt securities under normal circumstances, such as how you transfer ownership and where we make payments;
- your rights under several special situations, such as if we merge with another company or if we want to change a term of the debt securities;
- subordination provisions in the subordinated debt indenture that may prohibit us from making payments on those securities;
- a restrictive covenant contained in the senior debt indenture that restricts our ability to incur liens and other encumbrances on the Common Stock of some of our subsidiaries. A particular series of debt securities may have additional, fewer or different restrictive covenants;
- situations in which we may invoke the provisions relating to defeasance;
- your rights if we default or experience other financial difficulties;
- conversion or exchange rights;
- redemption; and
- our relationship with the trustee.

Additional Mechanics

Form, Exchanges and Transfer of our Debt Securities

Form. The debt securities will be issued:

- only in fully registered form;
- without interest coupons; and
- unless otherwise indicated in the applicable prospectus supplement, in denominations that are integral multiples of \$1,000.

You may have your debt securities broken into more debt securities of smaller denominations or combined into fewer debt securities of larger denominations, as long as the total principal amount is not changed. This is called an exchange. You may not exchange your debt securities for securities of a different series or having different terms, unless your prospectus supplement says you may.

Exchanges and Transfers. You may exchange or transfer debt securities at the office of the trustee. You may also replace lost, stolen, destroyed or mutilated debt securities at that office. The trustee acts as our agent for registering debt securities in the names of holders and transferring debt securities. We may change this

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appointment to another entity or perform the service ourselves. The entity performing the role of maintaining the list of registered direct holders is called the “security registrar”. It will also register transfers of the debt securities.

You will not be required to pay a service charge to transfer or exchange debt securities, but you may be required to pay for any tax or other governmental charge associated with the exchange or transfer. The transfer or exchange will only be made if the security registrar is satisfied with your proof of ownership.

If we designate additional transfer agents, they will be named in the prospectus supplement. We may cancel the designation of any particular transfer agent. We may also approve a change in the office through which any transfer agent acts.

If the debt securities are redeemable and we redeem less than all of the debt securities of a particular series, we may block the transfer or exchange of debt securities during the period beginning 15 days before the day we mail the notice of redemption and ending on the day of that mailing, in order to freeze the list of holders to prepare the mailing. We may also refuse to register transfers or exchanges of debt securities selected for redemption, except that we will continue to permit transfers and exchanges of the unredeemed portion of any debt security being partially redeemed.

Payment and Paying Agents

We will pay interest to you if you are a direct holder listed in the trustee’s records at the close of business on a particular day, called the “regular record date”, in advance of each due date for interest, even if you no longer own the debt security on the interest due date. The regular record date is usually about two weeks in advance of the interest due date and is stated in the prospectus supplement. Holders buying and selling debt securities must work out between them how to compensate for the fact that we will pay all the interest for an interest period to the one who is the registered holder on the regular record date. The most common manner is to adjust the sales price of the debt securities to prorate interest fairly between buyer and seller. This prorated interest amount is called accrued interest.

We will pay interest, principal and any other money due on the debt securities at the corporate trust office of the trustee in The City of New York. That office is currently located at 101 Barclay Street, 8W, New York, New York 10286. You must make arrangements to have your payments picked up at or wired from that office. We may also choose to pay interest by mailing checks.

If you are a street name holder or other indirect holder, you should consult your bank or your broker for information on how you will receive payments.

We may also arrange for additional payment offices, and may cancel or change these offices, including our use of the trustee’s corporate trust office. These offices are called paying agents. We may also choose to act as our own paying agent. We must notify you of changes in the paying agents for any particular series of debt securities.

Notices

We and the trustee will send notices regarding the debt securities only to direct holders, using their addresses as listed in the trustee’s records.

Unclaimed Payments

Regardless of who acts as paying agent, all money paid by us to a paying agent that remains unclaimed at the end of one year after the amount is due to direct holders will be repaid to us. After that one-year period, you may look only to us for payment and not to the trustee, any other paying agent or anyone else.

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Special Situations

Mergers and Similar Events

We are generally permitted to consolidate or merge with another company or firm. We are also permitted to sell or lease substantially all of our assets to another company or firm, or to buy or lease substantially all of the assets of another company or firm. However, we may not take any of these actions unless the following conditions, among others, are met:

- If we merge out of existence or sell or lease substantially all our assets, the other company or firm may not be organized under a foreign country's laws; that is, it must be a corporation, partnership or trust organized under the laws of a State of the United States or the District of Columbia or under federal law, and it must agree to be legally responsible for the debt securities.
- The merger, sale of assets or other transaction must not cause a default on the debt securities, and we must not already be in default, unless the merger or other transaction would cure the default. For purposes of this no-default test, a default would include an event of default that has occurred and not been cured. A default for this purpose would also include any event that would be an event of default if the requirements for giving us notice of our default or our default having to exist for a specific period of time were disregarded.
- It is possible that the merger, sale of assets or other transaction would cause some of our property to become subject to a mortgage or other legal mechanism giving lenders preferential rights in that property over other lenders, including the direct holders of the senior debt securities, or over our general creditors if we fail to pay them back. We have promised in our senior debt indenture to limit these preferential rights on voting stock of any designated subsidiary, called liens, as discussed under “—Restrictive Covenants—Limitation on Liens and Other Encumbrances on Voting Stock of Designated Subsidiary”. If a merger or other transaction would create any liens on the voting stock of our designated subsidiary, we must comply with that restrictive covenant. We would do this either by deciding that the liens were permitted, or by following the requirements of the restrictive covenant to grant an equivalent or higher-ranking lien on the same voting stock to the direct holders of the senior debt securities.

Modification and Waiver

There are four types of changes we can make to either indenture and the applicable series of debt securities issued under that indenture.

Changes Requiring Your Approval. First, there are changes that cannot be made to your debt securities without your specific approval. Following is a list of those types of changes:

- change to the payment due date of the principal or interest on a debt security;
- reduction of any amounts due on a debt security;
- reduction of the amount of principal payable upon acceleration of the maturity of a debt security, including the amount payable on an original issue discount security, following a default;
- change to the place or currency of payment on a debt security;
- impairment of your right to sue for payment of any amount due on your debt security;
- impairment of any right that you may have to exchange or convert the debt security for or into other securities or property;
- reduction of the percentage of direct holders of debt securities whose consent is needed to modify or amend the applicable indenture;

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- reduction of the percentage of direct holders of debt securities whose consent is needed to waive our compliance with certain provisions of the applicable indenture or to waive certain defaults; and
- modification of any other aspect of the provisions dealing with modification and waiver of the applicable indenture.

Changes Requiring a Majority Vote. The second type of change to a particular indenture and the debt securities is the kind that requires a vote in favor by direct holders of debt securities owning a majority of the principal amount of each series affected thereby. Most changes, including waivers, as described below, fall into this category, except for changes noted above as requiring the approval of the holders of each security affected thereby, and, as noted below, changes not requiring approval.

Each indenture provides that a supplemental indenture which changes or eliminates any covenant or other provision of the applicable indenture which has expressly been included solely for the benefit of one or more particular series of securities, or which modifies the rights of the holders of securities of such series with respect to such covenant or other provision, shall be deemed not to affect the rights under the applicable indenture of the holders of securities of any other series.

Changes Not Requiring Approval. The third type of change does not require any vote by holders of debt securities. This type is limited to clarifications and certain other changes referenced in our indentures that would not adversely affect holders of the debt securities.

Changes by Waiver Requiring a Majority Vote. Fourth, we need the approval of direct holders of senior debt securities owning a majority of the principal amount of the particular series affected to obtain a waiver of certain of the restrictive covenants, including the one described below under “—Restrictive Covenants—Limitation on Liens and Other Encumbrances on Voting Stock of Designated Subsidiaries”. We also need such majority approval to obtain a waiver of any past default, except a payment default listed in the first category described later under “—Default and Related Matters—Events of Default”.

Modification of Subordination Provisions. In addition, we may not modify the subordination provisions of the subordinated debt indenture in a manner that would adversely affect the outstanding subordinated debt securities of any one or more series in any material respect without the consent of the direct holders of a majority in aggregate principal amount of each affected series.

Further Details Concerning Voting. When taking a vote, we will use the following rules to decide how much principal amount to attribute to a debt security:

- for original issue discount securities, we will use the principal amount that would be due and payable on the voting date if the maturity of the debt securities were accelerated to that date because of a default;
- for debt securities whose principal amount is not known, for example, because it is based on an index, we will use a special rule for that debt security described in the applicable prospectus supplement; or
- for debt securities denominated in one or more foreign currencies, currency units or composite currencies, we will use the U.S. dollar equivalent.

Debt securities will not be considered outstanding, and therefore will not be eligible to vote, if we have deposited or set aside in trust for you money for their payment or redemption. Debt securities will also not be eligible to vote if they have been fully defeased as described below under “—Defeasance—Full Defeasance”.

We will generally be entitled to set any day as a record date for the purpose of determining the direct holders of outstanding debt securities that are entitled to vote or take other action under the applicable indenture. In some circumstances, the trustee will be entitled to set a record date for action by direct holders. If we or the trustee set a record date for a vote or other action to be taken by holders of a particular series, that vote or action may be taken only by persons who are direct holders of outstanding securities of that series on the record date and must be taken within 90 days following the record date.

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If you are a street name holder or other indirect holder, you should consult your bank or broker for information on how you may grant or deny approval if we seek to change an indenture or the debt securities or request a waiver.

Subordination Provisions

Direct holders of subordinated debt securities must recognize that contractual provisions in the subordinated debt indenture may prohibit us from making payments on those securities. Subordinated debt securities are subordinate and junior in right of payment, to the extent and in the manner stated in the subordinated debt indenture, to all of our senior indebtedness, as defined in the subordinated debt indenture, including all debt securities we have issued and will issue under the senior debt indenture.

Senior Indebtedness

Under the subordinated debt indenture, “senior indebtedness” includes all of our obligations to pay principal, premium, if any, interest, penalties, fees and other charges:

- for borrowed money;
- in the form of or evidenced by other instruments, including obligations incurred in connection with our purchase of property, assets or businesses;
- under capital leases;
- under letters of credit, bankers’ acceptances or similar facilities;
- issued or assumed in the form of a deferred purchase price of property or services, such as master leases;
- under swaps and other hedging arrangements; and
- pursuant to our guarantee of another entity’s obligations and all dividend obligations guaranteed by us.

The following types of our indebtedness will not rank senior to the subordinated debt securities:

- indebtedness incurred in the form of trade accounts payable or accrued liabilities arising in the ordinary course of business;
- indebtedness which, by its terms, expressly provides that it does not rank senior to the subordinated debt securities;
- indebtedness we owe to a subsidiary of ours; and
- indebtedness we owe to any trust, including Prudential Financial Capital Trust II and Prudential Financial Capital Trust III, or a trustee of such trust, partnership or other entity affiliated with us, that is our financing vehicle, and which has issued equity securities or other securities that are similar to the preferred securities, unless the terms of that indebtedness expressly provide otherwise.

Payment Restrictions on our Subordinated Debt

The subordinated debt indenture provides that, unless all principal of and any premium or interest on the senior indebtedness has been paid in full, no payment or other distribution may be made in respect of any subordinated debt securities in the following circumstances:

- in the event of any insolvency or bankruptcy proceedings, or any receivership, liquidation, reorganization, assignment for creditors or other similar proceedings or events involving us or our assets; or

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- (a) in the event and during the continuation of any default in the payment of principal, premium, if any, or interest on any senior indebtedness beyond any applicable grace period, (b) in the event that any event of default with respect to any senior indebtedness has occurred and is continuing, permitting the direct holders of that senior indebtedness (or a trustee) to accelerate the maturity of that senior indebtedness, whether or not the maturity is in fact accelerated (unless, in the case of either (a) or (b), the payment default or event of default has been cured or waived or ceased to exist and any related acceleration has been rescinded), or (c) in the event that any judicial proceeding is pending with respect to a payment default or event of default described in (a) or (b).

If the trustee under the subordinated debt indenture or any direct holders of the subordinated debt securities receive any payment or distribution that is prohibited under the subordination provisions, then the trustee or the direct holders will have to repay that money to the direct holders of the senior indebtedness.

Even if the subordination provisions prevent us from making any payment when due on the subordinated debt securities of any series, we will be in default on our obligations under that series if we do not make the payment when due. This means that the trustee under the subordinated debt indenture and the direct holders of that series can take action against us, but they will not receive any money until the claims of the direct holders of senior indebtedness have been fully satisfied.

Restrictive Covenants

General

We have made certain promises in each indenture called covenants where, among other things, we promise to maintain our corporate existence and all licenses and material permits necessary for our business. In addition, in the senior debt indenture, but not in the subordinated debt indenture, we have made the promise described in the next paragraph.

Limitation on Liens and Other Encumbrances on Voting Stock of Designated Subsidiary

Some of our property may be subject to a mortgage or other legal mechanism that gives our lenders preferential rights in that property over other lenders, including the direct holders of the senior debt securities, or over our general creditors if we fail to pay them back. These preferential rights are called liens. In the senior debt indenture, we promise not to create, issue, assume, incur or guarantee any indebtedness for borrowed money that is secured by an encumbrance such as a mortgage, pledge, lien, security interest or other encumbrance on the common stock of our designated subsidiary, of any successor to substantially all of the business of the designated subsidiary which is also a subsidiary of Prudential Financial, or of any corporation, other than Prudential Financial, directly or indirectly controlling the designated subsidiary. We do not need to comply with this restriction if we also secure all the senior debt securities that are deemed outstanding under the senior debt indenture equally with, or prior to, the indebtedness being secured, together with, if we so choose, any of our designated subsidiary's other indebtedness. This restriction, however, does not apply to the \$1,750,000,000 aggregate principal amount of notes of Prudential Holdings, LLC, which are secured by an encumbrance on common stock of the designated subsidiary. This promise does not restrict our ability to sell or otherwise dispose of our interests in our designated subsidiary.

Our designated subsidiary means The Prudential Insurance Company of America.

Defeasance

The following discussion of full defeasance and covenant defeasance will apply to your series of debt securities only if we choose to have them apply to that series. If we do so choose, we will state that in the applicable prospectus supplement.

Full Defeasance

If there is a change in U.S. federal income tax law, as described below, we can legally release ourselves from any payment or other obligations on the debt securities, called full defeasance, if we put in place the following arrangements for you to be repaid:

- we must deposit in trust for your benefit and the benefit of all other direct holders of the debt securities a combination of money and U.S. government or U.S. government agency notes or bonds that will generate enough cash to make interest, principal and any other payments on the debt securities on their various due dates;
- there must be a change in current U.S. federal income tax law or a U.S. Internal Revenue Service ruling that lets us make the above deposit without causing you to be taxed on the debt securities any differently than if we did not make the deposit and just repaid the debt securities ourselves. (Under current federal tax law, the deposit and our legal release from the debt securities would be treated as though we took back your debt securities and gave you your share of the cash and notes or bonds deposited in trust. In that event, you could recognize gain or loss on the debt securities you give back to us.);
- we must deliver to the trustee a legal opinion of our counsel confirming the tax law change described above; and
- in the case of the subordinated debt securities, the following requirements must also be met:
 - no event or condition may exist that, under the provisions described above under “—Subordination Provisions”, would prevent us from making payments of principal, premium or interest on those subordinated debt securities on the date of the deposit referred to above or during the 90 days after that date; and
 - we must deliver to the trustee an opinion of counsel to the effect that (a) the trust funds will not be subject to any rights of direct holders of senior indebtedness and (b) after the 90-day period referred to above, the trust funds will not be subject to any applicable bankruptcy, insolvency, reorganization or similar laws affecting creditors’ rights generally, except that if a court were to rule under any of those laws in any case or proceeding that the trust funds remained our property, then the relevant trustee and the direct holders of the subordinated debt securities would be entitled to some enumerated rights as secured creditors in the trust funds.

If we ever did accomplish full defeasance, as described above, you would have to rely solely on the trust deposit for repayment on the debt securities. In addition, in the case of subordinated debt securities, the provisions described above under “—Subordination Provisions” would not apply. You could not look to us for repayment in the event of any shortfall. Conversely, the trust deposit would most likely be protected from claims of our lenders and other creditors if we ever become bankrupt or insolvent.

Covenant Defeasance

Under current U.S. federal income tax law, we can make the same type of deposit described above and be released from some of the restrictive covenants in the debt securities without causing tax consequences to you. This type of release is called covenant defeasance. If we ever accomplished covenant defeasance, you would lose the protection of those restrictive covenants but would gain the protection of having money and securities set aside in trust to repay the debt securities. In order to achieve covenant defeasance, we must do the following:

- we must deposit in trust for your benefit and the benefit of all other direct holders of the debt securities a combination of money and U.S. government or U.S. government agency notes or bonds that will generate enough cash to make interest, principal and any other payments on the debt securities on their various due dates; and
- we must deliver to the trustee a legal opinion of our counsel confirming that under current federal income tax law we may make the above deposit without causing you to be taxed on the debt securities any differently than if we did not make the deposit and just repaid the debt securities ourselves.

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If we accomplish covenant defeasance, the following provisions, among others, of the indentures and the debt securities would no longer apply:

- our promises regarding conduct of our business previously described above under “—Restrictive Covenants—Limitation on Liens and Other Encumbrances on Voting Stock of Designated Subsidiary”, and any other covenants applicable to the series of debt securities and described in the prospectus supplement;
- the condition regarding the treatment of liens when we merge or engage in similar transactions, as described above under “—Special Situations—Mergers and Similar Events”; and
- the events of default relating to breach of covenants, described below under “—Default and Related Matters—Events of Default—What Is an Event of Default?”.

In addition, in the case of subordinated debt securities, the provisions described above under “—Subordination Provisions” will not apply if we accomplish covenant defeasance.

If we accomplish covenant defeasance, you could still look to us for repayment of the debt securities if there were a shortfall in the trust deposit. In fact, if one of the remaining events of default occurs, such as our bankruptcy, and the debt securities become immediately due and payable, there may be a shortfall in the trust deposit. Depending on the event causing the default, you may not be able to obtain payment of the shortfall.

Default and Related Matters

The debt securities are not secured by any of our property or assets. Accordingly, your ownership of debt securities means that you are one of our unsecured creditors. The senior debt securities are not subordinated to any of our debt obligations and therefore they rank equally with all of our other unsecured and unsubordinated indebtedness. The subordinated debt securities are subordinate and junior in right of payment to all of our senior indebtedness, as defined in the subordinated debt indenture and as described above under “—Subordination Provisions”.

Events of Default

You will have special rights if an event of default occurs and is not cured or waived, as described later in this subsection.

What Is an Event of Default? The term “event of default” means any of the following:

- we do not pay the principal or any premium on a debt security on its due date;
- we do not pay interest on a debt security within 30 days of its due date;
- with respect only to subordinated debt securities, we do not deposit money into a separate custodial account, known as a sinking fund, when such deposit is due if we agree to maintain any such sinking fund;
- we remain in breach of the restrictive covenant described previously under “—Restrictive Covenants—Limitation on Liens and Other Encumbrances on Voting Stock of Designated Subsidiary” or default in the observance or performance of any other covenant, warranty or agreement contained in the applicable indenture that continues for a period of 90 days after we have received written notice specifying the default and demanding that such default be remedied from the trustee or the holders of at least 25% in principal amount of the outstanding securities of the affected series, except in the case of a default with respect to the “Consolidation, Merger and Sale of Assets” covenant, which will constitute an event of default with such notice requirement but without such passage of time requirement; provided that our failure to comply with the requirements of Section 314(a) of the Trust Indenture Act of 1939, as

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amended (the “Trust Indenture Act”), or our filing obligation, as defined below, or to file a report with the SEC as contemplated in the indenture or otherwise will not constitute an event, which with the giving of notice and the passage of time pursuant to this bullet, would constitute an event of default;

- we file for bankruptcy or certain other events of bankruptcy, insolvency or reorganization occur; or
- any other event of default described in the prospectus supplement occurs.

Remedies If an Event of Default Occurs. If you are the holder of a subordinated debt security, all remedies available to you upon the occurrence of an event of default under the subordinated debt indenture will be subject to the restrictions on the subordinated debt securities described above under “—Subordination Provisions”. If an event of default has occurred and has not been cured or waived, the trustee or the direct holders of 25% in principal amount of the debt securities of the affected series may declare the entire principal amount, or, in the case of original issue discount securities, the portion of the principal amount that is specified in the terms of the affected debt security, of all the debt securities of that series to be due and immediately payable. This is called a declaration of acceleration of maturity. However, a declaration of acceleration of maturity may be canceled by the direct holders of at least a majority in principal amount of the debt securities of the affected series.

You should refer to the prospectus supplement relating to any series of debt securities that are original issue discount securities for the particular provisions relating to acceleration of the maturity of a portion of the principal amount of original issue discount securities upon the occurrence of an event of default and its continuation.

Except in cases of default, where the trustee has some special duties, the trustee is not required to take any action under the indentures at the request of any holders unless the direct holders offer the trustee reasonable protection from expenses and liability, called an indemnity. If reasonable indemnity is provided, the direct holders of a majority in principal amount of the outstanding debt securities of the relevant series may direct the time, method and place of conducting any lawsuit or other formal legal action seeking any remedy available to the trustee. These majority direct holders may also direct the trustee in performing any other action under the applicable indenture with respect to the debt securities of that series.

Before you bypass the trustee and bring your own lawsuit or other formal legal action or take other steps to enforce your rights or protect your interests relating to the debt securities, the following must occur:

- you must give the trustee written notice that an event of default has occurred and remains uncured;
- the direct holders of 25% in principal amount of all outstanding debt securities of the relevant series must make a written request that the trustee take action because of the default, and must offer reasonable indemnity to the trustee against the cost and other liabilities of taking that action;
- the trustee must have not received from direct holders of a majority in principal amount of the outstanding debt securities of that series a direction inconsistent with the written notice; and
- the trustee must have not taken action for 60 days after receipt of the above notice and offer of indemnity.

You are, however, entitled at any time to bring a lawsuit for the payment of money due on your debt security on or after its due date.

If you are a street name holder or other indirect holder, you should consult your bank or your broker for information on how to give notice or direction to or make a request of the trustee and to make or cancel a declaration of acceleration.

We will furnish to the trustee every year a written statement of certain of our officers certifying that to their knowledge we are in compliance with the applicable indenture and the debt securities issued under it, or else specifying any default.

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Reports

The indentures provide that any documents or reports that we may be required to file with the SEC pursuant to Section 13 or 15(d) of the Exchange Act will be filed with the trustee within 15 days after we have filed those documents or reports with the SEC (the “filing obligation”). Under the Trust Indenture Act, we may have a separate obligation to file with the trustee documents or reports that we are required to file with the SEC. Our failure to comply with either the filing obligation or any such filing obligation we may have under the Trust Indenture Act is not an event that will result in an event of default under the indentures. Accordingly, acceleration of our obligations under the debt securities will not be a remedy for our failure to file those documents or reports with the trustee, and you may have no remedy for the failure other than an action for damages.

Conversion or Exchange

The terms on which debt securities of any series are convertible into or exchangeable for our Common Stock or other securities or property of ours or of third parties will be set forth in the applicable prospectus supplement. These terms will include:

- the conversion or exchange price, or manner for calculating such a price;
- the exchange or conversion period; and
- whether the conversion or exchange is mandatory, at the option of the holder, or at our option.

The terms may also include calculations pursuant to which the number of shares of our or a third party’s common stock or other securities or property to be received by the holders of debt securities would be determined according to the market price of our Common Stock or other securities or property of ours or of third parties as of a time stated in the prospectus supplement. The conversion or exchange price of any debt securities of any series that is convertible into our Common Stock may be adjusted for any stock dividends, stock splits, reclassification, combinations or similar transactions, in each case as we may describe in the applicable prospectus supplement.

Redemption

Unless we state otherwise in an applicable prospectus supplement, debt securities will not be subject to any sinking fund.

If we issue redeemable debt securities, the dates and terms on which those securities are mandatorily or optionally redeemable will be set forth in the applicable prospectus supplement. We may, as applicable, redeem any series of those debt securities after its issuance date in whole or in part at any time and from time to time. We may redeem debt securities in denominations larger than \$1,000 but only in integral multiples of \$1,000.

If a series of debt securities is redeemable, the redemption price for any debt security that we redeem will equal 100% of the principal amount plus any accrued and unpaid interest up to, but excluding, the redemption date, unless otherwise specified in the applicable prospectus supplement.

Governing Law

The indentures are, and the debt securities will be, governed by and construed in accordance with the laws of the State of New York.

Our Relationship With the Trustee

The trustee under our senior indenture is The Bank of New York Mellon, as successor to JPMorgan Chase Bank, N.A. The trustee under our subordinated indenture is The Bank of New York Mellon (formerly known as The Bank of New York). We and our subsidiaries maintain banking and other service relationships with The Bank of New York Mellon.

DESCRIPTION OF PREFERRED STOCK WE MAY OFFER

We may issue preferred stock in one or more series, as described below. The following briefly summarizes some provisions of our amended and restated certificate of incorporation that would be important to holders of our preferred stock. The following description may not be complete and is subject to, and qualified in its entirety by reference to, the terms and provisions of our amended and restated certificate of incorporation, which is an exhibit to the registration statement that contains this prospectus.

The description of most of the financial and other specific terms of your series will be in the prospectus supplement accompanying this prospectus. Those terms may vary from the terms described here.

As you read this section, please remember that the specific terms of your series of preferred stock as described in your prospectus supplement will supplement and, if applicable, may modify or replace the general terms described in this section. If there are differences between your prospectus supplement and this prospectus, your prospectus supplement will control. Thus, the statements we make in this section may not apply to your series of preferred stock.

Reference to a series of preferred stock means all of the shares of preferred stock issued as part of the same series under a certificate of designations filed as part of our amended and restated certificate of incorporation.

Our Board is Authorized to Issue Many Classes or Series of Preferred Stock

We have authorized 10,000,000 shares of preferred stock with a par value of \$0.01 per share. Under our amended and restated certificate of incorporation, our board of directors is expressly authorized, without further action by our shareholders, to provide for the issuance of all or any of the authorized shares of preferred stock in one or more classes or series and to fix for each class or series the voting powers (which means, full, limited, or no voting powers), and the distinctive designations, preferences and relative, participating, optional or other special rights and the qualifications, limitations or restrictions thereof, and to issue such shares. These rights and preferences may be superior to Common Stock as to dividends, voting rights and distributions of assets, upon liquidation or otherwise.

Without limitation, the shares of preferred stock may be convertible into, or exchangeable for, shares of any other class or classes of stock or of any other series of the same or any other class or classes of stock, if our board of directors so determines. However, our board of directors does not have the authority to issue any shares of preferred stock that are convertible into or exchangeable for shares of Class B Stock or that have dividend, liquidation or other preferences with respect to the Class B Stock but not the Common Stock or disproportionately with respect to the Class B Stock as compared to the Common Stock unless holders of a majority of the outstanding shares of Class B Stock approve. Our board of directors has the authority to change the designation or number of shares of preferred stock, or the relative rights, preferences and limitations of any class or series of preferred stock previously established and issued. Our board of directors will fix the terms of the series of preferred stock it designates by resolution adopted as may be permitted by the New Jersey Business Corporation Act before we issue any shares of the series of preferred stock.

The prospectus supplement relating to the particular series of preferred stock will contain a description of the specific terms of that series as fixed by our board of directors, including, as applicable:

- the offering price at which we will issue the preferred stock;
- the title, designation of number of shares and stated value of the preferred stock;
- the dividend rate or method of calculation, the payment dates for dividends and the place or places where the dividends will be paid, whether dividends will be cumulative or noncumulative, and, if cumulative, the dates from which dividends will begin to accumulate;

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- any conversion or exchange rights;
- whether the preferred stock will be subject to redemption and the redemption price and other terms and conditions relative to the redemption rights;
- any liquidation rights;
- any sinking fund provisions;
- any voting rights; and
- any other rights, preferences, privileges, limitations and restrictions that are not inconsistent with the terms of our amended and restated certificate of incorporation.

When we issue and receive payment for shares of preferred stock, the shares will be fully paid and nonassessable, which means that its holders will have paid their purchase price in full and that we may not ask them to surrender additional funds. Holders of preferred stock will not have any preemptive or subscription rights to acquire more of our stock. Unless otherwise specified in the prospectus supplement relating to a particular series of preferred stock, each series of preferred stock will rank equally in all respects with each other series of preferred stock and prior to our Common Stock as to dividends and any distribution of our assets.

The rights of holders of the preferred stock offered may be adversely affected by the rights of holders of any shares of preferred stock that may be issued in the future. Our board of directors may cause shares of preferred stock to be issued in public or private transactions for any proper corporate purpose and may include issuances to obtain additional financing in connection with acquisitions, and issuances to officers, directors and employees pursuant to benefit plans. Our board of directors' ability to issue shares of preferred stock may discourage attempts by others to acquire control of us without negotiation with our board of directors, as it may make it difficult for a person to acquire us without negotiating with our board of directors.

Dividends

Holders of each series of preferred stock will be entitled to receive dividends only when, as and if declared by our board of directors from funds legally available for payment of dividends. The rates and dates of payment of dividends, if any, will be set forth in the applicable prospectus supplement relating to each series of preferred stock.

Dividends will be payable to holders of record of preferred stock as they appear on our books on the record dates fixed by the board of directors. Dividends on any series of preferred stock may be cumulative or noncumulative, as set forth in the applicable prospectus supplement.

We may not declare, pay or set apart funds for payment of dividends on a particular series of preferred stock unless full dividends on any other series of preferred stock that ranks equally with or senior to the series of preferred stock have been paid or sufficient funds have been set apart for payment for either of the following:

- all prior dividend periods of the other series of preferred stock if it pays dividends on a cumulative basis; or
- the immediately preceding dividend period of the other series of preferred stock if it pays dividends on a noncumulative basis.

Partial dividends declared on shares of any series of preferred stock and other series of preferred stock ranking on an equal basis as to dividends will be declared *pro rata*. A *pro rata* declaration means that the ratio of dividends declared per share to accrued dividends per share will be the same for each series of preferred stock.

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Voting Rights

The holders of shares of preferred stock will have no voting rights, except:

- as otherwise stated in the applicable prospectus supplement;
- as otherwise stated in the certificate of designations establishing the series; or
- as required by applicable law.

Liquidation Preferences

In the event of our voluntary or involuntary liquidation, dissolution or winding-up, holders of each series of our preferred stock will have the right, as described in the applicable prospectus supplement, to receive distributions upon liquidation in the amount specified, plus an amount equal to any accrued and unpaid dividends. These distributions will be made before any distribution is made on the Common Stock or on any securities ranking junior to the preferred stock upon liquidation, dissolution or winding-up.

If the liquidation amounts payable relating to the preferred stock of any series and any other securities ranking equally regarding liquidation rights are not paid in full, the holders of the preferred stock of that series and the other securities will have the right to a ratable portion of our available assets, up to the full liquidation preference of each security. Holders of these series of preferred stock or other securities will not be entitled to any other amounts from us after they have received their full liquidation preference.

Redemption

If so specified in the applicable prospectus supplement, a series of preferred stock may be redeemable at any time, in whole or in part, at our option or the holder's, and may be mandatorily redeemed.

Any restriction on the repurchase or redemption by us of our preferred stock while we are in arrears in the payment of dividends will be described in the applicable prospectus supplement.

Any partial redemptions of preferred stock will be made in a way that our board of directors decides is equitable.

Unless we default in the payment of the redemption price, dividends will cease to accrue after the redemption date on shares of preferred stock called for redemption and all rights of holders of these shares will terminate except for the right to receive the redemption price.

Conversion or Exchange Rights

The prospectus supplement relating to any series of preferred stock that is convertible, exercisable or exchangeable will state the terms on which shares of that series are convertible into or exercisable or exchangeable for shares of Common Stock, another series of our preferred stock or any other securities registered pursuant to the registration statement of which this prospectus forms a part, or for securities of any third party.

Transfer Agent and Registrar

The transfer agent, registrar and dividend disbursement agent for the preferred stock will be stated in the applicable prospectus supplement. The registrar for shares of preferred stock will send notices to shareholders of any meetings at which holders of the preferred stock have the right to elect directors or to vote on any other matter.

DESCRIPTION OF DEPOSITARY SHARES WE MAY OFFER

The following briefly summarizes some provisions of the depositary shares and depositary receipts that we may issue from time to time and which would be important to holders of depositary receipts, other than pricing and related terms which will be disclosed in the applicable prospectus supplement. The prospectus supplement will also state whether any of the generalized provisions summarized below do not apply to the depositary shares or depositary receipts being offered, and it will provide any additional provisions applicable to the depositary shares or depositary receipts being offered, including their tax treatment. The following description and any description in a prospectus supplement may not be complete and each is subject to, and qualified in its entirety by reference to the terms and provisions of the form of deposit agreement to be filed as an exhibit to the registration statement which contains this prospectus.

Description of Depositary Shares

We may offer depositary shares evidenced by depositary receipts. Each depositary share represents a fraction or a multiple of a share of the particular series of preferred stock issued and deposited with a depositary to be designated by us. The fraction or the multiple of a share of preferred stock which each depositary share represents will be set forth in the applicable prospectus supplement.

We will deposit the preferred shares of any series of preferred stock represented by depositary shares according to the provisions of a deposit agreement to be entered into between us and a bank or trust company which we will select as our preferred stock depositary. We will name the depositary in the applicable prospectus supplement. Each holder of a depositary share will be entitled to all the rights and preferences of the underlying preferred stock in proportion to the applicable fraction or multiple of a share of preferred stock represented by the depositary share. These rights may include dividend, voting, redemption, conversion and liquidation rights. The depositary will send the holders of depositary shares all reports and communications that we deliver to the depositary and which we are required to furnish to the holders of depositary shares.

Depositary Receipts

The depositary shares will be evidenced by depositary receipts issued pursuant to the deposit agreement. Depositary receipts will be distributed to anyone who is buying the fractional shares of preferred stock in accordance with the terms of the applicable prospectus supplement.

While definitive engraved depositary receipts (certificates) are being prepared, we may instruct the depositary to issue temporary depositary receipts, which will entitle holders to all the rights of the definitive depositary receipts and be substantially in the same form. The depositary will prepare definitive depositary receipts without unreasonable delay, and we will pay for the exchange of your temporary depositary receipts for definitive depositary receipts.

Withdrawal of Preferred Stock

Unless the related depositary shares have previously been called for redemption, a holder of depositary shares may receive the number of whole shares of the related series of preferred stock and any money or other property represented by the holder's depositary receipts after surrendering the depositary receipts at the corporate trust office of the depositary, paying any taxes, charges and fees provided for in the deposit agreement and complying with any other requirement of the deposit agreement. Partial shares of preferred stock will not be issued. If the surrendered depositary shares exceed the number of depositary shares that represent the number of whole shares of preferred stock the holder wishes to withdraw, then the depositary will deliver to the holder at the same time a new depositary receipt evidencing the excess number of depositary shares. Once the holder has withdrawn the preferred stock, the holder will not be entitled to re-deposit that preferred stock under the deposit agreement or to receive depositary shares in exchange for such preferred stock. We do not expect that there will be any public trading market for withdrawn shares of preferred stock.

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Dividends and Other Distributions

The depositary will distribute to record holders of depositary shares any cash dividends or other cash distributions it receives on preferred stock, after deducting its fees and expenses. Each holder will receive these distributions in proportion to the number of depositary shares owned by the holder. The depositary will distribute only whole U.S. dollars and cents. The depositary will add any fractional cents not distributed to the next sum received for distribution to record holders of depositary shares.

In the event of a non-cash distribution, the depositary will distribute property to the record holders of depositary shares, unless the depositary determines that it is not feasible to make such a distribution. If this occurs, the depositary may, with our approval, sell the property and distribute the net proceeds from the sale to the holders.

The amounts distributed to holders of depositary shares will be reduced by any amounts required to be withheld by the depositary or by us on account of taxes or other governmental charges.

Redemption of Depositary Shares

If the series of preferred stock represented by depositary shares is subject to redemption, we will give the necessary proceeds to the depositary. The depositary will then redeem the depositary shares using the funds they received from us for the preferred stock. The redemption price per depositary share will be equal to the redemption price payable per share for the applicable series of the preferred stock and any other amounts per share payable with respect to the preferred stock multiplied by the fraction or multiple of a share of preferred stock represented by one depositary share. Whenever we redeem shares of preferred stock held by the depositary, the depositary will redeem the depositary shares representing the shares of preferred stock on the same day, provided we have paid in full to the depositary the redemption price of the preferred stock to be redeemed and any accrued and unpaid dividends. If fewer than all the depositary shares of a series are to be redeemed, the depositary shares will be selected by lot or ratably or by any other equitable methods as the depositary will decide.

After the date fixed for redemption, the depositary shares called for redemption will no longer be considered outstanding. Therefore, all rights of holders of the depositary shares will then cease, except that the holders will still be entitled to receive any cash payable upon the redemption and any money or other property to which the holder was entitled at the time of redemption. To receive this amount or other property, the holders must surrender the depositary receipts evidencing their depositary shares to the depositary. Any funds that we deposit with the depositary for any depositary shares that the holders fail to redeem will be returned to us after a period of one year from the date we deposit the funds.

Voting the Preferred Stock

Upon receipt of notice of any meeting at which the holders of preferred stock are entitled to vote, the depositary will notify holders of depositary shares of the upcoming vote and arrange to deliver our voting materials to the holders. The record date for determining holders of depositary shares that are entitled to vote will be the same as the record date for the preferred stock. The materials the holders will receive will describe the matters to be voted on and explain how the holders, on a certain date, may instruct the depositary to vote the shares of preferred stock underlying the depositary shares. For instructions to be valid, the depositary must receive them on or before the date specified. To the extent possible, the depositary will vote the shares as instructed by the holder. We agree to take all reasonable actions that the depositary determines are necessary to enable it to vote as a holder has instructed. If the depositary does not receive specific instructions from the holders of any depositary shares, it will vote all shares of that series held by it proportionately with instructions received.

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Conversion or Exchange

The depositary, with our approval or at our instruction, will convert or exchange all depositary shares if the preferred stock underlying the depositary shares is converted or exchanged. In order for the depositary to do so, we will need to deposit the other preferred stock, Common Stock or other securities into which the preferred stock is to be converted or for which it will be exchanged.

The exchange or conversion rate per depositary share will be equal to:

- the exchange or conversion rate per share of preferred stock, multiplied by the fraction or multiple of a share of preferred stock represented by one depositary share;
- plus all money and any other property represented by one depositary share; and
- including all amounts per depositary share paid by us for dividends that have accrued on the preferred stock on the exchange or conversion date and that have not been paid.

The depositary shares, as such, cannot be converted or exchanged into other preferred stock, Common Stock, securities of another issuer or any other of our securities or property. Nevertheless, if so specified in the applicable prospectus supplement, a holder of depositary shares may be able to surrender the depositary receipts to the depositary with written instructions asking the depositary to instruct us to convert or exchange the preferred stock represented by the depositary shares into other shares of our preferred stock or Common Stock or to exchange the preferred stock for any other securities registered pursuant to the registration statement of which this prospectus forms a part. If the depositary shares carry this right, we would agree that, upon the payment of any applicable fees, we will cause the conversion or exchange of the preferred stock using the same procedures as we use for the delivery of preferred stock. If a holder is only converting part of the depositary shares represented by a depositary receipt, new depositary receipts will be issued for any depositary shares that are not converted or exchanged.

Amendment and Termination of the Deposit Agreement

We may agree with the depositary to amend the deposit agreement and the form of depositary receipt without consent of the holder at any time. However, if the amendment adds or increases fees or charges, other than any change in the fees of any depositary, registrar or transfer agent, or prejudices an important right of holders, it will only become effective with the approval of holders of at least a majority of the affected depositary shares then outstanding. We will make no amendment that impairs the right of any holder of depositary shares, as described above under “—Withdrawal of Preferred Stock”, to receive shares of preferred stock and any money or other property represented by those depositary shares, except in order to comply with mandatory provisions of applicable law. If an amendment becomes effective, holders are deemed to agree to the amendment and to be bound by the amended deposit agreement if they continue to hold their depositary receipts.

The deposit agreement automatically terminates if:

- all outstanding depositary shares have been redeemed or converted or exchanged for any other securities into which they or the underlying preferred stock are convertible or exchangeable;
- each share of preferred stock has been converted into or exchanged for Common Stock; or
- a final distribution in respect of the preferred stock has been made to the holders of depositary receipts in connection with our liquidation, dissolution or winding-up.

We may also terminate the deposit agreement at any time we wish. If we do so, the depositary will give notice of termination to the record holders not less than 30 days before the termination date. Once depositary receipts are surrendered to the depositary, it will send to each holder the number of whole or fractional shares of the series of preferred stock underlying that holder's depositary receipts.

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Charges of Depositary and Expenses

We will pay the fees, charges and expenses of the depositary provided in the deposit agreement to be payable by us. Holders of depositary receipts will pay any taxes and governmental charges and any charges provided in the deposit agreement to be payable by them. If the depositary incurs fees, charges or expenses for which it is not otherwise liable at the election of a holder of a depositary receipt or other person, that holder or other person will be liable for those fees, charges and expenses.

Limitations on Our Obligations and Liability to Holders of Depositary Receipts

The deposit agreement expressly limits our obligations and the obligations of the depositary. It also limits our liability and the liability of the depositary as follows:

- we and the depositary are only liable to the holders of depositary receipts for negligence or willful misconduct;
- we and the depositary have no obligation to become involved in any legal or other proceeding related to the depositary receipts or the deposit agreement on your behalf or on behalf of any other party, unless you provide us with satisfactory indemnity; and
- we and the depositary may rely upon any written advice of counsel or accountants and on any documents we believe in good faith to be genuine and to have been signed or presented by the proper party.

Resignation and Removal of Depositary

The depositary may resign at any time by notifying us of its election to do so. In addition, we may remove the depositary at any time. Within 60 days after the delivery of a notice of resignation or removal of the depositary, we will appoint a successor depositary.

DESCRIPTION OF OUR COMMON STOCK

The following briefly summarizes some provisions of our amended and restated certificate of incorporation and amended and restated by-laws that would be important to holders of our Common Stock. The following description may not be complete and is subject to, and qualified in its entirety by reference to, the terms and provisions of our amended and restated certificate of incorporation and amended and restated by-laws which are exhibits to the registration statement that contains this prospectus. See “Where You Can Find More Information” for information about where you can obtain a copy of these documents.

Our Common Stock

We have authorized 1,500,000,000 shares of Common Stock with a par value of \$0.01 per share. Our authorized capital also consists of 10,000,000 shares of another class of common stock, the Class B Stock. The Common Stock and the Class B Stock are separate classes of common stock under New Jersey corporate law. We are not offering any Class B Stock by means of this prospectus. The Common Stock reflects the performance of the Financial Services Businesses and the Class B Stock reflects the performance of the Closed Block Business. As of March 9, 2009, approximately 422,300,000 shares of Common Stock were outstanding. The outstanding shares of Common Stock are, and the shares of Common Stock offered by this prospectus when issued will be, fully paid and non-assessable. As of the date of this prospectus, 2,000,000 shares of Class B Stock are outstanding, all of which are beneficially owned by American International Group, Inc. and Pacific Life Corp. References in this prospectus to our Common Stock do not include Class B Stock.

Our Common Stock is listed on the New York Stock Exchange under the symbol “PRU”.

Dividend Rights

Holders of Common Stock and of Class B Stock may receive cash dividends as declared by our board of directors out of funds legally available for that purpose, subject to the rights of any holders of any preferred stock. To the extent dividends are paid on the Class B Stock, shares of Class B Stock are repurchased or the Closed Block Business has net losses, the amount legally available for dividends on the Common Stock will be reduced.

In addition, payment of dividends is subject to the following additional conditions:

- holders of Common Stock are entitled to receive dividends only out of the assets of the Financial Services Businesses that are legally available therefor under the New Jersey Business Corporation Act as if the Financial Services Businesses were a separate New Jersey corporation; and
- holders of Class B Stock are entitled to receive dividends only out of the assets of the Closed Block Business that are legally available therefor under the New Jersey Business Corporation Act as if the Closed Block Business were a separate New Jersey corporation.

We have the right and expect to pay dividends on the Common Stock and Class B Stock in unequal amounts. We have the right to pay dividends on the Class B Stock without paying dividends on the Common Stock, as well as the right not to pay dividends on the Class B Stock even when funds legally available for dividends exist.

We will pay dividends on the Class B Stock in an aggregate amount per year that is at least equal to the lesser of (1) \$19.25 million and (2) what we call the CB Distributable Cash Flow for the applicable year. We have, however, the flexibility to suspend dividends on the Class B Stock. If we do that despite the fact that CB Distributable Cash Flow exists for any period, then you, as a holder of Common Stock, will not receive dividends on your Common Stock for that period.

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CB Distributable Cash Flow means, for any quarterly or annual period, the sum of

- the excess of (a) the Surplus and Related Assets over (b) the “Required Surplus” applicable to the Closed Block Business within The Prudential Insurance Company of America, to the extent that The Prudential Insurance Company of America is able to distribute such excess as a dividend to Prudential Holdings, LLC (its immediate parent holding company, which is a wholly owned subsidiary of Prudential Financial) under New Jersey law without giving effect, directly or indirectly, to the “earned surplus” requirement of Section 17:27A-4c.(3) of the New Jersey Insurance Holding Company Systems Law, plus
- any amount held by Prudential Holdings, LLC allocated to the Closed Block Business in excess of remaining debt service payments on the IHC debt. For purposes of the foregoing, “Required Surplus” means the amount of surplus applicable to the Closed Block Business within The Prudential Insurance Company of America that would be required to maintain a quotient (expressed as a percentage) of (a) the “Total Adjusted Capital” applicable to the Closed Block Business within The Prudential Insurance Company of America (including any applicable dividend reserves) divided by (b) the “Company Action Level RBC” applicable to the Closed Block Business within The Prudential Insurance Company of America, equal to 100%, where “Total Adjusted Capital” and “Company Action Level RBC” are as defined in the regulations promulgated under the New Jersey Dynamic Capital and Surplus Act of 1993. These amounts will be determined according to statutory accounting principles.

Voting Rights

Each share of Common Stock and each share of Class B Stock gives the respective owner of record one vote on all matters submitted to a shareholder vote. The Common Stock and the Class B Stock vote together as a single class on all matters submitted to a shareholder vote, except as otherwise required by law and except that the holders of the Class B Stock have certain class voting or consent rights, including as noted below. Accordingly, the holders of a majority of the outstanding shares of Common Stock and Class B Stock voting for the election of directors can elect all of the directors if they choose to do so, subject to any voting rights granted to holders of preferred stock.

Actions requiring approval of shareholders will generally require approval by a majority vote at a meeting at which a quorum is present. Our amended and restated certificate of incorporation provides that, with respect to shares of Common Stock, Class B Stock and any shares of preferred stock voting together with the Common Stock as a class, the holders of 50% of the shares entitled to cast votes at a meeting of shareholders shall constitute a quorum at all meetings of shareholders for the transaction of business.

In addition to any class voting rights provided by law, holders of the Class B Stock are entitled to vote as a class with respect to:

- any proposal by our board of directors to issue
 - (1) shares of Class B Stock in excess of an aggregate of two million outstanding shares, other than issuances pursuant to a stock split or stock dividend paid ratably to all holders of Class B Stock,
 - (2) any shares of preferred stock that are exchangeable for or convertible into Class B Stock, or
 - (3) any debt securities, rights, warrants or other securities that are convertible into, exchangeable for, or provide a right to acquire shares of, Class B Stock; or
- the approval of the actuarial or other competent firm selected for purposes of determining the Fair Market Value of the Class B Stock in connection with any exchanges or conversions discussed below under “—Exchange and Conversion of Class B Stock”.

In addition, pursuant to the subscription agreement for the Class B Stock, the approval or consent of the holders of the Class B Stock is required for various matters affecting the Class B Stock or the Closed Block

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Business, including material changes in the investment policies for the Surplus and Related Assets. The approvals or consents of the Class B stockholders require the approval of the shares having a majority of the voting power of the Class B Stock.

Liquidation Rights

In the event of a liquidation, dissolution or winding-up of Prudential Financial, the holders of Common Stock and any Class B Stock will be entitled to receive a proportionate share in our net assets that remain after paying all liabilities and the liquidation preferences of any preferred stock.

This proportionate share will be determined as follows:

- If no Class B Stock is outstanding at the time of a liquidation, dissolution or winding-up of Prudential Financial, each share of Common Stock will be entitled to an equal share of any net assets of Prudential Financial after paying all of our liabilities and the liquidation preference of any preferred stock.
- If shares of Class B Stock are outstanding at the time of a liquidation, dissolution or winding-up of Prudential Financial, each share of Common Stock and of Class B Stock will be entitled to a share of net liquidation proceeds in proportion to the respective liquidation units of each class. The formula below explains the computation of liquidation units.

In the second case, where shares of Class B Stock are outstanding, each share of Common Stock will have one liquidation unit. Each share of Class B Stock will have a number of liquidation units (including a fraction of one liquidation unit) that is equal to the quotient (rounded to the nearest five decimal places) of (i) the issuance price per share of the Class B Stock divided by (ii) the average market value of one share of Common Stock during the 20 consecutive trading day period ending on (and including) February 16, 2002. During this 20-day period, the Common Stock had an average market value, as reported by Bloomberg, of approximately \$30.90 per share. Accordingly, each share of Common Stock has one liquidation unit and each share of Class B Stock has 2.83215 liquidation units; that is, the issuance price of \$87.50 divided by the average market value per share of Common Stock, as described above.

Neither a merger nor a consolidation of us with any other entity, nor a sale, transfer or lease of all or any part of our assets would alone be deemed a liquidation, dissolution or winding-up for these purposes.

Pre-emptive Rights

Holders of our Common Stock and of our Class B Stock have no pre-emptive rights with respect to any shares of capital stock that we may issue in the future.

Shareholder Rights Plan

The following is a summary of the material terms of our shareholder rights agreement and each statement is qualified in its entirety by reference to the shareholder rights agreement, which is filed as an exhibit to the registration statement of which this prospectus forms a part. See “Where You Can Find More Information” for information about where you can obtain a copy of this document.

On December 18, 2001, our shareholder rights agreement became effective. The shareholder rights plan does not apply to any share of Class B Stock. Our transfer agent, Computershare Limited, is the rights agent under the shareholder rights agreement. The shareholder protection rights will not prevent a takeover of us. However, the rights may render an unsolicited takeover of us more difficult or less likely to occur or might prevent such a takeover, even though such takeover may offer shareholders the opportunity to sell their shares at a price above the prevailing market rate and/or may be favored by a majority of the shareholders.

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Right to Purchase Preferred Stock. Under the shareholder rights agreement, each outstanding share of Common Stock is coupled with one shareholder protection right. Each right initially entitles the holder to purchase 1/1000 of a share of a series of our preferred stock upon payment of the exercise price, which the board has initially set at \$110 per right, subject to adjustment from time to time.

Exercise of Protection Rights. The shareholder protection rights are not exercisable until the distribution date, when they will become transferable separately from the Common Stock. The distribution date is the earlier of:

- the tenth business day after the first public announcement that a person or group has become the beneficial owner of 10% or more of the total voting power of all of our outstanding capital stock or such earlier or later date as determined by our board of directors. The rights plan refers to the day of public announcement as the “stock acquisition date” and the person or group as an “acquiring person”; or
- the tenth business day after the commencement of a tender or exchange offer for 10% or more of the total voting power of all of our outstanding capital stock.

If any person or group becomes an acquiring person, instead of thousandths of shares of preferred stock, each shareholder protection right will then generally represent the right to receive upon exercise an amount of Common Stock having a market value equal to twice the exercise price. If after a stock acquisition date we are acquired in a merger or other business combination or 50% or more of our consolidated assets or earnings power are sold or transferred, each shareholder protection right will then represent the right to receive upon exercise an amount of Common Stock of the acquiring person having a value equal to twice the exercise price. In addition, at any time after any person or group becomes an acquiring person but before it becomes the beneficial owner of 50% or more of the outstanding Common Stock, our board of directors may exchange all or part of the shareholder protection rights for Common Stock at an exchange ratio of 1:1.

Redemption and Expiration of Protection Rights. Our board of directors may redeem the shareholder protection rights only in whole, for one cent (\$0.01) per right at any time until the tenth business day after the stock acquisition date. Unless redeemed earlier, the protection rights will expire on December 18, 2011.

Exchange and Conversion of Class B Stock

The Common Stock is not convertible.

Exchange. We may, at our option, at any time, exchange all outstanding shares of Class B Stock into that number of shares of Common Stock which have an aggregate average market value, discussed below, equal to 120% of the appraised “Fair Market Value”, discussed below, of the outstanding shares of Class B Stock.

Conversion by Holders of Class B Stock following Closed Block disposition or Change of Control. If (1) we sell or otherwise dispose of all or substantially all of the Closed Block Business or (2) a “change of control”, as defined below, of Prudential Financial occurs, we must exchange all outstanding shares of Class B Stock into that number of shares of Common Stock which have an aggregate average market value of 120% of the appraised Fair Market Value of such shares of Class B Stock.

Discretionary and Tax Event Conversion by Holders of Class B Stock. Holders of Class B Stock may convert their shares of Class B Stock into that number of shares of Common Stock which have an aggregate average market value equal to 100% of the appraised Fair Market Value of the outstanding shares of Class B Stock

(1) in the holder’s sole discretion, in the year 2016 or at any time thereafter, and

(2) at any time if (a) the Class B Stock will no longer be treated as equity of Prudential Financial for U.S. federal income tax purposes or (b) the New Jersey Department of Banking and Insurance amends,

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alters, changes or modifies the regulation of the Closed Block, the Closed Block Business, the Class B Stock or the IHC debt in a manner that materially adversely affects the CB Distributable Cash Flow.

In no event, however, may a holder of Class B Stock convert shares of Class B Stock to the extent such holder immediately upon such conversion, together with its affiliates, would be the “beneficial owner”, as defined under the Exchange Act, of in excess of 9.9% of the total outstanding voting power of our voting securities. In the event a holder of shares of Class B Stock requests to convert shares pursuant to clause (2)(a) above, we may elect, instead of effecting such conversion, to increase the Target Dividend Amount to \$12.6875 per share per annum retroactively from the time of issuance of the Class B Stock.

Conversion upon Material Transactions Affecting Common Stock. In the event of any reclassification, recapitalization or exchange of, or any tender offer or exchange offer for, the outstanding shares of Common Stock, including by merger, consolidation or other business combination, as a result of which shares of Common Stock are exchanged for or converted into another security which is both registered under the Exchange Act and publicly traded, then the Class B Stock will remain outstanding, unless exchanged by virtue of a “change of control” occurring or otherwise, or otherwise converted, and, in the event 50% or more of the outstanding shares of Common Stock are so exchanged or converted, holders of outstanding Class B Stock will be entitled to receive, in the event of any subsequent exchange or conversion, the securities into which the Common Stock has been exchanged or converted by virtue of such reclassification, recapitalization, merger, consolidation, tender offer, exchange offer or other business combination. If, in the event of any reclassification, recapitalization or exchange, or any tender or exchange offer for, the outstanding shares of Common Stock, including by merger, consolidation or other business combination, as a result of which a majority of the outstanding shares of Common Stock are converted into or exchanged or purchased for either cash or securities which are not public securities, or a combination thereof, the holders of Class B Stock will be entitled to receive cash and/or securities of the type and in the proportion that such holders of Class B Stock would have received if an exchange or conversion of the Class B Stock had occurred immediately prior to the conversion, exchange or purchase of a majority of the outstanding shares of Common Stock and the holders of Class B Stock had participated as holders of Common Stock in such conversion, exchange or purchase. The amount of cash and/or securities payable upon such exchange or conversion will be calculated based upon the Fair Market Value of the Class B Stock as of the date on which the Common Stock was exchanged, converted or purchased and will be multiplied by 120%.

Definitions. For purposes of all exchanges and conversions,

- “Average market value” of the Common Stock will be determined during a specified 20 trading day period preceding the time of the exchange or conversion.
- “Change of control” means the occurrence of any of the following events, whether or not approved by our board of directors:
 - (a) (i) any person(s), excluding us and specified related entities, is or becomes the beneficial owner, directly or indirectly, of more than 50% of the total voting power of our then outstanding equity securities; or (ii) we merge with, or consolidate with, another person or dispose of all or substantially all of our assets to any person, other than, in the case of either clause (i) or (ii), any transaction where immediately after such transaction the persons that beneficially owned immediately prior to the transaction our then outstanding voting equity securities beneficially own more than 50% of the total voting power of the then outstanding voting securities of the surviving person; or
 - (b) during any year or any period of two consecutive years, individuals who at the beginning of such period constituted our board of directors, together with any new directors whose election by such board of directors or whose nomination for election by our shareholders was approved by a vote of a majority of our directors then still in office who were either directors at the beginning of such period or whose election or nomination for election was previously so approved, cease for any reason, other than pursuant to (x) a proposal or request that the board of directors be changed as to which the holder of the Class B Stock seeking the conversion has participated or assisted or is participating or assisting or (y) retirements in the ordinary course, to constitute a majority of the board of directors then in office.

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- “Fair Market Value” of the Class B Stock means the fair market value of all of the outstanding shares of Class B Stock as determined by appraisal by a nationally recognized actuarial or other competent firm independent of and selected by our board of directors and approved by the holders of a majority of the outstanding shares of Class B Stock. Fair Market Value will be the present value of expected future cash flows to holders of the Class B Stock, reduced by any payables to the Financial Services Businesses. Future cash flows will be projected consistent with the policy, as described in the plan of reorganization relating to the demutualization, for the board of directors of The Prudential Insurance Company of America to declare policyholder dividends based on actual experience in the Closed Block. Following the repayment in full of the IHC debt, these cash flows shall be the excess of statutory surplus applicable to the Closed Block Business over Required Surplus, as defined in the definition of “CB Distributable Cash Flow”, for each period that would be distributable as a dividend under New Jersey law if the Closed Block Business were a separate insurer. These cash flows will be discounted at an equity rate of return, to be estimated as a risk-free rate plus an equity risk premium. The risk-free rate will be an appropriate ten-year U.S. Treasury rate reported by the Federal Reserve Bank of New York. The equity risk premium will be 8 1/4% initially, declining evenly to 4% over the following 21 years and remaining constant thereafter. Fair Market Value will be determined by appraisal as of a specified date preceding the time of the exchange or conversion.

Provisions of Our Amended and Restated Certificate of Incorporation and Amended and Restated By-Laws

A number of provisions of our amended and restated certificate of incorporation and amended and restated by-laws concern corporate governance and the rights of shareholders. Some provisions, including those granting our board of directors the ability to issue shares of preferred stock and to set the voting rights, preferences and other terms of preferred stock without shareholder approval, may be viewed as having an anti-takeover effect and may discourage takeover attempts not first approved by our board of directors, including takeovers that some shareholders may consider to be in their best interests. To the extent takeover attempts are discouraged, fluctuations in the market price of the Common Stock, which may result from actual or rumored takeover attempts, may be inhibited.

The amended and restated certificate of incorporation and the amended and restated by-laws have provisions that also could delay or frustrate the removal of directors from office or the taking of control by shareholders, even if that action would be beneficial to shareholders. These provisions also could discourage or make more difficult a merger, tender offer or proxy contest, even if they were favorable to the interests of shareholders, and could potentially depress the market price of the Common Stock.

The following is a summary of the material terms of these provisions of our amended and restated certificate of incorporation and amended and restated by-laws. The statements below are only a summary, and we refer you to the amended and restated certificate of incorporation and amended and restated by-laws, copies of which are filed as exhibits to the registration statement of which this prospectus forms a part. Each statement is qualified in its entirety by such reference. See “Where You Can Find More Information” for information about where you can obtain a copy of these documents.

Board of Directors; Number of Directors; Removal; Vacancies

Our amended and restated by-laws provide that the board of directors consists of not less than 10 nor more than 24 members, with the exact number to be determined by the board of directors from time to time. All directors are elected for terms expiring at the next annual meeting of shareholders and until such directors’ successors have been elected and qualified. The amended and restated by-laws also provide that the directors may be removed “with or without cause” upon the affirmative vote of a majority of the votes cast at a meeting of shareholders by the holders of shares entitled to vote for the election of directors.

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Unless otherwise required by law, vacancies on the board of directors, including vacancies resulting from an increase in the number of directors or the removal of directors, may only be filled by an affirmative vote of a majority of the directors then in office or by a sole remaining director.

Limitations on Call of Special Meetings of Shareholders

The amended and restated by-laws provide that special meetings of shareholders may only be called by the chairman of the board of directors, the chief executive officer, the president, or the board of directors or shareholders representing at least 25% of the shares entitled to vote at a meeting.

Limitation on Written Consent of Shareholders

The amended and restated certificate of incorporation generally provides that action by holders of Common Stock cannot be taken by written consent without a meeting unless such written consents are signed by all shareholders entitled to vote on the action to be taken.

Advance Notice Requirements for Nomination of Directors and Presentation of New Business at Meetings

Our amended and restated by-laws establish advance notice procedures for shareholder proposals concerning nominations for election to the board of directors and new business to be brought before meetings of shareholders. These procedures require that notice of such shareholder proposals must be timely given in writing to our corporate secretary prior to the meeting at which the action is to be taken. Generally, to be timely, we must receive the notice at our principal executive offices not less than 120 nor more than 150 days prior to the anniversary date of the annual meeting of shareholders before the one in which the shareholder proposal is to be considered. The notice must contain information required by the amended and restated by-laws. These provisions make it procedurally more difficult for a shareholder to place a proposed nomination or new business proposal on the meeting agenda and therefore may reduce the likelihood that a shareholder will seek to take independent action to replace directors or with respect to other matters that are not supported by management.

Supermajority Voting Requirement for Certain Amendments to the By-laws and Charter

Our amended and restated certificate of incorporation and amended and restated by-laws require the approval of at least 80% of the votes cast at a meeting of shareholders to amend certain provisions of the amended and restated certificate of incorporation and amended and restated by-laws, including those described in this section, provided, that the number of votes cast at such meeting of shareholders is at least 50% of the total number of issued and outstanding shares entitled to vote thereon. This requirement exceeds the majority vote that would otherwise be required under the New Jersey Business Corporation Act. This supermajority requirement will make it more difficult for shareholders to reduce the anti-takeover effects of the amended and restated certificate of incorporation and amended and restated by-laws.

Limitation of Liability and Indemnification Matters

Amended and Restated Certificate of Incorporation. Our amended and restated certificate of incorporation states that a director will not be held personally liable to us or any of our shareholders for damages for a breach of duty as a director except for liability based upon an act or omission:

- in breach of the director's duty of loyalty to us or our shareholders,
- not in good faith or involving a knowing violation of law, or
- resulting in receipt by such director of an improper personal benefit.

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This provision prevents a shareholder from pursuing an action for damages for breach of duty against one of our directors unless the shareholder can demonstrate one of these specified bases for liability. The inclusion of this provision in the amended and restated certificate of incorporation may discourage or deter shareholders or management from bringing a lawsuit against a director for a breach of his or her duties, even though an action, if successful, might otherwise benefit us and our shareholders. This provision does not affect the availability of non-monetary remedies like an injunction or rescission based upon a director's breach of his or her duty of care.

Amended and Restated By-Laws. Our amended and restated by-laws provide that we must indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding because such person is or was a director or officer of us, or is or was serving at our request as a director or officer, employee or agent of another entity. This indemnification covers expenses, judgments, fines, penalties and amounts paid in settlement actually and reasonably incurred by the indemnified person in connection with such action, suit or proceeding. To receive indemnification, a person must have acted in good faith and in a manner the person reasonably believed to be in or not opposed to our best interests. In the case of any criminal action or proceeding, the indemnified person also must have had no reasonable cause to believe his or her conduct was unlawful. The amended and restated by-laws limit indemnification in cases when a person has been held liable to us.

Anti-Takeover Effect of New Jersey Business Corporation Act

New Jersey Shareholders Protection Act

We are subject to the provisions of Section 14A-10A of the New Jersey Business Corporation Act, which is known as the "Shareholders Protection Act".

Generally, the Shareholders Protection Act prohibits a publicly held New Jersey corporation with its principal executive offices or significant business operations in New Jersey, like us, from engaging in any "business combination" with any "interested stockholder" of that corporation for a period of five years following the time at which that stockholder became an "interested stockholder". An exception applies if the business combination is approved by the board of directors before the stockholder becomes an "interested stockholder". Covered business combinations include certain mergers, dispositions of assets or shares and recapitalizations. An "interested stockholder" is (1) any person that directly or indirectly beneficially owns 10% or more of the voting power of the outstanding voting stock of Prudential Financial; or (2) any "affiliate" or "associate" of ours that directly or indirectly beneficially owned 10% or more of the voting power of the then-outstanding stock of Prudential Financial at any time within a five-year period immediately prior to the date in question.

In addition, under the Shareholders Protection Act, we may not engage in a business combination with an interested stockholder at any time unless:

- our board of directors approved the business combination prior to the time the stockholder became an interested stockholder;
- the holders of two-thirds of our voting stock (which includes Common Stock and Class B Stock) not beneficially owned by the interested stockholder affirmatively vote to approve the business combination at a meeting called for that purpose; or
- the consideration received by the non-interested stockholders in the business combination meets the standards of the statute, which is designed to ensure that all other shareholders receive at least the highest price per share paid by the interested stockholder.

A New Jersey corporation that has publicly traded voting stock may not opt out of these restrictions.

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Board Consideration of Certain Factors

Under the New Jersey Business Corporation Act, in discharging their duties, our directors may consider the effects that an action taken by us may have on interests and people in addition to our shareholders, such as employees, customers and the community. The directors may also consider the long-term as well as the short-term interests of us and our shareholders, including the possibility that these interests may best be served by our continued independence.

Transfer Agent

The transfer agent and registrar for our Common Stock is Computershare Limited.

DESCRIPTION OF WARRANTS WE MAY OFFER

General

We may issue warrants to purchase our senior debt securities, subordinated debt securities, preferred stock, depositary shares, Common Stock, any of these securities of a third party or any combination of these securities, and these warrants may be issued independently or together with any underlying securities and may be attached or separate from those underlying securities. We will issue each series of warrants under a separate warrant agreement to be entered into between us and a warrant agent. The warrant agent will act solely as our agent in connection with the warrants of such series and will not assume any obligation or relationship of agency for or with holders or beneficial owners of warrants.

The following outlines some of the general terms and provisions of the warrants. Further terms of the warrants and the applicable warrant agreement will be stated in the applicable prospectus supplement. The following description and any description of the warrants in a prospectus supplement may not be complete and is subject to and qualified in its entirety by reference to the terms and provisions of the warrant agreement, a form of which will be filed as an exhibit to the registration statement that contains this prospectus.

A Prospectus Supplement Will Describe the Specific Terms of Warrants

The applicable prospectus supplement will describe the terms of any warrants that we may offer, including the following:

- the title of the warrants;
- the total number of warrants;
- the price or prices at which the warrants will be issued;
- the currency or currencies, including currency units or composite currencies, investors may use to pay for the warrants;
- the designation and terms of the underlying securities purchasable upon exercise of the warrants;
- the price at which and the currency or currencies, including currency units or composite currencies, in which investors may purchase the underlying securities purchasable upon exercise of the warrants;
- the date on which the right to exercise the warrants will commence and the date on which the right will expire;
- whether the warrants will be issued in registered form or bearer form;
- information with respect to book-entry procedures, if any;
- if applicable, the minimum or maximum amount of warrants that may be exercised at any one time;
- if applicable, the designation and terms of the underlying securities with which the warrants are issued and the number of warrants issued with each underlying security;
- if applicable, the date on and after which the warrants and the related underlying securities will be separately transferable;
- if applicable, a discussion of certain U.S. federal income tax considerations;
- the identity of the warrant agent;
- the procedures and conditions relating to the exercise of the warrants; and
- any other terms of the warrants, including terms, procedures and limitations relating to the exchange and exercise of the warrants.

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We may also issue warrants, on terms to be determined at the time of sale, for the purchase or sale of, or whose cash value is determined by reference to the performance, level or value of, one or more of the following:

- securities of one or more issuers, including our common or preferred stock or other securities described in this prospectus or debt or equity securities of third parties;
- one or more currencies;
- one or more commodities;
- any other financial, economic or other measure or instrument, including the occurrence or nonoccurrence of any event or circumstance; and
- one or more indices or baskets of the items described above.

We refer to this type of warrant as a universal warrant. We refer to each property described above as a warrant property.

We may satisfy our obligations, if any, and the holder of a universal warrant may satisfy its obligations, if any, with respect to any universal warrants by delivering:

- the warrant property;
- the cash value of the warrant property; or
- the cash value of the warrants determined by reference to the performance, level or value of the warrant property.

The applicable prospectus supplement will describe what we may deliver to satisfy our obligations, if any, and what the holder of a universal warrant may deliver to satisfy its obligations, if any, with respect to any universal warrants.

Warrant certificates may be exchanged for new warrant certificates of different denominations, and warrants may be exercised at the warrant agent's corporate trust office or any other office indicated in the applicable prospectus supplement. Prior to the exercise of their warrants, holders of warrants exercisable for debt securities will not have any of the rights of holders of the debt securities purchasable upon such exercise and will not be entitled to payments of principal, or premium, if any, or interest, if any, on the debt securities purchasable upon such exercise. Prior to the exercise of their warrants, holders of warrants exercisable for shares of preferred stock or Common Stock will not have any rights of holders of the preferred stock or Common Stock purchasable upon such exercise and will not be entitled to dividend payments, if any, or voting rights of the preferred stock or Common Stock purchasable upon such exercise.

Exercise of Warrants

A warrant will entitle the holder to purchase for cash an amount of securities at an exercise price that will be stated in, or that will be determinable as described in, the applicable prospectus supplement. Warrants may be exercised at any time up to the close of business on the expiration date set forth in the applicable prospectus supplement. After the close of business on the expiration date, unexercised warrants will become void.

Warrants may be exercised as set forth in the applicable prospectus supplement. Upon receipt of payment and the warrant certificate properly completed and duly executed at the corporate trust office of the warrant agent or any other office indicated in the prospectus supplement, we will, as soon as practicable, forward the securities purchasable upon such exercise. If less than all of the warrants represented by such warrant certificate are exercised, a new warrant certificate will be issued for the remaining warrants.

Enforceability of Rights; Governing Law

The holders of warrants, without the consent of the warrant agent, may, on their own behalf and for their own benefit, enforce, and may institute and maintain any suit, action or proceeding against us to enforce their rights to exercise and receive the securities purchasable upon exercise of their warrants. Unless otherwise stated in the prospectus supplement, each issue of warrants and the applicable warrant agreement will be governed by the laws of the State of New York.

DESCRIPTION OF STOCK PURCHASE CONTRACTS WE MAY OFFER

The applicable prospectus supplement will describe the terms of any stock purchase contracts. The following description and any description of stock purchase contracts in the applicable prospectus supplement may not be complete and is subject to, and is qualified in its entirety by reference to the stock purchase contract agreement and, if applicable, collateral arrangements and depositary arrangements relating to such stock purchase contracts that we will file with the SEC as an exhibit to the registration statement that contains this prospectus in connection with a public offering of stock purchase contracts.

We may issue stock purchase contracts, representing contracts obligating holders to purchase from or sell to us, and obligating us to purchase from or sell to the holders, a specified or variable number of shares of our Common Stock, preferred stock or depositary shares, as applicable, at a future date or dates. The price per share of Common Stock, preferred stock or depositary shares, as applicable, may be fixed at the time the stock purchase contracts are issued or may be determined by reference to a specific formula contained in the stock purchase contracts. We may issue stock purchase contracts in such amounts and in as many distinct series as we wish.

The stock purchase contracts may be issued separately or as part of units, which we refer to in this prospectus as units. Units may consist of a stock purchase contract and beneficial interests in other securities described in this prospectus or of third parties, securing the holders' obligations to purchase from or sell shares to us under the stock purchase contracts. These other securities may consist of our debt securities, preferred stock, Common Stock or depositary shares, or trust preferred securities or debt obligations of third parties, including U.S. treasury securities. The stock purchase contracts may require us to make periodic payments to the holders of the stock purchase contracts or vice versa, and these payments may be unsecured or prefunded on some basis. The stock purchase contracts may require holders to secure their obligations under those contracts in a specified manner.

The applicable prospectus supplement may contain, where applicable, the following information about the stock purchase contracts issued under it:

- whether the stock purchase contracts obligate the holder to purchase or sell, or both purchase and sell, our Common Stock, preferred stock or depositary shares, as applicable, and the nature and amount of each of those securities, or the method of determining those amounts;
- whether the stock purchase contracts are to be prepaid or not;
- whether the stock purchase contracts are to be settled by delivery, or by reference or linkage to the value, performance or level of our Common Stock or preferred stock;
- any acceleration, cancellation, termination or other provisions relating to the settlement of the stock purchase contracts;
- whether the stock purchase contracts will be issued in fully registered or global form; and
- any other terms of the stock purchase contracts.

DESCRIPTION OF UNITS WE MAY OFFER

The applicable prospectus supplement will describe the terms of any units. The following description and any description of units in the applicable prospectus supplement may not be complete and is subject to, and is qualified in its entirety by reference to, the unit agreement and, if applicable, collateral arrangements and depositary arrangements relating to such units that we will file with the SEC as an exhibit to the registration statement that contains this prospectus in connection with a public offering of units.

We may issue units comprised of one or more of the other securities described in this prospectus in any combination. Each unit may also include debt obligations of third parties, such as U.S. Treasury securities. Each unit will be issued so that the holder of the unit is also the holder of each security included in the unit. Thus, the holder of a unit will have the rights and obligations of a holder of each included security. The unit agreement under which a unit is issued may provide that the securities included in the unit may not be held or transferred separately, at any time or at any time before a specified date.

The applicable prospectus supplement may describe:

- the designation and terms of the units and of the securities comprising the units, including whether and under what circumstances those securities may be held or transferred separately;
- any provisions for the issuance, payment, settlement, transfer or exchange of the units or of the securities comprising the units; and
- whether the units will be issued in fully registered or global form.

DESCRIPTION OF PREFERRED SECURITIES THAT THE TRUSTS MAY OFFER

The following briefly summarizes some provisions of the preferred securities that each trust may offer that would be important to holders of preferred securities. The applicable prospectus supplement will state whether any of the generalized provisions summarized below do not apply to the preferred securities being offered, and it will provide any additional provisions applicable to the preferred securities being offered, including their tax treatment.

Each trust will issue the preferred securities under an amended and restated declaration of trust, which we will enter into at the time of any offering of preferred securities by each trust. The amended and restated declaration of trust for each trust is subject to and governed by the Trust Indenture Act. BNY Mellon Trust of Delaware, as successor to Chase Bank USA, N.A., will act as Delaware trustee and The Bank of New York Mellon, as successor to JPMorgan Chase Bank, N.A., will act as property trustee under the declarations of trust for the purposes of compliance with the provisions of the Trust Indenture Act. The terms of the preferred securities will be those contained in the applicable amended and restated declarations of trust and those made part of the amended and restated declarations of trust by the Trust Indenture Act and the Delaware Statutory Trust Act. The following summary may not be complete and is subject to and qualified in its entirety by reference to the forms of amended and restated declarations of trust, which are filed as exhibits to the registration statement which contains this prospectus, the Trust Indenture Act and the Delaware Statutory Trust Act.

Terms

The amended and restated declarations of trust will provide that each trust may issue, from time to time, only one series of preferred securities and one series of common securities. The preferred securities will be offered to investors and the common securities will be held by us. The terms of the preferred securities, as a general matter, will mirror the terms of the senior or the subordinated debt securities that we will issue to each trust in exchange for the proceeds of the sales of the preferred and common securities, and any conversion feature applicable to the preferred securities will mirror the terms of the convertible debt securities or warrants, if any, that we will have issued to each trust. If we fail to make a payment on the senior or the subordinated debt securities, the trusts holding those debt securities will not have sufficient funds to make related payments, including cash distributions, on their preferred securities. If the preferred securities are convertible into or exchangeable for shares of our Common Stock or other securities, in the event that we fail to perform under any convertible debt securities or warrants we issue to the trusts, the trusts will be unable to distribute to the holders any of our shares of Common Stock or other securities to be distributed to the holders of the preferred securities upon their conversion.

You should refer to the applicable prospectus supplement relating to the preferred securities for specific terms of the preferred securities, including, but not limited to:

- the distinctive designation of the preferred securities and common securities;
- the total and per-security-liquidation amount of the preferred securities;
- the annual distribution rate, or method of determining the rate at which each trust issuing the securities will pay distributions, on the preferred securities and the date or dates from which distributions will accrue;
- the date or dates on which the distributions will be payable and any corresponding record dates;
- whether distributions on preferred securities will be cumulative, and, in the case of preferred securities having cumulative distribution rights, the date or dates or method of determining the date or dates from which distributions on preferred securities will accumulate;
- the right, if any, to defer distributions on the preferred securities upon extension of the interest payment period of the related subordinated debt securities;

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- whether the preferred securities are to be issued in book-entry form and represented by one or more global certificates and, if so, the depositary for the global certificates and the specific terms of the depositary arrangement;
- the amount or amounts which will be paid out of the assets of each trust issuing the securities to the holders of preferred securities upon voluntary or involuntary dissolution, winding-up or termination of each trust;
- any obligation of each trust to purchase or redeem preferred securities issued by it and the terms and conditions relating to any redemption obligation;
- any voting rights of the preferred securities;
- certain U.S. federal income tax considerations;
- any terms and conditions upon which the debt securities held by each trust issuing the preferred securities may be distributed to holders of preferred securities;
- if the preferred securities may be converted into or exercised or exchanged for our Common Stock or preferred stock or any other of our securities, the terms on which conversion, exercise or exchange is mandatory, at the option of the holder or at the option of each trust, the date on or the period during which conversion, exercise or exchange may occur, the initial conversion, exercise or exchange price or rate and the circumstances or manner in which the amount of Common Stock or preferred stock or other securities issuable upon conversion, exercise or exchange may be adjusted;
- whether the preferred securities are subject to mandatory or optional remarketing or other mandatory or optional resale provisions, and, if applicable, the date or period during which such resale may occur, any conditions to such resale and any right of a holder to substitute securities for the securities subject to resale;
- any securities exchange on which the preferred securities will be listed; and
- any other relevant rights, preferences, privileges, limitations or restrictions of the preferred securities not inconsistent with the declarations of trust or with applicable law.

We will guarantee the preferred securities to the extent described below under “Description of Trust Guarantees”. Our guarantees, when taken together with our obligations under the related debt securities and the related indenture and any warrants and related warrant agreement, and our obligations under the amended and restated declarations of trust, would provide a full, irrevocable and unconditional guarantee of amounts due on any preferred securities and the distribution of any securities to which the holders would be entitled upon conversion of the preferred securities, if the preferred securities are convertible into or exchangeable for shares of our Common Stock or other securities.

Liquidation Distribution Upon Dissolution

Unless otherwise specified in the applicable prospectus supplement, the amended and restated declarations of trust state that each trust will be dissolved:

- on the expiration of the term of the trust;
- upon bankruptcy, dissolution or liquidation of us or the holder of the common securities of the trust;
- upon our written direction to the property trustee to dissolve the trust and distribute the related debt securities directly to the holders of the preferred securities and common securities;
- upon the redemption by the trust of all of the preferred and common securities in accordance with their terms; or
- upon entry of a court order for the dissolution of the trust.

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Unless otherwise specified in an applicable prospectus supplement, in the event of a dissolution as described above other than in connection with redemption, after each trust satisfies all liabilities to its creditors as provided by applicable law, each holder of the preferred or common securities issued by each trust will be entitled to receive:

- the related debt securities in an aggregate principal amount equal to the aggregate liquidation amount of the preferred or common securities held by the holder; or
- if any distribution of the related debt securities is determined by the property trustee not to be practical, cash equal to the aggregate liquidation amount of the preferred or common securities held by the holder, plus accumulated and unpaid distributions to the date of payment; and
- if we issued warrants to the trust, a number of warrants equal to the holders' proportionate share of total number of warrants held by the trust.

If a trust cannot pay the full amount due on its preferred and common securities because it has insufficient assets available for payment, then the amounts payable by such trust on its preferred and common securities will be paid on a *pro rata* basis. However, if an event of default under the indenture has occurred and is continuing with respect to any series of related debt securities, the total amounts due on the preferred securities will be paid before any distribution on the common securities.

Events of Default

The following will be events of default under each amended and restated declaration of trust:

- an event of default under the subordinated debt indenture occurs with respect to any related series of subordinated debt securities; or
- any other event of default specified in the applicable prospectus supplement occurs.

If an event of default with respect to a related series of debt securities occurs and is continuing under the related indenture, and the related indenture trustee or the holders of not less than 25% in aggregate principal amount of the related debt securities outstanding fail to declare the principal amount of all of such debt securities to be immediately due and payable, the holders of at least 25% in aggregate liquidation amount of the outstanding preferred securities of the trust holding the debt securities will have the right to declare such principal amount immediately due and payable by providing written notice to us, the property trustee and the indenture trustee under the related indenture.

At any time after a declaration of acceleration has been made with respect to a related series of debt securities and before a judgment or decree for payment of the money due has been obtained, the holders of a majority in liquidation amount of the affected preferred securities may rescind any declaration of acceleration with respect to the related debt securities and its consequences

- if we deposit with the trustee funds sufficient to pay all overdue principal of and premium and interest on the related debt securities and other amounts due to the indenture trustee and the property trustee; and
- if all existing events of default with respect to the related subordinated debt securities have been cured or waived except non-payment of principal on the related subordinated debt securities that has become due solely because of the acceleration.

The holders of a majority in liquidation amount of the affected preferred securities may waive any past default under the indenture with respect to related debt securities, other than a default in the payment of principal of, or any premium or interest on, any related debt security or a default with respect to a covenant or provision that cannot be amended or modified without the consent of the holder of each affected outstanding related debt security. In addition, the holders of at least a majority in liquidation amount of the affected preferred securities may waive any past default under the amended and restated declarations of trust.

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The holders of a majority in liquidation amount of the affected preferred securities shall have the right to direct the time, method and place of conducting any proceedings for any remedy available to the property trustee or to direct the exercise of any trust or power conferred on the property trustee under the amended and restated declarations of trust.

A holder of preferred securities may institute a legal proceeding directly against us, without first instituting a legal proceeding against the property trustee or anyone else, for enforcement of payment to the holder of principal and any premium or interest on the related series of debt securities having a principal amount equal to the aggregate liquidation amount of the preferred securities of the holder, if we fail to pay principal and any premium or interest on the related series of debt securities when payable.

We are required to furnish annually, to the property trustee for each trust, officers' certificates to the effect that, to the best knowledge of the individuals providing the certificates, we and the trusts are not in default under the applicable amended and restated declarations of trust or, if there has been a default, specifying the default and its status.

Consolidation, Merger or Amalgamation of the Trust

A trust may not consolidate or merge with or into, or be replaced by, or convey, transfer or lease its properties and assets substantially as an entirety to, any entity, except as described below or as described above in "—Liquidation Distribution Upon Dissolution". A trust may, with the consent of the administrative trustees but without the consent of the holders of the outstanding preferred securities or the other trustees of the trust, consolidate or merge with or into, or be replaced by, or convey, transfer or lease its properties and assets substantially as an entirety to, a trust organized under the laws of any state if:

- the successor entity either:
 - expressly assumes all of the obligations of the trust relating to its preferred and common securities; or
 - substitutes for the trust's preferred securities other securities having substantially the same terms as the preferred securities, so long as the substituted successor securities rank the same as the preferred securities for distributions and payments upon liquidation, redemption and otherwise;
- we appoint a trustee of the successor entity who has substantially the same powers and duties as the property trustee of the trust;
- the successor securities are listed or traded, or any substituted successor securities will be listed upon notice of issuance, on the same national securities exchange or other organization on which the preferred securities are then listed or traded, if any;
- the merger event does not cause the preferred securities or any substituted successor securities to be downgraded by any national rating agency;
- the merger event does not adversely affect the rights, preferences and privileges of the holders of the preferred or common securities or any substituted successor securities in any material respect;
- the successor entity has a purpose substantially identical to that of the trust; and
- prior to the merger event, we shall provide to the trust an opinion of counsel from a nationally recognized law firm stating that:
 - the merger event does not adversely affect the rights, preferences and privileges of the holders of the trust's preferred or common securities in any material respect;
 - following the merger event, neither the trust nor the successor entity will be required to register as an investment company under the Investment Company Act of 1940, as amended;

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- following the merger event, the trust or the successor entity will continue to be classified as a grantor trust for United States federal tax purposes; and
- we own, or our permitted transferee owns, all of the common securities of the successor entity and we guarantee or our permitted transferee guarantees the obligations of the successor entity under the substituted successor securities at least to the extent provided under the applicable preferred securities guarantee.

In addition, unless all of the holders of the preferred securities approve otherwise, a trust may not consolidate, amalgamate or merge with or into, or be replaced by, or convey, transfer or lease its properties and assets substantially as an entirety to, any other entity, or permit any other entity to consolidate, amalgamate, merge with or into or replace it, if the transaction would cause such trust or the successor entity to be taxable as a corporation or classified other than as a grantor trust for United States federal income tax purposes.

Voting Rights

Unless otherwise specified in the applicable prospectus supplement, the holders of the preferred securities will have no voting rights, except as discussed below and under “—Amendment to the Declarations of Trust” and “Description of Trust Guarantees—Modification of the Trust Guarantees”, and as otherwise required by law.

If any proposed amendment to the amended and restated declarations of trust provides for, or the trustee of a trust otherwise proposes to effect:

- any action that would adversely affect the powers, preferences or special rights of the preferred securities in any material respect, whether by way of amendment to the declaration of trust or otherwise; or
- the dissolution, winding-up or termination of the trust other than pursuant to the terms of the declaration of trust,

then the holders of the affected preferred securities as a class will be entitled to vote on the amendment or proposal. In that case, the amendment or proposal will be effective only if approved by the holders of at least a majority in aggregate liquidation amount of the affected preferred securities.

The holders of a majority in aggregate liquidation amount of the preferred securities issued by each trust have the right to direct the time, method and place of conducting any proceeding for any remedy available to the property trustee, or direct the exercise of any trust or power conferred upon the property trustee under the applicable declaration of trust, including the right to direct the property trustee, as holder of the debt securities and, if applicable, the warrants, to:

- direct the time, method and place of conducting any proceeding for any remedy available to the indenture trustee for any related subordinated debt securities or execute any trust or power conferred on the indenture trustee with respect to the related debt securities;
- if we issue warrants to the trust, direct the time, method and place of conducting any proceeding for any remedy available to the property trustee as the registered holder of the warrants;
- waive certain past defaults under the indenture with respect to any related debt securities, or the warrant agreement with respect to any warrants;
- cancel an acceleration of the maturity of the principal of any related debt securities; or
- consent to any amendment, modification or termination of the indenture or any related debt securities or the warrant agreement or warrants where consent is required.

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In addition, before taking any of the foregoing actions, we will provide to the property trustee an opinion of counsel experienced in such matters to the effect that, as a result of such actions, the trust will not be taxable as a corporation or classified as other than a grantor trust for U.S. federal income tax purposes.

The property trustee will notify all preferred securities holders of each trust of any notice of default received from the indenture trustee with respect to the debt securities held by the trust.

Any required approval of the holders of preferred securities may be given at a meeting of the holders of the preferred securities convened for that purpose or pursuant to written consent. The administrative trustees will cause a notice of any meeting at which holders of securities are entitled to vote to be given to each holder of record of the preferred securities at the holder's registered address in accordance with the declarations of trust.

No vote or consent of the holders of the preferred securities will be required for a trust to redeem and cancel its preferred securities in accordance with its declaration of trust.

Notwithstanding that holders of the preferred securities are entitled to vote or consent under any of the circumstances described above, any of the preferred securities that are owned by us, or any affiliate of ours will, for purposes of any vote or consent, be treated as if they were not outstanding.

Amendment to the Declarations of Trust

Each amended and restated declaration of trust may be amended from time to time by us and the property trustee and the administrative trustees of each trust, without the consent of the holders of the preferred securities, to:

- cure any ambiguity or correct or supplement any provision which may be defective or inconsistent with any other provision;
- add to the covenants, restrictions or obligations of the sponsor; or
- modify, eliminate or add to any provisions to the extent necessary to ensure that the trust will not be taxable as a corporation or classified as other than a grantor trust for U.S. federal income tax purposes, to ensure that the debt securities held by the trust are treated as indebtedness for U.S. federal income tax purposes or to ensure that the trust will not be required to register as an investment company under the Investment Company Act of 1940, as amended;

provided, however, that, in each case, the amendment would not adversely affect in any material respect the interests of the holders of the preferred securities.

Other amendments to the amended and restated declarations of trust may be made by us and the trustees of each trust upon approval of the holders of a majority in aggregate liquidation amount of the outstanding preferred securities of each trust and receipt by the trustees of an opinion of counsel to the effect that the amendment will not cause the trust to be taxable as a corporation or classified as other than a grantor trust for U.S. federal income tax purposes, affect the treatment of the debt securities held by each trust as indebtedness for U.S. federal income tax purposes or affect the trust's exemption from the Investment Company Act of 1940, as amended.

Notwithstanding the foregoing, without the consent of each affected holder of common or preferred securities of each trust, the amended and restated declaration of trust may not be amended to:

- change the amount or timing of any distribution on the common or preferred securities of the trust or otherwise adversely affect the amount of any distribution required to be made in respect of the securities as of a specified date;
- change any of the conversion or redemption provisions; or

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- restrict the right of a holder of any securities to institute suit for the enforcement of any payment on or after the distribution date.

Removal and Replacement of Trustees

Unless an event of default exists under the debt securities or, if the preferred securities are convertible and there is a separate warrant agreement, under the warrant agreement, we may remove the property trustee and the Delaware trustee at any time. If an event of default exists, the property trustee and the Delaware trustee may be removed only by the holders of a majority in liquidation amount of the outstanding preferred securities. In no event will the holders of the preferred securities have the right to vote to appoint, remove or replace the administrative trustees, because these voting rights are vested exclusively in us as the holder of all the trusts' common securities. No resignation or removal of the property trustee or the Delaware trustee and no appointment of a successor trustee shall be effective until the acceptance of appointment by the successor trustee in accordance with the amended and restated declarations of trust.

Merger or Consolidation of Trustees

Any entity into which the property trustee or the Delaware trustee may be merged or converted or with which it may be consolidated, or any entity resulting from any merger, conversion or consolidation to which the trustee shall be a party, or any entity succeeding to all or substantially all of the corporate trust business of the trustee, shall be the successor of the trustee under the applicable declarations of trust; provided, however, that the entity shall be otherwise qualified and eligible.

Global Preferred Securities

Unless otherwise set forth in the applicable prospectus supplement, any preferred securities will be represented by fully registered global certificates issued as global preferred securities that will be deposited with, or on behalf of, a depository with respect to that series instead of paper certificates issued to each individual holder. The depository arrangements that will apply, including the manner in which principal of and premium, if any, and interest on preferred securities and other payments will be payable are discussed in more detail in the applicable prospectus supplement.

Payment and Paying Agent

Payments in respect of preferred securities that are represented by global certificates will be made in accordance with the applicable policies of The Depository Trust Company, as described in the applicable prospectus supplement. If any preferred securities are not represented by global certificates, payments will be made by check mailed to the holder entitled to them at his or her address shown on the property trustee's records as of the close of business on the regular record date. Unless otherwise specified in the applicable prospectus supplement, the paying agent will initially be the property trustee.

Information Concerning the Property Trustee

For matters relating to compliance with the Trust Indenture Act, the property trustee for each trust will have all of the duties and responsibilities of an indenture trustee under the Trust Indenture Act. Except if an event of default exists under the amended and restated declarations of trust, the property trustee will undertake to perform only the duties specifically set forth in the declarations of trust. While such an event of default exists, the property trustee must exercise the same degree of care and skill as a prudent person would exercise or use in the conduct of his or her own affairs. Subject to this provision, the property trustee is not obligated to exercise any of the powers vested in it by the amended and restated declarations of trust at the request of any holder of preferred securities, unless it is offered reasonable indemnity against the costs, expenses and liabilities that it might incur. But the holders of preferred securities will not be required to offer indemnity if the holders, by exercising their voting rights, direct the property trustee to take any action following an event of default under the declarations.

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The Bank of New York Mellon, which is the property trustee for the trusts, also serves as the senior debt indenture trustee, the subordinated debt indenture trustee and the guarantee trustee under the trust guarantee described below. We and certain of our affiliates maintain banking and other service relationships with The Bank of New York Mellon, which are described under “Description of Debt Securities We May Offer—Our Relationship With the Trustee”.

Miscellaneous

The administrative trustees of each trust are authorized and directed to conduct the affairs of and to operate each trust in such a way that:

- the trust will not be taxable as a corporation or classified as other than a grantor trust for U.S. federal income tax purposes;
- the debt securities held by the trust will be treated as indebtedness of ours for U.S. federal income tax purposes; and
- the trust will not be deemed to be an investment company required to be registered under the Investment Company Act of 1940, as amended.

We and the trustees are authorized to take any action, so long as it is consistent with applicable law, the certificates of trust or the amended and restated declarations of trust, that we and the trustees determine to be necessary or desirable for the above purposes, as long as it does not materially and adversely affect the holders of the preferred securities.

Registered holders of the preferred securities have no preemptive or similar rights.

A trust may not, among other things, incur indebtedness or place a lien on any of its assets.

Governing Law

The amended and restated declarations of trust and the preferred securities will be governed by and construed in accordance with the laws of the State of Delaware, without regard to the conflict of laws provisions thereof.

DESCRIPTION OF TRUST GUARANTEES

The following briefly summarizes some general terms and provisions of the trust guarantees that we will execute and deliver for the benefit of the holders from time to time of preferred securities. Each trust guarantee will be separately qualified as an indenture under the Trust Indenture Act, and The Bank of New York Mellon will act as indenture trustee under the trust guarantee for the purposes of compliance with the provisions of the Trust Indenture Act. The terms of each trust guarantee will be those contained in such trust guarantee and those made part of the trust guarantee by the Trust Indenture Act. The following summary may not be complete and is subject to and qualified in its entirety by reference to the form of trust guarantee, which is filed as an exhibit to the registration statement that contains this prospectus, and the Trust Indenture Act. Each trust guarantee will be held by the guarantee trustee of each trust for the benefit of the holders of the preferred securities.

General

We will irrevocably and unconditionally agree to pay or make the following payments or distributions with respect to preferred securities, in full, to the holders of the preferred securities, as and when they become due regardless of any defense, right of set-off or counterclaim that each trust may have except for the defense of payment:

- any accrued and unpaid distributions that are required to be paid on the preferred securities, to the extent the trust does not make such payments or distributions but has sufficient funds available to do so;
- any distributions of our Common Stock or preferred stock or any of our other securities, in the event that the preferred securities may be converted into or exercised for our Common Stock or preferred stock or any other of our securities, to the extent the conditions of such conversion or exercise have occurred or have been satisfied and the trust does not distribute such shares or other securities but has received such shares or other securities;
- the redemption price and all accrued and unpaid distributions to the date of redemption with respect to any preferred securities called for redemption, to the extent the trust does not make such payments or distributions but has sufficient funds available to do so; and
- upon a voluntary or involuntary dissolution, winding-up or termination of the trust, other than in connection with the distribution of related subordinated debt securities to the holders of preferred securities or the redemption of all of the preferred securities, the lesser of:
 - the total liquidation amount and all accrued and unpaid distributions on the preferred securities to the date of payment, to the extent the trust does not make such payments or distributions but has sufficient funds available to do so; and
 - the amount of assets of the trust remaining available for distribution to holders of such preferred securities in liquidation of the trust.

Our obligation to make a payment under each trust guarantee may be satisfied by our direct payment of the required amounts to the holders of preferred securities to which each trust guarantee relates or by causing the applicable trust to pay the amounts to the holders.

Modification of the Trust Guarantees; Assignment

Except with respect to any changes that do not adversely affect the rights of holders of preferred securities in any material respect, in which case no vote will be required, a trust guarantee may be amended only with the prior approval of the holders of not less than a majority in liquidation amount of the outstanding preferred securities to which the trust guarantee relates. The manner of obtaining the approval of holders of the preferred securities will be described in an accompanying prospectus supplement. All guarantees and agreements contained in a trust guarantee will bind our successors, assigns, receivers, trustees and representatives and will be for the benefit of the holders of the outstanding preferred securities to which the trust guarantee relates.

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Termination

Each trust guarantee will terminate when any of the following has occurred:

- all preferred securities to which the trust guarantee relates have been paid in full or redeemed in full by us, the trust or both;
- the debt securities held by the related trust have been distributed to the holders of the preferred securities; or
- the amounts payable in accordance with the declarations of trust upon liquidation of the related trust have been paid in full.

Each trust guarantee will continue to be effective or will be reinstated, as the case may be, if at any time any holder of preferred securities to which the trust guarantee relates must restore payment of any amounts paid on the preferred securities or under the related trust guarantee.

Events of Default

There will be an event of default under each trust guarantee if we fail to perform any of our payment or other obligations under that trust guarantee. However, other than with respect to a default in payment of any guarantee payment, we must have received notice of default and not have cured the default within 90 days after receipt of the notice. We, as guarantor, will be required to file annually with the guarantee trustee a certificate regarding our compliance with the applicable conditions and covenants under our trust guarantees.

Each trust guarantee will constitute a guarantee of payment and not of collection. The holders of a majority in liquidation amount of the preferred securities to which the trust guarantee relates have the right to direct the time, method and place of conducting any proceeding for any remedy available to the guarantee trustee in respect of the trust guarantee or to direct the exercise of any trust or power conferred upon the guarantee trustee under the trust guarantee. If the guarantee trustee fails to enforce the trust guarantee, any holder of preferred securities to which the trust guarantee relates may institute a legal proceeding directly against us to enforce the holder's rights under the trust guarantee, without first instituting a legal proceeding against the trust, the guarantee trustee or any one else. If we do not make a guarantee payment, a holder of preferred securities may directly institute a proceeding against us for enforcement of the trust guarantee for such payment.

Status of the Trust Guarantees

The applicable prospectus supplement relating to the preferred securities will indicate whether each trust guarantee is our senior or subordinated obligation. If a trust guarantee is our senior obligation, it will be our general unsecured obligation and will rank equal to our other senior and unsecured obligations.

If a trust guarantee is our subordinated obligation, it will be our general unsecured obligation and will rank as follows:

- subordinate and junior in right of payment to all of our senior indebtedness, as defined in the subordinated debt indenture;
- equally with our most senior preferred or preference stock currently outstanding or issued in the future, with any subordinated guarantees of other preferred securities we or our affiliates may issue and with other issues of subordinated debt securities; and
- senior to our Common Stock.

The terms of the preferred securities provide that each holder of preferred securities by acceptance of the preferred securities agrees to any subordination provisions and other terms of the trust guarantees relating to applicable subordination.

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Information Concerning the Guarantee Trustee

The guarantee trustee, except if we default under the trust guarantees, will undertake to perform only such duties as are specifically set forth in each trust guarantee and, in case a default with respect to a trust guarantee has occurred, must exercise the same degree of care and skill as a prudent person would exercise or use in the conduct of his or her own affairs. Subject to this provision, the guarantee trustee will not be obligated to exercise any of the powers vested in it by any trust guarantee at the request of any holder of the preferred securities unless it is offered reasonable indemnity against the costs, expenses and liabilities that it may incur.

Governing Law

Each trust guarantee will be governed by and construed in accordance with the laws of the State of New York.

Effect of Obligations Under the Debt Securities and the Trust Guarantees

As long as we may make payments of interest and any other payments when they are due on the debt securities held by a trust, those payments will be sufficient to cover distributions and any other payments due on the preferred securities issued by such trust because of the following factors:

- the total principal amount of the debt securities held by the trust will be equal to the total stated liquidation amount of the preferred securities and common securities issued by the trust;
- the interest rate and the interest payment dates and other payment dates on the debt securities held by the trust will match the distribution rate and distribution payment dates and other payment dates for the preferred securities and common securities issued by the trust;
- we will pay, and the trust will not be obligated to pay, directly or indirectly, all costs, expenses, debt, and obligations of the trust, other than obligations under the trust securities; and
- the declaration of trust will further provide that the trust is not authorized to engage in any activity that is not consistent with its limited purposes.

We will irrevocably guarantee payments of distributions and other amounts due on the preferred securities to the extent a trust has funds available to pay such amounts as and to the extent set forth under this section. Taken together, our obligations under the debt securities, the related indenture, the declaration of trust and the trust guarantee will provide a full, irrevocable and unconditional guarantee of a trust's payments of distributions and other amounts due on the preferred securities. No single document standing alone or operating in conjunction with fewer than all of the other documents constitutes a trust guarantee. Only the combined operation of these documents effectively provides a full, irrevocable and unconditional guarantee of a trust's obligations under the preferred securities.

If and to the extent that we do not make the required payments on the debt securities, the trusts will not have sufficient funds to make its related payments, including distributions on the preferred securities. A trust guarantee will not cover any payments when a trust does not have sufficient funds available to make those payments. Your remedy, as a holder of preferred securities, is to institute a direct action against us.

PLAN OF DISTRIBUTION

Initial Offering and Sale of Securities

We and the trusts may offer and sell the securities from time to time as follows:

- to or through underwriters or dealers for resale;
- directly to other purchasers;
- through designated agents; or
- through a combination of any of these methods of sale.

In addition, we may issue the securities as a dividend or distribution or in a subscription rights offering to our existing security holders. In some cases, we or dealers acting with us or on our behalf may also purchase securities and reoffer them to the public by one or more of the methods described above. This prospectus may be used in connection with any offering of our securities or preferred securities of the trusts through any of these methods or other methods described in the applicable prospectus supplement.

If we offer securities in a subscription rights offering to our existing security holders, we may enter into a standby underwriting agreement with dealers, acting as standby underwriters. We may pay the standby underwriters a commitment fee for the securities they commit to purchase on a standby basis. If we do not enter into a standby underwriting arrangement, we may retain a dealer-manager to manage a subscription rights offering for us.

Any underwriter or agent involved in the offer and sale of the securities will be named in the applicable prospectus supplement. Wachovia Securities LLC is an affiliate of Prudential Financial within the meaning of Rule 2720(b)(1) of the Conduct Rules of the Financial Industry Regulatory Authority, Inc., or FINRA, and may act as an underwriter or agent in connection with the offer and sale of securities offered by us or a trust, pursuant to this prospectus. FINRA Conduct Rule 2720 imposes certain requirements when a FINRA member, such as Wachovia Securities LLC, distributes an affiliated company's securities. Wachovia Securities LLC has advised Prudential Financial that each particular offering of securities in which it participates will comply with the applicable requirements of Rule 2720. Wachovia Securities LLC will not confirm initial sales to accounts over which it exercises discretionary authority without the prior written approval of the customer.

Under the current guidelines of FINRA, the maximum discount or commission to be received by any FINRA member or independent broker-dealer may not exceed 8% of the aggregate amount of the securities offered pursuant to this prospectus and any applicable prospectus supplement.

In some cases, we and any trust may also repurchase the securities and reoffer them to the public by one or more of the methods described above. This prospectus and the applicable prospectus supplement may be used in connection with any offering of securities through any of these methods or other methods described in the applicable prospectus supplement. In addition, we, either of the trusts named above or any of their or our respective affiliates may use this prospectus and the applicable prospectus supplement in a remarketing or other resale transaction involving the securities after the initial sale. These transactions may be executed at negotiated prices that are related to market prices at the time of purchase or sale, or at other prices.

The securities, including securities issued or to be issued by us or the trusts or securities borrowed from third parties in connection with arrangements under which we or the trusts agree to issue securities to underwriters or their affiliates on a delayed or contingent basis, that we and any trust distribute by any of these methods may be sold to the public, in one or more transactions, at:

- a fixed price or prices, which may be changed;
- market prices prevailing at the time of sale;

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- prices related to prevailing market prices; or
- negotiated prices.

This prospectus may be delivered by underwriters and dealers in connection with short sales undertaken to hedge exposures under commitments to acquire securities of us or the trusts to be issued on a delayed or contingent basis.

We and the trusts may solicit, or may authorize underwriters, dealers or agents to solicit, offers to purchase securities directly from the public from time to time, including pursuant to contracts that provide for payment and delivery on future dates. We and the trusts may also designate agents from time to time to solicit offers to purchase securities from the public on our or the trusts' behalf. The prospectus supplement relating to any particular offering of securities will name any agents designated to solicit offers, and will include information about any commissions we or the trusts may pay the agents and will describe the material terms of any such delayed delivery arrangements, in that offering. Agents may be deemed to be "underwriters" as that term is defined in the Securities Act.

In connection with the sale of securities, underwriters may receive compensation from us or the trusts or from purchasers of the securities, for whom they may act as agents, in the form of discounts, concessions or commissions. Underwriters may sell the securities to or through dealers, and such dealers may receive compensation in the form of discounts, concessions or commissions from the underwriters and/or commissions from the purchasers for whom they may act as agents. Underwriters, dealers and agents that participate in the distribution of the securities may be deemed to be underwriters, and any discounts or commissions they receive from us or the trusts, and any profit on the resale of the securities they realize may be deemed to be underwriting discounts and commissions under the Securities Act. Any such underwriter, dealer or agent will be identified, and any such compensation received will be described, in the applicable prospectus supplement.

We or the trusts may enter into derivative transactions with third parties, or sell securities not covered by this prospectus to third parties in privately negotiated transactions. If the applicable prospectus supplement so indicates, in connection with those derivatives, the third parties may sell securities covered by this prospectus and the applicable prospectus supplement, including in short sale transactions. If so, the third party may use securities pledged by us or the trusts or borrowed from us or others to settle those sales or to close out any related open borrowings of stock, and may use securities received from us or the trusts in settlement of those derivatives to close out any related open borrowings of stock. The third party in such sale transactions will be an underwriter and will be identified in the applicable prospectus supplement or a post-effective amendment.

Unless otherwise specified in the applicable prospectus supplement, each series of the securities will be a new issue with no established trading market, other than the Common Stock. Any Common Stock sold pursuant to a prospectus supplement will be listed on the NYSE, subject to official notice of issuance. We and the trusts may elect to list any of the other securities on an exchange, but are not obligated to do so. It is possible that one or more underwriters may make a market in a series of the securities, but will not be obligated to do so and may discontinue any market making at any time without notice. Therefore, no assurance can be given as to the liquidity of the trading market for the securities.

If dealers are utilized in the sale of the securities, we and the trusts will sell the securities to the dealers as principals. The dealers may then resell the securities to the public at varying prices to be determined by such dealers at the time of resale. The names of the dealers and the terms of the transaction will be set forth in the applicable prospectus supplement.

We and the trusts may enter into agreements with underwriters, dealers and agents who participate in the distribution of the securities which may entitle these persons to indemnification by us and any trust against certain liabilities, including liabilities under the Securities Act, or to contribution with respect to payments which such underwriters, dealers or agents may be required to make. Any agreement in which we or the trusts agree to indemnify underwriters, dealers and agents against civil liabilities will be described in the applicable prospectus supplement.

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In connection with an offering, the underwriters may purchase and sell securities in the open market. These transactions may include short sales, stabilizing transactions and purchases to cover positions created by short sales. Short sales involve the sale by the underwriters of a greater number of securities than they are required to purchase in an offering. Stabilizing transactions consist of certain bids or purchases made for the purpose of preventing or retarding a decline in the market price of the securities while an offering is in progress.

The underwriters also may impose a penalty bid. This occurs when a particular underwriter repays to the underwriters a portion of the underwriting discount received by it because the underwriters have repurchased securities sold by or for the account of that underwriter in stabilizing or short-covering transactions.

These activities by the underwriters may stabilize, maintain or otherwise affect the market price of the securities. As a result, the price of the securities may be higher than the price that otherwise might exist in the open market. If these activities are commenced, they may be discontinued by the underwriters at any time. These transactions may be effected on an exchange or automated quotation system, if the securities are listed on that exchange or admitted for trading on that automated quotation system, or in the over-the-counter market or otherwise.

If so indicated in the applicable prospectus supplement, we will authorize underwriters or other persons acting as our agents to solicit offers by certain purchasers to purchase the securities from us at the public offering price stated in the prospectus supplement pursuant to delayed delivery contracts providing for payment and delivery on a future date. These contracts will be subject to only those conditions stated in the prospectus supplement, and the prospectus supplement will state the commission payable to the solicitor of such offers.

We have not authorized any dealer, salesperson or other person to give any information or represent anything not contained in this prospectus. You must not rely on any unauthorized information. This prospectus does not constitute an offer to sell or solicit an offer to buy any securities in any jurisdiction where the offer or sale is not permitted.

Underwriters, dealers and agents, and their respective affiliates and associates, may engage in transactions with or perform services for us or the trusts, or be customers of ours or the trusts, in the ordinary course of business.

Remarketing Transactions and Other Resales

We, the trusts or any of their or our respective affiliates may use this prospectus in connection with offers and sales of the securities in remarketing transactions and other resales. In a remarketing transaction, we or the trusts may resell a security acquired from other holders, after the original offering and sale of the security. Resales may occur in the open market or may be privately negotiated, at prevailing market prices at the time of resale or at related or negotiated prices. In these transactions, our affiliates or affiliates of either of the trusts may act as principal or agent, including as agent for the counterparty in a transaction in which the affiliate acts as principal, or as agent for both counterparties in a transaction in which the affiliate does not act as principal. Our affiliates and affiliates of any of the trusts may receive compensation in the form of discounts and commissions, including from both counterparties in some cases.

In connection with a remarketing transaction, one or more firms, referred to as “remarketing firms”, may also offer or sell the securities, if the prospectus supplement so indicates, in connection with a remarketing arrangement upon their purchase. Remarketing firms will act as principals for their own accounts or as agents for us or the trusts. These remarketing firms will offer or sell the securities pursuant to the terms of the securities. The applicable prospectus supplement will identify any remarketing firm and the terms of its agreement, if any, with us or the trusts and will describe the remarketing firm’s compensation. Remarketing firms may be deemed to be underwriters in connection with the securities they remarket. Remarketing firms may be entitled to indemnification by us or the trusts under agreements that may be entered into with us or the trusts against certain civil liabilities, including liabilities under the Securities Act, and may be customers of, engage in transactions with or perform services for us and the trusts in the ordinary course of business.

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Sales by Selling Securityholders

Selling securityholders may use this prospectus in connection with resales of the securities. The applicable prospectus supplement will identify the selling securityholders and the terms of the securities. Selling securityholders may be deemed to be underwriters in connection with the securities they resell and any profits on the sales may be deemed to be underwriting discounts and commissions under the Securities Act. The selling securityholders will receive all the proceeds from the sale of the securities. We will not receive any proceeds from sales by selling securityholders.

VALIDITY OF SECURITIES

Unless otherwise indicated in the applicable prospectus supplement, the validity of the securities will be passed upon for Prudential Financial by corporate counsel for Prudential Financial, who may be any of Susan L. Blount, Esq., Timothy P. Harris, Esq. or Brian J. Morris, Esq., and for the underwriters, dealers or agents by Cleary Gottlieb Steen & Hamilton LLP. Unless otherwise indicated in the applicable prospectus supplement, certain matters of Delaware law relating to the trusts and its preferred securities will be passed upon for the trusts and us by Richards, Layton & Finger, P.A. Richards, Layton & Finger, P.A. may rely as to matters of New York and New Jersey law upon the opinion of our corporate counsel. Our corporate counsel may rely as to matters of Delaware law upon the opinion of Richards, Layton & Finger, P.A. As of the date of this prospectus, each such corporate counsel for Prudential Financial owned less than 1% of the Common Stock of Prudential Financial. Cleary Gottlieb Steen & Hamilton LLP regularly provides legal services to us and our subsidiaries.

EXPERTS

The financial statements and management's assessment of the effectiveness of internal controls over financial reporting (which is included in Management's Report on Internal Control Over Financial Reporting) incorporated in this prospectus by reference to the Annual Report on Form 10-K for the year ended December 31, 2008 have been so incorporated in reliance on the report of PricewaterhouseCoopers LLP, an independent registered public accounting firm, given on the authority of said firm as experts in auditing and accounting.

PART II
INFORMATION NOT REQUIRED IN PROSPECTUS

Item 14. Other Expenses of Issuance and Distribution*

SEC registration fee	\$ 0**
FINRA fees and expenses	75,500
Accounting fees and expenses	1,000,000
Legal fees and expenses	1,000,000
Printing and engraving fees and expenses	150,000
Trustee fees and expenses	150,000
Rating agency fees and expenses	2,250,000
Miscellaneous	50,000
Total	\$4,675,500

* All fees and expenses other than the FINRA fee are estimated.

** Deferred in accordance with Rules 456(b) and 457(r).

Item 15. Indemnification of Directors and Officers

Prudential Financial, Inc. is subject to the New Jersey Business Corporation Act (the “BCA”). The BCA provides that a New Jersey corporation is required to indemnify a director or officer against his or her expenses to the extent that such director or officer has been successful on the merits or otherwise in any proceeding against such director or officer by reason of his or her being or having been such director or officer. A New Jersey corporation also has the power to indemnify a director or officer against his or her expenses and liabilities in connection with any proceeding involving the director or officer by reason of his or her being or having been such a director or officer if such a director or officer acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the corporation (or in the case of a proceeding by or in the right of the corporation, upon an appropriate determination by a court); and with respect to any criminal proceeding, such director or officer had no reasonable cause to believe his or her conduct was unlawful. No indemnification shall be made to or on behalf of a director or officer if a judgment or other final adjudication adverse to the director or officer establishes that his or her omissions (a) were in breach of his or her duty of loyalty to the corporation or its shareholders, (b) were not in good faith or involved a knowing violation of law or (c) resulted in receipt by the director or officer of an improper personal benefit.

Our amended and restated certificate of incorporation provides that no director shall be personally liable to us or any of its shareholders for damages for breach of duty as a director, except for liability based upon an act or omission (i) in breach of the director’s duty of loyalty to Prudential Financial, Inc. or its stockholders, (ii) not in good faith or involving a knowing violation of law, or (iii) resulting in receipt by such director of an improper personal benefit.

Our amended and restated by-laws provide that we shall indemnify the following persons:

(a) any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative, arbitrative or investigative (including any appeal thereon) (other than an action by or in the right of Prudential Financial, Inc.) by reason of the fact that such person is or was a director, officer, or employee of Prudential Financial, Inc., or is or was serving at the request of Prudential Financial, Inc. as a director or officer, employee or agent of another corporation, partnership, joint venture, trust, employee benefit plan or other enterprise, against expenses (including reasonable costs, disbursements and attorneys’ fees), judgments, fines, penalties and amounts paid in settlement actually and reasonably incurred by such person in connection with such action,

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suit or proceeding if such person acted in good faith and in a manner such person reasonably believed to be in or not opposed to the best interests of Prudential Financial, Inc., and, with respect to any criminal action or proceeding, such person has no reasonable cause to believe his or her conduct was unlawful; *provided, however*, that no indemnification shall be made in respect of any claim, issue or matter if a judgment or final adjudication adverse to such person establishes that his or her acts or omissions (i) were in breach of his or her duty of loyalty to Prudential Financial, Inc. or its shareholders, (ii) were not in good faith or involved a knowing violation of law or (iii) resulted in receipt by such person of an improper personal benefit; or

(b) any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit (whether civil, criminal, administrative, arbitral or investigative) by or in the right of Prudential Financial, Inc. to procure a judgment in its favor by reason of the fact that such person is or was a director, officer, or employee of Prudential Financial, Inc., or is or was serving at the request of Prudential Financial, Inc. as director, officer, employee or agent of another corporation, partnership, joint venture, trust, employee benefit plan or other enterprise, against expenses (including reasonable costs, disbursements and attorneys' fees) judgments, fines, penalties and amounts paid in settlement actually and reasonably incurred by such person in connection with the defense or settlement of such action or suit if such person acted in good faith and in a manner such person reasonably believed to be in or not opposed to the best interests of Prudential Financial, Inc.; *provided, however*, that no indemnification shall be made in respect of any claim, issue or matter if a judgment or final adjudication adverse to such person establishes that his or her acts or omissions (i) were in breach of his or her duty of loyalty to Prudential Financial, Inc. or its shareholders, (ii) were not in good faith or involved a knowing violation of law or (iii) resulted in receipt by such person of an improper personal benefit. Notwithstanding the preceding sentence, no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable to Prudential Financial, Inc. unless and only to the extent that the Superior Court of the State of New Jersey or the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which the Superior Court or such other court shall deem proper.

The indemnification and advancement of expenses will continue as to a person who has ceased to be a director, officer or employee and will inure to the benefit of the heirs, executors and administrators of such person.

For directors and officers of the level of Senior Vice President or above, the determination of entitlement to indemnification must be made (i) by a majority vote of the directors who are not parties to such action, suit or proceeding, even though less than a quorum, or (ii) if there are no such directors, or if such directors so direct, by independent legal counsel in a written opinion, or (iii) by the shareholders.

We maintain insurance policies with unrelated insurers under which our directors and officers are insured, within the limits and subject to the limitations of the policies, against certain expenses in connection with the defense of, and certain liabilities that might be imposed as a result of, actions, suits or proceedings to which they are parties by reason of being or having been such directors or officers.

We, as depositor, have agreed in the forms of declaration of trust of Prudential Financial Capital Trust II and Prudential Financial Capital Trust III to (i) reimburse the trustees of each trust for all reasonable expenses (including reasonable fees and expenses of counsel and other experts) and (ii) indemnify, defend and hold harmless the trustees and any of the officers, directors, employees and agents of the trustees (the "Indemnified Persons") from and against any and all losses, damages, liabilities, claims, actions, suits, costs, expenses, disbursements (including the reasonable fees and expenses of counsel), taxes and penalties of any kind and nature whatsoever (collectively, "Expenses"), to the extent that such Expenses arise out of, or are imposed upon, or asserted at any time against, such Indemnified Persons with respect to the performance of the declarations of trust, the creation, operation or termination of a trust or the transactions contemplated thereby; provided,

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however, that we shall not be required to indemnify any Indemnified Person for any Expenses which are a result of the willful misconduct or bad faith or, in the case of the property trustee or Delaware trustee, negligence of such Indemnified Person.

Item 16. Exhibits

No.	Exhibits
1.1	Form of Underwriting Agreement for senior and subordinated debt securities.**
1.2	Form of Underwriting Agreement for preferred stock.**
1.3	Form of Underwriting Agreement for common stock.**
1.4	Form of Underwriting Agreement for preferred securities of the trusts.**
1.5	Form of Underwriting Agreement for stock purchase contracts.**
1.6	Form of Underwriting Agreement for units.**
1.7	Form of Underwriting Agreement for warrants.**
1.8	Form of Distribution Agreement among Prudential Financial, Inc. and the Agents listed therein, relating to Medium-Term Notes, Series D.
1.9	Form of Selling Agent Agreement among Prudential Financial, Inc., Banc of America Securities LLC, as Purchasing Agent, and the Agents listed therein, relating to Prudential Financial Retail Medium-Term Notes.
1.10	Form of Selling Agent Agreement among Prudential Financial, Inc., Incapital LLC, as Purchasing Agent, and the Agents listed therein, relating to Prudential Financial InterNotes®.
2.1	Plan of Reorganization (incorporated by reference to Exhibit 2.1 to Prudential Financial, Inc.'s Registration Statement on Form S-1 (Registration Statement No. 333-58524) (the "S-1 Registration Statement")).***
3.1	Amended and Restated Certificate of Incorporation (incorporated by reference to Exhibit 3.1 to Prudential Financial, Inc.'s Current Report on Form 8-K filed June 9, 2005 (File No. 001-16707)).***
3.2	Amended and Restated Bylaws (incorporated by reference to Exhibit 3.1 to Prudential Financial, Inc.'s Current Report on Form 8-K filed February 10, 2009 (File No. 001-16707)).***
4.1	Indenture for senior debt securities (incorporated by reference to the corresponding exhibit of Prudential Financial, Inc.'s Current Report on Form 8-K filed June 8, 2005 (File No. 001-16707)).***
4.2	Second Supplemental Indenture, dated as of December 12, 2006, between Prudential Financial, Inc. and The Bank of New York Mellon (formerly known as The Bank of New York).
4.3	Third Supplemental Indenture, dated as of December 12, 2007, between Prudential Financial, Inc. and The Bank of New York Mellon (formerly known as The Bank of New York).
4.4	Indenture for subordinated debt securities (incorporated by reference to Exhibit 4.1 to Prudential Financial, Inc.'s Current Report on Form 8-K filed June 17, 2008 (File No. 001-16707)).***
4.5	Form of Deposit Agreement.**
4.6	Form of Depositary Receipt (included in Exhibit 4.5).**
4.7	Form of Senior Debt Security (included in Exhibit 4.1).***
4.8	Form of Subordinated Debt Security (included in Exhibit 4.4).***
4.9	Form of Preferred Security (included in Exhibits 4.21 and 4.22).*

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<u>No.</u>	<u>Exhibits</u>
4.10	Form of Certificate for the common stock of Prudential Financial, Inc., par value \$0.01 per share (incorporated by reference to Exhibit 4.1 to the S-1 Registration Statement).***
4.11	Shareholders' Rights Plan (incorporated by reference to Exhibit 4.2 to the S-1 Registration Statement).***
4.12	Form of Warrant Agreement.**
4.13	Certificate of Trust of Prudential Financial Capital Trust II.*
4.14	Certificate of Amendment to Certificate of Trust of Prudential Financial Capital Trust II.
4.15	Certificate of Trust of Prudential Financial Capital Trust III.*
4.16	Certificate of Amendment to Certificate of Trust of Prudential Financial Capital Trust III.
4.17	Declaration of Trust of Prudential Financial Capital Trust II.*
4.18	Supplemental Declaration of Trust of Prudential Financial Capital Trust II.
4.19	Declaration of Trust of Prudential Financial Capital Trust III.*
4.20	Supplemental Declaration of Trust of Prudential Financial Capital Trust III.
4.21	Form of Amended and Restated Declaration of Trust of Prudential Financial Capital Trust II.*
4.22	Form of Amended and Restated Declaration of Trust of Prudential Financial Capital Trust III.*
4.23	Form of Trust Preferred Securities Guarantee Agreement for Prudential Financial Capital Trust II.*
4.24	Form of Trust Preferred Securities Guarantee Agreement for Prudential Financial Capital Trust III.*
4.25	Form of Common Securities Guarantee Agreement for Prudential Financial Capital Trust II.*
4.26	Form of Common Securities Guarantee Agreement for Prudential Financial Capital Trust III.*
4.27	Form of Stock Purchase Contract Agreement, including the form of security certificate.**
4.28	Form of Unit Agreement, including form of unit certificate.**
4.29	Form of Pledge Agreement.**
4.30	Inter-Business Transfer and Allocation Policies relating to the Financial Services Businesses and the Closed Block Business (incorporated by reference to Exhibit 4.6 to the S-1 Registration Statement).***
4.31	Form of fixed-rate medium term note.
4.32	Form of floating-rate medium term note.
4.33	Specimen of Medium Term Note Master Note (incorporated by reference to Exhibit 4.28 to Prudential Financial, Inc.'s Registration Statement on Form S-3 (Registration Statement Nos. 333-132469, 333-132469-01 and 333-132469-02)).***
5.1	Opinion of Brian J. Morris.
5.2	Opinion of Richards, Layton & Finger, P.A.
12.1	Statement of ratios of earnings to fixed charges (incorporated by reference to Exhibit 12.1 to the Prudential Financial, Inc.'s Annual Report on Form 10-K for the fiscal year ended December 31, 2008 (File No. 001-16707)).***
23.1	Consent of PricewaterhouseCoopers LLP.
23.2	Consent of Brian J. Morris (included in Exhibit 5.1).
23.3	Consent of Richards, Layton & Finger, P.A. (included in Exhibit 5.2).
24.1	Powers of Attorney.

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<u>No.</u>	<u>Exhibits</u>
25.1	Statement of Eligibility of Trustee on Form T-1 under the Trust Indenture Act of 1939, as amended, of The Bank of New York Mellon, as successor to JPMorgan Chase Bank, N.A., to act as trustee under the Senior Debt Indenture for the Senior Debt Securities.
25.2	Statement of Eligibility of Trustee on Form T-1 under the Trust Indenture Act of 1939, as amended, of The Bank of New York Mellon (formerly known as The Bank of New York) to act as trustee under the Subordinated Debt Indenture for the Subordinated Debt Securities.
25.3	Statement of Eligibility of Trustee on Form T-1 under the Trust Indenture Act of 1939, as amended, of The Bank of New York Mellon to act as trustee for the Preferred Securities of Prudential Financial Capital Trust II.
25.4	Statement of Eligibility of Trustee on Form T-1 under the Trust Indenture Act of 1939, as amended, of The Bank of New York Mellon to act as trustee for the Preferred Securities Guarantee Agreement for the benefit of the holders of the Preferred Securities of Prudential Financial Capital Trust II.
25.5	Statement of Eligibility of Trustee on Form T-1 under the Trust Indenture Act of 1939, as amended, of The Bank of New York Mellon to act as trustee for the Preferred Securities of Prudential Financial Capital Trust III.
25.6	Statement of Eligibility of Trustee on Form T-1 under the Trust Indenture Act of 1939, as amended, of The Bank of New York Mellon to act as trustee for the Preferred Securities Guarantee Agreement for the benefit of the holders of the Preferred Securities of Prudential Financial Capital Trust III.
*	Incorporated by reference to the corresponding exhibit to Pre-effective Amendment No. 1 to the Registration Statement on Form S-3 (Registration Nos. 333-104444, 333-104444-01 and 333-104444-02) filed by Prudential Financial, Inc., Prudential Financial Capital Trust II and Prudential Financial Capital Trust III on April 25, 2003.
**	To be filed by amendment or as an exhibit to a document to be incorporated by reference into this Registration Statement in connection with an offering of these particular securities.
***	Filed previously.

Item 17. Undertakings

Each undersigned Registrant hereby undertakes:

(1) To file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement:

(i) To include any prospectus required by Section 10(a)(3) of the Securities Act of 1933;

(ii) To reflect in the prospectus any facts or events arising after the effective date of the registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the registration statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the Commission pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than a 20 percent change in the maximum aggregate offering price set forth in the "Calculation of Registration Fee" table in the effective registration statement;

(iii) To include any material information with respect to the plan of distribution not previously disclosed in the registration statement or any material change to such information in the registration statement;

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provided, however, that paragraphs (1)(i), (1)(ii) and (1)(iii) of this section do not apply if the registration statement is on Form S-3 or F-3 and the information required to be included in a post-effective amendment by those paragraphs is contained in reports filed with or furnished to the Commission by a Registrant pursuant to section 13 or section 15(d) of the Securities Exchange Act of 1934 that are incorporated by reference in the registration statement, or is contained in a form of prospectus filed pursuant to Rule 424(b) that is part of the registration statement.

(2) That, for the purpose of determining any liability under the Securities Act of 1933, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial *bona fide* offering thereof.

(3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

(4) That, for the purpose of determining liability under the Securities Act of 1933 to any purchaser:

(i) Each prospectus filed by a Registrant pursuant to Rule 424(b)(3) shall be deemed to be part of the registration statement as of the date the filed prospectus was deemed part of and included in the registration statement; and

(ii) Each prospectus required to be filed pursuant to Rule 424(b)(2), (b)(5), or (b)(7) as part of the registration statement in reliance on Rule 430B relating to an offering made pursuant to Rule 415(a)(1)(i), (vii) or (x) for the purpose of providing the information required by Section 10(a) of the Securities Act of 1933 shall be deemed to be part of and included in the registration statement as of the earlier of the date such form of prospectus is first used after effectiveness or the date of the first contract of sale of securities in the offering described in the prospectus. As provided in Rule 430B, for liability purposes of the issuer and any person that is at that date an underwriter, such date shall be deemed to be a new effective date of the registration statement relating to the securities in the registration statement to which that prospectus relates, and the offering of such securities at that time shall be deemed to be the initial *bona fide* offering thereof. *Provided, however*, that no statement made in a registration statement or prospectus that is part of the registration statement or made in a document incorporated or deemed incorporated by reference into the registration statement or prospectus that is part of the registration statement will, as to a purchaser with a time of contract of sale prior to such effective date, supersede or modify any statement that was made in the registration statement or prospectus that was part of the registration statement or made in any such document immediately prior to such effective date.

(5) That, for the purpose of determining liability of a Registrant under the Securities Act of 1933 to any purchaser in the initial distribution of the securities, each undersigned Registrant undertakes that in a primary offering of securities of such undersigned Registrant pursuant to this registration statement, regardless of the underwriting method used to sell the securities to the purchaser, if the securities are offered or sold to such purchaser by means of any of the following communications, such undersigned Registrant will be a seller to the purchaser and will be considered to offer or sell such securities to such purchaser:

(i) Any preliminary prospectus or prospectus of such undersigned Registrant relating to the offering required to be filed pursuant to Rule 424;

(ii) Any free writing prospectus relating to the offering prepared by or on behalf of such undersigned Registrant or used or referred to by such undersigned Registrant;

(iii) The portion of any other free writing prospectus relating to the offering containing material information about such undersigned Registrant or its securities provided by or on behalf of such undersigned Registrant; and

(iv) Any other communication that is an offer in the offering made by such undersigned Registrant to the purchaser.

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(6) That, for purposes of determining any liability under the Securities Act of 1933, each filing of Prudential Financial, Inc.'s annual report pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (and, where applicable, each filing of an employee benefit plan's annual report pursuant to Section 15(d) of the Securities Exchange Act of 1934) that is incorporated by reference in the registration statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial *bona fide* offering thereof.

Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of a Registrant pursuant to the foregoing provisions, or otherwise, such Registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Securities Act of 1933 and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by a Registrant of expenses incurred or paid by a director, officer or controlling person of a 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, such 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 Securities Act of 1933 and will be governed by the final adjudication of such issue.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, Prudential Financial, Inc. certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this 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 11th day of March, 2009.

PRUDENTIAL FINANCIAL, INC.

By: /s/ RICHARD J. CARBONE

RICHARD J. CARBONE

Name: **Richard J. Carbone**
Title: **Executive Vice President and
Chief Financial Officer**

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed below on March 11, 2009 by the following persons in the capacities indicated:

<u>Signature</u>	<u>Title</u>
JOHN R. STRANGFELD*	Chairman, Chief Executive Officer, President and Director
<u>(John R. Strangfeld)</u>	
/s/ RICHARD J. CARBONE	Executive Vice President and Chief Financial Officer (Principal Financial Officer)
<u>(Richard J. Carbone)</u>	
PETER B. SAYRE*	Senior Vice President and Controller (Principal Accounting Officer)
<u>(Peter B. Sayre)</u>	
THOMAS J. BALTIMORE, JR.*	Director
<u>(Thomas J. Baltimore, Jr.)</u>	
FREDERIC K. BECKER*	Director
<u>(Frederic K. Becker)</u>	
GORDON M. BETHUNE*	Director
<u>(Gordon M. Bethune)</u>	
W. GASTON CAPERTON III*	Director
<u>(W. Gaston Caperton III)</u>	
GILBERT F. CASELLAS*	Director
<u>(Gilbert F. Casellas)</u>	
JAMES G. CULLEN*	Director
<u>(James G. Cullen)</u>	
WILLIAM H. GRAY III*	Director
<u>(William H. Gray III)</u>	

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<u>Signature</u>	<u>Title</u>
MARK B. GRIER* (Mark B. Grier)	Vice Chairman and Director
JON F. HANSON* (Jon F. Hanson)	Director
CONSTANCE J. HORNER* (Constance J. Horner)	Director
KARL J. KRAPEK* (Karl J. Krapek)	Director
CHRISTINE A. POON* (Christine A. Poon)	Director
JAMES A. UNRUH* (James A. Unruh)	Director

*By: /s/ RICHARD J. CARBONE
 RICHARD J. CARBONE
 Richard J. Carbone
 Attorney-in-fact

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, Prudential Financial Capital Trust II and Prudential Financial Capital Trust III each certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this 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 11th day of March, 2009.

PRUDENTIAL FINANCIAL CAPITAL TRUST II

BY: PRUDENTIAL FINANCIAL, INC.,
as Sponsor

By: /s/ RICHARD J. CARBONE
RICHARD J. CARBONE

Name: Richard J. Carbone
Title: Executive Vice President and
Chief Financial Officer

PRUDENTIAL FINANCIAL CAPITAL TRUST III

BY: PRUDENTIAL FINANCIAL, INC.,
as Sponsor

By: /s/ RICHARD J. CARBONE
RICHARD J. CARBONE

Name: Richard J. Carbone
Title: Executive Vice President and
Chief Financial Officer

EXHIBIT INDEX

No.	Exhibits
1.1	Form of Underwriting Agreement for senior and subordinated debt securities.**
1.2	Form of Underwriting Agreement for preferred stock.**
1.3	Form of Underwriting Agreement for common stock.**
1.4	Form of Underwriting Agreement for preferred securities of the trusts.**
1.5	Form of Underwriting Agreement for stock purchase contracts.**
1.6	Form of Underwriting Agreement for units.**
1.7	Form of Underwriting Agreement for warrants.**
1.8	Form of Distribution Agreement among Prudential Financial, Inc. and the Agents listed therein, relating to Medium-Term Notes, Series D.
1.9	Form of Selling Agent Agreement among Prudential Financial, Inc., Banc of America Securities LLC, as Purchasing Agent, and the Agents listed therein, relating to Prudential Financial Retail Medium-Term Notes.
1.10	Form of Selling Agent Agreement among Prudential Financial, Inc., Incapital LLC, as Purchasing Agent, and the Agents listed therein, relating to Prudential Financial InterNotes®.
2.1	Plan of Reorganization (incorporated by reference to Exhibit 2.1 to Prudential Financial, Inc.'s Registration Statement on Form S-1 (No. 333-58524) (the "S-1 Registration Statement")).***
3.1	Amended and Restated Certificate of Incorporation (incorporated by reference to Exhibit 3.1 to Prudential Financial, Inc.'s Current Report on Form 8-K filed June 9, 2005 (File No. 001-16707)).***
3.2	Amended and Restated Bylaws (incorporated by reference to Exhibit 3.1 to Prudential Financial, Inc.'s Current Report on Form 8-K filed February 10, 2009 (File No. 001-16707)).***
4.1	Indenture for senior debt securities (incorporated by reference to the corresponding exhibit of Prudential Financial, Inc.'s Current Report on Form 8-K filed June 8, 2005 (File No. 001-16707)).***
4.2	Second Supplemental Indenture, dated as of December 12, 2006, between Prudential Financial, Inc. and The Bank of New York Mellon (formerly known as The Bank of New York).
4.3	Third Supplemental Indenture, dated as of December 12, 2007, between Prudential Financial, Inc. and The Bank of New York Mellon (formerly known as The Bank of New York).
4.4	Indenture for subordinated debt securities (incorporated by reference to Exhibit 4.1 to Prudential Financial, Inc.'s Current Report on Form 8-K filed June 17, 2008 (File No. 001-16707)).***
4.5	Form of Deposit Agreement.**
4.6	Form of Depositary Receipt (included in Exhibit 4.5).**
4.7	Form of Senior Debt Security (included in Exhibit 4.1).***
4.8	Form of Subordinated Debt Security (included in Exhibit 4.4).***
4.9	Form of Preferred Security (included in Exhibits 4.21 and 4.22).*
4.10	Form of Certificate for the common stock of Prudential Financial, Inc., par value \$0.01 per share (incorporated by reference to Exhibit 4.1 to the S-1 Registration Statement).***
4.11	Shareholders' Rights Plan (incorporated by reference to Exhibit 4.2 to the S-1 Registration Statement).***

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<u>No.</u>	<u>Exhibits</u>
4.12	Form of Warrant Agreement.**
4.13	Certificate of Trust of Prudential Financial Capital Trust II.*
4.14	Certificate of Amendment to Certificate of Trust of Prudential Financial Capital Trust II.
4.15	Certificate of Trust of Prudential Financial Capital Trust III.*
4.16	Certificate of Amendment to Certificate of Trust of Prudential Financial Capital Trust III.
4.17	Declaration of Trust of Prudential Financial Capital Trust II.*
4.18	Supplemental Declaration of Trust of Prudential Financial Capital Trust II.
4.19	Declaration of Trust of Prudential Financial Capital Trust III.*
4.20	Supplemental Declaration of Trust of Prudential Financial Capital Trust III.
4.21	Form of Amended and Restated Declaration of Trust of Prudential Financial Capital Trust II.*
4.22	Form of Amended and Restated Declaration of Trust of Prudential Financial Capital Trust III.*
4.23	Form of Trust Preferred Securities Guarantee Agreement for Prudential Financial Capital Trust II.*
4.24	Form of Trust Preferred Securities Guarantee Agreement for Prudential Financial Capital Trust III.*
4.25	Form of Common Securities Guarantee Agreement for Prudential Financial Capital Trust II.*
4.26	Form of Common Securities Guarantee Agreement for Prudential Financial Capital Trust III.*
4.27	Form of Stock Purchase Contract Agreement, including the form of security certificate.**
4.28	Form of Unit Agreement, including form of unit certificate.**
4.29	Form of Pledge Agreement.**
4.30	Inter-Business Transfer and Allocation Policies relating to the Financial Services Businesses and the Closed Block Business (incorporated by reference to Exhibit 4.6 to the S-1 Registration Statement).***
4.31	Form of fixed-rate medium term note.
4.32	Form of floating-rate medium term note.
4.33	Specimen of Medium Term Note Master Note (incorporated by reference to Exhibit 4.28 to Prudential Financial, Inc.'s Registration Statement on Form S-3 (Registration Statement Nos. 333-132469, 333-132469-01 and 333-132469-02)).***
5.1	Opinion of Brian J. Morris.
5.2	Opinion of Richards, Layton & Finger, P.A.
12.1	Statement of ratios of earnings to fixed charges (incorporated by reference to Exhibit 12.1 to the Prudential Financial, Inc.'s Annual Report on Form 10-K for the fiscal year ended December 31, 2008 (File No. 001-16707)).***
23.1	Consent of PricewaterhouseCoopers LLP.
23.2	Consent of Brian J. Morris (included in Exhibit 5.1).
23.3	Consent of Richards, Layton & Finger, P.A. (included in Exhibit 5.2).
24.1	Powers of Attorney.

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<u>No.</u>	<u>Exhibits</u>
25.1	Statement of Eligibility of Trustee on Form T-1 under the Trust Indenture Act of 1939, as amended, of The Bank of New York Mellon, as successor to JPMorgan Chase Bank, N.A., to act as trustee under the Senior Debt Indenture for the Senior Debt Securities.
25.2	Statement of Eligibility of Trustee on Form T-1 under the Trust Indenture Act of 1939, as amended, of The Bank of New York Mellon (formerly known as The Bank of New York) to act as trustee under the Subordinated Debt Indenture for the Subordinated Debt Securities.
25.3	Statement of Eligibility of Trustee on Form T-1 under the Trust Indenture Act of 1939, as amended, of The Bank of New York Mellon to act as trustee for the Preferred Securities of Prudential Financial Capital Trust II.
25.4	Statement of Eligibility of Trustee on Form T-1 under the Trust Indenture Act of 1939, as amended, of The Bank of New York Mellon to act as trustee for the Preferred Securities Guarantee Agreement for the benefit of the holders of the Preferred Securities of Prudential Financial Capital Trust II.
25.5	Statement of Eligibility of Trustee on Form T-1 under the Trust Indenture Act of 1939, as amended, of The Bank of New York Mellon to act as trustee for the Preferred Securities of Prudential Financial Capital Trust III.
25.6	Statement of Eligibility of Trustee on Form T-1 under the Trust Indenture Act of 1939, as amended, of The Bank of New York Mellon to act as trustee for the Preferred Securities Guarantee Agreement for the benefit of the holders of the Preferred Securities of Prudential Financial Capital Trust III.
*	Incorporated by reference to the corresponding exhibit to Pre-effective Amendment No. 1 to the Registration Statement on Form S-3 (Registration Nos. 333-104444, 333-104444-01 and 333-104444-02) filed by Prudential Financial, Inc., Prudential Financial Capital Trust II and Prudential Financial Capital Trust III on April 25, 2003.
**	To be filed by amendment or as an exhibit to a document to be incorporated by reference into this Registration Statement in connection with an offering of these particular securities.
***	Filed previously.

PRUDENTIAL FINANCIAL, INC.
Medium-Term Notes, Series D
Due One Year or More from Date of Issue
DISTRIBUTION AGREEMENT

, 2009

J.P. MORGAN SECURITIES INC.
270 Park Avenue
New York, New York 10017

BANC OF AMERICA SECURITIES LLC
One Bryant Park
NY1-100-18-03
New York, New York 10036

BARCLAYS CAPITAL INC.
200 Park Avenue
New York, NY 10166

CITIGROUP GLOBAL MARKETS INC.
388 Greenwich Street New York,
New York 10013

CREDIT SUISSE SECURITIES (USA) LLC
11 Madison Avenue
New York, NY 10010

DEUTSCHE BANK SECURITIES INC.
60 Wall Street
New York, New York 10005

GOLDMAN, SACHS & CO.
85 Broad Street
New York, New York 10004

MERRILL LYNCH, PIERCE,
FENNER & SMITH INCORPORATED
4 World Financial Center
New York, New York 10080

MORGAN STANLEY & CO. INCORPORATED
1585 Broadway
New York, New York 10036

UBS SECURITIES LLC
677 Washington Boulevard
Stamford, Connecticut 06901

WACHOVIA CAPITAL MARKETS, LLC
301 South College Street
Charlotte, North Carolina 28288

Ladies and Gentlemen:

Prudential Financial, Inc., a New Jersey corporation (the “Company”), confirms its agreement with J.P. Morgan Securities Inc., Banc of America Securities LLC, Barclays Capital Inc., Citigroup Global Markets Inc., Credit Suisse Securities (USA) LLC, Deutsche Bank Securities Inc., Goldman, Sachs & Co., Merrill Lynch, Pierce, Fenner & Smith Incorporated, Morgan Stanley & Co. Incorporated, UBS Securities LLC and Wachovia Capital Markets, LLC (each, an “Agent” and collectively, the “Agents”), with respect to the issuance and sale from

time to time by the Company of up to \$10,000,000,000 (or its equivalent in one or more foreign currencies, currency units or composite currencies) aggregate initial public offering price, as such amount may be increased from time to time upon due authorization by the Company, of its Medium-Term Notes, Series D, Due One Year or More from Date of Issue (the “Notes”), as described herein (the “Agreement”).

As of the date hereof, the Company has authorized the issuance and sale of the Notes in an aggregate principal amount, including in the case of Original Issue Discount Notes (as defined below), the aggregate initial offering price thereof, which will not exceed \$10,000,000,000 at any one time outstanding, pursuant to the terms of this Agreement. It is understood, however, that the Company will have the option, at any time, to increase the amount of Notes that may be issued and that such additional Notes may be sold pursuant to the terms of this Agreement, all as though the issuance of such Notes were authorized as of the date hereof. The Notes are to be offered under the senior debt securities indenture dated as of April 25, 2003 (as amended and supplemented from time to time, the “Indenture”), between the Company and The Bank of New York Mellon, a New York banking corporation (formerly known as The Bank of New York), as successor to JPMorgan Chase Bank, N.A., as Trustee (the “Trustee”), and will have the maturities, interest rates, redemption provisions, if any, and other terms as set forth in supplements to the Prospectus referred to below.

This Agreement provides both for the sale of Notes by the Company to one or more of the Agents as principal for resale to investors and other purchasers and for the sale of Notes by the Company directly to investors (as may from time to time be agreed to by the Company and the related Agent or Agents), in which case the Agents will act as agents of the Company in soliciting purchases of the Notes. All such sales and resales will be made pursuant to the restrictions set forth herein.

The Company has filed with the Securities and Exchange Commission (the “Commission”) an automatic shelf registration statement, as defined under Rule 405 under the Securities Act of 1933, as amended (the “Act”), on Form S-3 (File No. 333-[•]), not earlier than three years prior to the date hereof; the base prospectus filed as part of such registration statement, in the form in which it has most recently been filed with the Commission on or prior to the date of this Agreement, is hereinafter called the “Basic Prospectus”; the various parts of such registration statement, including all exhibits thereto but excluding all Forms T-1 and including any prospectus supplement relating to the Notes that is filed with the Commission and deemed by virtue of Rule 430B to be part of such registration statement, each as amended or supplemented at the time such part of such registration statement became effective, are hereinafter collectively called the “Registration Statement”; the Basic Prospectus, as supplemented by the prospectus supplement dated , 2009 relating to the Notes, is hereinafter called the “Prospectus”; any reference herein to the Basic Prospectus or the Prospectus shall be deemed to refer to and include the documents incorporated by reference therein pursuant to Item 12 of Form S-3 under the Act, as of the date of such prospectus; any supplement to the Prospectus that sets forth only the terms of a particular issue of the Notes is hereinafter called a “Pricing Supplement”; any reference to any amendment or supplement to the Prospectus shall be deemed to refer to and include any prospectus supplement (including any preliminary prospectus supplement) relating to the Notes filed with the Commission pursuant to Rule 424(b) under the Act and any documents filed under the Securities Exchange Act of 1934,

as amended (the "Exchange Act"), and incorporated therein, in each case after the date of the Basic Prospectus or the Prospectus, as the case may be; any reference to any amendment to the Registration Statement shall be deemed to refer to and include any annual report of the Company filed pursuant to Section 13(a) or 15(d) of the Exchange Act after the effective date of the Registration Statement that is incorporated by reference in the Registration Statement.

SECTION 1. Appointment as Agents.

(a) *Appointment of Agents.* Subject to the terms and conditions stated herein and subject to the reservation by the Company of the right to sell Notes directly on its own behalf, the Company hereby appoints the Agents, severally but not jointly, as the exclusive placement agents for the Notes and acknowledges that the Agents shall have the exclusive right to assist the Company in the placement of the Notes during the term of this Agreement, subject to the appointment of additional agents from time to time. The Company agrees that, unless otherwise agreed, during the period the Agents are acting as the Company's placement agents hereunder, the Company will not engage any other person or party to assist in the placement of the Notes; *provided, however*, that the Company may accept offers to purchase Notes through an agent other than an Agent if (i) the Company shall have executed a confirmation letter and such agent shall have executed an accession letter substantially in the form of Exhibits A and B, respectively, attached hereto and (ii) the Company shall have provided the Agents with copies of such letters promptly following the execution thereof.

(b) *Method of Solicitation.* The Agents will solicit offers to purchase the Notes upon the terms and conditions contained herein, and in connection therewith will use only the Disclosure Package (as defined herein) and such term sheets and free writing prospectuses as contemplated by Section 4A(a) hereof.

(c) *Issued and Outstanding Notes.* The Company shall not sell or approve the solicitation by any Agent or any other agent appointed pursuant to Section 1(a) hereof of purchases of Notes in excess of the amount which shall be authorized for issuance by the Company from time to time. The Agents will have no responsibility for maintaining records with respect to the aggregate principal amount of Notes issued or outstanding.

(d) *Purchases as Principal.* No Agent shall have any obligation to purchase Notes from the Company as principal, but an Agent may agree from time to time to purchase Notes as principal. Any such purchase of Notes by an Agent as principal shall be made in accordance with Section 3(b) hereof.

(e) *Solicitations as Agents.* If agreed upon by an Agent and the Company, such Agent, acting solely as agent for the Company and not as principal, will use its reasonable efforts to solicit purchases of the Notes. Each Agent will communicate to the Company, orally or in writing, each offer to purchase Notes solicited by such Agent on an agency basis, other than those offers rejected by such Agent. Each Agent shall have the right, in its discretion reasonably exercised, to reject any proposed purchase of Notes, as a whole or in part, and any such rejection shall not be deemed a breach of such Agent's agreement contained herein. The Company shall have the sole right to accept or reject any proposed purchase of the Notes, as a whole or in part, and any such rejection shall not be deemed a breach of the Company's agreement contained

herein. Each Agent shall make reasonable efforts to assist the Company in obtaining performance by each purchaser whose offer to purchase Notes has been solicited by such Agent and accepted by the Company. No Agent shall have any liability to the Company in the event any such purchase is not consummated for any reason other than such Agent's failure to comply with the terms and conditions of this Agreement relating to such purchase. If the Company shall default on its obligation to deliver Notes to a purchaser whose offer it has accepted, the Company shall (i) hold the Agent which solicited such offer harmless against any loss, claim, damage or liability arising from or as a result of such default by the Company and (ii) notwithstanding such default, pay to such Agent any commission to which it would be entitled in connection with such sale, unless (x) such Agent shall have failed to comply with the terms and conditions of this Agreement relating to such sale or (y) the Company has a reasonable basis to believe that, due to the nature of such purchaser, such sale would have violated any statute or law or any order, rule or regulation of any court or governmental agency or body having jurisdiction over the Company or any of its properties.

(f) *Reliance.* The Company and each Agent agree that any Notes purchased by an Agent shall be purchased, and any Notes the placement of which an Agent arranges shall be placed by such Agent, in reliance on the representations, warranties, covenants and agreements of the Company and on the terms and conditions contained herein and in the manner provided herein.

SECTION 2. Representations and Warranties.

The Company represents and warrants to each Agent as of the date hereof, as of the date of the delivery to the Agents of the documents referred to in Section 5 hereof, as of the date of each acceptance by the Company of an offer for the purchase of Notes (whether to an Agent as principal or through an Agent as agent), as of the date of each delivery of Notes (whether to an Agent as principal or through an Agent as agent) (the date of each such delivery to an Agent as principal being referred to herein as a "Settlement Date") and as of each date to which the Registration Statement or the Prospectus is amended or supplemented, as follows (it being understood that such representations and warranties shall be deemed to relate to the Registration Statement and the Prospectus, each as amended or supplemented to each such date, except as provided in Section 2(c)(i) hereof):

(a) *Registration Statement.* The Registration Statement and any post-effective amendment thereto has been filed with the Commission and has become effective; no stop order suspending the effectiveness of the Registration Statement or any part thereof has been issued and, to the knowledge of the Company, no proceeding for that purpose has been initiated or threatened by the Commission, and no notice of objection of the Commission to the use of the Registration Statement or any post-effective amendment thereto pursuant to Rule 401(g)(2) under the Act has been received by the Company.

(b) *Documents Incorporated by Reference.* (i) Each document, if any, filed or to be filed pursuant to the Exchange Act and incorporated by reference in the Prospectus complied or will comply when so filed in all material respects with the Exchange Act and the applicable rules and regulations of the Commission thereunder, (ii) each part of the Registration Statement, when such part became effective, did not contain and each such part, as amended or supplemented, if

applicable, will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading, (iii) the Registration Statement and the Prospectus comply and, as amended or supplemented, if applicable, will comply in all material respects with the Securities Act and the applicable rules and regulations of the Commission thereunder and (iv) the Prospectus does not contain and, as amended or supplemented, if applicable, will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, except that the representations and warranties set forth in this paragraph do not apply to statements or omissions in the Registration Statement or the Prospectus made in reliance upon and in conformity with information furnished in writing to the Company by any Agent expressly for use therein.

(c) *Disclosure Package.* (i) With respect to each issue of Notes, the “Applicable Time” will be such time as is specified as the Applicable Time in Section 1 of a schedule in the form of Exhibit E hereto, which schedule shall be prepared by the Company and approved by the Agents prior to or at the Applicable Time in connection with each issue of the Notes (the “Disclosure Package Schedule”), and the “Disclosure Package” will be the Prospectus as amended or supplemented at the Applicable Time together with such “issuer free writing prospectuses”, as defined in Rule 433 under the Act (each, an “Issuer Free Writing Prospectus”), if any, as may be listed in Section 2 of the Disclosure Package Schedule; (ii) with respect to each such issue of Notes, the Disclosure Package (when considered together with the terms of the Notes specified in, and the information on the front cover of, the Pricing Supplement, if the Disclosure Package does not contain such terms and information), as of the Applicable Time, will not include any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they are made, not misleading; and (iii) with respect to each such issue of Notes, each Issuer Free Writing Prospectus relating to the Notes listed in Section 2 of the Disclosure Package Schedule), if any, will not conflict with the information contained in the Registration Statement or the Prospectus; *provided, however*, that the representations and warranties in clauses (ii) and (iii) of this Section 2(c) shall not apply to statements or omissions made in the Disclosure Package in reliance upon and in conformity with information furnished in writing to the Company by any Agent expressly for use therein.

(d) *Due Incorporation and Qualification.* The Company has been duly incorporated and is validly existing as a corporation in good standing under the laws of the State of New Jersey, with power and authority (corporate and other) to own its properties and to conduct its business as described in the Disclosure Package and the Prospectus, and has been duly qualified as a foreign corporation for the transaction of business and is in good standing under the laws of each other jurisdiction in which it owns or leases properties or conducts any business so as to require such qualification, except to the extent that the failure to be so qualified or in good standing would not have, individually or in the aggregate, a material adverse effect on the business, management, financial position, shareholders’ equity or results of operations (in each case considered on a U.S. generally accepted accounting principles (“GAAP”) basis) of the Company and its subsidiaries, considered as a whole (a “Material Adverse Effect”).

(e) *Authorization and Validity of Agreements and Notes.* Each of this Agreement and any applicable Terms Agreement (as defined in Section 3(b) hereof) has been duly authorized, executed and delivered by the Company; the Indenture has been duly qualified under the Trust Indenture Act of 1939, as amended (the “Trust Indenture Act”) and has been duly authorized, executed and delivered by the Company and is a valid and binding agreement of the Company, enforceable against the Company in accordance with its terms, except as enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws relating to or affecting enforcement of creditors’ rights generally or by general equitable principles; the Notes have been duly authorized by the Company and, when executed, authenticated and delivered in accordance with the provisions of this Agreement, any applicable Terms Agreement and the Indenture against payment therefor, will have been duly executed and delivered by, and will constitute valid and binding obligations of, the Company, enforceable against the Company in accordance with their terms, except as enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws relating to or affecting enforcement of creditors’ rights generally or by general equitable principles; and the terms of the Notes in respect of which an offer to purchase has been accepted by the Company are or will be in all material respects accurately described in the Disclosure Package and the Prospectus.

(f) *Material Changes or Material Transactions.* None of the Company or any of its subsidiaries has sustained since the date of the latest audited financial statements included in the Disclosure Package and the Prospectus any loss or interference with its business that is, individually or in the aggregate, material to the Company and its subsidiaries, considered as a whole, from fire, explosion, flood or other calamity, whether or not covered by insurance (excluding, for the avoidance of doubt, any insurance underwriting losses of the Company or its subsidiaries), or from any labor dispute or court or governmental action, order or decree, in each case other than as set forth or contemplated in the Disclosure Package and the Prospectus; and, since the respective dates as of which information is given in the Disclosure Package and the Prospectus, except as may otherwise be stated therein or contemplated thereby, (1) there has been no material decrease in the capital or surplus of the Company, (2) there has been no decrease in the capital stock of the Company or any material increase in the consolidated long-term debt of the Company (other than, in each case, as a result of the sale of (i) Notes, (ii) notes issued pursuant to the Company’s Euro Medium-Term Note Programme, InterNotes® program or Retail Medium-Term Note Program, (iii) notes issued pursuant to the Commercial Paper Program of either the Company or Prudential Funding, LLC, (iv) equity securities issued in connection with the Company’s Floating Rate Convertible Senior Notes due 2036, (v) equity securities issued in connection with the Company’s Floating Rate Convertible Senior Notes due 2037 or (vi) borrowings with the Federal Home Loan Bank of New York by The Prudential Insurance Company of America) and (3) there has been no material adverse change, or any development which will involve a prospective material adverse change, in or affecting the business, management, financial position, shareholders’ equity or results of operations (in each case considered on a GAAP basis) of the Company and its subsidiaries considered as a whole.

(g) *No Defaults.* The execution and delivery of this Agreement, any applicable Terms Agreement, the Indenture and the Notes, the consummation of the transactions contemplated herein and therein and compliance by the Company with its obligations hereunder and thereunder, as the case may be, will not conflict with, or result in a breach or violation of,

any of the terms or provisions of, or constitute a default under, any indenture, mortgage, deed of trust, loan agreement or other agreement or instrument to which the Company or any of its subsidiaries is a party or by which the Company, or any of its subsidiaries is bound or to which any of the property or assets of the Company or any of its subsidiaries is subject, nor will such actions result in any violation of the provisions of the Amended and Restated Certificate of Incorporation or By-Laws of the Company or the organizational documents of any of its subsidiaries or any statute or any order, rule or regulation of any court or insurance regulatory agency or other governmental agency or body having jurisdiction over the Company or any of its subsidiaries or any of their properties, except (other than with respect to the provisions of the Amended and Restated Certificate of Incorporation or By-Laws of the Company) to the extent that such a conflict, breach, default or violation would not have, individually or in the aggregate, a Material Adverse Effect.

(h) *Organizational Documents.* Neither the Company nor any of its subsidiaries is, or at any time of delivery of the Notes will be, in violation of its Amended and Restated Certificate of Incorporation or By-Laws or other organizational documents or instruments or in default in the performance or observance of any obligation, agreement, covenant or condition contained in any indenture, mortgage, deed of trust, loan agreement, lease or other agreement or instrument to which it is a party or by which it or any of its properties may be bound, which violation or default would have, individually or in the aggregate, a Material Adverse Effect.

(i) *Legal Proceedings.* Other than litigation (none of which is reasonably likely to be material) incidental to the kinds of business conducted by the Company and its subsidiaries, there are no legal or governmental proceedings pending to which the Company or any of its subsidiaries is a party or of which any property of the Company or any of its subsidiaries is the subject which, individually or in the aggregate, could reasonably be expected to have a Material Adverse Effect, other than as set forth in the Disclosure Package and the Prospectus; and, to the best of the Company's knowledge, no such proceedings are threatened or contemplated by governmental authorities or threatened by others, other than as set forth in the Disclosure Package and the Prospectus.

(j) *No Authorization, Approval or Consent Required.* No consent or action of, or filing or registration with, any governmental or public regulatory body or authority, is required to be obtained by the Company in connection with the execution, delivery or performance by the Company of this Agreement, any applicable Terms Agreement, the Indenture or the Notes, except such as have been obtained and made under the Securities Act and the Trust Indenture Act and such as may be required under the securities or Blue Sky laws of the various states and other jurisdictions of the United States in connection with the offer and sale of the Notes.

(k) *Investment Company Act.* The Company is not, nor after giving effect to the transactions contemplated herein will be, an "investment company" as such term is defined in the U.S. Investment Company Act of 1940, as amended (the "1940 Act").

(l) *Pari Passu Ranking.* The obligations of the Company to pay the principal of and premium, if any, and interest on the Notes and any and all amounts that become due and payable under this Agreement constitute direct, unconditional and general obligations of the Company and rank and will rank *pari passu* in priority of payment with respect to all unsecured and unsubordinated indebtedness of the Company.

(m) *Independent Registered Public Accountants.* PricewaterhouseCoopers LLP, who have certified certain financial statements of the Company and its subsidiaries, are an independent registered public accounting firm as required by the Securities Act, the rules and regulations of the Commission thereunder and the applicable rules and regulations of the Public Company Accounting Oversight Board (United States).

(n) *Consolidated Financial Statements.* The consolidated financial statements of the Company and its subsidiaries, together with the related schedules, notes and supplemental information, set forth in the Disclosure Package and the Prospectus, comply in all material respects with the requirements of the Securities Act and interpretations thereof and present fairly in all material respects the financial position, the results of operations and the changes in cash flows of such entities in conformity with GAAP at the respective dates or for the respective periods to which they apply; such statements and related schedules, notes and supplemental information have been prepared in accordance with GAAP consistently applied throughout the periods involved except for any normal year-end adjustments and except as described therein.

(o) *Well-Known Seasoned Issuer Status.* (i) (A) At the time of filing the Registration Statement, (B) at the time of the most recent amendment thereto for the purposes of complying with Section 10(a)(3) of the Act (whether such amendment was by post-effective amendment, incorporated report filed pursuant to Section 13 or 15(d) of the Exchange Act or form of prospectus) and (C) at the time the Company or any person acting on its behalf (within the meaning, for this clause only, of Rule 163(c) under the Act) made any offer relating to the Notes in reliance on the exemption of Rule 163 under the Act, the Company was a “well-known seasoned issuer” as defined in Rule 405 under the Act; and (ii) at the earliest time after the filing of the Registration Statement that the Company or another offering participant made a *bona fide* offer (within the meaning of Rule 164(h)(2) under the Act) of the Notes, the Company was not an “ineligible issuer” as defined in Rule 405 under the Act.

SECTION 3. Offer and Sale of the Notes.

(a) *General.* Each Agent (with respect to offers and sales made by it as principal or as agent for the Company and subsequent reoffers, resales and other transfers made by it or in transactions approved by it) and the Company (with respect to offers, sales and subsequent reoffers, resales and other transfers made directly by it or with its approval and not to, by, through, or in a transaction approved by, an Agent) hereby establish and agree to observe the following procedures in connection with offers, sales and subsequent resales or other transfers of the Notes:

(i) *Provision of Documents.* The Company agrees to provide the Agents with such number of copies of the Registration Statement, including exhibits and all amendments thereto, any Issuer Free Writing Prospectus (including any amendments or supplements thereto) and the Prospectus (including any amendments or supplements thereto) as the Agents may reasonably require in connection with the sale of the Notes.

(ii) *Due Diligence.* Reasonably in advance of each time any annual report of the Company filed under the Exchange Act is incorporated by reference into the Prospectus, and each time the Company sells Notes to such Agent as principal pursuant to a written Terms Agreement and such Terms Agreement specifies the delivery of an opinion or opinions by Cleary Gottlieb Steen & Hamilton LLP, counsel to the Agents, as a condition to the purchase of Notes pursuant to such Terms Agreement, the Company shall furnish to such counsel such papers and information as they may reasonably request to enable them to furnish to such Agent the opinion or opinions referred to in Section 5(b) hereof.

(iii) *Notice and Effect of Material Changes.* If at any time any event shall occur or condition shall exist as a result of which the Disclosure Package or the Prospectus, as then amended or supplemented, includes an untrue statement of a material fact or omits to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading, or if in the discretion of the Company it is necessary at any time to amend or supplement the Disclosure Package, the Registration Statement or the Prospectus, as then amended or supplemented, to comply with applicable law, the Company will promptly notify each Agent who then holds any Notes purchased as principal pursuant hereto to suspend the solicitation of offers to purchase the Notes. In such event, such Agent shall not thereafter attempt to offer or place any of the Notes until the Company shall have prepared an Issuer Free Writing Prospectus or an amendment or supplement to the Registration Statement or the Prospectus, as then amended or supplemented, and, subject to Section 4(a) hereof, caused to be filed with the Commission such amendment or supplement to the Registration Statement or the Prospectus, as then amended or supplemented, that will have corrected such untrue statement or omission or effected such compliance and shall have furnished such Issuer Free Writing Prospectus or amended or supplemented Prospectus, as the case may be, to the Agents in such numbers as they may reasonably require. Notwithstanding any other provision of this paragraph, for a period of 45 days after the Settlement Date of any purchase of Notes by an Agent as principal, if any event described above in this paragraph occurs, the Company will promptly prepare and cause to be filed promptly with the Commission an amendment or supplement to the Registration Statement or the Prospectus, as then amended or supplemented, and will furnish such amended or supplemented Prospectus to such Agent in such numbers as it may reasonably require.

(b) *Purchases as Principal.* Unless otherwise agreed by the relevant Agent or Agents (who shall be the lead manager(s) in the case of a syndicated issue) and the Company, Notes shall be purchased by the relevant Agent or Agents as principal. Such purchases shall be made in accordance with terms agreed upon by the related Agent or Agents and the Company (which terms shall be agreed upon either in writing substantially in the form of Exhibit D hereto or orally with written confirmation prepared by the relevant Agent or Agents substantially in the form of Exhibit D hereto and mailed, e-mailed or telecopied to the Company). Any agreement entered into pursuant to the previous sentence, including any oral agreement confirmed in writing substantially in the form of Exhibit D hereto, is referred to herein as a "Terms Agreement". An Agent's commitment to purchase Notes as principal shall be deemed to have been made on the basis of the representations and warranties of the Company herein contained

and shall be subject to the terms and conditions herein set forth and the applicable Terms Agreement. Each purchase of Notes, unless otherwise agreed by the Company and the Agents and specified in the applicable Pricing Supplement, shall be at a discount from the principal amount of each such Note as agreed by the Company and the Agents at the time of such purchase and as specified in the applicable Terms Agreement and Pricing Supplement. At the time of each purchase of Notes by an Agent as principal, such Agent shall specify the requirements for the stand-off agreement, officers' certificates, opinions of counsel and comfort letter pursuant to Sections 4(d), 7(b), 7(c) and 7(d) hereof. An Agent may engage the services of any broker or dealer in connection with the offer or sale of Notes it has purchased from the Company as principal for resale to investors and other purchasers, and may reallocate all or any portion of the discount received in connection with such purchases from the Company to such brokers or dealers.

(c) *Solicitations as Agent.* On the basis of the representations and warranties herein contained, but subject to the terms and conditions herein set forth, when agreed by the Company and an Agent, such Agent, as agent of the Company, will use reasonable efforts to solicit offers to purchase the Notes upon the terms and conditions set forth herein, in the Notes, in the Disclosure Package and in the Prospectus, as then amended or supplemented. All Notes sold through an Agent as agent will be sold at 100% of their principal amount unless otherwise agreed to by the Company or such Agent.

The Company reserves the right, in its sole discretion, to suspend solicitation of purchases of the Notes through the Agents, as agents, commencing at any time for any period of time or permanently. Upon receipt of instructions from the Company, the Agents will forthwith suspend solicitation of purchases from the Company until such time as the Company has advised the Agents that such solicitation may be resumed.

The Company agrees to pay each Agent a commission, which may be in the form of a discount or otherwise, equal to a percentage of the principal amount of each Note sold by the Company as a result of a solicitation made by such Agent and as specified in the applicable Pricing Supplement.

(d) *Administrative Procedures.* The purchase price, interest rate or formula, stated maturity date and other terms of the Notes (as applicable) specified in a schedule substantially in the form of Exhibit F hereto shall be agreed upon by the Company and the Agents and set forth in the Prospectus (or an amendment or supplement thereto). Administrative procedures with respect to the sale of Notes shall be agreed upon from time to time by the Agents and the Company (the "Procedures"). The initial Procedures are set forth in Exhibit C hereto. The Agents and the Company agree to perform, and the Company agrees to cause the Trustee to perform, the respective duties and obligations specifically provided to be performed by them in the Procedures.

SECTION 4. Covenants of the Company.

The Company covenants and agrees with each Agent as follows:

(a) *Filing of Documents Incorporated by Reference; Material Changes.* Prior to the termination of the offering of the Notes pursuant to this Agreement or any Terms Agreement, the Company will not file any prospectus supplement relating to the Notes or any amendment to the Registration Statement unless the Company has previously furnished to the Agents copies thereof for their review and will not file any such proposed supplement or amendment to which the Agents reasonably object; *provided, however*, that (i) the foregoing requirement shall not apply to any of the Company's periodic filings with the Commission filed pursuant to Section 13(a), 13(c), 14 or 15(d) of the Exchange Act and (ii) any Pricing Supplement shall only be reviewed and approved by the Agent or Agents offering such Notes. Subject to the foregoing sentence, the Company will promptly cause each prospectus supplement, including each Pricing Supplement, relating to the Notes to be filed with or transmitted for filing to the Commission in accordance with Rule 424(b) under the Securities Act. If required by Rule 430B(h) under the Act, the Company shall prepare a form of prospectus in a form approved by the Agents and will file such form of prospectus pursuant to Rule 424(b) under the Act not later than may be required by Rule 424(b) under the Act; and the Company shall make no further amendment or supplement to such form of prospectus which shall be disapproved by the Agents promptly after reasonable notice thereof. The Company will promptly advise the Agents (i) of the filing of any amendment or supplement to the Prospectus (except that notice of the filing of an amendment or supplement to the Prospectus that merely sets forth the terms or a description of particular Notes shall only be given to the Agent or Agents offering such Notes), (ii) of the filing and effectiveness of any amendment to the Registration Statement, (iii) of any request by the Commission for any amendment to the Registration Statement or any amendment or supplement to the Prospectus or for any additional information, (iv) of the issuance by the Commission of any stop order suspending the effectiveness of the Registration Statement or any part thereof or of any notice of objection of the Commission to the use of the Registration Statement or any post-effective amendment thereto pursuant to Rule 401(g)(2) under the Act or the institution or threatening of any proceeding for that purpose and (v) of the receipt by the Company of any notification with respect to the suspension of the qualification of the Notes for sale in any jurisdiction or the initiation or threatening of any proceeding for such purpose. Prior to the termination of the offering of the Notes pursuant to this Agreement or any Terms Agreement, the Company will use its reasonable efforts to prevent the issuance of any such stop order, notice of objection or notice of suspension of qualification and, in the event of the issuance of any such stop order or notice of suspension or qualification, the Company will use promptly its commercially reasonable efforts to obtain its withdrawal, and in the event of any such issuance of a notice of objection, the Company promptly will take such steps, including, without limitation, amending the Registration Statement or filing a new registration statement, at its own expense, as may be necessary to permit offers and sales of the Notes by the Agents (reference herein to the "Registration Statement" shall include any such amendment or new registration statement). If the Prospectus is amended or supplemented as a result of the filing under the Exchange Act of any document incorporated by reference in the Prospectus, no Agent shall be obligated to solicit offers to purchase Notes so long as it is not reasonably satisfied with such document.

Subject to Section 3(a)(iii) hereof, if any event shall occur or condition shall exist as a result of which the Disclosure Package or the Prospectus, as then amended or supplemented, in the opinion of counsel for the Agents or counsel for the Company, includes an untrue statement of a material fact or omits to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading, or if in the opinion of any such counsel it is necessary at any time to amend or supplement the Disclosure Package, the Registration Statement or the Prospectus, as then amended or supplemented, to comply with applicable law, the Company shall prior to the acceptance of any offer to purchase Notes or prior to the time an Agent solicits offers to purchase the Notes as agent to the Company prepare and, subject to this Section 4(a), cause to be filed with the Commission an Issuer Free Writing Prospectus or an amendment or supplement to the Registration Statement or the Prospectus, as then amended or supplemented, in form and substance satisfactory to counsel for the Agents, that corrects such untrue statement or omission or effects such compliance and shall furnish such Issuer Free Writing Prospectus or amended or supplemented Prospectus, as the case may be, to the Agents in such numbers as they may require.

(b) *Due Diligence.* Reasonably in advance of each time any annual report of the Company filed under the Exchange Act is incorporated by reference into the Prospectus, and each time the Company sells Notes to an Agent as principal pursuant to a written Terms Agreement and such Terms Agreement specifies the delivery of an opinion or opinions by Cleary Gottlieb Steen & Hamilton LLP, counsel to the Agents, as a condition to the purchase of Notes pursuant to such Terms Agreement, the Company shall furnish to such counsel such papers and information as they may reasonably request to enable them to furnish to such Agent the opinion or opinions referred to in Section 5(b) hereof.

(c) *Blue Sky Qualifications.* The Company will endeavor, in cooperation with the Agents, to qualify the Notes for offering and sale under the applicable securities laws of such states and other jurisdictions of the United States as the Agents may reasonably designate, and will maintain such qualifications in effect for as long as may be required for the distribution of the Notes; *provided, however,* that the Company shall not be obligated to file any general consent to service of process or to qualify as a foreign corporation in any jurisdiction in which it is not so qualified. The Company will file such statements and reports as may be required by the laws of each jurisdiction in which the Notes have been qualified as above provided. The Company will promptly advise the Agents of the receipt by the Company of any notification with respect to the suspension of the qualification of the Notes for sale in any such state or jurisdiction or the initiating or threatening of any proceeding for such purpose.

(d) *Stand-Off Agreement.* Between the date of any agreement by one or more Agents to purchase Notes as principal from the Company and the Settlement Date with respect thereto, and if agreed to by such Agent or Agents and the Company, the Company will not, without the prior written consent of each Agent party to such purchase, directly or indirectly, sell, offer to sell, or enter into any agreement to sell, any debt securities of the Company which are substantially similar to the Notes that are to be sold pursuant to such agreement to purchase. Any notes sold under the Company's Euro Medium-Term Note Programme, InterNotes[®] program or Retail Medium-Term Note Program shall not be considered to be "substantially similar" to the Notes for purposes of the immediately preceding sentence.

(e) *Earnings Statements.* The Company shall make generally available to its security holders as soon as practicable, but in any event not later than 16 months after the effective date of the Registration Statement (as defined in Rule 158(c) under the Act), an earnings statement of the Company and its subsidiaries (which need not be audited) complying with Section 11(a) of the Act and the rules and regulations of the Commission thereunder.

(f) *Suspension of Certain Obligations.* The Company shall not be required to comply with the provisions of subsections (a) or (b) of this Section or the provisions of Section 7 hereof during any period from the time that the Agents (i) shall have been notified (such notice to be confirmed in writing) by the Company to suspend solicitation of offers to purchase the Notes in their capacity as agents and (ii) shall not then hold any Notes purchased as principal pursuant hereto, until the time the Company shall have notified the Agents (such notice to be confirmed in writing) of the Company's determination that solicitation of purchases of the Notes should be resumed or any Agent shall subsequently purchase Notes from the Company as principal and the Company has subsequently delivered such documents required by Section 7.

(g) *Use of Proceeds.* The Company will use the net proceeds received by it from the sale from time to time of Notes in the manner specified in the Prospectus under "Use of Proceeds".

(h) *Filing Fees.* The Company shall pay the required Commission filing fees relating to the Notes within the time required by Rule 456(b)(1) under the Act and otherwise in accordance with Rules 456(b) and 457(r) under the Act.

(i) *Term Sheets.* With respect to any issue of Notes, but only if requested by the Agents offering such Notes prior to the Applicable Time, the Company shall prepare a final term sheet relating to such Notes substantially in the form set forth in Exhibit G hereto (the "Final Term Sheet") and shall file the Final Term Sheet pursuant to Rule 433(d) under the Act within the time required by such rule.

(j) *Automatic Shelf Registration Statement Expiration.* If by the third anniversary (the "Renewal Deadline") of the initial effective date of the Registration Statement, any of the Notes remain unsold by the Agents, the Company will file, if it has not already done so and is eligible to do so, a new automatic shelf registration statement relating to the Notes, in a form satisfactory to the Agents. If at the Renewal Deadline the Company is no longer eligible to file an automatic shelf registration statement, the Company will, if it has not already done so, file a new shelf registration statement relating to the Notes, in a form satisfactory to the Agents and will use its best efforts to cause such registration statement to be declared effective within 180 days after the Renewal Deadline. The Company will take all other action necessary or appropriate to permit the public offering and sale of the Notes to continue as contemplated in the expired registration statement relating to the Notes. References herein to the "Registration Statement" shall include such new automatic shelf registration statement or such new shelf registration statement, as the case may be.

SECTION 4A. Term Sheets and Free Writing Prospectuses.

(a) *Use and Consent.* (i) In connection with each issue of Notes, the Company and each Agent agree as follows:

(ii) Each Agent represents that it has not made and will not make any offer relating to the Notes that constitutes or would constitute a “free writing prospectus” (as defined in Rule 405 under the Act) required to be filed (x) by the Company with the Commission or retained by the Company under Rule 433 under the Act, other than the information contained in one or more preliminary term sheets or the Final Term Sheet, or (y) by such Agent pursuant to Rule 433(d)(1)(ii) under the Act, in each case without the prior consent of the Company, and that Section 2 to the applicable Disclosure Package Schedule will include all such free writing prospectuses for which the Agents have received such consent.

(iii) The Company represents and agrees that it has not made and will not make any offer relating to the Notes that would constitute an Issuer Free Writing Prospectus without the prior consent of the Agents, and that Section 2 to the applicable Disclosure Package Schedule will include all such free writing prospectuses for which the Company has received such consent.

(b) *Rule 433 Compliance.* (i) The Company agrees that it has complied and will comply, as the case may be, with the requirements of Rule 433 under the Act, including in respect of timely filing with the Commission, legending and record keeping.

(ii) Each agent agrees that it will, pursuant to reasonable procedures developed in good faith, (x) retain copies of each free writing prospectus used or referred to by it, in accordance with Rule 433 under the Act and (y) file any free writing prospectus used or referred by it as set forth in Rule 433(d)(1)(ii) under the Act.

(c) *Conflicts with the Registration Statement.* The Company agrees that each Issuer Free Writing Prospectus, as of its issue date and at all subsequent times through the completion of the public offer and sale of the Notes or until any earlier date that the issuer notified or notifies the Agents as described in the next sentence, did not, does not and will not include any information that conflicted, conflicts or will conflict with the information contained in the Registration Statement or the Prospectus, as then amended or supplemented. The Company further agrees that if at any time following the issuance of an Issuer Free Writing Prospectus any event occurred or occurs as a result of which such Issuer Free Writing Prospectus, if not amended, would conflict with the information in the Registration Statement or the Prospectus, as then amended or supplemented, or would include an untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading, the Company will give prompt notice thereof to the Agents and will promptly amend or supplement, at its own expense, such Issuer Free Writing Prospectus to eliminate or correct such conflict, untrue statement or omission. The foregoing two sentences do not apply to statements in or omissions from any Issuer Free Writing Prospectus based upon and in conformity with written information furnished to the Company by any Agent specifically for use therein.

SECTION 5. Conditions of Obligations.

The obligations of the Agents to purchase Notes as principals and to solicit offers to purchase the Notes as agents of the Company, and the obligations of any purchasers of the Notes sold through the Agents as agents, will be subject to the accuracy of the representations and warranties on the part of the Company herein contained, to the accuracy of the statements of the Company's officers made in any certificate furnished pursuant to the provisions hereof, to the performance and observance by the Company of all of their covenants and agreements herein contained, and to the following additional conditions precedent (it being understood that references in Sections 5(a) through 5(d) to the "Disclosure Package" shall be deemed to apply only when the documents described in this section are required to be delivered in connection with an issuance of Notes pursuant to the requirements of Section 7 hereof):

(a) *Legal Opinion of Corporate Counsel to the Company.* On the date hereof, the Agents shall have received the favorable opinion or opinions, dated the date hereof, of corporate counsel for the Company reasonably satisfactory to the Agents, in form and scope reasonably satisfactory to the Agents, to the following effect:

(i) The Company has been duly incorporated and is an existing corporation in good standing under the laws of the State of New Jersey. The Company has power and authority, corporate and other, to own its properties and to conduct its business as described in the Disclosure Package and the Prospectus as amended or supplemented and to enter into and perform its obligations under this Agreement, any applicable Terms Agreement, the Indenture and the Notes.

(ii) (A) Prudential Investment Management, Inc. has been duly organized and is an existing corporation in good standing under the laws of the State of New Jersey; and (B) The Prudential Insurance Company of America has been duly organized and is an existing stock life insurance company in good standing under the laws of the State of New Jersey.

(iii) To the extent that each of The Gibraltar Life Insurance Company, Ltd. and The Prudential Life Insurance Company, Ltd. is a "significant subsidiary" of the Company within the meaning of Rule 1-02 of Regulation S-X under the Securities Act, each such subsidiary has been duly incorporated and is an existing Japanese *kabushiki kaisha* in good standing under the laws of Japan.

(iv) Each of this Agreement and any applicable Terms Agreement has been duly authorized, executed and delivered by the Company. The Indenture has been duly authorized, executed and delivered by the Company and has been duly qualified under the Trust Indenture Act and is a valid and binding agreement of the Company, enforceable against the Company in accordance with its terms, except as enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium, fraudulent transfer and other similar laws relating to or affecting enforcement of creditors' rights generally or by general equitable principles (regardless of whether such enforceability is considered in a proceeding in equity or at law).

(v) The issuance and sale of the Notes in an aggregate initial public offering price of \$10,000,000,000 at any one time outstanding have been authorized by the Company. When executed, authenticated and delivered in accordance with the provisions of this Agreement, any applicable Terms Agreement, and the Indenture against payment of consideration therefor, the Notes will have been duly executed and delivered by, and will constitute valid and binding obligations of, the Company, enforceable against the Company in accordance with their terms, except as enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium, fraudulent transfer or other similar laws relating to or affecting enforcement of creditors' rights generally or by general equitable principles (regardless of whether such enforceability is considered in a proceeding in equity or at law).

(vi) Such counsel does not know of any litigation or governmental proceeding instituted or threatened against the Company or any of its consolidated subsidiaries that would be required to be described in the Prospectus as amended or supplemented, and is not so described; and, to such counsel's knowledge, no legal or governmental proceeding is pending or is currently being threatened challenging the offering of the Notes that would be required to be described in the Prospectus as amended or supplemented and is not so described.

(vii) No authorization, decree, approval, consent, order, registration or qualification of or with any court or governmental authority, agency or official is required to be obtained by the Company in connection with the execution, delivery or performance by the Company of this Agreement, the Indenture, any applicable Terms Agreement or the Notes, or in connection with the offering, issuance or sale of the Notes or the consummation of any of the transactions contemplated therein, except such as have been obtained and made under the Securities Act and the Trust Indenture Act and such as may be required under state securities or Blue Sky laws (as to which such counsel need express no opinion).

(viii) The execution and delivery of this Agreement, any applicable Terms Agreement, the Indenture and the Notes, the consummation by the Company of the transactions contemplated herein and therein, and the compliance by the Company with its obligations hereunder and thereunder, will not result in a breach of, or default under, any material contract, indenture, mortgage, loan agreement, note, lease or other material agreement or instrument known to such counsel (after due inquiry and investigation) to which the Company is a party or by which it may be bound or to which any of the property or assets of the Company is subject, nor will such action result in any violation of the provisions of the Amended and Restated Certificate of Incorporation or By-Laws of the Company or any New York, New Jersey or United States federal statute or law or any order, rule or regulation of any court or insurance regulatory agency or other governmental agency or body having jurisdiction over the Company or any of its properties, except (other than with respect to the provisions of the Amended and Restated Certificate of Incorporation and By-Laws of the Company) to the extent that such breach, default or violation would not have individually or in the aggregate a Material Adverse Effect; *provided, however*, that, for purposes of this opinion (viii), such counsel need not express any opinion with respect to federal and state securities laws, other antifraud laws and fraudulent transfer laws.

(ix) (A) To such counsel's knowledge, each of the Company, and, to the extent that each of the following entities is a "significant subsidiary" of the Company within the meaning of Rule 1-02 of Regulation S-X under the Securities Act, each of Prudential Investment Management, Inc. and The Prudential Insurance Company of America is registered in all capacities with each federal, state, local or other governmental authority and is registered with, a member of, or a participant in, each self-regulatory organization, in each case, as is necessary to conduct its business as described in or contemplated by the Disclosure Package and the Prospectus as amended or supplemented except as set forth in the Disclosure Package and the Prospectus as amended or supplemented, except where failure to be so registered would not have, individually or in the aggregate, a Material Adverse Effect; (B) to such counsel's knowledge, all such registrations and memberships are in full force and effect and neither the Company nor any of its subsidiaries has received any notice of any event, inquiry, investigation or proceeding that would reasonably be expected to result in the suspension, revocation or limitation of any such registrations or memberships, except as set forth in the Disclosure Package and the Prospectus as amended or supplemented and except as would not have, individually or in the aggregate, a Material Adverse Effect; and (C) to such counsel's knowledge, each of the Company and its subsidiaries is in compliance with all applicable laws, rules, regulations, orders, By-Laws and similar requirements in connection with such registrations or memberships, as the case may be, except as set forth in the Disclosure Package and the Prospectus as amended or supplemented and except as would not have, individually or in the aggregate, a Material Adverse Effect.

(x) To such counsel's knowledge, and, to the extent that each of the following entities is a "significant subsidiary" of the Company within the meaning of Rule 1-02 of Regulation S-X under the Securities Act, (A) each of The Gibraltar Life Insurance Company, Ltd. and The Prudential Life Insurance Company, Ltd. is registered with the Japanese Financial Supervisory Authority; (B) such registration is in full force and effect and neither The Gibraltar Life Insurance Company, Ltd. nor The Prudential Life Insurance Company, Ltd. has received any notice of any event, inquiry, investigation or proceeding that would reasonably be expected to result in the suspension, revocation or limitation of any such registration, except as set forth in the Disclosure Package and the Prospectus as amended or supplemented and except as would not have, individually or in the aggregate, a Material Adverse Effect; and (C) each of The Gibraltar Life Insurance Company, Ltd. and The Prudential Life Insurance Company, Ltd. is in compliance with all applicable laws, rules, regulations, orders, By-Laws and similar requirements in connection with such registration, except as set forth in the Disclosure Package and the Prospectus as amended or supplemented and except as would not have, individually or in the aggregate, a Material Adverse Effect.

In rendering such opinion, such counsel may state that such counsel expresses no opinion as to the laws of any jurisdiction other than the federal laws of the United States and the laws of the States of New Jersey and New York and that such counsel is expressing no opinion as to the effect of the laws of any other jurisdiction; that, as to certain factual matters, such counsel has

relied upon certificates of officers of the Company and its subsidiaries and certificates of public officials and other sources believed by such counsel to be responsible; and that such counsel has assumed that the Indenture has been duly authorized, executed and delivered by the Trustee, that the Notes conform to the form thereof examined by such counsel (or members of the Company's legal department), that the Trustee's certificates of authentication of the Notes have been manually signed by one of the Trustee's authorized signatories and that the signatures on all documents examined by such counsel (or members of the Company's legal department) are genuine (assumptions that such counsel has not independently verified). In addition, such counsel may state that such counsel has examined, or caused to be examined under such counsel's direction, certificates of public officials, and copies, certified or otherwise identified to such counsel's satisfaction, of such corporate documents and records of the Company and of such other records, certificates, documents and other instruments as such counsel has deemed relevant and necessary or appropriate as a basis for such opinion. Such counsel may also state that such counsel has consulted with certain attorneys in the Company's law department and has relied, to the extent that such counsel deemed such reliance proper, upon certificates of officers of the Company with respect to the accuracy of material factual matters that were not independently established. In addition, on the basis of such counsel's own knowledge and knowledge such counsel has gained from attorneys in the Company's law department, with whom such counsel has consulted for the purpose of preparing the Company's disclosure documents incorporated by reference in the Registration Statement and Prospectus, considered in the light of such counsel's understanding of the applicable law and experience such counsel has gained through such counsel's practice in this field, such counsel shall confirm: (i) that the Registration Statement, as of its most recent effective date determined pursuant to Rule 430B(f)(2) under the Act, and the Prospectus as amended or supplemented, as of the date thereof (or, if such opinion is being delivered in connection with the purchase of Notes by any Agent as principal pursuant to Section 7(c) hereof, at the date of the applicable Terms Agreement and at the Settlement Date with respect thereto), appeared or appear on their face to be appropriately responsive in all material respects to the requirements of Act and the applicable rules and regulations of the Commission thereunder and (ii) that nothing has come to such counsel's attention that has caused such counsel to believe that the Registration Statement, as of its most recent effective date determined pursuant to Rule 430B(f)(2) under the Act, contained any untrue statement of a material fact or omitted to state any material fact required to be stated therein or necessary to make the statements therein not misleading or that the Prospectus as amended or supplemented, as of the date thereof (or, if such opinion is being delivered in connection with the purchase of Notes by any Agent as principal pursuant to Section 7(c) hereof, at the date of the applicable Terms Agreement and at the Settlement Date with respect thereto and in respect of the Disclosure Package (when considered together with the terms of the Notes specified in, and the information on the front cover of the Pricing Supplement, if the Disclosure Package does not contain such terms and information), as of the Applicable Time, and the Prospectus as then amended or supplemented), includes an untrue statement of a material fact or omits to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading. Such counsel may also state that to the extent any of the opinions of this Section 5(a) involve Japanese law, such counsel has relied with the Agents' permission on the opinion of the Chief Legal Officer of each of The Gibraltar Life Insurance Company, Ltd. and The Prudential Life Insurance Company, Ltd., addressed to the Agents. Such counsel may also state that the limitations inherent in the independent verification

of factual matters and the character of determinations involved in the preparation of the Registration Statement, the Disclosure Package or the Prospectus as amended or supplemented are such that such counsel does not assume any responsibility for the accuracy, completeness or fairness of the statements contained in the Registration Statement, the Disclosure Package or the Prospectus as amended or supplemented. Such counsel may state that he or she does not express any opinion or belief as to the financial statements or other financial data contained in the Registration Statement, the Disclosure Package or the Prospectus as amended or supplemented, or as to the statement of the eligibility of the Trustee under the Indenture under which the Notes are being issued.

(b) *Legal Opinion of Counsel to Agents.* On the date hereof, the Agents shall have received the favorable opinion, dated the date hereof, of Cleary Gottlieb Steen & Hamilton LLP, counsel to the Agents, in form and scope reasonably satisfactory to the Agents, with respect to the validity of the Indenture and the Notes, the Registration Statement, the Disclosure Package and the Prospectus as amended or supplemented and other related matters as such Agent or Agents may reasonably request.

(c) *Officers' Certificates.* At the date hereof, the Agents shall have received a certificate of the President or any Vice President and the Treasurer or any Assistant Treasurer of the Company, dated as of the date hereof, to the effect that (1) since the respective dates as of which information is given in the Disclosure Package and the Prospectus, as then amended or supplemented, there has not been any material change in the stockholders' equity or long-term debt of the Company (other than as a result of the sale of (i) Notes, (ii) notes issued pursuant to the Company's Euro Medium-Term Note Programme, InterNotes® program or Retail Medium-Term Note Program, (iii) notes issued pursuant to the Commercial Paper Program of either the Company or Prudential Funding, LLC, (iv) equity securities issued in connection with the Company's Floating Rate Convertible Senior Notes due 2036, (v) equity securities issued in connection with the Company's Floating Rate Convertible Senior Notes due 2037 or (vi) borrowings with the Federal Home Loan Bank of New York by The Prudential Insurance Company of America) or any material adverse change, or any development which will involve a prospective material adverse change, in or affecting the business, financial condition or results of operations of the Company and its subsidiaries considered as a whole, (2) the representations and warranties of the Company contained in Section 2 hereof are true and correct with the same force and effect as though expressly made at and as of the date of such certificate, (3) the Company has performed or complied with all agreements and satisfied all conditions on its part to be performed or satisfied in connection with the performance of its obligations hereunder at or prior to the date of such certificate and (4) no Event of Default (as defined in the Indenture), or event which, with the giving of notice or the lapse of time or both, would constitute an Event of Default, shall have occurred and be continuing.

(d) *Accountants' Letter.* At the date hereof, each Agent shall have received from PricewaterhouseCoopers LLC a letter in form and substance satisfactory to the Agents, dated as of the date hereof, containing statements and information of the type ordinarily included in accountants' "comfort letters" to underwriters with respect to the financial statements and certain financial information contained in or incorporated by reference into the Disclosure Package and the Prospectus, as then amended or supplemented.

(e) *Further Conditions.* On or prior to (x) the time an Agent solicits offers to purchase the Notes as agent to the Company or (y) the time an Agent purchases Notes as principal pursuant to a Terms Agreement, as the case may be: (i) there shall not have occurred, since the date of the Terms Agreement in the case of a purchase by an Agent as principal, any downgrading nor shall any notice have been given of (A) downgrading, (B) any intended or potential downgrading or (C) any review or possible change with possible negative implications in the rating accorded any debt security or preferred stock of the Company by any “nationally recognized statistical rating organization”, as such term is defined by the Commission for purposes of Rule 436(g)(2) under the Securities Act; (ii) there shall not have been since the respective dates as to which information is given in the Disclosure Package and the Prospectus, any material decrease in the stockholders’ equity of the Company or any material increase in the consolidated long-term debt of the Company (other than as a result of the sale of (i) Notes, (ii) notes issued pursuant to the Company’s Euro Medium-Term Note Programme, InterNotes® program or Retail Medium-Term Note Program, (iii) notes issued pursuant to the Commercial Paper Program of either the Company or Prudential Funding, LLC, (iv) equity securities issued in connection with the Company’s Floating Rate Convertible Senior Notes due 2036, (v) equity securities issued in connection with the Company’s Floating Rate Convertible Senior Notes due 2037 or (vi) borrowings with the Federal Home Loan Bank of New York by The Prudential Insurance Company of America) or any material adverse change, or any development involving a prospective material adverse change, in or affecting the business, management, financial position, shareholders’ equity or results of operations of the Company and its subsidiaries, considered as a whole, in each case other than as set forth in the Disclosure Package and the Prospectus, as then amended or supplemented, the effect of which in the judgment of the applicable Agent (which in the case of a syndicated issue, shall be the lead manager(s)) makes it impracticable or inadvisable to proceed with the solicitation by such Agent of offers to purchase Notes from the Company or the purchase by such Agent of Notes from the Company as principal, as the case may be, on the terms and in the manner contemplated in the Disclosure Package and the Prospectus, as then amended or supplemented; and neither the Company nor any of its subsidiaries has sustained since the date of the latest audited financial statements included or incorporated by reference in the Disclosure Package and the Prospectus, any loss or interference with its business from fire, explosion, flood or other calamity, whether or not covered by insurance (excluding, for the avoidance of doubt, any insurance underwriting losses of the Company or its subsidiaries), or from any labor dispute or court or governmental action, order or decree, in each case other than as set forth or contemplated in the Disclosure Package and the Prospectus, as then amended or supplemented; (iii) (A) trading generally shall not have been suspended or materially limited on the New York Stock Exchange, the Financial Industry Regulatory Authority, Inc. or in the over-the-counter market in debt securities, (B) trading of any securities of or guaranteed by the Company shall not have been suspended or materially limited on the New York Stock Exchange, the Financial Industry Regulatory Authority, Inc. or in any over-the-counter market in debt securities, (C) a general moratorium on commercial banking activities in New York shall not have been declared by either Federal, New York State or New Jersey authorities nor shall a material disruption in commercial banking or securities settlement or clearance services in the United States or other relevant jurisdiction have occurred, or (D) there shall not have occurred any outbreak or escalation of hostilities or the declaration by the United States of a national emergency or war or any other calamity or crisis involving the United States or any change in national or international financial, political or economic

conditions or currency exchange rates or controls that, in the judgment of such Agent or Agents (which in the case of a syndicated issue, shall be the lead manager(s)), is material and adverse and which in the judgment of such Agent or Agents (which in the case of a syndicated issue, shall be the lead manager(s)) makes it impracticable or inadvisable to proceed with the solicitation by such Agent of offers to purchase Notes from the Company or the purchase by such Agent of Notes from the Company as principal, as the case may be, on the terms and in the manner contemplated in the Disclosure Package and the Prospectus as amended or supplemented at the time an offer to purchase was solicited or at the time such offer to purchase was made; and (iv) no Event of Default, or event which, with the giving of notice or the lapse of time or both, would constitute an Event of Default, shall have occurred and be continuing.

SECTION 6. Delivery of and Payment for Notes Sold Through the Agents.

Delivery of Notes sold through an Agent as agent shall be made by the Company to such Agent for the account of any purchaser only against payment therefor in immediately available funds. In the event that a purchaser shall fail either to accept delivery of or to make payment for a Note on the date fixed for settlement, the relevant Agent shall promptly notify the Company and deliver the Note to the Trustee, and, if such Agent has theretofore paid the Company for such Note, the Company will promptly return the amount of such payment to such Agent in immediately available funds. If such failure occurred for any reason other than default by such Agent in the performance of its obligations hereunder, the Company will reimburse such Agent on an equitable basis for its loss of the use of the funds for the period such funds were credited to the Company's account.

SECTION 7. Additional Covenants of the Company.

The Company covenants and agrees with each Agent that:

(a) *Reaffirmation of Representations and Warranties.* Each acceptance by the Company of an offer for the purchase of Notes (whether to an Agent as principal or through an Agent as agent), and each delivery of Notes (whether to an Agent as principal or through an Agent as agent), shall be deemed to be an affirmation that the representations and warranties contained in this Agreement are true and correct at the time of such acceptance or sale, as the case may be, and an undertaking that such representations and warranties will be true and correct at the time of delivery to the purchaser or its agent, or to the applicable Agent, of the Note or Notes relating to such acceptance or sale, as the case may be, as though made at and as of each such time (and it is understood that such representations and warranties shall relate to the Registration Statement and the Prospectus, each as amended and supplemented at each such time, and to the Disclosure Package at the Applicable Time relating thereto in respect of such Notes).

(b) *Subsequent Delivery of Certificates.* Each time that (i) the Registration Statement or the Prospectus is amended or supplemented (excluding a Pricing Supplement), including through the filing of an annual report on Form 10-K or interim report on Form 10-Q or, if such delivery is requested by an Agent, any other document under the Exchange Act, (ii) the Company sells Notes to an Agent as principal and in connection therewith such delivery has been agreed to by the Company and such Agent, or (iii) the Company issues and sells Notes in a

form not previously certified to the Agents by the Company, the Company shall furnish or cause to be furnished promptly to the Agents or the applicable Agent, as the case may be, certificates dated the date of such amendment or supplement or the date of such sale, as the case may be, in form reasonably satisfactory to the Agents or the applicable Agent, as the case may be, to the effect that the statements contained in the certificates referred to in Section 5(c) hereof which were last furnished to the Agents are true and correct at the time of such amendment or supplement or sale, as the case may be, as though made at and as of such time (except that such statements shall be deemed to relate to the Registration Statement and the Prospectus, each as amended and supplemented at such time, and to the Disclosure Package at the Applicable Time relating thereto in respect of any Notes issued and sold pursuant to the foregoing clauses (ii) or (iii)) or, in lieu of any such certificates, certificates of the same tenor as the corresponding certificates referred to in said Section 5(c), modified as necessary to relate to the Registration Statement and the Prospectus, each as amended and supplemented at the time of delivery of such certificate, and to the Disclosure Package at the Applicable Time relating thereto in respect of any Notes issued and sold pursuant to the foregoing clauses (ii) or (iii).

(c) *Subsequent Delivery of Legal Opinions.* Each time that (i) the Registration Statement or the Prospectus is amended or supplemented (excluding a Pricing Supplement), including through the filing of an annual report on Form 10-K or interim report on Form 10-Q or, if such delivery is requested by an Agent, any other document under the Exchange Act, (ii) the Company sells Notes to an Agent as principal and in connection therewith such delivery has been agreed to by the Company and such Agent, or (iii) the Company issues and sells Notes in a form not previously certified to the Agents by the Company, the Company shall furnish or cause to be furnished promptly to the Agents or the applicable Agent, as the case may be, the written opinion of corporation counsel of the Company reasonably acceptable to the Agents, or other counsel reasonably acceptable to the Agents. In the case of a purchase of Notes by an Agent as principal pursuant to a Terms Agreement, if called for by the applicable Terms Agreement, the Agent may request an opinion of counsel to the Agents. In each case, the foregoing opinions shall be dated the date of delivery of such opinions, in form and scope satisfactory to the Agents or the applicable Agent, as the case may be, of the same tenor as the opinions referred to in Sections 5(a) and (b), as applicable, hereof (except that, in the case of any interim report filed on Form 10-Q or other document or annual report on Form 10-K filed under the Exchange Act, such opinions need not be rendered as to the good standing of the entities referred to in Sections 5(a) (ii) and (iii) hereof or as to the matters referred to in Section 5(a)(ix) and (x) hereof), but modified, as necessary, to relate to the Registration Statement and the Prospectus, each as amended and supplemented at the time of delivery of such opinions, and to the Disclosure Package at the Applicable Time relating thereto in respect of any Notes issued and sold pursuant to the foregoing clauses (ii) or (iii) or, in lieu of any such opinion, counsel last furnishing such opinion to the Agents shall furnish to the Agents or the applicable Agent, as the case may be, a letter to the effect that the Agents or the applicable Agent, as the case may be, may rely on such last opinion to the same extent as though it was dated the date of such letter authorizing reliance (except that statements in such last opinion shall be deemed to relate to the Registration Statement and the Prospectus as amended and supplemented at the time of delivery of such letter authorizing reliance, and to the Disclosure Package at the Applicable Time relating thereto in respect of any Notes issued and sold pursuant to the foregoing clauses (ii) or (iii)).

(d) *Subsequent Delivery of Accountants' Letter.* Each time that (i) the Company files, amends or supplements an annual report on Form 10-K or interim report on Form 10-Q under the Exchange Act or (ii) the Company sells Notes to an Agent as principal and in connection therewith such delivery has been agreed to by the Company and such Agent, the Company shall furnish or cause to be furnished forthwith to the Agents or the applicable Agent, as the case may be, (i) a letter from its independent registered public accountants in form satisfactory to the Agents or applicable Agent of the same tenor as the letter referred to in Section 5(d), or, (ii) in the case of an interim report on Form 10-Q, a review letter from such accountants in conformity with the requirements of Statement of Accounting Standards No. 100, Interim Financial Information, modified as necessary to relate to the Registration Statement and the Prospectus, each as amended or supplemented at the time of delivery of such letter, and to the Disclosure Package at the Applicable Time relating thereto in respect of any Notes issued and sold pursuant to the foregoing clause (ii) (with such letter being delivered at such Applicable Time), and with such changes as may be necessary to reflect changes in the financial statements and other information derived from the accounting records of the Company.

SECTION 8. Indemnification.

(a) *Indemnification of the Agents.* The Company will indemnify and hold harmless each Agent against any losses, claims, damages or liabilities, joint or several, to which such Agent may become subject, under the Securities Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon an untrue statement or alleged untrue statement of a material fact contained in the Registration Statement or any amendment thereof, the Prospectus (as amended or supplemented), any Issuer Free Writing Prospectus, any "issuer information" required to be filed pursuant to Rule 433(d) under the Act or the information contained in any Final Term Sheet, or arise out of or are based upon the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, and will reimburse each Agent for any legal or other expenses reasonably incurred by it in connection with investigating or defending any action or claim as to which it is entitled to indemnification hereunder as such expenses are incurred; *provided, however*, that the Company shall not be liable in any such case to the extent that any such loss, claim, damage or liability arises out of or is based upon an untrue statement or alleged untrue statement or omission or alleged omission made in the Registration Statement or any amendment thereof, the Prospectus or any amendment or supplement thereto, any Issuer Free Writing Prospectus or any Final Term Sheet in reliance upon and in conformity with written information furnished to the Company by any Agent expressly for use therein.

(b) *Indemnification of the Company.* Each Agent, severally and not jointly, will indemnify and hold harmless the Company against any losses, claims, damages or liabilities to which the Company may become subject, under the Securities Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon an untrue statement or alleged untrue statement of a material fact contained in the Registration Statement or any amendment thereof, the Prospectus or any amendment or supplement thereto, any Issuer Free Writing Prospectus or any Final Term Sheet, or arise out of or are based upon the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, in each case to the extent, but only to the extent, that such untrue statement or alleged untrue statement or omission or alleged

omission was made in the Registration Statement or any amendment thereof, the Prospectus or any amendment or supplement thereto, any Issuer Free Writing Prospectus or any Final Term Sheet in reliance upon and in conformity with written information furnished to the Company by such Agent expressly for use therein; and will reimburse the Company for any legal or other expenses reasonably incurred by the Company in connection with investigating or defending any such action or claim as such expenses are incurred.

(c) Promptly after receipt by an indemnified party under subsection (a) or (b) above of notice of the commencement of any action, such indemnified party shall, if a claim in respect thereof is to be made against the indemnifying party under such subsection, notify the indemnifying party in writing of the commencement thereof; but the omission so to notify the indemnifying party shall not relieve it from any liability which it may have to any indemnified party otherwise than under such subsection. In case any such action shall be brought against any indemnified party and it shall notify the indemnifying party of the commencement thereof, the indemnifying party shall be entitled to participate therein and, to the extent that it shall wish, jointly with any other indemnifying party similarly notified, to assume the defense thereof, with counsel satisfactory to such indemnified party (who shall not, except with the consent of the indemnified party, be counsel to the indemnifying party) and, after notice from the indemnifying party to such indemnified party of its election so to assume the defense thereof, the indemnifying party shall not be liable to such indemnified party under such subsection for any legal expenses of other counsel or any other expenses, in each case subsequently incurred by such indemnified party, in connection with the defense thereof other than reasonable costs of investigation. No indemnifying party shall, without the written consent of the indemnified party, effect the settlement or compromise of, or consent to the entry of any judgment with respect to, any pending or threatened action or claim in respect of which indemnification or contribution may be sought hereunder (whether or not the indemnified party is an actual or potential party to such action or claim) unless such settlement, compromise or judgment (i) includes an unconditional release of the indemnified party (or such other release of the indemnified party as shall be satisfactory to the indemnified party) from all liability arising out of such action or claim and (ii) does not include a statement as to or an admission of fault, culpability or a failure to act, by or on behalf of any indemnified party.

(d) If the indemnification provided for in this Section 8 is unavailable to or insufficient to hold harmless an indemnified party under subsection (a) or (b) above in respect of any losses, claims, damages or liabilities (or actions in respect thereof) referred to therein, then each indemnifying party shall contribute to the amount paid or payable by such indemnified party as a result of such losses, claims, damages or liabilities (or actions in respect thereof) in such proportion as is appropriate to reflect the relative benefits received by the Company on the one hand and the Agents on the other from the offering of the Notes to which such loss, claim, damage or liability (or action in respect thereof) relates. If, however, the allocation provided by the immediately preceding sentence is not permitted by applicable law or if the indemnified party failed to give the notice required under subsection (c) above, then each indemnifying party shall contribute to such amount paid or payable by such indemnified party in such proportion as is appropriate to reflect not only such relative benefits but also the relative fault of the Company on the one hand and the Agents on the other in connection with the statements or omissions which resulted in such losses, claims, damages or liabilities (or actions in respect thereof), as well as any other relevant equitable considerations. The relative benefits received by the Company on

the one hand and the Agents on the other shall be deemed to be in the same proportion as the total net proceeds from the offering of such Notes purchased under this Agreement (before deducting expenses) received by the Company bear to the total discounts and commissions received by the Agents with respect to such Notes purchased under this Agreement, in each case as set forth in the applicable Terms Agreement, if any, and Pricing Supplement. The relative fault shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the Company on the one hand or the Agents on the other and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission. The Company and the Agents agree that it would not be just and equitable if contributions pursuant to this subsection (d) were determined by *pro rata* allocation (even if the Agents were treated as one entity for such purpose) or by any other method of allocation which does not take account of the equitable considerations referred to above in this subsection (d). The amount paid or payable by an indemnified party as a result of the losses, claims, damages or liabilities (or actions in respect thereof) referred to above in this subsection (d) shall be deemed to include any legal or other expenses reasonably incurred by such indemnified party in connection with investigating or defending any such action or claim. Notwithstanding the provisions of this subsection (d), no Agent shall be required to contribute any amount in excess of the amount by which the total price at which the Notes purchased by it and distributed to or placed by it with investors were offered to investors exceeds the amount of any damages which such Agent has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. The Agents' obligations in this subsection (d) to contribute are several in proportion to their respective purchase obligations and not joint.

(e) The obligations of the Company under this Section 8 shall be in addition to any liability which the Company may otherwise have and shall extend, upon the same terms and conditions, to each person, if any, who controls any Agent within the meaning of the Securities Act or the Exchange Act; and the obligations of the Agents under this Section 8 shall be in addition to any liability which the respective Agents may otherwise have and shall extend, upon the same terms and conditions, to each officer and director of the Company (including any person who, with his or her consent, is named in the Prospectus as about to become a director of the Company) and to each person, if any, who controls the Company within the meaning of the Securities Act.

SECTION 9. Payment of Expenses.

(a) The Company agrees to pay all expenses incident to the performance of its obligations under this Agreement, including:

(i) The preparation, printing, reproduction, filing and delivery to the Agents of the Registration Statement, the Prospectus, any Issuer Free Writing Prospectuses and all supplements and amendments thereto;

(ii) The preparation, reproduction, filing and delivery to the Agents of this Agreement, the Indenture, any Terms Agreement the calculation agency agreement, if any, and all amendments or supplements, if any, to the foregoing;

(iii) The preparation, printing, issuance and delivery of the Notes, including any fees and expenses relating to the use of book-entry Notes;

(iv) The fees and disbursements of the Company's counsel, of the Trustee and its counsel, and of any calculation agent and its counsel;

(v) The reasonable fees and disbursements of counsel to the Agents incurred in connection with the establishment of the program relating to the Notes, and any amendment or supplement to this Agreement, the Indenture, any Terms Agreement, the Registration Statement, the Prospectus, any Issuer Free Writing Prospectus or the Notes, and, if agreed to by the Company and the applicable Agent, any purchase of Notes by such Agent as principal;

(vi) The qualification of the Notes under state securities laws in accordance with the provisions of Section 4(c) hereof, including filing fees and the reasonable fees and disbursements of counsel for the Agents in connection therewith and in connection with the preparation of any Blue Sky Survey and any Legal Investment Survey; and

(vii) Any fees charged by rating agencies for the rating of the Notes.

(b) Each Agent agrees that it shall pay all expenses relating to the preparation, reproduction, filing and delivery of any free writing prospectus (as defined in Rule 405 under the Act) used or referred to by such Agent that is not an Issuer Free Writing Prospectus.

SECTION 10. Representations, Warranties and Agreements to Survive Delivery.

All representations, warranties and agreements contained in this Agreement shall remain operative and in full force and effect, regardless of any investigation made by or on behalf of any Agent or any controlling person of any Agent, or by or on behalf of the Company, and shall survive each delivery of and payment for any of the Notes.

SECTION 11. Termination.

(a) *Termination of this Agreement.* This Agreement (excluding any agreement hereunder then in effect by any Agent to purchase Notes as principal) may be terminated for any reason, at any time by the Company (with respect to one or all of Agents) or by an Agent (with respect to itself) upon the giving of written notice of such termination to the other parties hereto.

(b) *General.* In the event of any termination of this Agreement or any agreement to purchase Notes as principal pursuant to the terms hereof, no party will have any liability to any other party hereto, except that (i) the Agents shall be entitled to any commissions earned in accordance with Sections 3(b) and 3(c) hereof, (ii) if at the time of termination (A) any Agent shall own any Notes purchased as principal with the intention of reselling them or (B) an offer to purchase any of the Notes has been accepted by the Company but the time of delivery to the

purchaser or his agent of the Note or Notes relating thereto has not occurred, the covenants set forth in Sections 4 and 7 hereof shall remain in effect until such Notes are so resold or delivered, as the case may be, and (iii) the provisions of Sections 8, 9, 10, 11, 14 and 15 hereof shall survive any such termination and remain in effect.

SECTION 12. Default by an Agent Purchasing Notes as Principal.

With respect to a syndicated issue, if one or more of the Agents purchasing Notes as principal hereunder shall fail to purchase the Notes which it or they agreed to purchase (the “Defaulted Notes”), then the lead nondefaulting Agent shall have the right, within 24 hours thereafter, to make arrangements for one or more of the nondefaulting Agents, or any other agent, to purchase all, but not less than all, of the Defaulted Notes in such amounts as may be agreed upon and upon the terms herein set forth; *provided, however*, that if such arrangements are not completed within such 24-hour period, then:

(i) if the aggregate principal amount of Defaulted Notes does not exceed 10% of the aggregate principal amount of Notes agreed to be purchased in such transaction by all Agents, then the nondefaulting Agent or Agents shall be obligated to purchase the entire aggregate principal amount of the Defaulted Notes in the proportion(s) that it or their respective underwriting obligations under the applicable agreement to purchase such Notes as principal bear to the underwriting obligations of all nondefaulting Agents.

(ii) if the aggregate principal amount of Defaulted Notes exceeds 10% of the aggregate principal amount of Notes agreed to be purchased in such transaction by all Agents, then the nondefaulting Agent or Agents shall not be under any obligation to purchase any of the Notes agreed by the Agents to be purchased as principal in such transaction and the applicable agreement to purchase such Notes as principal shall terminate without liability on the part of any nondefaulting Agent or Agents.

Nothing herein shall relieve a defaulting Agent of its liability, if any, to the Company and any nondefaulting Agent for its default hereunder.

In the event of a default by any Agent as set forth in this Section 12 which does not result in the termination of the applicable agreement to purchase Notes as principal, the Settlement Date with respect to such purchase of Notes as principal shall be postponed for such period, not exceeding seven days, as the lead nondefaulting Agent shall determine in order that the required changes in the Prospectus or arrangements may be effected.

SECTION 13. Notices.

Unless otherwise provided herein, all notices required under the terms and provisions hereof shall be in writing, either delivered by hand, by mail or by telex, telecopier or telegram, and any such notice shall be effective when received at the address specified below.

If to the Company:

Prudential Financial, Inc.
751 Broad Street
Newark, New Jersey 07102
Telephone: (973) 802-6000
Telecopier: (973) 802-5267
Attention: Assistant Treasurer – Capital Markets

If to J.P. Morgan Securities Inc.:

J.P. Morgan Securities Inc.
270 Park Avenue, 9th Floor
New York, New York 10017
Telephone: (212) 834-5737
Telecopier: (212) 834-6702
Attention: Transaction Execution Group

If to Banc of America Securities LLC:

Banc of America Securities LLC
One Bryant Park
NY 10018-03
New York, New York 10036
Telephone: (646) 855-0742
Telecopier: (704) 264-2522
Attention: Joseph A. Crowley

If to Barclays Capital Inc.:

Barclays Capital Inc.
200 Park Avenue
New York, New York 10166
Telecopier: (212) 412-7305
Attention: Investment Grade Syndicate

If to Citigroup Global Markets Inc.:

Citigroup Global Markets Inc.
388 Greenwich Street
New York, New York 10013
Telephone: (212) 723-6104
Telecopier: (212) 723-8670
Attention: Medium-Term Notes

If to Credit Suisse Securities (USA) LLC:

Credit Suisse Securities (USA) LLC
11 Madison Avenue
New York, New York 10010
Telephone: (212) 325-7198
Telecopier: (212) 743-5825
Attention: Short Term Products Group

If to Deutsche Bank Securities Inc.:

Deutsche Bank Securities Inc.
60 Wall Street, 2nd Floor
New York, New York 10005
Telephone: (212) 250-6859
Telecopier: (212) 797-2202
Attention: Debt Capital Markets – Insurance Group

If to Goldman, Sachs & Co.:

Goldman, Sachs & Co.
1 New York Plaza, 46th Floor
New York, New York 10004
Telephone: (212) 357-3683
Telecopier: (212) 902-3000
Attention: Eileen Bezeg

If to Merrill Lynch, Pierce, Fenner & Smith Incorporated:

Merrill Lynch, Pierce, Fenner & Smith Incorporated
4 World Financial Center, 15th Floor
New York, New York 10080
Telephone: (212) 449-7476
Telecopier: (212) 449-2234
Attention: Transaction Management Group

If to Morgan Stanley & Co. Incorporated

Morgan Stanley & Co. Incorporated
1585 Broadway, 4th Floor
New York, New York 10036
Telephone: (212) 761-1888
Telecopier: (212) 507-2407
Attention: Global Capital Markets

If to UBS Securities LLC:

UBS Securities LLC
677 Washington Boulevard
Stamford, Connecticut 06901
Telephone: (203) 719-1088
Telecopier: (203) 719-0495
Attention: Fixed Income Syndicate

If to Wachovia Capital Markets, LLC:

Wachovia Capital Markets, LLC
301 South College Street
Charlotte, North Carolina 28288
Telephone: (704) 383-9165
Telecopier: (704) 383-7727
Attention: Debt Capital Markets

or at such other address as any such party may designate from time to time by notice duly given to the other parties hereto in accordance with the terms of this Section 13.

SECTION 14. Relationship with Agents

The Company acknowledges and agrees that the Agents are acting solely in the capacity of an arm's length contractual counterparty to the Company with respect to the offering of Securities contemplated hereby (including in connection with determining the terms of the offering) and not as a financial advisor or a fiduciary to, or an agent of, the Company or any other person. Additionally, none of the Agents is advising the Company or any other person as to any legal, tax, investment, accounting or regulatory matters in any jurisdiction. The Company shall consult with its own advisors concerning such matters and shall be responsible for making its own independent investigation and appraisal of the transactions contemplated hereby, and the Agents shall have no responsibility or liability to the Company with respect thereto. Any review by the Agents of the Company, the transactions contemplated hereby or other matters relating to such transactions will be performed solely for the benefit of the Agents and shall not be on behalf of the Company.

SECTION 15. Governing Law.

This Agreement shall be governed by and construed in accordance with the laws of the State of New York.

SECTION 16. Parties and Successors.

This Agreement shall inure to the benefit of and be binding upon the Agents and the Company and their respective successors. Nothing expressed or mentioned in this Agreement is intended or shall be construed to give any person, firm or corporation, other than the parties hereto and their respective successors and the controlling persons and directors referred to in Section 8 and their heirs and legal representatives, any legal or equitable right, remedy or claim under or in respect of this Agreement or any provision herein contained. This Agreement and all conditions and provisions hereof are intended to be for the sole and exclusive benefit of the parties hereto and their respective successors and said controlling persons and directors and their heirs and legal representatives, and for the benefit of no other person, firm or corporation. No purchaser of Notes shall be deemed to be a successor by reason merely of such purchase.

SECTION 17. Counterparts.

This Agreement may be executed in several counterparts, each of which shall be deemed an original hereof and all of which shall constitute one and the same document.

SECTION 18. Captions.

The captions to this Agreement are for convenience of reference only and shall not define, limit or amplify any of the terms or the provisions hereof.

SECTION 19. Severability of Provisions.

Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof or affecting the validity or enforceability of such provision in any other jurisdiction.

SECTION 20. Amendments.

This Agreement may be amended by any instrument in writing signed by all of the parties hereto.

If the foregoing is in accordance with our agreement, please indicate your agreement and acceptance hereof in the space provided for that purpose below.

Very truly yours,

PRUDENTIAL FINANCIAL, INC.

By: _____

Name:

Title:

Agreed and Accepted:

J.P. MORGAN SECURITIES INC.

By: _____

Name:

Title:

BANC OF AMERICA SECURITIES LLC

By: _____

Name:

Title:

BARCLAYS CAPITAL INC.

By: _____

Name:

Title:

CITIGROUP GLOBAL MARKETS INC.

By: _____

Name:

Title:

CREDIT SUISSE SECURITIES (USA) LLC

By: _____

Name:

Title:

DEUTSCHE BANK SECURITIES INC.

By: _____

Name:

Title:

GOLDMAN, SACHS & CO.

By: _____
Name: _____
Title: _____

MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED

By: _____
Name: _____
Title: _____

MORGAN STANLEY & CO. INCORPORATED

By: _____
Name: _____
Title: _____

UBS SECURITIES LLC

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

WACHOVIA CAPITAL MARKETS, LLC

By: _____
Name: _____
Title: _____

FORM OF CONFIRMATION LETTER

To: [Insert name and address of new Agent]

[Date]

Prudential Financial, Inc. (the "Company")
Medium-Term Notes, Series D,
Due One Year or More from Date of Issue

Ladies and Gentlemen:

We refer to the Distribution Agreement, dated _____, 2009 (as amended from time to time, the "Agreement"), entered into with respect to the Company's Medium-Term Notes, Series D, Due One Year or More from Date of Issue (the "Notes"), and hereby acknowledge receipt of your Accession Letter to us dated _____.

In accordance with Section 1(a)(i) of the Agreement and your Accession Letter, we hereby confirm that, with effect from the date hereof, you shall become a party to the Agreement vested with all of the authority, rights, powers, duties and obligations of an Agent, as if originally named as an Agent under the Agreement, for purposes of the issue of \$ _____ aggregate principal amount of [Title of Notes].

Very truly yours,

PRUDENTIAL FINANCIAL, INC.

By: _____

Name:

Title:

cc: J.P. Morgan Securities Inc.
Banc of America Securities LLC
Barclays Capital Inc.
Citigroup Global Markets Inc.
Credit Suisse Securities (USA) LLC
Deutsche Bank Securities Inc.
Goldman, Sachs & Co.
Merrill Lynch, Pierce, Fenner & Smith Incorporated
Morgan Stanley & Co. Incorporated
UBS Securities LLC
Wachovia Capital Markets, LLC

ACCESSION LETTER

To: Prudential Financial, Inc.
751 Broad Street
Newark, New Jersey 07102
Attention: Assistant Treasurer – Capital Markets

[Date]

Prudential Financial, Inc. (the “Company”)
Medium-Term Notes, Series D,
Due One Year or More from Date of Issue

Ladies and Gentlemen:

We refer to the Distribution Agreement, dated _____, 2009 (as amended from time to time, the “Agreement”), entered into with respect to the above-referenced Medium-Term Notes (the “Notes”), and made between the Company and the Agents parties thereto.

We confirm that we are in receipt of the documents referenced below:

- (a) the Agreement,
- (b) the Registration Statement and the Prospectus, each as amended or supplemented at the date hereof, referred to in the Agreement, and
- (c) the Indenture referred to in the Agreement,

and have found them to our satisfaction.

For purposes of the Agreement, our notice details are as follows:

[Insert name, address, telephone, telex and attention].

In consideration of the Company appointing us as an Agent in respect of \$ _____ aggregate principal amount of [Title of Notes] (the “Applicable Notes”) under the Agreement, we hereby agree, for the benefit of the Company and each of the other Agents, that all of the terms and conditions (including commission and discount rates) of the Agreement apply in relation to the Applicable Notes.

This letter shall be governed by, and construed and enforced in accordance with, the laws of the State of New York.

Very truly yours,

[Insert name of new Agent]

ADMINISTRATIVE PROCEDURES

for Fixed and Floating Rate Medium-Term Notes, Series D
(Dated as of _____, 2009)

Medium-Term Notes, Series D, Due One Year or More from Date of Issue (the “Notes”), are to be offered on a continuing basis by Prudential Financial, Inc., a New Jersey corporation (the “Company”), to or through J.P. Morgan Securities Inc., Banc of America Securities LLC, Citigroup Global Markets Inc., Deutsche Bank Securities Inc., Goldman, Sachs & Co., Merrill Lynch, Pierce, Fenner & Smith Incorporated, Morgan Stanley & Co. Incorporated, UBS Securities LLC and Wachovia Capital Markets, LLC (each an “Agent” and, collectively, the “Agents”), pursuant to a Distribution Agreement, dated _____, 2009 (the “Distribution Agreement”), between the Company and the Agents. The Distribution Agreement provides both for the sale of Notes by the Company to one or more of the Agents as principal for resale to investors and other purchasers and for the sale of Notes by the Company directly to investors (as may from time to time be agreed to by the Company and the related Agent or Agents), in which case the Agents will act as agents of the Company in soliciting Note purchases.

The Company reserves the right to sell Notes directly on its own behalf pursuant to the Distribution Agreement. The Agent or Agents, acting solely as agent or agents for the Company and not as principal, will use reasonable efforts to solicit offers to purchase the Notes. No Agent shall have an obligation to purchase Notes from the Company as principal, but an Agent may agree from time to time to purchase Notes as principal. Any such purchase of Notes by an Agent as principal shall be made in accordance with the Distribution Agreement. Only those provisions in these Administrative Procedures that are applicable to the particular role that the Agents will perform shall apply.

The Notes will be issued as a series of debt securities pursuant to a Senior Debt Securities Indenture dated as of April 25, 2003 (as amended or supplemented from time to time, the “Indenture”), between the Company and The Bank of New York Mellon, a New York banking corporation (formerly known as The Bank of New York), as successor to JPMorgan Chase Bank, N.A., as Trustee (together with any successor in such capacity, the “Trustee”). All references herein to the Trustee in any context shall be deemed to be references to The Bank of New York Mellon acting in one of the following capacities as is appropriate in the context: Trustee, Security Registrar, DTC custodian, DTC participant, transfer agent or paying agent with respect to the Notes.

The Notes will be issued in book-entry form and represented by one or more fully registered Notes (each, a “Global Note”) delivered to the Trustee, as agent for The Depository Trust Company (“DTC”), and recorded in the book-entry system maintained by DTC. Owners of beneficial interests in Notes issued in book-entry form will be entitled to physical delivery of Certificated Notes equal in principal amount to their respective beneficial interests only upon certain limited circumstances described in the Prospectus as amended or supplemented (as defined in the Distribution Agreement).

General procedures relating to the issuance of all Notes are set forth in Part I hereof. Additionally, Notes issued in book-entry form will be issued in accordance with the procedures set forth in Part II hereof and Certificated Notes will be issued in accordance with the procedures set forth in Part III hereof. Capitalized terms used but not otherwise defined herein shall have the meanings ascribed thereto in the Indenture or the Notes, as the case may be.

PART I: PROCEDURES OF GENERAL APPLICABILITY

Date of Issuance/ Authentication:	Each Note will be dated as of the date of its authentication by the Trustee. Each Note shall also bear an original issue date (each, an “Original Issue Date”). The Original Issue Date shall remain the same for all Notes subsequently issued upon transfer, exchange or substitution of an original Note regardless of their dates of authentication.
Maturities:	Each Note will mature on a date (the “Stated Maturity Date”) selected by the investor or other purchaser and agreed to by the Company one year or more from its Original Issue Date.
Registration:	Unless otherwise provided in the applicable Disclosure Package and Pricing Supplement (each as defined in the Distribution Agreement), Notes will be issued only in fully registered form.
Specified Currency:	The Notes will be denominated in U.S. dollars or such other currencies, currency units or composite currencies as provided in the applicable Disclosure Package and Pricing Supplement.
Denominations:	Unless otherwise provided in the applicable Disclosure Package and Pricing Supplement, the Notes will be issued in minimum denominations of \$1,000 and integral multiples of \$1,000 in excess thereof, or, if the Notes are denominated in a specified currency, currency unit or composite currency other than U.S. dollars, their equivalents in such specified currency, currency unit or composite currency.
Base Rates applicable to Floating Rate Notes:	Unless otherwise provided in the applicable Disclosure Package and Pricing Supplement, Floating Rate Notes (except for certain Original Issue Discount Notes) will bear interest at a rate or rates determined by reference to the CD Rate (“CD Rate Notes”), the Commercial Paper Rate (“Commercial Paper Rate Notes”), the CMT Rate (“CMT Rate Notes”), the Eleventh District Cost of Funds Rate (“Eleventh District Cost of Funds Rate Notes”), the Federal Funds Rate (“Federal Funds Rate Notes”), LIBOR (“LIBOR Notes”), the Prime Rate (“Prime Rate Notes”) or the Treasury Rate (“Treasury Rate Notes”), or such other domestic or foreign interest rate or

exchange rate indices or other indices as may be set forth in the applicable Note and related Disclosure Package and Pricing Supplement, or by reference to one or more such rates, as adjusted by the Spread and/or Spread Multiplier, if any, applicable to such Floating Rate Notes.

Redemption/Repayment:

Unless otherwise specified in the applicable Disclosure Package and Pricing Supplement, the Notes will not be subject to redemption at the option of the Company or subject to repayment at the option of the holders prior to their stated maturities.

Calculation of Interest:

In the case of Fixed Rate Notes, interest (including payments for partial periods) will be calculated and paid on the basis of a 360-day year of twelve 30-day months.

The interest rate on each Floating Rate Note will be calculated by reference to the specified Base Rate or Rates plus or minus the applicable Spread, if any, and/or multiplied by the applicable Spread Multiplier, if any.

Unless otherwise provided in the applicable Disclosure Package and Pricing Supplement, accrued interest on each Floating Rate Note will be calculated by multiplying its principal amount by an accrued interest factor. Such accrued interest factor will be computed by adding the interest factor calculated for each day in the period for which accrued interest is being calculated. Unless otherwise provided in the applicable Disclosure Package and Pricing Supplement, the interest factor for each such day will be computed by dividing the interest rate applicable to such day by 360 in the case of CD Rate Notes, Commercial Paper Rate Notes, Eleventh District Cost of Funds Rate Notes, Federal Funds Rate Notes, LIBOR Notes or Prime Rate Notes, or by the actual number of days in the year in the case of CMT Rate Notes or Treasury Rate Notes. As provided in the applicable Disclosure Package and Pricing Supplement, the interest factor for Notes for which the interest rate is calculated with reference to two or more Base Rates will be calculated in each period in the same manner as if only the lowest, highest or average of the applicable Base Rates applied.

Interest:

General. Each Note will bear interest in accordance with its terms. Unless otherwise provided in the applicable Disclosure Package and Pricing Supplement, interest on each Note will accrue from and including the Original Issue Date of such Note for the first interest period, or, for all subsequent interest

periods from and including the most recent Interest Payment Date (as defined below) to which interest has been paid or duly provided to but excluding the applicable Interest Payment Date or the Maturity Date or date of earlier redemption or repayment, as the case may be (the Maturity Date or date of earlier redemption or repayment is referred to herein as the “Maturity Date” with respect to the principal repayable on such date).

If any Interest Payment Date or the Maturity Date with respect to any Fixed Rate Note falls on a day that is not a Business Day (as defined below), the payment of interest required to be made on such day need not be made on such day, but may be made on the next succeeding Business Day with the same force and effect as if made on such day, and no interest shall accrue on such payment for the period from and after such day. If any Interest Payment Date (other than the Maturity Date) with respect to any Floating Rate Note falls on a day that is not a Business Day, such Interest Payment Date will be postponed to the next succeeding day that is a Business Day, except that in the case of a LIBOR Note (or a Floating Rate Note for which LIBOR is an applicable Base Rate), if such Business Day falls in the next succeeding calendar month, such Interest Payment Date will be the immediately preceding Business Day. If the Maturity Date of any Floating Rate Note falls on a day that is not a Business Day, the related payment of principal, premium, if any, and interest required to be made on such day need not be made on such day, but may be made on the next succeeding Business Day with the same force and effect as if made on such day, and no interest shall accrue on such payment for the period from and after the Maturity Date.

Regular Record Dates. Unless otherwise provided in the applicable Disclosure Package and Pricing Supplement, the “Regular Record Date” for a Fixed Rate Note shall be March 1 or September 1, as the case may be, preceding the applicable Interest Payment Date, while the “Regular Record Date” for a Floating Rate Note shall be the date 15 calendar days (whether or not a Business Day) preceding the applicable Interest Payment Date.

Interest Payment Dates. Interest payments will be made on each Interest Payment Date commencing with the first Interest Payment Date following the Original Issue Date; *provided however*, that the first payment of interest on any Note issued between a Record Date and the related Interest Payment Date will occur on the Interest Payment Date following the next succeeding Regular Record Date.

Unless otherwise provided in the applicable Disclosure Package and Pricing Supplement, interest payments on Fixed Rate Notes will be made semi-annually on March 15 and September 15 of each year and on the Maturity Date, while interest payments on Floating Rate Notes will be made as specified in the applicable Floating Rate Note and related Disclosure Package and Pricing Supplement.

Acceptance and Rejection of Offers from Solicitation as Agents:

If agreed upon by any Agent and the Company, such Agent, acting solely as agent for the Company and not as principal, will use its reasonable efforts to solicit purchases of the Notes. Each Agent will communicate to the Company, orally or in writing, each offer to purchase Notes solicited by such Agent on an agency basis, other than those offers rejected by such Agent. Each Agent shall have the right, in its discretion reasonably exercised, to reject any proposed purchase of Notes, as a whole or in part, and any such rejection shall not be deemed a breach of the Agent's agreement contained in the Distribution Agreement. The Company has the sole right to accept or reject any proposed purchase of the Notes, as a whole or in part, and any such rejection shall not be deemed a breach of the Company's agreement contained in the Distribution Agreement. Each Agent has agreed to make reasonable efforts to assist the Company in obtaining performance by each purchaser whose offer to purchase Notes has been solicited by such Agent and accepted by the Company.

Preparation of Pricing Supplement:

If any offer to purchase a Note is accepted by the Company, the Company will promptly prepare a Final Term Sheet (if requested by the Agents) and a Pricing Supplement reflecting the terms of such Note. Information to be included in the Final Term Sheet and the Pricing Supplement shall include:

1. the name of the Company;
2. the title of the Notes;
3. the date of the Pricing Supplement and the Prospectus;

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4. the name of the Offering Agent (as defined below);
 5. whether such Notes are being sold to the Offering Agent as principal or to an investor or other purchaser through the Offering Agent acting as agent for the Company;
 6. with respect to Notes sold to the Offering Agent as principal, whether such Notes will be resold by the Offering Agent to investors and other purchasers at (i) a fixed public offering price of a specified percentage of their principal amount or (ii) at varying prices related to prevailing market prices at the time of resale to be determined by the Offering Agent;
 7. with respect to Notes sold to an investor or other purchaser through the Offering Agent acting as agent for the Company, whether such Notes will be sold at (i) 100% of their principal amount or (ii) a specified percentage of their principal amount;
 8. the Offering Agent's commission or underwriting discount;
 9. Net proceeds to the Company;
 10. the Principal Amount, Original Issue Date, Stated Maturity Date, Redemption Date or Period, if any, Initial Redemption Percentage, if any, Annual Redemption Percentage Reduction, if any, Renewal provision, if any, and Repayment Date or Period, if any, and, in the case of Fixed Rate Notes, the Interest Rate, the Interest Payment Dates (if other than March 15 and September 15 of each year) and the Regular Record Dates (if other than March 1 and September 1 of each year), and, in the case of Floating Rate Notes, the Base Rate or Rates, the Index Maturity (if applicable), the Initial Interest Rate, the Maximum Interest Rate, if any, the Minimum Interest Rate, if any, the Interest Payment Dates, the Interest Reset Dates, the Spread and/or Spread Multiplier, if any, the Regular Record Dates and the Calculation Agent;
 11. the specified currency, being the currency, currency units or composite currencies for the payment of principal, premium (if any) and interest with respect to each Note;

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12. if the Notes are denominated in a specified currency, currency unit or composite currency other than U.S. dollars, the applicable exchange rate and the applicable exchange rate agent;
 13. the information with respect to the terms of the Notes set forth below (whether or not the applicable Note is represented by a Global Note or is a Certificated Note) under “Procedures for Notes Issued in Book-Entry Form – Settlement Procedures”, items 1, 2, 6, 7 and 8; and
 14. any other provisions of the Notes material to investors or other purchasers of the Notes not otherwise specified in the Prospectus or Pricing Supplement.

The Company (i) will arrange to file any such Final Term Sheet and Pricing Supplement with the Commission in accordance with Rule 433(d) and the applicable paragraph of Rule 424(b) under the Securities Act, respectively, and (ii) will, as soon as possible and in any event not later than 11:00 a.m. on the Business Day following the applicable trade date (unless otherwise agreed between the Company and the Agents), deliver the number of copies of any such Term Sheet and Pricing Supplement to the Agent which made or presented the offer to purchase the applicable Note (in such capacity, the “Offering Agent”) as such Offering Agent shall request and to the Trustee at the following applicable addresses:

if to J.P. Morgan Securities Inc:

270 Park Avenue
8th Floor
New York, New York 10017
Telephone: (212) 834-4533
Telecopier: (212) 834-6081
Attention: Medium-Term Note Desk;

if to Banc of America Securities LLC:

Banc of America Securities LLC
One Bryant Park
NY1-100-18-03
New York, New York 10036
Attention: Joseph A. Crowley
Tel: (646) 855-0742
Facsimile: (704) 264-2522;

if to Barclays Capital Inc.:

Barclays Capital Inc.
745 Seventh Avenue
New York, New York 10019
Telecopier: (212) 412-7305
Attention: Investment Grade Syndicate

if to Citigroup Global Markets Inc.:

388 Greenwich Street
New York, New York 10013
Telephone: (212) 723-6104
Telecopier: (212) 723-8670;
Attention: Medium-Term Notes

if to Credit Suisse Securities (USA) LLC.:

Credit Suisse Securities (USA) LLC
11 Madison Avenue
New York, New York 10010
Telephone: (212) 325-7198
Telecopier: (212) 743-5825
Attention: Short Term Products Group

if to Deutsche Bank Securities Inc.:

60 Wall Street, 36th Floor
New York, New York 10005
Telephone: (212) 250-8005
Telecopier: (212) 797-2202
Attention: Debt Capital Markets – Corporates Group;

if to Goldman, Sachs & Co.:

85 Broad Street
New York, New York 10004
Telephone: (212) 902-1171
Telecopier: (212) 902-3000
Attention: Prospectus Department;

if to Merrill Lynch, Pierce, Fenner & Smith Incorporated:

4 World Financial Center, 15th Floor
New York, New York 10080
Telephone: (212) 449-7476
Telecopier: (212) 449-2234
Attention: Transaction Management Group

If to Morgan Stanley & Co. Incorporated

1585 Broadway, 4th Floor
New York, New York 10036
Telephone: (212) 761-1888
Telecopier: (212) 507-2407
Attention: Global Capital Markets

if to UBS Securities LLC:

677 Washington Boulevard
Stamford, Connecticut 06901
Telephone: (203) 719-1088
Telecopier: (203) 719-0495
Attention: Fixed Income Syndicate;

if to Wachovia Capital Markets, LLC:

301 South College Street
Charlotte, North Carolina 28288
Telephone: (704) 383-7727
Telecopier: (704) 383-9165
Attention: Debt Capital Markets; and

and if to The Bank of New York Mellon:

101 Barclay Street, 8W
New York, NY 10286
Telephone: (212) 815-4968
Telecopier: (212) 815-5704
Attention: Kimberly Davidson

In each instance that a Pricing Supplement is prepared, the relevant Agent will affix the Pricing Supplement to Prospectuses prior to their use or otherwise will comply with Rule 173. Outdated Pricing Supplements, and the Prospectuses to which they are attached (other than those retained for files), will be destroyed.

Settlement:

The receipt of immediately available funds by the Company in payment for a Note and the authentication and delivery of such Note shall, with respect to such Note, constitute "settlement". Offers accepted by the Company will be settled from three to five Business Days, or at such time as the purchaser and the

Company shall agree, pursuant to the timetable for settlement set forth in Parts II and III hereof under “Settlement Procedure Timetable” with respect to Global Notes and Certificated Notes, respectively (each such date fixed for settlement is hereinafter referred to as a “Settlement Date”). If procedures A and B of the applicable Settlement Procedures with respect to a particular offer are not completed on or before the time set forth under the applicable “Settlement Procedures Timetable”, such offer shall not be settled until the Business Day following the completion of settlement procedures A and B or such later date as the purchaser and the Company shall agree.

The foregoing settlement procedures may be modified with respect to any purchase of Notes by an Agent as principal if so agreed by the Company and such Agent.

Procedure for Changing Rates
or Other Variable Terms:

When a decision has been reached to change the interest rate or any other variable term on any Notes being sold by the Company, the Company will promptly advise the Agents and the Trustee by facsimile transmission and the Agents will forthwith suspend solicitation of offers to purchase such Notes. The Agents will telephone the Company with recommendations as to the changed interest rates or other variable terms. At such time as the Company notifies the Agents and the Trustee of the new interest rates or other variable terms, the Agents may resume solicitation of offers to purchase such Notes, provided that the Disclosure Package has been amended in accordance with the terms of the Distribution Agreement to reflect such new interest rates or variable terms. Until such time, only “indications of interest” may be recorded. Immediately after acceptance by the Company of an offer to purchase Notes at a new interest rate or new variable term, the Company, the Offering Agent and the Trustee shall follow the procedures set forth under the applicable “Settlement Procedures”.

Suspension of Solicitation;
Amendment or Supplement:

The Company may instruct the Agents, as agents, to suspend solicitation of offers to purchase Notes at any time. Upon receipt of such instructions, the Agents will forthwith suspend solicitation of offers to purchase from the Company until such time as the Company has advised the Agents that solicitation of offers to purchase may be resumed. If the Company decides to amend or supplement the Disclosure Package, the Registration Statement or the Prospectus, it will promptly advise the Agents and will furnish the Agents and their counsel with copies of the proposed amendment or supplement. Copies of such amendment or supplement will be delivered or mailed to the Agents, their counsel and the Trustee in quantities which such parties may reasonably request at the following respective addresses:

J.P. Morgan Securities Inc.
270 Park Avenue, 9th Floor
New York, New York 10017
Telephone: (212) 834-5737
Telecopier: (212) 834-6702
Attention: Transaction Execution Group;

Banc of America Securities LLC
One Bryant Park
NY1-100-18-03
New York, New York 10036
Attention: Joseph A. Crowley
Tel: (646) 855-0742
Facsimile: (704) 264-2522;

Barclays Capital Inc.
200 Park Avenue
New York, New York 10166
Telecopier: (212) 412-7305
Attention: Investment Grade Syndicate

Citigroup Global Markets Inc.
388 Greenwich Street
New York, New York 10013
Telephone: (212) 723-6104
Telecopier: (212) 723-8670
Attention: Medium-Term Notes;

Credit Suisse Securities (USA) LLC
11 Madison Avenue
New York, New York 10010
Telephone: (212) 325-7198
Telecopier: (212) 743-5825
Attention: Short Term Products Group

Deutsche Bank Securities Inc.
60 Wall Street, 36th Floor
New York, New York 10005
Telephone: (212) 250-8005
Telecopier: (212) 797-2202
Attention: Debt Capital Markets – Corporates Group;

Goldman, Sachs & Co.
85 Broad Street
New York, New York 10004
Telephone: (212) 902-1171
Telecopier: (212) 902-3000
Attention: Registration Department;

Merrill Lynch, Pierce, Fenner & Smith Incorporated
4 World Financial Center, 15th Floor
New York, New York 10080
Telephone: (212) 449-7476
Telecopier: (212) 449-2234
Attention: Transaction Management Group;

Morgan Stanley & Co. Incorporated
1585 Broadway, 4th Floor
New York, New York 10036
Telephone: (212) 761-1888
Telecopier: (212) 507-2407
Attention: Global Capital Markets;

UBS Securities LLC
677 Washington Boulevard
Stamford, Connecticut 06901
Telephone: (203) 719-1088
Telecopier: (203) 719-0495
Attention: Fixed Income Syndicate;

Wachovia Capital Markets, LLC
301 South College Street
Charlotte, North Carolina 28288
Telephone: (704) 383-7727
Telecopier: (704) 383-9165
Attention: Debt Capital Markets; and

The Bank of New York Mellon
101 Barclay Street, 8W
New York, NY 10286
Telephone: (212) 815-4968
Telecopier: (212) 815-5704
Attention: Kimberly Davidson

In the event that at the time the solicitation of offers to purchase from the Company is suspended, there shall be any offers to purchase Notes that have been accepted by the Company which have not been settled, the Company will promptly advise the Agents and the Trustee whether such offers may be settled and whether copies of the Prospectus as theretofore amended and/or supplemented as in effect at the time of the suspension (or the notice referred to in Rule 173(a) under the Act, if applicable) may be delivered in connection with the settlement of such offers. The Company will have the sole responsibility for such decision and for any arrangements which may be made in the event that the Company determines that such offers may not be settled or that copies of such Prospectus (or the notice referred to in Rule 173(a) under the Act) may not be so delivered.

Delivery of Prospectus and
applicable Pricing Supplement:

Unless the exemption set forth in Rule 172(a) of the Act is available, a copy of the most recent Prospectus and applicable Pricing Supplement must accompany or precede the earlier of (a) the written confirmation of a sale sent to an investor or other purchaser or its agent and (b) the delivery of Notes to an investor or other purchaser or its agent.

Authenticity of Signatures:

The Agents will have no obligation or liability to the Company or the Trustee in respect of the authenticity of the signature of any officer, employee or agent of the Company or the Trustee on any Note.

Documents Incorporated by
Reference:

The Company shall supply the Agents with an adequate supply of all documents incorporated by reference in the Disclosure Package, the Registration Statement or the Prospectus.

Business Day:

As used herein, “Business Day” means, unless otherwise provided in the applicable Pricing Supplement: (i) any day that is not a Saturday or Sunday nor a day on which commercial banks are authorized or required by law, regulation or executive order to close in The City of New York; *provided, however*, that with respect to any LIBOR Note (or any Floating Rate Note for which LIBOR is an applicable Base Rate), a “Business Day” also must be a day that is a London Business Day; (ii) if the Note is denominated in a specified currency other than U.S. dollars or euros, a day that is not a day on which banking institutions are authorized or obligated by law, regulation or executive order to close in the Principal Financial Center (as defined in the Note) of the country issuing the specified currency; and (iii) if the specified currency is euro, any day, on which the Trans-European Automated Real-time Gross settlement Express Transfer (TARGET) system, or any successor system is open for business. As used herein, “London Business Day” means a day on which commercial banks are open for business, including dealings in the Designated LIBOR Currency (as defined in the Prospectus) in London.

PART II: PROCEDURES FOR NOTES ISSUED IN BOOK-ENTRY FORM

In connection with the qualification of Notes issued in book-entry form for eligibility in the book-entry system maintained by DTC, the Trustee will perform the custodial, document control and administrative functions described below, in accordance with its respective obligations under DTC's operational arrangements referred to in the Letter of Representations from the Company to DTC, dated April 25, 2003, as made applicable to the Notes by a Bring-Down Letter of Representations from the Company and the Trustee to DTC, dated , 2009, and a Certificate Agreement, dated April 14, 1989, between the Trustee and DTC, as amended (the "Certificate Agreement"), and its obligations as a participant in DTC, including DTC's Same-Day Funds Settlement System ("SDFS").

Issuance:	All Fixed Rate Notes issued in book-entry form having the same Original Issue Date, Interest Rate, Interest Payment Dates, Regular Record Dates, redemption and/or repayment terms, if any, and Stated Maturity Date (collectively, the "Fixed Rate Terms") will be represented by one or more global securities in fully registered form without coupons (each, a "Global Note"); and all Floating Rate Notes issued in book-entry form having the same Original Issue Date, formula for the calculation of interest, and specifying the Base Rate, which may be the CD Rate, the Commercial Paper Rate, the CMT Rate, the Eleventh District Cost of Funds Rate, the Federal Funds Rate, LIBOR, the Prime Rate or the Treasury Rate or any other interest rate basis or formula set forth by the Company, Initial Interest Rate, Index Maturity, Spread and/or Spread Multiplier, if any, Minimum Interest Rate, if any, Maximum Interest Rate, if any, redemption and/or repayment terms, if any, Interest Payment Dates, Interest Reset Dates and Stated Maturity Date (collectively, the "Floating Rate Terms") will be represented by one or more Global Notes. For other variable terms with respect to the Fixed Rate Notes and Floating Rate Notes, see the Disclosure Package, the Prospectus and the applicable Pricing Supplement. Except as provided in the Indenture, no owner of a beneficial interest in a Global Note shall be entitled to receive any Certificated Note with respect to such beneficial interest.
Identification:	The Company has arranged with the CUSIP Service Bureau of Standard & Poor's Corporation (the "CUSIP Service Bureau") for the reservation of one series of CUSIP numbers, which series consists of approximately 900 CUSIP numbers which have been reserved for and relating to

Global Notes and the Company has delivered to each of the Trustee and DTC such list of such CUSIP numbers. The Company will assign CUSIP numbers to Global Notes as described below under Settlement Procedure B. DTC will notify the CUSIP Service Bureau periodically of the CUSIP numbers that the Company has assigned to Global Notes. The Trustee will notify the Company at any time when fewer than 100 of the reserved CUSIP numbers remain unassigned to Global Notes, and, if it deems necessary, the Company will reserve and obtain additional CUSIP numbers for assignment to Global Notes. Upon obtaining such additional CUSIP numbers, the Company will deliver a list of such additional numbers to the Trustee and DTC. Global Notes issued in book-entry form in an aggregate principal amount in excess of \$500,000,000 and otherwise required to be represented by the same Global Note will instead be represented by two or more Global Notes which shall all be assigned the same CUSIP number.

Registration:

Unless otherwise specified by DTC, each Global Note will be registered in the name of Cede & Co., as nominee for DTC, on the register maintained by the Trustee under the Indenture. The beneficial owner of a Note issued in book-entry form (i.e., an owner of a beneficial interest in a Global Note) (or one or more indirect participants in DTC designated by such owner) will designate one or more participants in DTC (with respect to such Note issued in book-entry form, the “Participants”) to act as agent for such beneficial owner in connection with the book-entry system maintained by DTC, and DTC will record in book-entry form, in accordance with instructions provided by such Participants, a credit balance with respect to such Note issued in book-entry form in the account of such Participants. The ownership interest of such beneficial owner in such Note issued in book-entry form will be recorded through the records of such Participants or through the separate records of such Participants and one or more indirect participants in DTC.

Transfers:

Transfers of beneficial ownership interests in a Global Note will be accomplished by book entries made by DTC and, in turn, by Participants (and in certain cases, one or more indirect participants in DTC) acting on behalf of beneficial transferors and transferees of such Global Note.

Exchanges:	The Trustee may deliver to DTC and the CUSIP Service Bureau at any time a written notice specifying (a) the CUSIP numbers of two or more Global Notes outstanding on such date that represent Global Notes having the same Fixed Rate Terms or Floating Rate Terms, as the case may be (other than Original Issue Dates), and for which interest has been paid to the same date; (b) a date, occurring at least 30 days after such written notice is delivered and at least 30 days before the next Interest Payment Date for the related Notes issued in book-entry form, on which such Global Notes shall be exchanged for a single replacement Global Note; and (c) a new CUSIP number, obtained from the Company, to be assigned to such replacement Global Note. Upon receipt of such a notice, DTC will send to its Participants (including the Trustee) a written reorganization notice to the effect that such exchange will occur on such date. Prior to the specified exchange date, the Trustee will deliver to the CUSIP Service Bureau written notice setting forth such exchange date and the new CUSIP number and stating that, as of such exchange date, the CUSIP numbers of the Global Notes to be exchanged will no longer be valid. On the specified exchange date, the Trustee will exchange such Global Notes for a single Global Note bearing the new CUSIP number and the CUSIP numbers of the exchanged Notes will, in accordance with CUSIP Service Bureau procedures, be canceled and not immediately reassigned. Notwithstanding the foregoing, if the Notes to be exchanged exceed \$500,000,000 in aggregate principal amount, one replacement Note will be authenticated and issued to represent each \$500,000,000 of principal amount of the exchanged Global Notes and an additional Global Note or Notes will be authenticated and issued to represent any remaining principal amount of such Global Notes (See “Denominations” below).
Denominations:	Except as specified in the applicable Disclosure Package and Pricing Supplement, Notes issued in book-entry form will be issued in denominations of \$1,000 and integral multiples of \$1,000 in excess thereof. Global Notes will be denominated in principal amounts not in excess of \$500,000,000. If one or more Notes issued in book-entry form having an aggregate principal amount in excess of \$500,000,000 would, but for the preceding sentence, be represented by a single Global Note then one Global Note will be issued to represent each \$500,000,000 principal amount of such Global Note or Notes issued in book-entry form and an additional Note or Global Notes will be issued

Payments of Principal and
Interest:

to represent any remaining principal amount of such Note or Notes issued in book-entry form. In such a case, each of the Global Notes representing such Note or Notes issued in book-entry form shall be assigned the same CUSIP number.

Payments of Interest Only. Promptly after each Regular Record Date, the Trustee will deliver to the Company and DTC a written notice specifying by CUSIP number the amount of interest (if then ascertainable) to be paid on each Global Note on the following Interest Payment Date (other than an Interest Payment Date coinciding with the Maturity Date) and the total of such amounts. DTC will confirm the amount payable on each Global Note on such Interest Payment Date by reference to the daily bond reports published by Standard & Poor's Corporation. On such Interest Payment Date, the Company will pay to the Trustee in immediately available funds an amount sufficient to pay the interest then due and owing, and upon receipt of such funds from the Company, the Trustee in turn will pay to DTC such total amount of interest due (other than on the Maturity Date), at the times and in the manner set forth below under "Manner of Payment".

Notice of Interest Payments. Promptly after each Interest Determination Date for Floating Rate Notes issued in book-entry form, the Company will notify each of Moody's Investors Service, Inc. and Standard & Poor's Corporation of the interest rates determined as of such Interest Determination Date.

Payments at Maturity. On or about the first Business Day of each month, the Trustee will deliver to the Company and DTC a written list of principal, interest (if then ascertainable) and premium, if any, to be paid on each Global Note maturing or otherwise becoming due in the following month. The Trustee, the Company and DTC will confirm the amounts of such principal, premium, if any, and interest payments with respect to each such Global Note on or about the fifth Business Day preceding the Maturity Date of such Global Note. On the Maturity Date, the Company will pay to the Trustee in immediately available funds an amount sufficient to make the required payment, and upon receipt of such funds the Trustee in turn will pay to DTC the principal amount of such Global Note, together with interest and premium, if any, due on the Maturity Date, at the times and in the manner set forth below under "Manner of Payment". Promptly after payment to DTC of the principal,

interest and premium, if any, due on the Maturity Date of such Global Note, the Trustee will cancel such Global Note and deliver it to the Company with an appropriate debit advice. On the first Business Day of each month, the Trustee will deliver to the Company a written statement indicating the total principal amount of outstanding Global Notes as of the close of business on the immediately preceding Business Day.

Manner of Payment. The total amount of any principal, premium, if any, and interest due on Global Notes on any Interest Payment Date or the Maturity Date, as the case may be, shall paid by the Company to the Trustee in funds available for use by the Trustee no later than 10:00 a.m., New York City Time, on such date. The Company will make such payment on such Global Notes to an account specified by the Trustee. Upon receipt of such funds, the Trustee will pay by separate wire transfer (using Fedwire message entry instructions in a form previously specified by DTC) to an account at the Federal Reserve Bank of New York previously specified by DTC, in funds available for immediate use by DTC, each payment of interest, principal and premium, if any, due on a Global Note on such date. Thereafter on such date, DTC will pay, in accordance with its SDFS operating procedures then in effect, such amounts in funds available for immediate use to the respective Participants in whose names the beneficial interests in such Global Notes are recorded in the book-entry system maintained by DTC. Neither the Company nor the Trustee shall have any responsibility or liability for the payment by DTC of the principal of, premium, if any, or interest on, the Global Notes to such Participants.

Withholding Taxes. The amount of any taxes required under applicable law to be withheld from any interest payment or a Global Note will be determined and withheld by the Participant, indirect participant in DTC or other Person responsible for forwarding payments and materials directly to the beneficial owner of such Global Note.

Settlement Procedures:

Settlement Procedures with regard to each Note in book-entry form purchased by an Agent, as principal, or sold by an Agent, as agent of the Company, will be as follows:

- A. The Offering Agent will advise the Company by telephone, confirmed by facsimile, of the following settlement information:
 - 1. Principal amount of the Note.
 - 2. The specified currency, being the currency, currency units or composite currencies for the payment of principal, premium (if any) and interest with respect to each Note.
 - 3. If the Note is denominated in a specified currency, currency unit or composite currency other than U.S. dollars, the applicable exchange rate and the applicable exchange rate agent.
 - 4. (a) Fixed Rate Notes:
 - (i) Interest Rate
 - (ii) Interest Payment Dates
 - (iii) Regular Record Dates
 - (b) Floating Rate Notes:
 - (i) Base Rate or Rates
 - (ii) Initial Interest Rate
 - (iii) Spread and/or Spread Multiplier, if any
 - (iv) Interest Reset Dates
 - (v) Interest Reset Period
 - (vi) Interest Payment Dates
 - (vii) Index Maturity
 - (viii) Maximum and/or Minimum Interest Rates, if any

(ix) Calculation Agent

5. Price to public, if any, of the Note (or whether the Note is being offered at varying prices relating to prevailing market prices at time of resale as determined by the Offering Agent).
 6. Trade Date.
 7. Settlement Date (Original Issue Date).
 8. Stated Maturity Date.
 9. Redemption provisions, if any.
 10. Renewal provisions, if any.
 11. Repayment provisions, if any.
 12. Net proceeds to the Company.
 13. The Offering Agent's commission or underwriting discount.
 14. Whether such Notes are being sold to the Offering Agent as principal or to an investor or other purchaser through the Offering Agent acting as agent for the Company.
 15. Whether such Note is being issued with Original Issue Discount and the terms thereof.
 16. Such other information specified with respect to such Note (whether by Addendum or otherwise).
- B. The Company will assign a CUSIP number to the Global Note representing such Note and then advise the Trustee by facsimile transmission or other electronic transmission of the above settlement information received from the Offering Agent, such CUSIP number and the name of the Offering Agent.

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- C. The Trustee will communicate to DTC and the Offering Agent through DTC's Participant Terminal System a pending deposit message specifying the following settlement information:
1. The information set forth in the Settlement Procedure A.
 2. Identification numbers of the participant accounts maintained by DTC on behalf of the Trustee and the Offering Agent.
 3. Identification of the Global Note as a Fixed Rate Global Note or Floating Rate Global Note.
 4. Initial Interest Payment Date for such Note, number of days by which such date succeeds the related record date for DTC purposes (or, in the case of Floating Rate Notes which reset daily or weekly, the date five calendar days preceding the Interest Payment Date) and, if then calculable, the amount of interest payable on such Interest Payment Date (which amount shall have been confirmed by the Trustee).
 5. CUSIP number of the Global Note representing such Note.
 6. Whether such Global Note represents any other Notes issued or to be issued in book-entry form.
 7. DTC will arrange for each pending deposit message described above to be transmitted to Standard & Poor's Corporation, which will use the information in the message to include certain terms of the related Global Note in the appropriate daily bond report published by Standard & Poor's Corporation.
- D. The Trustee will complete and authenticate the Book-Entry Note representing such Note.
- E. DTC will credit such Note to the participant account of the Trustee maintained by DTC.

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- F. The Trustee will enter an SDFS deliver order through DTC's Participant Terminal System instructing DTC (i) to debit such Note to the Trustee's participant account and credit such Note to the participant account of the Offering Agent maintained by DTC and (ii) to debit the settlement account of the Offering Agent and credit the settlement account of the Trustee maintained by DTC, in an amount equal to the price of such Note less such Offering Agent's discount or underwriting commission, as applicable. Any entry of such a deliver order shall be deemed to constitute a representation and warranty by the Trustee to DTC that (i) the Global Note representing such Note has been issued and authenticated and (ii) the Trustee is holding such Global Note pursuant to the Certificate Agreement.
 - G. In the case of Notes in book-entry form sold through the Offering Agent, as agent, the Offering Agent will enter an SDFS deliver order through DTC's Participant Terminal System instructing DTC (i) to debit such Note to the Offering Agent's participant account and credit such Note to the participant account of the Participants maintained by DTC and (ii) to debit the settlement accounts of such Participants and credit the settlement account of the Offering Agent maintained by DTC in an amount equal to the initial public offering price of such Note.
 - H. Transfers of funds in accordance with SDFS deliver orders described in Settlement Procedures F and G will be settled in accordance with SDFS operating procedures in effect on the Settlement Date.
 - I. Upon receipt, the Trustee will pay the Company, by wire transfer of immediately available funds to an account specified by the Company to the Trustee from time to time, the amount transferred to the Trustee in accordance with Settlement Procedure F.
 - J. The Trustee will send a copy of the Global Note by first class mail to the Company together with a statement setting forth the principal amount of Notes Outstanding as of the related Settlement Date after giving effect to such transaction and all other offers to purchase Notes of which the Company has advised the Trustee but which have not yet been settled.

K. If such Note was sold through the Offering Agent, as agent, the Offering Agent will confirm the purchase of such Note to the investor or other purchaser either by transmitting to the Participant with respect to such Note a confirmation order through DTC's Participant Terminal System or by mailing a written confirmation to such investor or other purchaser.

Settlement Procedures Timetable:

For offers to purchase Notes accepted by the Company, Settlement Procedures A through K set forth above shall be completed as soon as possible but not later than the respective times (New York City time) set forth below:

<u>SETTLEMENT PROCEDURE</u>	<u>TIME</u>
A	11:00 a.m. on the trade date
B	As soon as practicable following the trade, but in no event later than 12:00 noon on the second Business Day immediately preceding the Settlement Date
C	As soon as practicable following the trade, but in no event later than 2:00 p.m. on the second Business Day immediately preceding the Settlement Date
D	9:00 a.m. on Settlement Date
E	10:00 a.m. on Settlement Date
F-G	No later than 2:00 p.m. on Settlement Date
H	4:45 p.m. on Settlement Date
I-J	5:00 p.m. on Settlement Date

If a sale is to be settled more than one Business Day after the trade date, Settlement Procedures A, B and C may, if necessary, be completed at any time prior to the specified times on the first Business Day after such trade date. Settlement Procedure H is subject to extension in

accordance with any extension of Fedwire closing deadlines and in the other events specified in the SDFS operating procedures in effect on the Settlement Date.

If settlement of a Note issued in book-entry form is rescheduled or canceled, the Trustee will deliver to DTC, through DTC's Participant Terminal System, a cancellation message to such effect by no later than 2:00 p.m., New York City time, on the Business Day immediately preceding the scheduled Settlement Date.

Failure to Settle:

If the Trustee fails to enter an SDFS deliver order with respect to a Note issued in book-entry form pursuant to Settlement Procedure F, the Trustee may deliver to DTC, through DTC's Participant Terminal System, as soon as practicable a withdrawal message instructing DTC to debit such Note to the participant account of the Trustee maintained at DTC. DTC will process the withdrawal message, provided that such participant account contains a principal amount of the Global Note representing such Note that is at least equal to the principal amount to be debited. If withdrawal messages are processed with respect to all the Notes represented by a Global Note, the Trustee will mark such Global Note "canceled", make appropriate entries in its records and send certification of disposition of such canceled Global Note to the Company. The CUSIP number assigned to such Global Note shall, in accordance with CUSIP Service Bureau procedures, be canceled and not immediately reassigned. If withdrawal messages are processed with respect to a portion of the Notes represented by a Global Note, the Trustee will exchange such Global Note for two Global Notes, one of which shall represent the Global Notes for which withdrawal messages are processed and shall be canceled immediately after issuance, and the other of which shall represent the other Notes previously represented by the surrendered Global Note and shall bear the CUSIP number of the surrendered Global Note.

In the case of any Note in book-entry form sold through the Offering Agent, as agent, if the purchase price for any such Note is not timely paid to the Participants with respect thereto by the beneficial investor or other purchaser thereof (or a person, including an indirect participant in DTC, acting on behalf of such investor or other purchaser), such Participants and, in turn, the related Offering Agent may enter SDFS deliver orders through DTC's Participant Terminal System reversing the orders entered pursuant to

Settlement Procedures F and G, respectively. Thereafter, the Trustee will deliver the withdrawal message and take the related actions described in the preceding paragraph. If such failure shall have occurred for any reason other than default by the applicable Offering Agent to perform its obligations hereunder or under the Distribution Agreement, the Company will reimburse such Offering Agent on an equitable basis for its reasonable loss of the use of funds during the period when the funds were credited to the account of the Company.

Notwithstanding the foregoing, upon any failure to settle with respect to a Note in book-entry form, DTC may take any actions in accordance with its SDFS operating procedures then in effect. In the event of a failure to settle with respect to a Note that was to have been represented by a Global Note also representing other Notes, the Trustee will provide, in accordance with Settlement Procedure D, for the authentication and issuance of a Global Note representing such remaining Notes and will make appropriate entries in its records.

PART III: PROCEDURES FOR CERTIFICATED NOTES

- Denominations: Unless otherwise provided in the applicable Disclosure Package and Pricing Supplement, the Certificated Notes will be issued in denominations of \$1,000 and integral multiples of \$1,000 in excess thereof.
- Payments of Principal and Interest: Upon presentment and delivery of the Certificated Note, the Trustee upon receipt of immediately available funds from the Company will pay the principal of, and premium, if any, and interest on, each Certificated Note on the Maturity Date in immediately available funds. All interest payments on a Certificated Note, other than interest due on the Maturity Date, will be made by check mailed to the address of the person entitled thereto as such address shall appear in the Security Register; *provided, however*, that holders of \$10,000,000 or more in aggregate principal amount of Certificated Notes (whether having identical or different terms and provisions) shall be entitled to receive such interest payments by wire transfer of immediately available funds if appropriate wire transfer instructions have been received in writing by the Trustee not less than the Regular Record Date relating to the applicable Interest Payment Date.
- The Trustee will provide monthly to the Company a list of the principal, premium, if any, and interest (if then ascertainable) to be paid on Certificated Notes maturing in the next succeeding month. The Trustee will be responsible for withholding taxes on interest paid as required by applicable law.
- Certificated Notes presented to the Trustee on the Maturity Date for payment will be canceled by the Trustee. All canceled Certificated Notes held by the Trustee shall be disposed of in accordance with its customary procedures, and the Trustee shall furnish to the Company a certificate with respect to such disposition.
- Settlement Procedures: Settlement Procedures with regard to each Certificated Note purchased by an Agent, as principal, or through an Agent, as agent, shall be as follows:
- A. The Offering Agent will advise the Company by telephone of the following Settlement information with regard to each Certificated Note:
1. Exact name in which the Certificated Note(s) is to be registered (the "Registered Owner").

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2. Exact address or addresses of the Registered Owner for delivery, notices and payments of principal and interest.
 3. Taxpayer identification number of the Registered Owner.
 4. Principal amount.
 5. Denomination.
 6. The specified currency, being the currency, currency units or composite currencies for the payment of principal, premium (if any) and interest with respect to each Certificated Note.
 7. If the Certificated Note is denominated in a specified currency, currency unit or composite currency other than U.S. dollars, the applicable exchange rate and the applicable exchange rate agent.
 8. (a) Fixed Rate Notes:
 - (i) Interest Rate
 - (ii) Interest Payment Dates
 - (iii) Regular Record Dates
 - (b) Floating Rate Notes:
 - (i) Base Rate or Rates
 - (ii) Initial Interest Rate
 - (iii) Spread and/or Spread Multiplier, if any
 - (iv) Interest Reset Dates
 - (v) Interest Reset Period
 - (vi) Interest Payment Dates

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- (vii) Index Maturity
 - (viii) Maximum and/or Minimum Interest Rates, if any
 - (ix) Calculation Agent
- 9. Price to public of the Certificated Note (or whether the Note is being offered at varying prices relating to prevailing market prices at time of resale as determined by the Offering Agent).
 - 10. Trade Date.
 - 11. Settlement Date (Original Issue Date).
 - 12. Stated Maturity Date.
 - 13. Redemption provisions, if any.
 - 14. Renewal provisions, if any.
 - 15. Repayment provisions, if any.
 - 16. Net proceeds to the Company.
 - 17. The Offering Agent's commission or underwriting discount.
 - 18. Whether such Notes are being sold to the Offering Agent as principal or to an investor or other purchaser through the Offering Agent acting as agent for the Company.
 - 19. Whether such Note is being issued with Original Issue Discount and the terms thereof.
 - 20. Such other information specified with respect to such Note (whether by Addendum or otherwise).
- B. After receiving such settlement information from the Offering Agent, the Company will advise the Trustee of the above settlement information by facsimile transmission confirmed by telephone. The Company will prepare a Pricing Supplement to the Prospectus and deliver copies to the Agent and will cause the Trustee to issue, authenticate and deliver Notes.

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- C. The Trustee will complete the Certificated Note in the form approved by the Company and the Offering Agent, and will make three copies thereof (herein called “Stub 1”, “Stub 2”, and “Stub 3”):
1. Certificated Note with the Offering Agent’s confirmation, if traded on a principal basis, or the Offering Agent’s customer confirmation, if traded on an agency basis.
 2. Stub 1 for Trustee.
 3. Stub 2 for Offering Agent.
 4. Stub 3 for the Company.

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- D. With respect to each trade, the Trustee will deliver the Certificated Notes and Stub 2 thereof to the Offering Agent at the following applicable addresses:

J.P. Morgan Securities Inc.
270 Park Ave, 9th Floor
New York, NY 10017
Telephone: (212) 834-5737
Telecopier: (212) 834-6702
Attention: Transaction Execution Group;

Banc of America Securities LLC
c/o The Bank of New York
One Wall Street, 3rd Floor
Dealers Clearance, Window B, A/C
New York, New York 10005;

Barclays Capital Inc.
200 Park Avenue
New York, New York 10166
Telecopier: (212) 412-7305
Attention: Investment Grade Syndicate

Citigroup Global Markets Inc.
388 Greenwich Street
New York, New York 10013
Telephone: (212) 723-6104
Telecopier: (212) 723-8670
Attention: Medium-Term Notes;

Credit Suisse Securities (USA) LLC
11 Madison Avenue
New York, New York 10010
Telephone: (212) 325-7198
Telecopier: (212) 743-5825
Attention: Short Term Products Group

Deutsche Bank Securities Inc.
60 Wall Street, 36th Floor
New York, New York 10005
Telephone: (212) 250-8005
Telecopier: (212) 797-2202
Attention: Debt Capital Markets – Corporates Group;

Goldman, Sachs & Co.
85 Broad Street
New York, New York 10004
Telephone: (212) 902-1171
Telecopier: (212) 902-3000
Attention: Prospectus Department;

Merrill Lynch, Pierce, Fenner & Smith Incorporated
4 World Financial Center, 15th Floor
New York, New York 10080
Telephone: (212) 449-7476
Telecopier: (212) 449-2234
Attention: Transaction Management Group;

Morgan Stanley & Co. Incorporated
1585 Broadway, 4th Floor
New York, New York 10036
Telephone: (212) 761-1888
Telecopier: (212) 507-2407
Attention: Global Capital Markets;

UBS Securities LLC
677 Washington Boulevard
Stamford, Connecticut 06901
Telephone: (203) 719-1088
Telecopier: (203) 719-0495
Attention: Fixed Income Syndicate; and

Wachovia Capital Markets, LLC
301 South College Street
Charlotte, North Carolina 28288
Telephone: (704) 383-7727
Telecopier: (704) 383-9165
Attention: Debt Capital Markets.

The Trustee will keep Stub 1. The Offering Agent will acknowledge receipt of the Certificated Note through a broker's receipt and will keep Stub 2. Delivery of the Certificated Note will be made only against such acknowledgment of receipt. Upon determination that the Certificated Note has been authorized, delivered and completed as aforementioned, the Offering Agent will wire the net proceeds of the Certificated Note after deduction of its applicable commission to the Company pursuant to standard wire instructions given by the Company.

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- E. In the case of Certificated Notes sold through the Offering Agent, as agent, the Offering Agent will deliver the Certificated Note (with the confirmation), as well as a copy of the Prospectus and the applicable Pricing Supplement received from the Trustee (or the notice referred to in Rule 173(a) under the Act, if applicable) to the purchaser against payment in immediately available funds.
- F. The Trustee will send Stub 3 to the Company.

Settlement Procedures Timetable:

For offers to purchase Certificated Notes accepted by the Company, Settlement Procedures A through F set forth above shall be completed as soon as possible but not later than the respective times (New York City time) set forth below:

<u>SETTLEMENT PROCEDURE</u>	<u>TIME</u>
A	11:00 a.m. on the trade date
B	3:00 p.m. on Business Day prior to Settlement Date
C-D	2:15 p.m. on Settlement Date
E	3:00 p.m. on Settlement Date
F	5:00 p.m. on Settlement Date

Failure to Settle:

In the case of Certificated Notes sold through the Offering Agent, as agent, if an investor or other purchaser of a Certificated Note from the Company shall either fail to accept delivery of or make payment for a Certificated Note on the date fixed for settlement, the Offering Agent will forthwith notify the Trustee and the Company by telephone, confirmed in writing, and return the Certificated Note to the Trustee.

The Trustee, upon receipt of the Certificated Note from the Offering Agent, will immediately advise the Company and the Company will promptly arrange to credit the account of the Offering Agent in an amount of immediately available funds equal to the amount previously paid to the Company by such Offering Agent in settlement for the Certificated Note. Such credits will be made on the Settlement Date if possible, and in any event not later than the Business Day

following the Settlement Date; *provided* that the Company has received notice on the same day. If such failure shall have occurred for any reason other than failure by such Offering Agent to perform its obligations hereunder or under the Distribution Agreement, the Company will reimburse such Offering Agent on an equitable basis for its reasonable loss of the use of funds during the period when the funds were credited to the account of the Company. Immediately upon receipt of the Certificated Note in respect of which the failure occurred, the Trustee will cancel and dispose of the Certificated Note, make appropriate entries in its records to reflect the fact that the Certificated Note was never issued, and accordingly notify in writing the Company.

FORM OF TERMS AGREEMENT**TERMS AGREEMENT**

Prudential Financial, Inc.
Medium-Term Notes, Series D
Due _____, 200__ (the "Notes")

Dated: _____

To: Prudential Financial, Inc.
751 Broad Street
Newark, New Jersey 07102
Attn: Assistant Treasurer – Capital Markets

Re: Distribution Agreement dated as of _____, 2009
(the "Distribution Agreement")

The following terms are hereby agreed to by the Agents named herein and the Company in connection with the sale of the [] Notes:

Principal Amount: \$_____

Method of Resale:

- [] varying prices related to prevailing market prices at the time of resale to be determined by the applicable Agent.
- [] a fixed offering price of 100% of the Principal Amount.
- [] a fixed offering price of __% of the Principal Amount.

Interest Rate:

If Fixed Rate Note:

Interest Rate:
Interest Payment Dates (if other than March 15 and September 15):
Regular Record Dates (if other than March 1 and September 1):

If Floating Rate Note:

Base Rate or Rates:

If LIBOR:

- (i) Designated LIBOR Page:
- (ii) Designated LIBOR Currency:

If CMT Rate:

- (i) Designated CMT Reuters Page:
- (ii) Designated CMT Maturity Index:

Initial Interest Rate:

Spread, if any:

Spread Multiplier, if any:

Interest Reset Date(s):

Interest Reset Period:

Interest Payment Date(s):

Record Dates:

Index Maturity:

Maximum Interest Rate, if any:

Minimum Interest Rate, if any:

Calculation Agent:

If Redeemable:

Redemption Date(s) or Period(s):

Initial Redemption Date, if any:

Initial Redemption Percentage:

Annual Redemption Percentage Reduction, if any:

If Repayable:

Repayment Date(s) or Period(s):

Stated Maturity Date:

Trade Date:

Original Issue Date:

Purchase Price by Agents:

Net Proceeds to the Company:

Agents:

The Agents named below, subject to the terms and provisions of the Distribution Agreement, which is incorporated herein in its entirety and made a part hereof, have severally agreed to purchase from Prudential Financial, Inc., and Prudential Financial, Inc. has agreed to sell to the Agents, the principal amount of [] Notes set forth opposite their respective names.

Agents

Principal Amount of Notes

Agent's Discount or Commission:

Selling Concession per Note:

Reallowance per Note:

Settlement Date and Time:

Other Provisions, if any:

In connection with the purchase of Notes by the Agents, the following will be required:

Officers' Certificates pursuant to Section 7(b) of the Distribution Agreement.

Legal Opinions pursuant to Section 7(c) of the Distribution Agreement.

Accountant's Letter pursuant to Section 7(d) of the Distribution Agreement.

Stand-Off Agreement pursuant to Section 4(d) of the Distribution Agreement.

Payment shall be made to the Company pursuant to the terms of the Distribution Agreement, in immediately available funds.

Unless otherwise defined herein, terms defined in the Distribution Agreement shall be used herein as therein defined.

Please accept this offer no later than _____, 200__ by signing a copy of this Terms Agreement in the space set forth below and returning the signed copy to us.

Very truly yours,

[NAME(S) OF AGENT(S)]

By: _____

Name:

Title:

Accepted:

PRUDENTIAL FINANCIAL, INC.

By: _____

Name:

Title:

FORM OF DISCLOSURE PACKAGE SCHEDULE

DISCLOSURE PACKAGE SCHEDULE

(1) Applicable Time:

(2) Issuer Free Writing Prospectuses:

- [Final Term Sheet in the form set forth in Exhibit G to the Distribution Agreement] [if the Company is obligated to prepare and file such term sheet pursuant to Section 4(i) of the Distribution Agreement]

FORM OF TERMS OF THE NOTES SCHEDULE**TERMS OF THE NOTES SCHEDULE**

The following terms, if applicable, shall be agreed to by the applicable Agent and the Company in connection with each sale of Notes:

Principal Amount: \$ _____

Method of Resale:

- ☐ varying prices related to prevailing market prices at the time of resale to be determined by the applicable Agent.
- ☐ a fixed offering price of 100% of the Principal Amount.
- ☐ a fixed offering price of ___% of the Principal Amount.

Interest Rate:

If Fixed Rate Note:

Interest Rate:

Interest Payment Dates (if other than March 15 and September 15):

Regular Record Dates (if other than March 1 and September 1):

If Floating Rate Note:

Base Rate or Rates:

If LIBOR:

(i) Designated LIBOR Page:

(ii) Designated LIBOR Currency:

If CMT Rate:

(i) Designated CMT Reuters Page:

(ii) Designated CMT Maturity Index:

Initial Interest Rate:

Spread, if any:

Spread Multiplier, if any:

Interest Reset Date(s):

Interest Payment Date(s):

Index Maturity:

Maximum Interest Rate, if any:

Minimum Interest Rate, if any:

Calculation Agent:

If Redeemable:

Redemption Date(s) or Period(s):

Initial Redemption Date, if any:

Initial Redemption Percentage:

Annual Redemption Percentage Reduction, if any:

If Repayable:

Repayment Date(s) or Period(s)

Stated Maturity Date:

Trade Date:

Original Issue Date:

Agent:

Agent's Discount or Commission:

Settlement Date and Time:

Other Provisions, if any:

Also, in connection with the purchase of Notes by the applicable Agent as principal, agreement as to whether the following will be required:

Terms Agreement pursuant to Section 3(b) of the Distribution Agreement, substantially in the form of Exhibit D hereto.

Officers' Certificates pursuant to Section 7(b) of the Distribution Agreement.

Legal Opinions pursuant to Section 7(c) of the Distribution Agreement.

Accountant's Letter pursuant to Section 7(d) of the Distribution Agreement.

Stand-Off Agreement pursuant to Section 4(d) of the Distribution Agreement.

FORM OF FINAL TERM SHEET

[To be modified as appropriate]

Prudential Financial, Inc.

Issuer:
Ratings:
Security:
Trade Date:
Settlement Date:
Size:
Maturity Date:
Principal Amount:
Price to Investors:
Gross Proceeds:
Pricing Benchmark:
Benchmark Yield:
Spread to Benchmark:
Re-offer Yield:
Coupon:
Interest Payment Dates:
Day Count Convention:
Denominations:
[Joint] Bookrunner[s]:
Billing and Delivery Agent:
[Co-]Manager[s]:
CUSIP Number:
Reports and Events of Default:
[Other Provisions:]
Note: A securities rating is not a recommendation to buy, sell or hold securities and may be subject to revision or withdrawal at any time.

Investing in the Notes involves a number of risks. See “Risk Factors” beginning on page S-5 of the accompanying prospectus supplement.

Prudential Financial, Inc. has filed a registration statement (including a prospectus) and a prospectus supplement with the SEC for the offering to which this communication relates. Before you invest, you should read the prospectus in that registration statement, the prospectus supplement and other documents Prudential Financial, Inc. has filed with the SEC for more complete information about the issuer and this offering. You should rely on the prospectus, prospectus supplement and any relevant free writing prospectus or pricing supplement for complete details. You may get these documents for free by visiting the SEC Web site at www.sec.gov. Alternatively, copies of the prospectus and the prospectus supplement may be obtained from UBS Securities LLC by calling toll free at 1-877-827-6444 extension 561-3884 or [—] by calling toll free at [—] or [—] by calling toll free at [—].

SELLING AGENT AGREEMENT

by and among

Prudential Financial, Inc.

and the

Agents named herein

, 2009

, 2009

To Banc of America Securities LLC and the Agents listed on the signature page hereto.

Prudential Financial, Inc., a New Jersey corporation (the “Company”), proposes to issue and sell up to \$5,000,000,000 aggregate principal amount at any one time outstanding of its Retail Medium-Term Notes, including those designated as InterNotes®, due one year or more from the date of issue (such Retail Medium-Term Notes, excluding the InterNotes®, are referred to herein as the “Notes”). It is understood that the Company may from time to time authorize the issuance and sale of additional amounts of the Notes and that such Notes may be issued and sold pursuant to the terms of this Agreement, all as though the issuance and sale of such Notes were authorized by the Company as of the date hereof. The Notes are to be issued under the senior debt securities indenture dated as of April 25, 2003 (as amended and supplemented from time to time, the “Indenture”), between the Company and The Bank of New York Mellon, a New York banking corporation (formerly known as The Bank of New York), as successor to JPMorgan Chase Bank, N.A., as Trustee (the “Trustee”). The Company’s Retail-Medium Term Notes, including those designated as InterNotes®, constitute a single series of debt securities for purposes of the Indenture. The terms of the Notes are described in the Prospectus referred to below.

Subject to the terms and conditions contained in this Agreement, the Company hereby (1) appoints each of you as agent of the Company (each, an “Agent” and together, the “Agents”) for the purpose of soliciting offers to purchase Notes and each of you hereby agrees to use your reasonable best efforts to solicit offers to purchase Notes upon terms acceptable to the Company at such times and in such amounts as the Company shall from time to time specify and in accordance with the terms hereof, and after consultation with the purchasing agent in connection with a particular issuance of Notes, who shall be specified by the Company in accordance with the terms hereof (the “Purchasing Agent”), and (2) agrees that whenever the Company determines to sell Notes pursuant to this Agreement, such Notes shall be sold pursuant to a Terms Agreement (as defined herein) relating to such sale in accordance with the provisions of Section IV hereof between the Company and the Purchasing Agent, with the Purchasing Agent purchasing such Notes as principal for resale to other Agents or dealers (the “Selected Dealers”), each of whom will purchase as principal. The Company reserves the right to enter into agreements substantially similar hereto with other agents and in particular, it is understood that the Company has entered into a similar agreement dated as of _____, 2009 with respect to its InterNotes®.

I.

The Company has filed with the Securities and Exchange Commission (the “Commission”) an automatic shelf registration statement, as defined under Rule 405 under the Securities Act of 1933, as amended (the “Securities Act”), on Form S-3 (File Nos. 333-[—], 333-[—] and 333-[—]), not earlier than three years prior to the date hereof; the base prospectus filed as part of such registration statement, in the form in which it has most recently been filed with the

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Commission on or prior to the date of this Agreement, is hereinafter called the "Basic Prospectus"; the various parts of such registration statement, including all exhibits thereto but excluding all Forms T-1 and including any prospectus supplement relating to the Notes that is filed with the Commission and deemed by virtue of Rule 430B to be part of such registration statement, each as amended or supplemented at the time such part of such registration statement became effective, are hereinafter collectively called the "Registration Statement"; the Basic Prospectus, as supplemented by the prospectus supplement dated _____, 2009 relating to the Notes, is hereinafter called the "Prospectus"; any reference herein to the Basic Prospectus or the Prospectus shall be deemed to refer to and include the documents incorporated by reference therein pursuant to Item 12 of Form S-3 under the Securities Act, as of the date of such prospectus; any supplement to the Prospectus that sets forth only the terms of a particular issue of the Notes is hereinafter called a "Pricing Supplement"; any reference to any amendment or supplement to the Prospectus shall be deemed to refer to and include any prospectus supplement (including any preliminary prospectus supplement) relating to the Notes filed with the Commission pursuant to Rule 424(b) under the Securities Act and any documents filed under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and incorporated therein, in each case after the date of the Basic Prospectus or the Prospectus, as the case may be; any reference to any amendment to the Registration Statement shall be deemed to refer to and include any annual report of the Company filed pursuant to Section 13(a) or 15(d) of the Exchange Act after the effective date of the Registration Statement that is incorporated by reference in the Registration Statement. The Registration Statement has become effective, and the Indenture has been qualified under the Trust Indenture Act of 1939, as amended (the "Trust Indenture Act").

II.

The Agents' obligations hereunder are subject to the accuracy of the representations and warranties on the part of the Company herein contained, to the accuracy of the statements of the Company's officers made in any certificates furnished pursuant to the provisions hereof, to the performance and observance by the Company of all of its covenants and agreements herein contained, and to the following additional conditions (it being understood that references in Sections II(a) through II(d) to the "Disclosure Package" (as defined in Section VII (c)) shall be deemed to apply only when the documents described in this section are required to be delivered in connection with an issuance of Notes pursuant to the requirements of Section VIII hereof):

(a) On the date hereof, the Agents shall have received the favorable opinion or opinions, dated the date hereof, of corporate counsel for the Company reasonably satisfactory to the Agents, in form and scope reasonably satisfactory to the Agents, to the following effect:

(1) The Company has been duly incorporated and is an existing corporation in good standing under the laws of the State of New Jersey. The Company has power and authority, corporate and other, to own its properties and to conduct its business as described in the Disclosure Package and the Prospectus, as amended or supplemented, and to enter into and perform its obligations under this Agreement, any applicable Terms Agreement, the Indenture and the Notes.

(2) Prudential Investment Management, Inc. has been duly organized and is an existing corporation in good standing under the laws of the State of New Jersey; and

(B) The Prudential Insurance Company of America has been duly organized and is a validly existing stock life insurance company in good standing under the laws of the State of New Jersey.

(3) To the extent that each of The Gibraltar Life Insurance Company, Ltd. and The Prudential Life Insurance Company, Ltd. is a “significant subsidiary” of the Company within the meaning of Rule 1-02 of Regulation S-X under the Securities Act, each such subsidiary has been duly incorporated and is an existing Japanese *kabushiki kaisha* in good standing under the laws of Japan.

(4) This Agreement has been duly authorized, executed and delivered by the Company, and any applicable Terms Agreement has been duly authorized by the Company. The Indenture has been duly authorized, executed and delivered by the Company and has been duly qualified under the Trust Indenture Act and is a valid and binding agreement of the Company, enforceable against the Company in accordance with its terms, except as enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium, fraudulent transfer and other similar laws relating to or affecting enforcement of creditors’ rights generally or by general equitable principles (regardless of whether such enforceability is considered in a proceeding in equity or at law).

(5) The issuance and sale of the Notes have been authorized by the Company. The master global note evidencing the Notes has been duly executed and delivered by the Company, and, assuming that such master global note has been duly authenticated and delivered by or on behalf of the Trustee or the predecessor trustee, when the Notes evidenced thereby have been duly issued and delivered in accordance with the Company’s Supplemental Authentication Order to the Trustee and the Issuing Agent dated as of the date hereof, the Notes will constitute valid and binding obligations of the Company, enforceable against the Company in accordance with their terms, except as enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium, fraudulent transfer or other similar laws relating to or affecting enforcement of creditors’ rights generally or by general equitable principles (regardless of whether such enforceability is considered in a proceeding in equity or at law).

(6) Such counsel does not know of any litigation or governmental proceeding instituted or threatened against the Company or any of its consolidated subsidiaries that would be required to be described in the Prospectus, as amended or supplemented, and is not so described; and no legal or governmental proceeding is pending or, to such counsel’s knowledge, is currently being threatened challenging the offering of the Notes that would be required to be described in the Prospectus, as amended or supplemented, and is not so described.

(7) No authorization, decree, approval, consent, order, registration or qualification of or with any court or governmental authority, agency or official is required to be obtained by the Company in connection with the execution, delivery or performance by the Company of this Agreement, the Indenture, any applicable Terms Agreement or the Notes, or in connection with the offering, issuance or sale of the Notes or the consummation of any of the transactions contemplated therein, except such as have been

obtained and made under the Securities Act and the Trust Indenture Act and such as may be required under state securities or "Blue Sky" laws (as to which such counsel need express no opinion).

(8) The execution and delivery of this Agreement, any applicable Terms Agreement, the Indenture and the Notes, the consummation by the Company of the transactions contemplated herein and therein, and the compliance by the Company with its obligations hereunder and thereunder, will not result in a breach of, or default under, any material contract, indenture, mortgage, loan agreement, note, lease or other material agreement or instrument known to such counsel (after due inquiry and investigation) to which the Company is a party or by which it may be bound or to which any of the property or assets of the Company is subject, nor will such action result in any violation of the provisions of the Amended and Restated Certificate of Incorporation or By-Laws of the Company or any New York, New Jersey or United States federal statute or law or any order, rule or regulation of any court or insurance regulatory agency or other governmental agency or body having jurisdiction over the Company or any of its properties, except (other than with respect to the provisions of the Amended and Restated Certificate of Incorporation and By-Laws of the Company) to the extent that such breach, default or violation would not have individually or in the aggregate, a material adverse effect on the business, management, financial position, shareholders' equity or results of operations (in each case considered on a U.S. generally accepted accounting principles ("GAAP") basis) of the Company and its subsidiaries, considered as a whole (a "Material Adverse Effect"); *provided, however*, that, for purposes of this opinion (8), such counsel need not express any opinion with respect to federal and state securities laws, other antifraud laws and fraudulent transfer laws.

(9) (A) To such counsel's knowledge, each of the Company, and, to the extent that each of the following entities is a "significant subsidiary" of the Company within the meaning of Rule 1-02 of Regulation S-X under the Securities Act, each of Prudential Investment Management, Inc. and The Prudential Insurance Company of America is registered in all capacities with each federal, state, local or other governmental authority and is registered with, a member of, or a participant in, each self-regulatory organization, in each case, as is necessary to conduct its business as described in or contemplated by the Disclosure Package and the Prospectus, as amended or supplemented, except as set forth in the Disclosure Package and the Prospectus, as amended or supplemented, except where failure to be so registered would not have, individually or in the aggregate, a Material Adverse Effect; (B) to such counsel's knowledge, all such registrations and memberships are in full force and effect and neither the Company nor any of its subsidiaries has received any notice of any event, inquiry, investigation or proceeding that would reasonably be expected to result in the suspension, revocation or limitation of any such registrations or memberships, except as set forth in the Disclosure Package and the Prospectus, as amended or supplemented, and except as would not have, individually or in the aggregate, a Material Adverse Effect; and (C) to such counsel's knowledge, each of the Company and its subsidiaries is in compliance with all applicable laws, rules, regulations, orders, By-Laws and similar requirements in connection with such registrations or memberships, as the case may be, except as set forth in the Disclosure Package and the Prospectus, as amended or supplemented, and except as would not have, individually or in the aggregate, a Material Adverse Effect.

(10) To such counsel's knowledge, and, to the extent that each of the following entities is a "significant subsidiary" of the Company within the meaning of Rule 1-02 of Regulation S-X under the Securities Act, (A) each of The Gibraltar Life Insurance Company, Ltd. and The Prudential Life Insurance Company, Ltd. is registered with the Japanese Financial Supervisory Authority; (B) such registration is in full force and effect and neither The Gibraltar Life Insurance Company, Ltd. nor The Prudential Life Insurance Company, Ltd. has received any notice of any event, inquiry, investigation or proceeding that would reasonably be expected to result in the suspension, revocation or limitation of any such registration, except as set forth in the Disclosure Package and the Prospectus, as amended or supplemented, and except as would not have, individually or in the aggregate, a Material Adverse Effect; and (C) each of The Gibraltar Life Insurance Company, Ltd. and The Prudential Life Insurance Company, Ltd. is in compliance with all applicable laws, rules, regulations, orders, By-Laws and similar requirements in connection with such registration, except as set forth in the Disclosure Package and the Prospectus, as amended or supplemented, and except as would not have, individually or in the aggregate, a Material Adverse Effect.

(11) The statements set forth under the heading "Description of the Notes" in the Disclosure Package and in the Prospectus, as amended or supplemented, insofar as such statements purport to summarize certain provisions of the Notes and the Indenture, provide a fair summary of such provisions.

In rendering such opinion, such counsel may state that such counsel expresses no opinion as to the laws of any jurisdiction other than the federal laws of the United States and the laws of the States of New Jersey and New York and that such counsel is expressing no opinion as to the effect of the laws of any other jurisdiction; that, as to certain factual matters, such counsel has relied upon certificates of officers of the Company and its subsidiaries and certificates of public officials and other sources believed by such counsel to be responsible; and that such counsel has assumed that the Indenture has been duly authorized, executed and delivered by the Trustee, that the Notes conform to the form thereof examined by such counsel (or members of the Company's legal department), that the Trustee's certificates of authentication of the Notes have been manually signed by one of the Trustee's authorized signatories and that the signatures on all documents examined by such counsel (or members of the Company's legal department) are genuine (assumptions that such counsel has not independently verified). In addition, such counsel may state that such counsel has examined, or caused to be examined under such counsel's direction, certificates of public officials, and copies, certified or otherwise identified to such counsel's satisfaction, of such corporate documents and records of the Company, and of such other records, certificates, documents and other instruments as such counsel has deemed relevant and necessary or appropriate as a basis for such opinion.

Such counsel may also state that such counsel has consulted with certain attorneys in the Company's law department and has relied, to the extent that such counsel deemed such reliance proper, upon certificates of officers of the Company with respect to the accuracy of material factual matters that were not independently established. In addition, on the basis of such counsel's own knowledge and knowledge such counsel has gained from attorneys in the Company's law department, with whom such counsel has consulted for the purpose of preparing the Company's disclosure documents incorporated by reference in the Registration Statement

and Prospectus, considered in the light of such counsel's understanding of the applicable law and experience such counsel has gained through such counsel's practice in this field, such counsel shall confirm: (i) that the Registration Statement, as of its most recent effective date determined pursuant to Rule 430B(f)(2) under the Securities Act, and the Prospectus, as amended or supplemented, as of the date thereof (or, if such opinion is being delivered in connection with the purchase of Notes by any Agent as principal pursuant to Section VIII(c) hereof, at the date of the applicable Terms Agreement and the date of delivery of such Notes (the "Settlement Date") with respect thereto), appeared or appear on their face to be appropriately responsive in all material respects to the requirements of the Securities Act and the applicable rules and regulations of the Commission thereunder and (ii) that nothing has come to such counsel's attention that has caused such counsel to believe that the Registration Statement, as of its most recent effective date determined pursuant to Rule 430B(f)(2) under the Securities Act, contained any untrue statement of a material fact or omitted to state any material fact required to be stated therein or necessary to make the statements therein not misleading or that the Prospectus, as amended or supplemented, as of the date thereof or as of the date of the applicable Terms Agreement and as of the Settlement Date with respect thereto, includes an untrue statement of a material fact or omits to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading. In addition, if such opinion is being delivered in connection with the purchase of the Notes by any Agent as principal pursuant to Section VIII(c) hereof, such counsel shall state that nothing that came to such counsel's attention in the course of the Company's review has caused such counsel to believe that the Disclosure Package (when considered together with the terms of the Notes specified in, and the information on the front cover of, the Pricing Supplement, if the Disclosure Package does not contain such terms and information), as of the Applicable Time (as defined in VII(c)) in respect of such Notes, contained any untrue statement of a material fact or omitted to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading. Such counsel may also state that to the extent any of the opinions of this Section II(a) involve Japanese law, such counsel has relied with the Agents' permission on the opinions of the Chief Legal Officer of each of The Gibraltar Life Insurance Company, Ltd. and The Prudential Life Insurance Company, Ltd., addressed to the Agents. Such counsel may also state that to the extent any of the opinions of this Section II(a) involve New York or New Jersey law, such counsel has relied with the Agents' permission on the opinion of either Brian J. Morris, Vice President and Corporate Counsel of the Company, or John M. Cafiero, Vice President and Corporate Counsel of the Company, each of whom is admitted to practice law in the State of New York, addressed to the Agents. Such counsel may also state that the limitations inherent in the independent verification of factual matters and the character of determinations involved in the preparation of the Registration Statement, the Disclosure Package or the Prospectus as amended or supplemented are such that such counsel does not assume any responsibility for the accuracy, completeness or fairness of the statements contained in the Registration Statement, the Disclosure Package or the Prospectus, as amended or supplemented, (except to the extent expressly set forth in paragraph (11) above). Such counsel may state that he or she does not express any opinion or belief as to the financial statements or other financial data contained in the Registration Statement, the Disclosure Package or the Prospectus, as amended or supplemented, or as to the statement of the eligibility of the Trustee under the Indenture under which the Notes are being issued.

(b) On the date hereof, the Agents shall have received the favorable opinion, dated the date hereof, of Cleary Gottlieb Steen & Hamilton LLP, counsel to the Agents, in form and

scope reasonably satisfactory to the Agents, with respect to the validity of the Indenture and the Notes, the Registration Statement, the Disclosure Package and the Prospectus, as amended or supplemented, and other related matters as such Agent or Agents may reasonably request.

(c) On the date hereof, the Agents shall have received a certificate of the President or any Vice President and the Treasurer or any Assistant Treasurer of the Company, dated as of the date hereof, to the effect that (i) since the respective dates as of which information is given in the Disclosure Package and the Prospectus, as then amended or supplemented, there has not been any material change in the stockholders' equity or long-term debt of the Company (other than as a result of the sale of (A) Notes and InterNotes®, (B) notes issued pursuant to the Company's Medium-Term Note Program or Euro Medium-Term Note Programme, (C) notes issued pursuant to the Commercial Paper Program of either the Company or Prudential Funding, LLC, (D) equity securities issued in connection with the Company's Floating Rate Convertible Senior Notes due 2036, (E) equity securities issued in connection with the Company's Floating Rate Convertible Senior Notes due 2037 or (F) borrowings with the Federal Home Loan Bank of New York by The Prudential Insurance Company of America) or any material adverse change, or any development which will involve a prospective material adverse change, in or affecting the business, management, financial position, shareholders' equity or results of operations of the Company and its subsidiaries considered as a whole; (ii) the representations and warranties of the Company contained in Section VII hereof are true and correct with the same force and effect as though expressly made at and as of the date of such certificate; (iii) the Company has performed or complied with all agreements and satisfied all conditions on its part to be performed or satisfied in connection with the performance of its obligations hereunder at or prior to the date of such certificate; and (iv) no Event of Default (as defined in the Indenture), or event which, with the giving of notice or the lapse of time or both, would constitute an Event of Default, shall have occurred and be continuing.

(d) On the date hereof, each Agent shall have received from PricewaterhouseCoopers LLC a letter in form and substance satisfactory to the Agents, dated as of the date hereof, containing statements and information of the type ordinarily included in accountants' "comfort letters" to underwriters with respect to the financial statements and certain financial information contained in or incorporated by reference into the Disclosure Package and the Prospectus, as then amended or supplemented.

(e) On or prior to the time any Agent purchases Notes pursuant to a Terms Agreement: (i) there shall not have been any litigation or proceeding threatened or pending to restrain or enjoin the issuance or delivery of the Notes, or which in any way questions or affects the validity of the Notes; (ii) there shall not have occurred, since the date of the Terms Agreement, any downgrading nor shall any notice have been given of (A) any downgrading, (B) any intended or potential downgrading or (C) any review or possible change with possible negative implications in the rating accorded any debt security or preferred stock of the Company by any "nationally recognized statistical rating organization", as such term is defined by the Commission for purposes of Rule 436(g)(2) under the Securities Act; (iii) there shall not have been since the respective dates as to which information is given in the Disclosure Package and the Prospectus any material decrease in the stockholders' equity of the Company or any material increase in the consolidated long-term debt of the Company (other than as a result of the sale of (A) Notes and InterNotes®, (B) notes issued pursuant to the Company's Medium-Term Note Program or Euro Medium-Term Note Programme, (C) notes issued pursuant to the Commercial

Paper Program of either the Company or Prudential Funding, LLC, (D) equity securities issued in connection with the Company's Floating Rate Convertible Senior Notes due 2036, (E) equity securities issued in connection with the Company's Floating Rate Convertible Senior Notes due 2037 or (F) borrowings with the Federal Home Loan Bank of New York by The Prudential Insurance Company of America) or any material adverse change, or any development involving a prospective material adverse change, in or affecting the business, management, financial position, shareholders' equity or results of operations of the Company and its subsidiaries, considered as a whole, in each case other than as set forth in the Disclosure Package and the Prospectus, as then amended or supplemented, the effect of which in the judgment of the Purchasing Agent makes it impracticable or inadvisable to proceed with the purchase by any Agent of Notes from the Company on the terms and in the manner contemplated in the Disclosure Package and the Prospectus, as then amended or supplemented; and neither the Company nor any of its subsidiaries has sustained since the date of the latest audited financial statements included or incorporated by reference in the Disclosure Package and the Prospectus, as then amended or supplemented, any loss or interference with its business from fire, explosion, flood or other calamity, whether or not covered by insurance (excluding, for the avoidance of doubt, any insurance underwriting losses of the Company or its subsidiaries), or from any labor dispute or court or governmental action, order or decree, in each case other than as set forth or contemplated in the Disclosure Package and the Prospectus, as then amended or supplemented; (iv) (A) trading generally shall not have been suspended or materially limited on the New York Stock Exchange, the Financial Industry Regulatory Authority, Inc. or in the over-the-counter market in debt securities, (B) trading of any securities of or guaranteed by the Company shall not have been suspended or materially limited on the New York Stock Exchange, the Financial Industry Regulatory Authority, Inc. or in any over-the-counter market in debt securities, (C) a general moratorium on commercial banking activities in New York shall not have been declared by either Federal, New York State or New Jersey authorities nor shall a material disruption in commercial banking or securities settlement or clearance services in the United States or other relevant jurisdiction have occurred, or (D) there shall not have occurred any outbreak or escalation of hostilities or the declaration by the United States of a national emergency or war or any other calamity or crisis involving the United States or any change in national or international financial, political or economic conditions or currency exchange rates or controls that, in the judgment of the Purchasing Agent makes it impracticable or inadvisable to proceed with the purchase by any Agent of Notes from the Company on the terms and in the manner contemplated in the Disclosure Package and the Prospectus, as amended or supplemented, at the time an offer to purchase was solicited or at the time such offer to purchase was made; and (v) no Event of Default, or event which, with the giving of notice or the lapse of time or both, would constitute an Event of Default, shall have occurred and be continuing.

III.

The Company covenants and agrees with each Agent as follows:

(a) Prior to the termination of the offering of the Notes pursuant to this Agreement or any Terms Agreement, the Company will not file any prospectus supplement or, except as provided below, any Pricing Supplement or any amendment to the Registration Statement unless the Company has previously furnished to the Agents copies thereof for their review and will not file any such proposed supplement or amendment to which the Agents reasonably object; *provided, however*, that (i) the foregoing requirement shall not apply to any of the Company's

periodic filings with the Commission filed pursuant to Section 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934, as amended, (the “Exchange Act”) and (ii) any Pricing Supplement that merely sets forth the terms or a description of particular Notes shall only be reviewed and approved by the Agent or Agents offering such Notes. Subject to the foregoing sentence, the Company will promptly cause each prospectus supplement relating to the Notes, including each Pricing Supplement, to be filed with or transmitted for filing to the Commission in accordance with Rule 424(b) under the Securities Act. If required by Rule 430B(h) under the Securities Act, the Company shall prepare a form of prospectus in a form approved by the Agents and will file such form of prospectus pursuant to Rule 424(b) under the Securities Act not later than may be required by Rule 424(b) under the Securities Act; and the Company shall make no further amendment or supplement to such form of prospectus which shall be disapproved by the Agents promptly after reasonable notice thereof. The Company will promptly advise the Agents (i) of the filing of any amendment or supplement to the Prospectus (except that notice of the filing of an amendment or supplement to the Prospectus that merely sets forth the terms or a description of particular Notes shall only be given to the Agent or Agents offering such Notes), (ii) of the filing and effectiveness of any amendment to the Registration Statement, (iii) of any request by the Commission for any amendment to the Registration Statement or any amendment or supplement to the Prospectus or for any additional information, (iv) of the issuance by the Commission of any stop order suspending the effectiveness of the Registration Statement or any part thereof or of any notice of objection of the Commission to the use of the Registration Statement or any post-effective amendment thereto pursuant to Rule 401(g)(2) under the Securities Act or the institution or threatening of any proceeding for that purpose and (v) of the receipt by the Company of any notification with respect to the suspension of the qualification of the Notes for sale in any jurisdiction or the initiation or threatening of any proceeding for such purpose. Prior to the termination of the offering of the Notes pursuant to this Agreement or any Terms Agreement, the Company will use its reasonable efforts to prevent the issuance of any such stop order, notice of objection or notice of suspension of qualification and, in the event of the issuance of any such stop order or notice of suspension or qualification, the Company will use promptly its commercially reasonable efforts to obtain its withdrawal, and in the event of any such issuance of a notice of objection, the Company promptly will take such steps, including, without limitation, amending the Registration Statement or filing a new registration statement, at its own expense, as may be necessary to permit offers and sales of the Notes by the Agents (reference herein to the “Registration Statement” shall include any such amendment or new registration statement). If the Prospectus is amended or supplemented as a result of the filing under the Exchange Act of any document incorporated by reference in the Prospectus, no Agent shall be obligated to solicit offers to purchase Notes so long as it is not reasonably satisfied with such document.

If any event shall occur or condition shall exist as a result of which the Disclosure Package or the Prospectus, as then amended or supplemented, in the opinion of counsel for the Agents or counsel for the Company, includes an untrue statement of a material fact or omits to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading, or if in the opinion of any such counsel it is necessary at any time to amend or supplement the Disclosure Package, the Registration Statement or the Prospectus, as then amended or supplemented, to comply with applicable law, the Company shall prior to the acceptance of any offer to purchase Notes prepare and, subject to this Section III(a), cause to be filed with the Commission an “issuer free writing prospectus”, as defined in Rule 433 under the Securities Act (an “Issuer Free Writing

Prospectus”) or an amendment or supplement to the Registration Statement or the Prospectus, as then amended or supplemented, in form and substance satisfactory to counsel for the Agents, that corrects such untrue statement or omission or effects such compliance and shall furnish such Issuer Free Writing Prospectus or amended or supplemented Prospectus, as the case may be, to the Agents in such numbers as they may require.

(b) Reasonably in advance of each time any annual report of the Company filed under the Exchange Act is incorporated by reference into the Prospectus, and each time the Company sells Notes to an Agent as principal pursuant to a written Terms Agreement and such Terms Agreement specifies the delivery of an opinion or opinions by Cleary Gottlieb Steen & Hamilton LLP, counsel to the Agents, as a condition to the purchase of Notes pursuant to such Terms Agreement, the Company shall furnish to such counsel such papers and information as they may reasonably request to enable them to furnish to such Agent the opinion or opinions referred to in Section II(b) hereof.

(c) The Company will endeavor, in cooperation with the Agents, to qualify the Notes for offering and sale under the applicable securities laws of such states and other jurisdictions as the Agents may reasonably designate, and will maintain such qualifications in effect for as long as may be required for the distribution of the Notes; *provided, however*, that the Company shall not be obligated to file any general consent to service of process or to qualify as a foreign corporation in any jurisdiction in which it is not so qualified. The Company will file such statements and reports as may be required by the laws of each jurisdiction in which the Notes have been qualified as above provided. The Company will promptly advise the Agents of the receipt by the Company of any notification with respect to the suspension of the qualification of the Notes for sale in any such state or jurisdiction or the initiating or threatening of any proceeding for such purpose.

(d) Between the date of any Terms Agreement and the Settlement Date with respect thereto, and if agreed to by the applicable Agent or Agents and the Company, the Company will not, without the prior written consent of each such Agent, directly or indirectly, sell, offer to sell, or enter into any agreement to sell, any debt securities of the Company which are substantially similar to the Notes that are to be sold pursuant to such Terms Agreement. Any notes sold under the Company’s Medium-Term Note Program or Euro-Medium-Term Note Programme shall not be considered to be “substantially similar” to the Notes for purposes of the immediately preceding sentence.

(e) The Company shall make generally available to its security holders as soon as practicable, but in any event not later than 16 months after the effective date of the Registration Statement (as defined in Rule 158(c) under the Securities Act), an earnings statement of the Company and its subsidiaries (which need not be audited) complying with Section 11(a) of the Securities Act and the rules and regulations of the Commission thereunder.

(f) The Company shall not be required to comply with the provisions of subsections (a) or (b) of this Section or the provisions of Section VIII hereof during any period from the time that the Agents (i) shall have been notified (such notice to be confirmed in writing) by the Company to suspend solicitation of offers to purchase the Notes and (ii) shall not then hold any Notes purchased as principal pursuant hereto, until the time the Company shall have notified the Agents (such notice to be confirmed in writing) of the Company’s determination that solicitation

of purchases of the Notes should be resumed or any Agent shall subsequently purchase Notes from the Company as principal and the Company has subsequently delivered such documents required by Section VIII.

(g) The Company will use the net proceeds received by it from the sale from time to time of Notes in the manner specified in the Prospectus under “Use of Proceeds”.

(h) The Company shall pay the required Commission filing fees relating to the Notes within the time required by Rule 456(b)(1) under the Securities Act and otherwise in accordance with Rules 456(b) and 457(r) under the Securities Act.

(i) With respect to any issue of Notes, but only if requested by the Agents offering such Notes prior to the Applicable Time, the Company shall prepare a final term sheet relating to such Notes substantially in the form set forth in Exhibit I hereto (the “Final Term Sheet”) and shall file the Final Term Sheet pursuant to Rule 433(d) under the Securities Act within the time required by such rule.

(j) If by the third anniversary (the “Renewal Deadline”) of the initial effective date of the Registration Statement, any of the Notes remain unsold by the Agents, the Company will file, if it has not already done so and is eligible to do so, a new automatic shelf registration statement relating to the Notes, in a form satisfactory to the Agents. If at the Renewal Deadline the Company is no longer eligible to file an automatic shelf registration statement, the Company will, if it has not already done so, file a new shelf registration statement relating to the Notes, in a form satisfactory to the Agents and will use its best efforts to cause such registration statement to be declared effective within 180 days after the Renewal Deadline. The Company will take all other action necessary or appropriate to permit the public offering and sale of the Notes to continue as contemplated in the expired registration statement relating to the Notes. References herein to the “Registration Statement” shall include such new automatic shelf registration statement or such new shelf registration statement, as the case may be.

IV.

(a) (i) In connection with each issue of Notes, the Company and each Agent agree as follows:

(ii) Each Agent represents that it has not made and will not make any offer relating to the Notes that constitutes or would constitute a “free writing prospectus” (as defined in Rule 405 under the Securities Act) required to be filed (x) by the Company with the Commission or retained by the Company under Rule 433 under the Securities Act, other than the information contained in one or more preliminary term sheets or the Final Term Sheet, or (y) by such Agent pursuant to Rule 433(d)(1)(ii) under the Securities Act, in each case without the prior consent of the Company, and that Section 2 to the applicable Disclosure Package Schedule will include all such free writing prospectuses for which the Agents have received such consent.

(iii) The Company represents and agrees that it has not made and will not make any offer relating to the Notes that would constitute an Issuer Free Writing Prospectus without the prior consent of the Agents, and that Section 2 to the applicable Disclosure

Package Schedule will include all such free writing prospectuses for which the Company has received such consent.

(b) (i) The Company agrees that it has complied and will comply, as the case may be, with the requirements of Rule 433 under the Securities Act, including in respect of timely filing with the Commission, legending and record keeping.

(ii) Each agent agrees that it will, pursuant to reasonable procedures developed in good faith, (x) retain copies of each free writing prospectus used or referred to by it, in accordance with Rule 433 under the Securities Act and (y) file any free writing prospectus used or referred to by it as set forth in Rule 433(d)(1)(ii) under the Securities Act.

(c) The Company agrees that each Issuer Free Writing Prospectus, as of its issue date and at all subsequent times through the completion of the public offer and sale of the Notes or until any earlier date that the issuer notified or notifies the Agents as described in the next sentence, did not, does not and will not include any information that conflicted, conflicts or will conflict with the information contained in the Registration Statement or the Prospectus, as then amended or supplemented. The Company further agrees that if at any time following the issuance of an Issuer Free Writing Prospectus any event occurred or occurs as a result of which such Issuer Free Writing Prospectus, if not amended, would conflict with the information in the Registration Statement or the Prospectus, as then amended or supplemented, or would include an untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading, the Company will give prompt notice thereof to the Agents and will promptly amend or supplement, at its own expense, such Issuer Free Writing Prospectus to eliminate or correct such conflict, untrue statement or omission. The foregoing two sentences do not apply to statements in or omissions from any Issuer Free Writing Prospectus based upon and in conformity with written information furnished to the Company by any Agent specifically for use therein.

V.

(a) The Company agrees that, unless otherwise agreed, during the period the Agents are acting as the Company's placement agents hereunder, the Company will not engage any other person or party to assist in the placement of the Notes; *provided, however*, that the Company may accept offers to purchase Notes through an agent other than an Agent if (i) the Company shall have executed a confirmation letter and such agent shall have executed a confirmation letter and an accession letter substantially in the forms of Exhibits F and G, respectively, attached hereto and (ii) the Company shall have provided the Agents with copies of such letters promptly following the execution thereof. The Company shall appoint one of the Agents, whether an original party to this Agreement or appointed as Agent through the procedures described in this Section V(a), as Purchasing Agent for each issuance and sale of the Notes pursuant to this Agreement, and such Purchasing Agent shall be specified in the applicable Disclosure Package, Terms Agreement and Pricing Supplement.

(b) Notes shall be purchased by each Agent as principal. The Agents shall offer the Notes upon the terms and conditions set forth herein, in the Disclosure Package and in the

Prospectus and upon the terms communicated to the Agents from time to time by the Company or the Purchasing Agent, as the case may be (which terms, unless otherwise agreed, may be agreed upon orally, with written confirmation prepared by such Agent or Agents and sent by facsimile to the Company). For the purpose of such sales the Agents will use the Disclosure Package, the Prospectus, as then amended or supplemented, and such term sheets and free writing prospectuses as are contemplated by Section IV(a) hereof, which has been most recently distributed or made available to the Agents by the Company, and the Agents will offer and sell the Notes only as permitted or contemplated thereby and herein and will offer and sell the Notes only as permitted by the Securities Act and the applicable securities laws or regulations of any jurisdiction. An Agent's commitment to purchase Notes as principal shall be deemed to have been made on the basis of the representations and warranties of the Company herein contained and shall be subject to the terms and conditions herein set forth. Unless the context otherwise requires, references herein to "this Agreement" shall include the agreement of one or more Agents to purchase Notes from the Company as principal.

The Company agrees to sell the Notes to the Purchasing Agent at a discount from the principal amount of each such Note equivalent to the applicable commission set forth in Exhibit A hereto; provided, however, that the Company and the Purchasing Agent may agree instead to a discount greater than or less than the percentages set forth on Exhibit A hereto. The actual aggregate discount with respect to each sale of Notes will be set forth in the related Terms Agreement and Pricing Supplement. The Purchasing Agent and the other Agents or selected broker-dealers (the "Selected Dealers") will share the above-mentioned discount in such proportions as they may agree.

(c) Procedural details relating to the issue and delivery of, and the solicitation of purchases and payment for, the Notes are set forth in the Administrative Procedures attached hereto as Exhibit B (the "Procedures"), as amended from time to time. Unless otherwise provided in a Terms Agreement, the provisions of the Procedures shall apply to all transactions contemplated hereunder. The Agents and the Company each agree to perform the respective duties and obligations specifically provided to be performed by each in the Procedures as amended from time to time. The Procedures may only be amended by written agreement of the Company and the Agents.

VI.

Each sale of Notes shall be made in accordance with the terms of this Agreement, the Procedures and a separate agreement in substantially the form attached as Exhibit C (a "Terms Agreement") to be entered into which will provide for the sale of such Notes to, and the purchase and reoffering thereof, by the Purchasing Agent as principal. A Terms Agreement may also specify certain provisions relating to the reoffering of such Notes by the Purchasing Agent. The offering of Notes by the Company hereunder and the Purchasing Agent's agreement to purchase Notes pursuant to any Terms Agreement shall be deemed to have been made on the basis of the representations, warranties and agreements of the Company herein contained and shall be subject to the terms and conditions herein set forth. Each Terms Agreement shall describe the Notes to be purchased pursuant thereto by the Purchasing Agent as principal, and may specify, among other things, the principal amount of Notes to be purchased, the interest rate or interest rate basis (and whether such interest rate shall be fixed or floating) and maturity date or dates of such Notes, the interest payment dates, if any, the net proceeds to the Company, the initial public

offering price at which the Notes are proposed to be reoffered, and the time, Settlement Date and place of delivery of and payment for such Notes, total discounts and commissions received by the Agents with respect to such Notes, whether the Notes provide for a Survivor's Option (as such term is defined in the Disclosure Package and the Prospectus), whether the Notes are redeemable or repayable and on what terms and conditions, and any other relevant terms. In connection with the resale of the Notes purchased, without the consent of the Company or the Purchasing Agent, the Agents are not authorized to appoint subagents or to engage the service of any other broker or dealer, other than the Selected Dealers, nor may any Agent reallocate any portion of the discount paid to it.

VII.

The Company represents and warrants to each Agent as of the date hereof, as of the date of each acceptance by the Company of an offer for the purchase of Notes (including any purchase by the Purchasing Agent as principal, pursuant to a Terms Agreement or otherwise), as of each Settlement Date, and as of any time that the Registration Statement or the Prospectus shall be amended or supplemented or there is filed with the Commission any document incorporated by reference into the Prospectus (other than any Current Report on Form 8-K relating exclusively to the issuance of debt securities under the Registration Statement) (each of the times referenced above being referred to herein as a "Representation Date") as follows, except as provided in Section VII(c)(i) hereof:

(a) The Registration Statement and any post-effective amendment thereto has been filed with the Commission and has become effective; no stop order suspending the effectiveness of the Registration Statement or any part thereof has been issued and, to the knowledge of the Company, no proceeding for that purpose has been initiated or threatened by the Commission, and no notice of objection of the Commission to the use of the Registration Statement or any post-effective amendment thereto pursuant to Rule 401(g)(2) under the Securities Act has been received by the Company.

(b) (i) Each document, if any, filed or to be filed pursuant to the Exchange Act and incorporated by reference in the Prospectus complied or will comply when so filed in all material respects with the Exchange Act and the applicable rules and regulations of the Commission thereunder, (ii) each part of the Registration Statement, when such part became effective, did not contain and each such part, as amended or supplemented, if applicable, will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading, (iii) the Registration Statement and the Prospectus comply and, as amended or supplemented, if applicable, will comply in all material respects with the Securities Act and the applicable rules and regulations of the Commission thereunder and (iv) the Prospectus does not contain and, if applicable, will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, except that the representations and warranties set forth in this paragraph do not apply to statements or omissions in the Registration Statement or the Prospectus made in reliance upon and in conformity with information furnished in writing to the Company by any Agent expressly for use therein.

(c) (i) With respect to each issue of Notes, the “Applicable Time” will be such time as is specified as the Applicable Time in Section 1 of a schedule in the form of Exhibit H hereto, which schedule shall be prepared by the Company and approved by the Agents prior to or at the Applicable Time in connection with each issue of the Notes (the “Disclosure Package Schedule”), and the “Disclosure Package” will be the Prospectus, as amended or supplemented, at the Applicable Time together with such Issuer Free Writing Prospectus, if any, as may be listed in Section 2 of the Disclosure Package Schedule; (ii) with respect to each such issue of Notes, the Disclosure Package (when considered together with the terms of the Notes specified in, and the information on the front cover of, the Pricing Supplement, if the Disclosure Package does not contain such terms and information), as of the Applicable Time, will not include any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they are made, not misleading; and (iii) with respect to each such issue of Notes, each Issuer Free Writing Prospectus relating to the Notes listed in Section 2 of the Disclosure Package Schedule, if any, will not conflict with the information contained in the Registration Statement or the Prospectus; *provided, however*, that the representations and warranties in clauses (ii) and (iii) of this Section VII(c) shall not apply to statements or omissions made in the Disclosure Package in reliance upon and in conformity with information furnished in writing to the Company by any Agent expressly for use therein.

(d) The Company has been duly incorporated and is validly existing as a corporation in good standing under the laws of the State of New Jersey, with power and authority (corporate and other) to own its properties and to conduct its business as described in the Disclosure Package and the Prospectus, and has been duly qualified as a foreign corporation for the transaction of business and is in good standing under the laws of each other jurisdiction in which it owns or leases properties or conducts any business so as to require such qualification, except to the extent that the failure to be so qualified or in good standing would not have, individually or in the aggregate, a Material Adverse Effect.

(e) Each of this Agreement and any applicable Terms Agreement has been duly authorized, executed and delivered by the Company; the Indenture has been duly qualified under the Trust Indenture Act and has been duly authorized, executed and delivered by the Company and is a valid and binding agreement of the Company, enforceable against the Company in accordance with its terms, except as enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws relating to or affecting enforcement of creditors’ rights generally or by general equitable principles; the master global note evidencing the Notes has been duly executed and delivered by the Company, and, assuming that such master global note has been duly authenticated and delivered by or on behalf of the Trustee, when the Notes evidenced thereby have been duly issued and delivered in accordance with the Company’s Supplemental Authentication Order to the Trustee and the Issuing Agent dated as of the date hereof, the Notes will constitute valid and binding obligations of the Company, enforceable against the Company in accordance with their terms, except as enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws relating to or affecting enforcement of creditors’ rights generally or by general equitable principles; and the terms of the Indenture and the Notes in respect of which an offer to purchase has been accepted by the Company are or will be in all material respects accurately described in the Disclosure Package and the Prospectus.

(f) None of the Company or any of its subsidiaries has sustained since the date of the latest audited financial statements included in the Disclosure Package and the Prospectus any loss or interference with its business that is, individually or in the aggregate, material to the Company and its subsidiaries, considered as a whole, from fire, explosion, flood or other calamity, whether or not covered by insurance (excluding, for the avoidance of doubt, any insurance underwriting losses of the Company or its subsidiaries), or from any labor dispute or court or governmental action, order or decree, in each case other than as set forth or contemplated in the Disclosure Package and the Prospectus; and, since the respective dates as of which information is given in the Disclosure Package and the Prospectus, except as may otherwise be stated therein or contemplated thereby, (i) there has been no material decrease in the capital or surplus of the Company, (i) there has been no decrease in the capital stock of the Company or any material increase in the consolidated long-term debt of the Company (other than, in each case, as a result of the sale of (A) Notes and InterNotes[®], (B) notes issued pursuant to the Company's Medium-Term Note Program or Euro Medium-Term Note Programme, (C) notes issued pursuant to the Commercial Paper Program of either the Company or Prudential Funding, LLC, (D) equity securities issued in connection with the Company's Floating Rate Convertible Senior Notes due 2036, (E) equity securities issued in connection with the Company's Floating Rate Convertible Senior Notes due 2037 or (F) borrowings with the Federal Home Loan Bank of New York by The Prudential Insurance Company of America) and (iii) there has been no material adverse change, or any development which will involve a prospective material adverse change, in or affecting the business, management, financial position, shareholders' equity (in each case considered on a GAAP basis) or the financial strength ratings of the Company and its subsidiaries considered as a whole.

(g) The execution and delivery of this Agreement, any applicable Terms Agreement, the Indenture and the Notes, the consummation of the transactions contemplated herein and therein and compliance by the Company with its obligations hereunder and thereunder, as the case may be, will not conflict with, or result in a breach or violation of, any of the terms or provisions of, or constitute a default under, any indenture, mortgage, deed of trust, loan agreement or other agreement or instrument to which the Company or any of its subsidiaries is a party or by which the Company, or any of its subsidiaries is bound or to which any of the property or assets of the Company or any of its subsidiaries is subject, nor will such actions result in any violation of the provisions of the Amended and Restated Certificate of Incorporation or By-Laws of the Company or the organizational documents of any of its subsidiaries or any statute or any order, rule or regulation of any court or insurance regulatory agency or other governmental agency or body having jurisdiction over the Company or any of its subsidiaries or any of their properties, except (other than with respect to the provisions of the Amended and Restated Certificate of Incorporation or By-Laws of the Company) to the extent that such a conflict, breach, default or violation would not have, individually or in the aggregate, a Material Adverse Effect.

(h) Neither the Company nor any of its subsidiaries is, or at any time of delivery of the Notes will be, in violation of its Amended and Restated Certificate of Incorporation or By-Laws or other organizational documents or instruments or in default in the performance or observance of any obligation, agreement, covenant or condition contained in any indenture, mortgage, deed of trust, loan agreement, lease or other agreement or instrument to which it is a party or by which it or any of its properties may be bound, which violation or default would have, individually or in the aggregate, a Material Adverse Effect.

(i) Other than litigation (none of which is reasonably likely to be material) incidental to the kinds of business conducted by the Company and its subsidiaries, there are no legal or governmental proceedings pending to which the Company or any of its subsidiaries is a party or of which any property of the Company or any of its subsidiaries is the subject which, individually or in the aggregate, could reasonably be expected to have a Material Adverse Effect, other than as set forth in the Disclosure Package and the Prospectus; and, to the best of the Company's knowledge, no such proceedings are threatened or contemplated by governmental authorities or threatened by others, other than as set forth in the Disclosure Package and the Prospectus.

(j) No consent or action of, or filing or registration with, any governmental or public regulatory body or authority, is required to be obtained by the Company in connection with the execution, delivery or performance by the Company of this Agreement, any applicable Terms Agreement, the Indenture or the Notes, except such as have been obtained and made under the Securities Act and the Trust Indenture Act and such as may be required under the securities or Blue Sky laws of the various states in connection with the offer and sale of the Notes.

(k) The Company is not, nor after giving effect to the transactions contemplated herein will be, an "investment company" as such term is defined in the U.S. Investment Company Act of 1940, as amended (the "1940 Act").

(l) The obligations of the Company to pay the principal of and premium, if any, and interest on the Notes and any and all amounts that become due and payable under this Agreement constitute direct, unconditional and general obligations of the Company and rank and will rank *pari passu* in priority of payment with respect to all unsecured and unsubordinated indebtedness of the Company.

(m) PricewaterhouseCoopers LLP, who have certified certain financial statements of the Company and its subsidiaries, are an independent registered public accounting firm as required by the Securities Act, the rules and regulations of the Commission thereunder and the applicable rules and regulations of the Public Company Accounting Oversight Board (United States).

(n) The consolidated financial statements of the Company and its subsidiaries, together with the related schedules, notes and supplemental information, set forth in the Disclosure Package and the Prospectus, comply in all material respects with the requirements of the Securities Act and interpretations thereof and present fairly in all material respects the financial position, the results of operations and the changes in cash flows of such entities in conformity with GAAP at the respective dates or for the respective periods to which they apply; such statements and related schedules, notes and supplemental information have been prepared in accordance with GAAP consistently applied throughout the periods involved except for any normal year-end adjustments and except as described therein.

(o) (i)(A) At the time of filing the Registration Statement, (B) at the time of the most recent amendment thereto for the purposes of complying with Section 10(a)(3) of the Securities Act (whether such amendment was by post-effective amendment, incorporated report filed pursuant to Section 13 or 15(d) of the Exchange Act or form of prospectus) and (C) at the time the Company or any person acting on its behalf (within the meaning, for this clause only, of Rule

163(c) under the Securities Act) made any offer relating to the Notes in reliance on the exemption of Rule 163 under the Securities Act, the Company was a “well-known seasoned issuer” as defined in Rule 405 under the Securities Act; and (ii) at the earliest time after the filing of the Registration Statement that the Company or another offering participant made a *bona fide* offer (within the meaning of Rule 164(h)(2) under the Securities Act) of the Notes, the Company was not an “ineligible issuer” as defined in Rule 405 under the Securities Act.

VIII.

The Company covenants and agrees with each Agent that:

(a) Each acceptance by the Company of an offer for the purchase of Notes and each delivery of Notes, shall be deemed to be an affirmation that the representations and warranties contained in this Agreement are true and correct at the time of such acceptance or sale, as the case may be, and an undertaking that such representations and warranties will be true and correct at the time of delivery to the purchaser or its agent, or to the applicable Agent, of the Note or Notes relating to such acceptance or sale, as the case may be, as though made at and as of each such time (and it is understood that such representations and warranties shall relate to the Registration Statement and the Prospectus, each as amended and supplemented at each such time, and to the Disclosure Package at the Applicable Time relating thereto in respect of such Notes).

(b) Each time that there is filed with the Commission any Quarterly Report on Form 10-Q or Annual Report on Form 10-K incorporated by reference into the Prospectus, and otherwise only (i) as may be required in connection with a sale pursuant to Section V(a) or (ii) at such times as may be reasonably requested by the Agents in the event of a material change in circumstances in respect of the Company, the Company shall furnish or cause to be furnished to the Agent(s) forthwith a certificate dated the date of filing with the Commission of such document, the date requested by the Agents or the date of such sale, as the case may be, in form reasonably satisfactory to the Agent(s) to the effect that the statements contained in the certificate referred to in Section II(c) hereof which were last furnished to the Agents are true and correct at the time of such filing, as though made at and as of such time (except that such statements shall be deemed to relate to the Registration Statement and the Prospectus, each as amended and supplemented to such time, and, in the case of any such sale, to the Disclosure Package at the Applicable Time relating thereto) or, in lieu of such certificate, a certificate substantially similar to the certificate referred to in Section II(c) hereof, modified as necessary to relate to the Registration Statement and the Prospectus, each as amended and supplemented to the time of delivery of such certificate, and, in the case of any such sale, to the Disclosure Package at the Applicable Time relating thereto.

(c) Each time that there is filed with the Commission any Quarterly Report on Form 10-Q or Annual Report on Form 10-K incorporated by reference into the Prospectus, and otherwise only as may be required in connection with a sale pursuant to Section V(a), the Company shall furnish or cause to be furnished forthwith, and in any case promptly upon request, to the Agent(s) and to counsel to the Agents the written opinion of counsel to the Company referred to in Section II(a), or other counsel reasonably satisfactory to the Agent(s), dated the date of filing with the Commission of such document, the date requested by the

Agent(s) or the date of such sale, as the case may be, in form and scope reasonably satisfactory to the Agent(s), of the same tenor as the opinions referred to in Section II(a) (except that, in the case of any interim report filed on Form 10-Q or other document or annual report on Form 10-K filed under the Exchange Act, such opinions need not be rendered as to the good standing of the entities referred to in Sections II(a)(2) and (3) hereof or as to the matters referred to in Section II(a)(9) and (10) hereof), but modified, as necessary, to relate to the Registration Statement and the Prospectus, each as amended and supplemented to the time of delivery of such opinion, and, in the case of any such sale, to the Disclosure Package at the Applicable Time relating thereto or, in lieu of such opinion, counsel last furnishing such opinion to the Agents shall furnish the Agent(s) with a letter substantially to the effect that the Agent(s) may rely on such last opinion to the same extent as though it were dated the date of such letter authorizing reliance (except that statements in such last opinion shall be deemed to relate to the Registration Statement and the Prospectus as amended and supplemented to the time of delivery of such letter authorizing reliance, and, in the case of any such sale, to the Disclosure Package at the Applicable Time relating thereto).

(d) Each time that there is filed with the Commission any Quarterly Report on Form 10-Q or Annual Report on Form 10-K incorporated by reference into the Prospectus, and otherwise only as may be requested by the Agents in connection with a sale pursuant to Section V(a), the Company shall furnish or cause their independent registered public accountants to furnish such Agents (i) in the case of a sale, a letter dated the date of such sale, in form reasonably satisfactory to the Agent(s), substantially in the form of the letter referred to in Section II(d) hereof, (ii) in the case of a filing of an Annual Report on Form 10-K, a letter in form reasonably satisfactory to the Agent(s), substantially in the form of the letter referred to in Section II(d) hereof, and (iii) in the case of a Quarterly Report on Form 10-Q, a review letter from such accountants in conformity with the requirements of Statement of Accounting Standards No. 100, but modified as necessary to relate to the Registration Statement and Prospectus, each as amended and supplemented to the date of such letter, and, in the case of any such sale, to the Disclosure Package at the Applicable Time relating thereto, and with such changes as may be necessary to reflect changes in the financial statements and other information derived from the accounting records of the Company.

IX.

(a) The Company will indemnify and hold harmless each Agent against any losses, claims, damages or liabilities, joint or several, to which such Agent may become subject, under the Securities Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon an untrue statement or alleged untrue statement of a material fact contained in the Registration Statement or any amendment thereof, the Prospectus, as amended or supplemented, any Issuer Free Writing Prospectus, any "issuer information" required to be filed pursuant to Rule 433(d) under the Securities Act or the information contained in any Final Term Sheet, or arise out of or are based upon the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, and will reimburse each Agent for any legal or other expenses reasonably incurred by it in connection with investigating or defending any action or claim as to which it is entitled to indemnification hereunder as such expenses are incurred; provided, however, that the Company shall not be liable in any such case to the extent that any such loss, claim, damage or liability arises out of or is based upon an untrue statement or alleged

untrue statement or omission or alleged omission made in the Registration Statement or any amendment thereof, the Prospectus, as amended or supplemented, any Issuer Free Writing Prospectus, or any Final Term Sheet in reliance upon and in conformity with written information furnished to the Company by any Agent expressly for use therein.

(b) Each Agent, severally and not jointly, will indemnify and hold harmless the Company against any losses, claims, damages or liabilities to which the Company may become subject, under the Securities Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon an untrue statement or alleged untrue statement of a material fact contained in the Registration Statement or any amendment thereof, the Prospectus, as amended or supplemented, any Issuer Free Writing Prospectus or any Final Term Sheet, or arise out of or are based upon the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, in each case to the extent, but only to the extent, that such untrue statement or alleged untrue statement or omission or alleged omission was made in the Registration Statement or any amendment thereof, the Prospectus, as amended or supplemented, any Issuer Free Writing Prospectus or any Final Term Sheet in reliance upon and in conformity with written information furnished to the Company by such Agent expressly for use therein; and will reimburse the Company for any legal or other expenses reasonably incurred by the Company in connection with investigating or defending any such action or claim as such expenses are incurred.

(c) Promptly after receipt by an indemnified party under subsection (a) or (b) above of notice of the commencement of any action, such indemnified party shall, if a claim in respect thereof is to be made against the indemnifying party under such subsection, notify the indemnifying party in writing of the commencement thereof; but the omission so to notify the indemnifying party shall not relieve it from any liability which it may have to any indemnified party otherwise than under such subsection. In case any such action shall be brought against any indemnified party and it shall notify the indemnifying party of the commencement thereof, the indemnifying party shall be entitled to participate therein and, to the extent that it shall wish, jointly with any other indemnifying party similarly notified, to assume the defense thereof, with counsel satisfactory to such indemnified party (who shall not, except with the consent of the indemnified party, be counsel to the indemnifying party) and, after notice from the indemnifying party to such indemnified party of its election so to assume the defense thereof, the indemnifying party shall not be liable to such indemnified party under such subsection for any legal expenses of other counsel or any other expenses, in each case subsequently incurred by such indemnified party, in connection with the defense thereof other than reasonable costs of investigation. No indemnifying party shall, without the written consent of the indemnified party, effect the settlement or compromise of, or consent to the entry of any judgment with respect to, any pending or threatened action or claim in respect of which indemnification or contribution may be sought hereunder (whether or not the indemnified party is an actual or potential party to such action or claim) unless such settlement, compromise or judgment (i) includes an unconditional release of the indemnified party (or such other release of the indemnified party as shall be satisfactory to the indemnified party) from all liability arising out of such action or claim and (ii) does not include a statement as to or an admission of fault, culpability or a failure to act, by or on behalf of any indemnified party.

(d) If the indemnification provided for in this Section IX is unavailable to or insufficient to hold harmless an indemnified party under subsection (a) or (b) above in respect of any losses, claims, damages or liabilities (or actions in respect thereof) referred to therein, then each indemnifying party shall contribute to the amount paid or payable by such indemnified party as a result of such losses, claims, damages or liabilities (or actions in respect thereof) in such proportion as is appropriate to reflect the relative benefits received by the Company on the one hand and the Agents on the other from the offering of the Notes to which such loss, claim, damage or liability (or action in respect thereof) relates. If, however, the allocation provided by the immediately preceding sentence is not permitted by applicable law or if the indemnified party failed to give the notice required under subsection (c) above, then each indemnifying party shall contribute to such amount paid or payable by such indemnified party in such proportion as is appropriate to reflect not only such relative benefits but also the relative fault of the Company on the one hand and the Agents on the other in connection with the statements or omissions which resulted in such losses, claims, damages or liabilities (or actions in respect thereof), as well as any other relevant equitable considerations. The relative benefits received by the Company on the one hand and the Agents on the other shall be deemed to be in the same proportion as the total net proceeds from the offering of such Notes purchased under this Agreement (before deducting expenses) received by the Company bear to the total discounts and commissions received by the Agents with respect to such Notes purchased under this Agreement, in each case as set forth in Schedule A hereto. The relative fault shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the Company on the one hand or the Agents on the other and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission. The Company and the Agents agree that it would not be just and equitable if contributions pursuant to this subsection (d) were determined by *pro rata* allocation (even if the Agents were treated as one entity for such purpose) or by any other method of allocation which does not take account of the equitable considerations referred to above in this subsection (d). The amount paid or payable by an indemnified party as a result of the losses, claims, damages or liabilities (or actions in respect thereof) referred to above in this subsection (d) shall be deemed to include any legal or other expenses reasonably incurred by such indemnified party in connection with investigating or defending any such action or claim. Notwithstanding the provisions of this subsection (d), no Agent shall be required to contribute any amount in excess of the amount by which the total price at which the Notes purchased by it and distributed to or placed by it with investors were offered to investors exceeds the amount of any damages which such Agent has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. The Agents' obligations in this subsection (d) to contribute are several in proportion to their respective purchase obligations and not joint.

(e) The obligations of the Company under this Section IX shall be in addition to any liability which the Company may otherwise have and shall extend, upon the same terms and conditions, to each person, if any, who controls any Agent within the meaning of the Securities Act or the Exchange Act; and the obligations of the Agents under this Section IX shall be in addition to any liability which the respective Agents may otherwise have and shall extend, upon the same terms and conditions, to each officer and director of the Company (including any person who, with his or her consent, is named in the Prospectus as about to become a director of the Company) and to each person, if any, who controls the Company within the meaning of the Securities Act.

X.

The Company may elect to suspend or terminate the offering of Notes under this Agreement at any time; the Company also (as to any one or more of the Agents) or any Agent (as to itself) may terminate the appointment and arrangements described in this Agreement. Upon receipt of instructions from the Company, the Purchasing Agent shall suspend or terminate the participation of any Selected Dealer under the Master Selected Dealer Agreement. Such actions may be taken, in the case of the Company, by giving prompt written notice of suspension to all of the Agents and by giving not less than five days' written notice of termination to the affected party and the other parties to this Agreement, or in the case of an Agent, by giving not less than five days' written notice of termination to the Company and except that, if at the time of termination an offer for the purchase of Notes shall have been accepted by the Company but the time of delivery to the purchaser or his agent of the Note or Notes relating thereto shall not yet have occurred, the Company shall have the obligations provided herein with respect to such Note or Notes. The Company shall promptly notify the other parties in writing of any such termination.

The Purchasing Agent may, and, upon the request of an Agent with respect to any Notes being purchased by such Agent shall, terminate any agreement hereunder by the Purchasing Agent to purchase such Notes, immediately upon notice to the Company at any time at or prior to the Settlement Date relating thereto, if there shall have come to the attention of the Purchasing Agent or such Agent or Agents any facts that would cause them to believe that the Disclosure Package, at the Applicable Time, or the Prospectus, at the time it was required to be delivered to a purchaser of Notes, included an untrue statement of a material fact or omitted to state a material fact necessary in order to make the statements therein, in light of the circumstances under which they were made or existing at the time of such delivery, not misleading. As used in this Section X, the term "Prospectus" means the Prospectus in the form first provided to the applicable Agent or Agents for use in confirming sales of the related Notes.

Any Terms Agreement shall be subject to termination in the absolute discretion of the Agents on the terms set forth or incorporated by reference therein. The termination of this Agreement shall not require termination of any agreement by the Purchasing Agent to purchase Notes as principal, and the termination of any such agreement shall not require termination of this Agreement.

If this Agreement is terminated, Sections IX, XIV and XV hereof shall survive and shall remain in effect; provided that if at the time of termination of this Agreement an offer to purchase Notes has been accepted by the Company but the time of delivery to the Purchasing Agent of such Notes has not occurred, the provisions of all of Section III, Section V and Section VI shall also survive until the time of delivery.

In the event a proposed offering is not completed according to the terms of this Agreement, an Agent will be reimbursed by the Company only for out-of-pocket accountable expenses actually incurred.

XI.

Except as otherwise specifically provided herein, all statements, requests, notices and advices hereunder shall be in writing, or by telephone if promptly confirmed in writing, and if to an Agent shall be sufficient in all respects if delivered in person or sent by telex, facsimile, e-mail transmission (confirmed in writing), or registered mail to such Agent at its address, telex or facsimile number set forth on Annex A hereto and if to the Company shall be sufficient in all respects if delivered or sent by telex, facsimile, e-mail transmission (confirmed in writing) or registered mail to the Company at the address specified below. All such notices shall be effective on receipt.

If to the Company:

Prudential Financial, Inc.
751 Broad Street
Newark, NJ 07102
Attention: Assistant Treasurer – Capital Markets
Facsimile: 973-802-5267
Telephone: 973-802-6000

or at such other address as any such party may designate from time to time by notice duly given to the other parties hereto in accordance with the terms of this Section XI.

XII.

The Company acknowledges and agrees that: (i) the purchase and sale of the Notes pursuant to this Agreement and any Terms Agreement, including the determination of the public offering price of the Notes and any related discounts and commissions, is an arm's-length commercial transaction between the Company, on the one hand, and the Agents, on the other hand, and the Company is capable of evaluating and understanding and understands and accepts the terms, risks and conditions of the transactions contemplated by this Agreement and any Terms Agreement; (ii) in connection with each transaction contemplated hereby and the process leading to such transaction each Agent is and has been acting solely as a principal and is not the financial advisor, agent or fiduciary of the Company or its affiliates, stockholders, creditors or employees or any other party; (iii) no Agent has assumed or will assume an advisory, agency or fiduciary responsibility in favor of the Company with respect to any of the transactions contemplated hereby or the process leading thereto (irrespective of whether such Agent has advised or is currently advising the Company on other matters) and no Agent has any obligation to the Company with respect to the offering contemplated hereby except the obligations expressly set forth in this Agreement and any Terms Agreement; (iv) the Agents and their respective affiliates may be engaged in a broad range of transactions that involve interests that differ from those of the Company and that the Agents have no obligation to disclose any of such interests by virtue of any advisory, agency or fiduciary relationship; and (v) the Agents have not provided any legal, accounting, regulatory or tax advice with respect to the offering contemplated hereby and the Company has consulted its own legal, accounting, regulatory and tax advisors to the extent it deemed appropriate.

XIII.

This Agreement shall be binding upon the Agents and the Company, and inure solely to the benefit of the Agents and the Company and any other person expressly entitled to indemnification hereunder and the respective personal representatives, successors and assigns of each, and no other person shall acquire or have any rights under or by virtue of this Agreement.

XIV.

This Agreement shall be governed by and construed in accordance with the substantive laws of the State of New York. Each party to this Agreement irrevocably agrees that any legal action or proceeding against it arising out of or in connection with this Agreement or for recognition or enforcement of any judgment rendered against it in connection with this Agreement may be brought in any federal or New York State court sitting in the County of New York, New York, and, by execution and delivery of this Agreement, such party hereby irrevocably accepts and submits to the non-exclusive jurisdiction of each of the aforesaid courts in person, generally and unconditionally with respect to any such action or proceeding for itself and in respect of its property, assets and revenues. Each party hereby also irrevocably waives, to the fullest extent permitted by law, any objection which it may now or hereafter have to the laying of venue of any such action or proceeding brought in any such court and any claim that any such action or proceeding has been brought in an inconvenient forum.

XV.

Except as may otherwise be agreed by the Company and Banc of America Securities LLC, the Company will pay the following expenses incident to the performance of its obligations under this Agreement: (i) the preparation and filing of the Registration Statement; (ii) the preparation, issuance and delivery of the Notes; (iii) the fees and disbursements of the Company's auditors, of the Trustee and its counsel and of any paying or other agents appointed by the Company; (iv) the printing and delivery to the Agents in quantities as hereinabove stated of copies of the Registration Statement, the Prospectus and any Issuer Free Writing Prospectus (and, for the avoidance of doubt, not any other free writing prospectuses (as defined in Rule 405 under the Securities Act), all fees and expenses in relation to which shall be paid by the Agents); (v) if the Company lists Notes on a securities exchange, the costs and fees of such listing; (vi) the cost of providing CUSIP or other identification numbers for the Notes, (vii) the fees and expenses, if any, incurred with respect to any filing with the Financial Industry Regulatory Authority, Inc.; (viii) all reasonable expenses (including fees and disbursements of any counsel specifically engaged for Blue Sky purposes) in connection with "Blue Sky" qualifications, (ix) any fees charged by rating agencies for the rating of the Notes and (x) the reasonable fees and disbursements of Cleary Gottlieb Steen & Hamilton LLP, counsel for the Agents, incurred in connection with the establishment of the program relating to the Notes, and any amendment or supplement to this Agreement, the Indenture, any Terms Agreement, the Registration Statement or the Prospectus or the Notes and, if agreed to by the Company and the Purchasing Agent, any purchase of Notes by the Purchasing Agent as principal.

This Agreement may be executed by each of the parties hereto in any number of counterparts, and by each of the parties hereto on separate counterparts, each of which

counterparts, when so executed and delivered, shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument. Facsimile signatures shall be deemed original signatures.

If the foregoing is in accordance with your understanding, please sign and return to us a counterpart hereof, and upon acceptance hereof by you, this letter and such acceptance hereof shall constitute a binding agreement between the Company and you.

Very truly yours,

PRUDENTIAL FINANCIAL, INC.

By: _____
Name:
Title:

Confirmed and accepted
as of the date first above written:

BANC OF AMERICA SECURITIES LLC

By: _____
Name:
Title:

BARCLAYS CAPITAL INC.

By: _____
Name:
Title:

CHARLES SCHWAB & CO., INC.

By: _____
Name:
Title:

CITIGROUP GLOBAL MARKETS INC.

By: _____
Name:
Title:

CREDIT SUISSE SECURITIES (USA) LLC

By: _____
Name: _____
Title: _____

DEUTSCHE BANK SECURITIES INC.

By: _____
Name: _____
Title: _____

FIDELITY CAPITAL MARKETS SERVICES,
A DIVISION OF NATIONAL FINANCIAL SERVICES LLC,
MEMBER NYSE, SIPC

By: _____
Name: _____
Title: _____

INCAPITAL LLC

By: _____
Name: _____
Title: _____

J.P. MORGAN SECURITIES INC.

By: _____
Name: _____
Title: _____

MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED

By: _____
Name: _____
Title: _____

MORGAN STANLEY & CO. INCORPORATED

By: _____
Name: _____
Title: _____

MURIEL SIEBERT & CO., INC

By: _____
Name: _____
Title: _____

SAMUEL A. RAMIREZ & CO., INC

By: _____
Name: _____
Title: _____

RBC CAPITAL MARKETS CORP.

By: _____
Name: _____
Title: _____

UBS SECURITIES LLC

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

WACHOVIA CAPITAL MARKETS, LLC

By: _____
Name: _____
Title: _____

AGENT CONTACT INFORMATION

Banc of America Securities LLC
One Bryant Park
NY 100-18-03
New York, New York 10036
Attention: Joseph A. Crowley
Tel: (646) 855-0742
Facsimile: (704) 264-2522

Barclays Capital Inc.
200 Park Avenue
New York, NY 10166
Attention: Investment Grade Syndicate
Facsimile: (212) 412-7305

Charles Schwab & Co., Inc.
345 California Street, 19th Floor (19-115)
San Francisco, CA 94104
Attention: Peter Campfield
Tel: (415) 667-5072
Facsimile: (415) 667-5087

Citigroup Global Markets Inc.
390 Greenwich Street, 4th Floor
New York, NY 10013
Attention: Peter Aherne
Tel: (212) 723-6104
Facsimile: (212) 723-8670

Credit Suisse Securities (USA) LLC
11 Madison Avenue
New York, NY 10010
Tel: (212) 325-7198
Facsimile: (212) 743-5825
Attention: Short Term Products Group

Deutsche Bank Securities Inc.
60 Wall Street, 2nd Floor
New York, New York 10005
Tel: (212) 250-6859
Facsimile: (212) 797-2202
Attention: Debt Capital Markets – Insurance Group

Fidelity Capital Markets Services, a division of National Financial Services LLC, Member NYSE, SIPC
200 Seaport Blvd.
Boston, MA 02210
Mail Zone: Z2H
Attention: Blake Shepard
Tel: (617) 563-0800
Facsimile: (617) 692-4933

Incapital LLC
200 South Wacker Drive
Suite 3700
Chicago, IL 60606
Attention: Brian Walker
Tel: (312) 379-3750
Facsimile: (312) 379-3701

J.P. Morgan Securities Inc.
270 Park Avenue, 9th Floor
New York, New York 10017
Tel: (212) 834-5737
Facsimile: (212) 834-6702
Attention: Transaction Execution Group

Merrill Lynch, Pierce, Fenner & Smith Incorporated
4 World Financial Center
15th Floor
New York, NY 10080
Attention: Scott Primrose
Tel: (212) 449-7476
Facsimile: (212) 449-2234

Morgan Stanley & Co. Incorporated
1585 Broadway, 2nd Floor
New York, NY 10036
Attention: Harold Hendershot
Tel: (212) 761-1890
Facsimile: (212) 507-2409

Muriel Siebert & Co.
885 3rd Avenue
#1170
New York, NY 10022
Attention: Chris Myer
Tel: (212) 644-2466
Facsimile: (212) 486-2784

RBC Capital Markets Corp.
Three World Financial Center
200 Vesey Street
New York, NY 10281
Attention: Adam F. Molino
Tel: (212) 618-3240
Facsimile: (212) 858-7425

Samuel A. Ramirez & Co., Inc.
61 Broadway
Suite 2924
New York, NY 10006
Attention: Justin Kelly
Tel: (212) 248-3883
Facsimile: (212) 248-0528

UBS Securities LLC
800 Harbor Blvd.
3rd Floor
Weehawken, NJ 07087
Attention: Corporate Bond Financing
Tel: 201-352-7150
Facsimile: 201-272-2814

Wachovia Capital Markets, LLC
301 South College Street
Charlotte, NC 28288
Attention: Jeremy Schwartz
Tel: (704) 383-5024
Facsimile: (704) 383-9165

EXHIBIT A

CONCESSION SCHEDULE

The following Concessions are payable as a percentage of the non-discounted Price to Public of each Note sold through the Purchasing Agent.

9 months to less than 18 months	0.200%
18 months to less than 24 months	0.300%
24 months to less than 30 months	0.400%
30 months to less than 42 months	0.625%
42 months to less than 54 months	0.750%
54 months to less than 66 months	1.000%
66 months to less than 78 months	1.100%
78 months to less than 90 months	1.200%
90 months to less than 102 months	1.300%
102 months to less than 114 months	1.400%
114 months to less than 126 months	1.500%
126 months to less than 138 months	1.600%
138 months to less than 150 months	1.700%
150 months to less than 162 months	1.800%
162 months to less than 174 months	1.900%
174 months to less than 186 months	2.000%
186 months to less than 198 months	2.100%
198 months to less than 210 months	2.200%
210 months to less than 222 months	2.300%
222 months to less than 234 months	2.400%
234 months to 358 months	2.500%
359 months or greater	3.150%

Exh A-1

EXHIBIT B

Prudential Financial, Inc.

\$5,000,000,000

RETAIL MEDIUM-TERM NOTES

DUE ONE YEAR OR MORE FROM DATE OF ISSUE

ADMINISTRATIVE PROCEDURES

Prudential Financial Inc.'s Retail Medium-Term Notes, due one year or more from date of issue (the "Notes") may be offered on a continuing basis by Prudential Financial, Inc. (the "Company"). The Notes will be offered by a purchasing agent (the "Purchasing Agent"), who shall be designated for each issuance and sale of Notes in accordance with the terms of the Selling Agent Agreement (as defined herein), Banc of America Securities LLC, Barclays Capital Inc., Charles Schwab & Co., Inc., Citigroup Global Markets Inc., Credit Suisse Securities (USA) LLC, Deutsche Bank Securities Inc., Fidelity Capital Markets Services, a division of National Financial Services LLC, Member NYSE, SIPC, Incapital LLC, J.P. Morgan Securities Inc., Merrill Lynch, Pierce, Fenner & Smith Incorporated, Morgan Stanley & Co. Incorporated, Muriel Siebert & Co., Samuel A. Ramirez & Co., Inc, RBC Capital Markets Corp., UBS Securities LLC, and Wachovia Capital Markets, LLC (collectively, the "Agents") pursuant to a Selling Agent Agreement among the Company and the Agents dated as of the date hereof (the "Selling Agent Agreement") and one or more terms agreements substantially in the form attached to the Selling Agent Agreement as Exhibit C (each a "Terms Agreement"). The Notes are being resold by the Purchasing Agent (and by any Agent that purchases them from the Purchasing Agent) (i) directly to customers of the Agents or (ii) to selected broker-dealers (the "Selected Dealers") for distribution to their customers pursuant to a Master Selected Dealer Agreement (a "Dealers Agreement") attached to the Selling Agent Agreement as Exhibit E. The Notes have been registered with the Securities and Exchange Commission (the "Commission"). The Bank of New York Mellon, a New York banking corporation (formerly known as The Bank of New York), as successor to JPMorgan Chase Bank, N.A., is the Trustee (the "Trustee") under the indenture, dated as of April 25, 2003, between the Company and JPMorgan Chase Bank, N.A. (formerly known as JPMorgan Chase Bank) (as amended or supplemented from time to time, the "Indenture"), covering, among other debt securities, the Notes. Pursuant to the terms of the Indenture, Citibank, N.A. will serve as the issuing agent (the "Issuing Agent") and paying agent (the "Paying Agent").

Unless otherwise agreed by the Agents and the Company, Notes will be purchased by the Purchasing Agent as principal as set forth herein. Such purchases will be made in accordance with terms agreed upon by the Purchasing Agent and the Company (which terms, unless otherwise agreed, shall be agreed upon orally, with written confirmation prepared by the Agents and mailed, facsimiled or e-mailed to the Company).

Unless otherwise agreed by the Agents and the Company, the Notes will be issued in book-entry form only (each, a "Book-Entry Note") and represented by a fully registered master global note without coupons (each, a "Master Global Note") held by the Issuing Agent, as agent for The Depository Trust Company ("DTC") and recorded in the book-entry system maintained by DTC. Owners of beneficial interests in Book-Entry Notes will be entitled to physical delivery of Notes issued in certificated form equal in principal amount to their respective beneficial interests only upon certain limited circumstances described in the Indenture.

Exh B-1

Administrative procedures and specific terms of the offering are explained below. Administrative and record-keeping responsibilities will be handled for the Company by its Treasury Department. The Company will advise the Agents and the Issuing Agent in writing of those persons handling administrative responsibilities with whom the Agents and the Issuing Agent are to communicate regarding offers to purchase Notes and the details of their delivery.

Notes will be issued in accordance with the administrative procedures set forth herein. To the extent the procedures set forth below conflict with or omit certain of the provisions of the Notes, the Indenture, the Selling Agent Agreement or information set forth in the Disclosure Package (as defined in the Selling Agent Agreement), the Prospectus (as defined in the Selling Agent Agreement), as then amended or supplemented, or the Pricing Supplement (the Pricing Supplement and the Prospectus together referred to herein as the "Prospectus"), the relevant provisions of the Notes, the Indenture, the Selling Agent Agreement and the information set forth in the Disclosure Package and the Prospectus shall control. Capitalized terms used herein that are not otherwise defined shall have the meanings ascribed thereto in the Selling Agent Agreement, the Prospectus in the form most recently filed with the Commission pursuant to Rule 424 of the Securities Act of 1933, as amended (the "Securities Act"), or in the Indenture.

Administrative Procedures for Notes

In connection with the qualification of Notes for eligibility in the book-entry system maintained by DTC, the Issuing Agent will perform the custodial, document control and administrative functions described below, in accordance with its obligations under a Letter of Representations from the Company and the Issuing Agent to DTC, dated April 29, 2005, as made applicable to the Notes by a Bring-Down Letter of Representations from the Company and the Issuing Agent to DTC, dated _____, 2009 and a Medium-Term Note Certificate Agreement between the Issuing Agent and DTC (the "Certificate Agreement") dated October 31, 1988 and its obligations as a participant in DTC, including DTC's Same-Day Funds Settlement System ("SDFS"). The procedures set forth below may be modified (i) in compliance with DTC's then-applicable procedures and upon agreement by the Company, the Issuing Agent and the Purchasing Agent and (ii) if the Notes are sold outside of the United States, as agreed to by the Company, the Issuing Agent and the Purchasing Agent. Notes for which interest is calculated on the basis of a fixed interest rate, which may be zero, are referred to herein as "Fixed Rate Notes." Notes for which interest is calculated on the basis of a floating interest rate are referred to herein as "Floating Rate Notes."

Maturities: Each Note will mature on a date (the "Maturity Date") not less than one year after the date of delivery by the Company of such Note. Notes will mature on any date selected by the initial purchaser and agreed to by the Company. "Maturity" when used with respect to any Note means the date on which the outstanding principal amount of such Note becomes due and payable in full in accordance with its terms, whether at its Maturity Date or by declaration of acceleration, call for redemption, repayment or otherwise.

Issuance:	All Book-Entry Notes will be represented initially by a single Master Global Note in fully registered form without coupons. The Master Global Note will be dated and issued as of the date of its authentication by the Trustee. The Master Global Note will not represent any Note in certificated form.
Identification Numbers:	The Company has received from the CUSIP Service Bureau (the CUSIP Service Bureau”) of Standard & Poor’s Corporation (“Standard & Poor’s”) one series of CUSIP numbers consisting of approximately 900 CUSIP numbers for future assignment to the Book-Entry Notes. The Company will provide the Purchasing Agent, DTC and the Issuing Agent with a list of such CUSIP numbers. On behalf of the Company, the Purchasing Agent will assign CUSIP numbers as described below under Settlement Procedure “B”. DTC will notify the CUSIP Service Bureau periodically of the CUSIP numbers that the Company has assigned to Book-Entry Notes. The Company will reserve additional CUSIP numbers when necessary for assignment to Book-Entry Notes and will provide the Purchasing Agent, the Issuing Agent and DTC with the list of additional CUSIP numbers so obtained.
Registration:	Unless otherwise specified by DTC, the Master Global Note will be issued only in fully registered form without coupons. The Master Global Note will be registered in the name of Cede & Co., as nominee for DTC, on the Note Register maintained under the Indenture by the Issuing Agent. The beneficial owner of a Book-Entry Note (or one or more indirect participants in DTC designated by such owner) will designate one or more participants in DTC (with respect to such Book-Entry Note, the “Participants”) to act as agent or agents for such owner in connection with the book-entry system maintained by DTC, and DTC will record in book-entry form, in accordance with instructions provided by such Participants, a credit balance with respect to such beneficial owner of such Book-Entry Note in the account of such Participants. The ownership interest of such beneficial owner in such Book-Entry Note will be recorded through the records of such Participants or through the separate records of such Participants and one or more indirect participants in DTC.
Transfers:	Transfers of interests in a Book-Entry Note will be accomplished by book entries made by DTC and, in turn, by Participants (and in certain cases, one or more indirect participants in DTC) acting on behalf of beneficial transferors and transferees of such interests.

Consolidation and Exchanges:	The Issuing Agent, at the Company's request, may deliver to DTC and the CUSIP Service Bureau at any time a written notice of consolidation specifying (a) the CUSIP numbers of two or more Book-Entry Notes outstanding having the same terms (except that Issue Dates need not be the same) and for which interest, if any, has been paid to the same date and which otherwise constitute Book-Entry Notes of the same series and tenor under the Indenture, (b) a date, occurring at least 30 days after such written notice is delivered and at least 30 days before the next Interest Payment Date, if any, for such Book-Entry Notes shall be consolidated; and (c) a new CUSIP number, obtained from the Company, to be assigned to such consolidated Book-Entry Notes. Upon receipt of such a notice, DTC will send to its participants (including the Issuing Agent) and the Issuing Agent a written reorganization notice to the effect that such consolidation will occur on such date. Prior to the specified consolidation date, the Issuing Agent will deliver to the CUSIP Service Bureau written notice setting forth such consolidation date and the new CUSIP number and stating that, as of such exchange date, the CUSIP numbers of the Book-Entry Notes to be consolidated will no longer be valid. On the specified consolidation date, the Issuing Agent will consolidate on its records such Book-Entry Notes as a single Book-Entry Note bearing the new CUSIP number and dated the last Interest Payment Date to which interest has been paid on the underlying Book-Entry Notes, and the CUSIP numbers of the consolidated Book-Entry Notes will, in accordance with CUSIP Service Bureau procedures, be cancelled and not immediately reassigned.
Denominations:	Unless otherwise agreed by the Company, Notes will be issued in denominations of \$1,000 or more (in multiples of \$1,000).
Issue Price:	Unless otherwise specified in the applicable Disclosure Package and Pricing Supplement, each Note will be issued at the percentage of principal amount specified in the Disclosure Package and the Prospectus relating to such Note.
Interest:	<u>General</u>. Each Note will bear interest at either a fixed rate or a floating rate. Interest on each Note will accrue from the Issue Date of such Note for the first interest period and from the most recent Interest Payment Date to which interest has been paid for all subsequent interest periods. Except as set forth hereafter, each payment of interest on a Note will include interest accrued

to, but excluding, as the case may be, the Interest Payment Date or the date of Maturity (other than a Maturity Date of a Fixed Rate Note occurring on the 31st day of a month in which case such payment of interest will include interest accrued to but excluding the 30th day of such month) or on the date of redemption or repayment if a Note is repurchased by the Company prior to maturity pursuant to mandatory or optional redemption or repayment provisions or the Survivor's Option. Any payment of principal, premium or interest required to be made on a day that is not a Business Day (as defined below) may be made on the next succeeding Business Day, except that in the case of a Floating Rate Note for which the interest rate basis is LIBOR, if such Business Day is in the next succeeding calendar month, such Interest Payment Date will be the immediately preceding business day, and no interest shall accrue as a result of any such delayed payment.

Each pending deposit message described under Settlement Procedure "C" below will be routed to Standard & Poor's Corporation, which will use the message to include certain information regarding the related Notes in the appropriate daily bond report published by Standard & Poor's Corporation.

Each Note will bear interest from, and including, its Issue Date at the rate, or in accordance with the interest rate basis, set forth thereon and in the applicable Disclosure Package and Pricing Supplement until the principal amount thereof is paid, or made available for payment, in full.

Unless otherwise specified in the applicable Disclosure Package and Pricing Supplement, interest on each Note will be payable either monthly, quarterly, semi-annually or annually on each Interest Payment Date and at Maturity (or on the date of redemption or repayment if a Note is repurchased by the Company prior to maturity pursuant to mandatory or optional redemption or repayment provisions or the Survivor's Option). Interest will be payable to the person in whose name a Note is registered at the close of business on the Regular Record Date next preceding each Interest Payment Date; provided, however, interest payable at Maturity, on a date of redemption or repayment or in connection with the exercise of the Survivor's Option will be payable to the person to whom principal shall be payable.

The interest rates the Company will agree to pay on newly-issued Notes are subject to change without notice by the Company from time to time, but no such change will affect any Notes already issued or as to which an offer to purchase has been accepted by the Company.

Unless otherwise specified in the applicable Disclosure Package and Pricing Supplement, the Interest Payment Dates for a Note that provides for monthly interest payments shall be the fifteenth day of each calendar month, commencing in the calendar month that next succeeds the month in which the Note is issued; in the case of a Note that provides for quarterly interest payments, the Interest Payment Dates shall be the fifteenth day of each third month, commencing in the third succeeding calendar month following the month in which the Note is issued; in the case of a Note that provides for semi-annual interest payments, the Interest Payment dates shall be the fifteenth day of each sixth month, commencing in the sixth succeeding calendar month following the month in which the Note is issued; in the case of a Note that provides for annual interest payments, the Interest Payment Date shall be the fifteenth day of every twelfth month, commencing in the twelfth succeeding calendar month following the month in which the Note is issued. Unless otherwise specified in the applicable Disclosure Package and Pricing Supplement, the Regular Record Date with respect to any Interest Payment Date shall be the first day of the calendar month in which such Interest Payment Date occurred, except that the Regular Record Date with respect to the final Interest Payment Date shall be the final Interest Payment Date.

Each payment of interest on a Note shall include accrued interest from and including the Issue Date or from and including the last day in respect of which interest has been paid (or duly provided for), as the case may be, to, but excluding, the Interest Payment Date, Maturity Date or date of redemption or repayment, as the case may be.

Calculation of Interest:

Fixed Rate Notes. Unless otherwise specified in the applicable Disclosure Package and Pricing Supplement, interest on Fixed Rate Notes (including interest for partial periods) will be calculated on the basis of a 360-day year of twelve 30-day months, and with respect to an incomplete month, the number of days elapsed calculated on the basis of a 30-day month.

Floating Rate Notes. Interest rates on Floating Rate Notes will be determined as set forth therein and in the applicable

Disclosure Package and Pricing Supplement. Interest on Floating Rate Notes, except as otherwise set forth therein, will be calculated on the basis of actual days elapsed and a year of 360 days, except that in the case of a CMT Rate Note, a Treasury Rate Note, or a floating rate note for which the CMT Rate or the Treasury Rate is an applicable base rate, interest will be calculated on the basis of the actual number of days in the year.

Business Day:

“Business Day” means, unless otherwise specified in the applicable Disclosure Package and Pricing Supplement, any day other than a Saturday or Sunday, or a day on which commercial banks are authorized or required by law, regulation or executive order to close in The City of New York.

Payments of Principal
and Interest:

Payments of Principal and Interest. Promptly after each Regular Record Date, the Paying Agent will deliver to the Company and DTC a written notice specifying by CUSIP number the amount of interest, if any, to be paid on each Book-Entry Note on the following Interest Payment Date (other than an Interest Payment Date coinciding with a Maturity Date) and the total of such amounts. DTC will confirm the amount payable on each Book-Entry Note on such Interest Payment Date by reference to the daily bond reports published by Standard & Poor’s. On such Interest Payment Date, the Company will pay to the Paying Agent, and the Paying Agent in turn will pay to DTC, such total amount of interest due (other than on the Maturity Date), at the times and in the manner set forth below under “Manner of Payment”.

Payments on the Maturity Date. On or about the first Business Day of each month, the Paying Agent will deliver to the Company and DTC a written list of principal, premium, if any, and interest to be paid on each Book-Entry Note maturing or subject to redemption (pursuant to a sinking fund or otherwise) or repayment (“Maturity”) in the following month. The Paying Agent, the Company and DTC will confirm the amounts of such principal, premium, if any, and interest payments with respect to each Book-Entry Note on or about the fifth Business Day preceding the Maturity Date of such Book-Entry Note. On the Maturity Date, the Company will pay to the Paying Agent, and the Paying Agent in turn will pay to DTC, the principal amount of such Book-Entry Note, together with interest and premium, if any, due on such Maturity Date, at the times and in the manner set forth below under “Manner of Payment”. Promptly after payment to DTC of the principal and interest due on the Maturity

Date of such Book-Entry Note, the Paying Agent will cancel and destroy such Book-Entry Note in accordance with the Indenture, record an appropriate debit advice on the Master Global Note and so advise the Company.

Manner of Payment. The total amount of any principal, premium, if any, and interest due on Book-Entry Notes on any Interest Payment Date or at Maturity shall be paid by the Company to the Paying Agent in immediately available funds on such date. The Company will make such payment on such Book-Entry Notes to an account specified by the Paying Agent. Prior to 10:00 a.m., New York City time, on the date of Maturity or as soon as possible thereafter, the Paying Agent will make payment to DTC in accordance with existing arrangements between DTC and the Paying Agent, in funds available for immediate use by DTC, each payment of interest, principal and premium, if any, due on a Book-Entry Note on such date. On each Interest Payment Date (other than on the Maturity Date) the Paying Agent will pay DTC such interest payments in same-day funds in accordance with existing arrangements between the Paying Agent and DTC. Thereafter, on each such date, DTC will pay, in accordance with its SDFS operating procedures then in effect, such amounts in funds available for immediate use to the respective Participants with payments in amounts proportionate to their respective holdings in principal amount of beneficial interest in such Book-Entry Notes as are recorded in the book-entry system maintained by DTC. Neither the Company nor the Paying Agent shall have any direct responsibility or liability for the payment by DTC of the principal of, or premium, if any, or interest on, the Notes to such Participants.

Withholding Taxes. The amount of any taxes required under applicable law to be withheld from any interest payment on a Note will be determined and withheld by the Participant, indirect participant in DTC or other person responsible for forwarding payments and materials directly to the beneficial owner of such Note.

Purchase of Notes by the Purchasing Agent:

Unless otherwise agreed by the Agents and the Company, Notes offered from time to time by the Company will be purchased by the Purchasing Agent as principal for subsequent resale to the Agents and Selected Dealers party to the Master Selected Dealer Agreement in the form attached as Exhibit E to the Selling Agent Agreement.

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Acceptance and Rejection of Orders:

Unless otherwise agreed by the Company and the Purchasing Agent, the Company has the sole right to accept orders to purchase Notes and may reject any such order in whole or in part. Unless otherwise instructed by the Company, the Purchasing Agent will promptly advise the Company by telephone of all offers to purchase Notes received by it, other than those rejected by it in whole or in part in the reasonable exercise of its discretion. No order for less than \$1,000 principal amount of Notes will be accepted.

Upon receipt of a completed and executed Terms Agreement from the Purchasing Agent, the Company will (i) promptly execute and return such Terms Agreement to the Purchasing Agent or (ii) inform the Purchasing Agent that its offer to purchase the Notes of a particular tranche has been rejected, in whole or in part. The Purchasing Agent will thereafter promptly inform the Agents and participating Selected Dealers of the action taken by the Company.

Preparation of Pricing Supplement/Final Term Sheet:

If any offer to purchase a Note is accepted by or on behalf of the Company, the Purchasing Agent will use its reasonable best efforts to send by email or facsimile a draft Final Term Sheet (if requested by the Agents) and a Pricing Supplement to the Company reflecting the terms of such Note by 2:00 p.m. (New York City time) on the applicable Trade Day. The Company shall use its reasonable best efforts to deliver any comments to any such Final Term Sheet and Pricing Supplement by email or facsimile to the Purchasing Agent and the Issuing Agent by 4:00 p.m. (New York City Time) on the applicable Trade Day. The Company will file any such Final Term Sheet and Pricing Supplement with the Commission in accordance with Rule 433(d) and the applicable paragraph of Rule 424(b) under the Securities Act, respectively. The Purchasing Agent shall use its reasonable best efforts to send any such Final Term Sheet, Pricing Supplement and the Prospectus by email or facsimile or overnight express (for delivery by the close of business on the applicable Trade Day, but in no event later than 11:00 a.m. New York City time on the Business Day immediately following the applicable Trade Day and no earlier than the earlier of (i) 5:00 p.m. (New York City time) on the applicable Trade Date or (ii) such time after which the Purchasing Agent shall have incorporated the comments of the Company, if any, to the Final Term Sheet and the Pricing Supplement), to each Agent (or other Selected Dealer) which made or presented the offer to purchase the applicable Note and the Issuing Agent at the following applicable address:

if to Banc of America Securities LLC, to:

Banc of America Securities LLC
One Bryant Park
NY1-100-18-03
New York, New York 10036
Attention: Joseph A. Crowley
Tel: (646) 855-0742
Facsimile: (704) 264-2522
Email: joseph.a.crowley@bofasecurities.com

and if to the Issuing Agent, to:

Citibank, N.A.
388 Greenwich Street, 14th Floor
New York, NY 10013
Tel: (212) 816-5827
Facsimile: (212) 816-5527

For record keeping purposes, one copy of each Pricing Supplement, as so filed, shall also be mailed or facsimiled to:

Cleary Gottlieb Steen & Hamilton LLP
One Liberty Plaza
New York, NY 10006
Attention: Sandra L. Flow
Telephone: (212) 225-2494
Facsimile: (212) 225-3999

and to:

Banc of America Securities LLC
One Bryant Park
NY1-100-18-03
New York, New York 10036
Attention: Joseph A. Crowley
Tel: (646) 855-0742
Facsimile: (704) 264-2522

Each such Agent (or Selected Dealer), in turn, pursuant to the terms of the Selling Agent Agreement and the Master Selected Dealer Agreement, will cause to be timely delivered a copy of the Prospectus and the applicable Pricing Supplement to each purchaser of Notes from such Agent or Selected Dealer or otherwise will comply with the requirements of Rule 173(a) under the Securities Act.

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Outdated Pricing Supplements and the Prospectuses to which they are attached (other than those retained for files) will be destroyed by those in possession thereof.

Delivery of Confirmation and Prospectus to Purchaser by Presenting Agent:

Unless the Agents or Selected Dealers comply with the requirements of Rule 173(a) under the Securities Act, if available, the Agents or Selected Dealers will deliver a Prospectus and Pricing Supplement herein described with respect to each Note sold by it.

For each offer to purchase a Note accepted by or on behalf of the Company, the Purchasing Agent will confirm in writing with each Agent or Selected Dealer the terms of such Note, the amount being purchased by such Agent or Selected Dealer and other applicable details described above and delivery and payment instructions, with a copy to the Company.

In addition, unless the Agent or Selected Dealer complies with the requirements of Rule 173(a) under the Securities Act, if available, the Purchasing Agent, other Agent or Selected Dealer, as the case may be, will deliver to investors purchasing the Notes the Prospectus (including the Pricing Supplement) in relation to such Notes prior to or simultaneously with delivery of the confirmation of sale or delivery of the Note.

Settlement:

The receipt of immediately available funds by the Company in payment for a Note and the entry by the Issuing Agent of an SDFS deliver order through DTC's Participant Terminal System to credit such Note to the account of a Participant purchasing, or acting for the purchaser of such Note, shall constitute "Settlement" with respect to such Note. All orders accepted by the Company will be settled within three Business Days pursuant to the timetable for Settlement set forth below, unless the Company and the purchaser agree to Settlement on another specified date, and shall be specified upon acceptance of such offer; provided, however, in all cases the Company will notify the Issuing Agent on the date issuance instructions are given.

Settlement Procedures:

Settlement Procedures with regard to each Note sold by an Agent shall be as follows:

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- A. After the acceptance of an offer by the Company with respect to a Note, the Purchasing Agent will communicate the following details of the terms of such offer (the “Note Sale Information”) to the Company in writing or by facsimile transmission, email or other written means acceptable to the Company:
1. Principal amount of the purchase;
 2. In the case of a Fixed Rate Note, the interest rate or, in the case of a Floating Rate Note, the interest rate basis (including, if LIBOR, the method for determining LIBOR), initial interest rate (if known at such time), Index Maturity, Interest Reset Period and Interest Reset Dates (if any), Spread and/or Spread Multiplier (if any), minimum interest rate (if any) and maximum interest rate (if any);
 3. Interest Payment Frequency;
 4. Settlement Date;
 5. Maturity Date;
 6. Price to Public;
 7. Purchasing Agent’s commission determined pursuant to Section V(a) of the Selling Agent Agreement;
 8. Net proceeds to the Company;
 9. Trade Date;
 10. If a Note is redeemable by the Company or repayable at the request of the Noteholder, such of the following as are applicable:
 11. (i) The date on and after which such Note may be redeemed/repaid (the “Redemption/Repayment Commencement Date”),
(ii) Initial redemption/repayment price (% of par), and

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- (iii) Amount (% of par) that the initial redemption/repayment price shall decline (but not below par) on each anniversary of the Redemption/Repayment Commencement Date;
 - 12. Whether the Note has a Survivor's Option;
 - 13. DTC Participant Number of the institution through which the customer will hold the beneficial interest in the Book-Entry Note; and
 - 14. Such other terms as are necessary to complete the applicable form of Note.
- B. The Company will advise the Issuing Agent and the Purchasing Agent by telephone (confirmed in writing at any time on the same date) or by facsimile or other form of electronic transmission of the information received in accordance with Settlement Procedure "A" above, the assigned CUSIP number and the name of the Purchasing Agent. Each such communication by the Company will be deemed to constitute a representation and warranty by the Company to the Issuing Agent and the Agents that (i) such Note is then, and at the time of issuance and sale thereof will be, duly authorized for issuance and sale by the Company; (ii) such Note will conform with the terms of the Indenture for such Note; and (iii) upon issuance of such Book-Entry Note, the aggregate principal amount of all Notes issued under the Indenture will not exceed the aggregate principal amount of Notes authorized for issuance at such time by the Company.
- C. The Issuing Agent will communicate to DTC and the Purchasing Agent through DTC's Participant Terminal System, a pending deposit message specifying the following Settlement information:
- 1. The information received in accordance with Settlement Procedure "A".
 - 2. The numbers of the participant accounts maintained by DTC on behalf of the Issuing Agent and the Purchasing Agent.

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3. Identification as a Fixed Rate Note or a Floating Rate Note.
 4. The initial Interest Payment Date for such Note, number of days by which such date succeeds the related DTC record date (which term means the Regular Record Date), and if then calculated, the amount of interest payable on such Initial Interest Payment Date (which amount shall have been confirmed by the Issuing Agent).
 5. The CUSIP number of the Book-Entry Note representing such Notes.
 6. The frequency of interest.
 7. Whether such Book-Entry Note represents any other Notes issued or to be issued (to the extent then known).
- D. DTC will credit such Note to the participant account of the Issuing Agent maintained by DTC.
- E. The Issuing Agent will complete the Master Global Note as it relates to such Note by filing the applicable Pricing Supplement relating to such Note in the records maintained by it, which records, taken with the Master Global Note, shall evidence such Note.
- F. The Issuing Agent will enter an SDFS deliver order through DTC's Participant Terminal System instructing DTC to (i) debit such Note to the Issuing Agent's participant account and credit such Note to the participant account of the Purchasing Agent maintained by DTC and (ii) debit the settlement account of the Purchasing Agent and credit the settlement account of the Issuing Agent maintained by DTC, in an amount equal to the price of such Note less the Purchasing Agent's commission. The entry of such a deliver order shall be deemed to constitute a representation and warranty by the Issuing Agent to DTC that (a) the Master Global Note representing such Note has been issued and authenticated and (b) the Issuing Agent is holding such Master Global Note pursuant to the Certificate Agreement.

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- G. The Purchasing Agent will enter an SDFS deliver order through DTC's Participant Terminal System instructing DTC to (i) debit such Note to the Purchasing Agent's participant account and credit such Note to the participant accounts of the Participants to whom such Note is to be credited maintained by DTC and (ii) debit the settlement accounts of such Participants and credit the settlement account of the Purchasing Agent maintained by DTC, in an amount equal to the price of the Note less the agreed upon commission so credited to their accounts.
 - H. Transfers of funds in accordance with SDFS deliver orders described in Settlement Procedures "F" and "G" will be settled in accordance with SDFS operating procedures in effect on the Settlement Date.
 - I. The Issuing Agent will credit to an account specified by the Company funds available for immediate use in an amount equal to the amount credited to the Issuing Agent's DTC participant account in accordance with Settlement Procedure "F".
 - J. Each Agent and Selected Dealer will confirm the purchase of each Note to the purchaser thereof either by transmitting to the Participant to whose account such Note has been credited a confirmation order through DTC's Participant Terminal System or by mailing a written confirmation to such purchaser. In all cases the Prospectus, as most recently amended or supplemented, must accompany or precede such confirmation (or Rule 173(a) under the Securities Act must be complied with, if available)
 - K. On a day that is a Business Day, the Issuing Agent will send, by facsimile or electronic transmission, to the Company a statement setting forth the principal amount of Notes outstanding as of that date under the Indenture and setting forth the CUSIP number(s) assigned to, and a brief description of, any orders which the Company has advised the Issuing Agent but which have not yet been settled.

Settlement Procedures Timetable:

In the event of a purchase of Notes by the Purchasing Agent, as principal, appropriate Settlement details, if different from those set forth below will be set forth in the applicable Terms Agreement to be entered into between the Purchasing Agent and the Company pursuant to the Selling Agent Agreement.

Settlement Procedures “A” through “K” shall be completed as soon as possible but not later than the respective times (New York City time) set forth below:

Settlement

<u>Procedure</u>	<u>Time</u>
A	2:00 p.m. on the Trade Day.
B	12:00 p.m. on the Business Day following the Trade Day.
C	2:00 p.m. on the Business Day before the Settlement Date.
D	10:00 a.m. on the Settlement Date.
E	12:00 p.m. on the Settlement Date.
F-H	2:00 p.m. on the Settlement Date.
I-J	2:30 p.m. on the Settlement Date.
K	Weekly or at the request of the Company.

The Prospectus as most recently amended or supplemented must accompany or precede any written confirmation given to the customer (Settlement Procedure “J”) or the Agent or Selected Dealer must otherwise comply with Rule 173(a) under the Securities Act, if available. Settlement Procedure “H” is subject to extension in accordance with any extension Fedwire closing deadlines and in the other events specified in the SDFS operating procedures in effect on the Settlement Date.

If Settlement of a Note is rescheduled or cancelled, the Issuing Agent will deliver to DTC, through DTC’s Participant Terminal System, a cancellation message to such effect by no later than 2:00 p.m., New York City time, on the Business Day immediately preceding the scheduled Settlement Date.

Failure to Settle:

If the Issuing Agent fails to enter an SDFS deliver order with respect to a Note pursuant to Settlement Procedure "F", the Issuing Agent may deliver to DTC, through DTC's Participant Terminal System, as soon as practicable a withdrawal message instructing DTC to debit such Note to the participant account of the Issuing Agent maintained at DTC. DTC will process the withdrawal message, provided that such participant account contains Notes having the same terms and having a principal amount that is at least equal to the principal amount of such Note to be debited. If withdrawal messages are processed with respect to all the Notes issued or to be issued represented by a Book-Entry Note, the Issuing Agent will cancel the Book-Entry Note in accordance with the Indenture, make appropriate entries in its records and so advise the Company. The CUSIP number assigned to such Book-Entry Note shall, in accordance with CUSIP Service Bureau procedures, be cancelled and not immediately reassigned. If withdrawal messages are processed with respect to one or more, but not all, of the Notes represented by a Book-Entry Note, the Issuing Agent will exchange such Book-Entry Note for two Book-Entry Notes, one of which shall represent such Notes and shall be cancelled immediately after issuance, and the other of which shall represent the remaining Notes previously represented by the surrendered Book-Entry Note and shall bear the CUSIP number of the surrendered Book-Entry Note. If the purchase price for any Note is not timely paid to the Participants with respect to such Note by the beneficial purchaser thereof (or a person, including an indirect participant in DTC, acting on behalf of such purchaser), such Participants and, in turn, the related Agent may enter SDFS deliver orders through DTC's participant Terminal System reversing the orders entered pursuant to Settlement Procedures "F" and "G". Thereafter, the Issuing Agent will deliver the withdrawal message and take the related actions described in the preceding paragraph. If such failure shall have occurred for any reason other than default by the Agent in the performance of its obligations hereunder or under the Selling Agent Agreement, the Company will reimburse the Agent on an equitable basis for its reasonable out-of-pocket accountable expenses actually incurred and loss of the use of funds during the period when they were credited to the account of the Company.

Notwithstanding the foregoing, upon any failure to settle with respect to a Book-Entry Note, DTC may take any actions in accordance with its SDFS operating procedures then in effect. In the event of a failure to settle with respect to one or more, but not all of the Notes, to have been represented by a Book-Entry Note, the Issuing Agent will follow the procedures described in Settlement Procedure “D” with respect to the Note.

Suspension of Solicitation; Amendment or Supplement:

Subject to the Company’s representations, warranties and covenants contained in the Selling Agent Agreement as they relate to prior solicitations or sales of Notes, the Company may instruct the Purchasing Agent to instruct the Agents to suspend at any time for any period of time or permanently, the solicitation of orders to purchase Notes. Upon receipt of such instructions (which may be given orally), each Agent will forthwith suspend solicitation until such time as the Company has advised it that solicitation of purchases may be resumed.

In the event that at the time the Company suspends solicitation of purchases there shall be any orders outstanding for settlement, the Company will promptly advise the Purchasing Agent, the Agents and the Issuing Agent whether such orders may be settled and whether copies of the Prospectus as in effect at the time of the suspension (or the notice provided for in Rule 173(a) under the Securities Act, if applicable) may be delivered in connection with the settlement of such orders. The Company will have the sole responsibility for such decision and for any arrangements which may be made in the event that the Company determines that such orders may not be settled or that copies of such Prospectus (or the notice provided for in Rule 173(a) under the Securities Act, if applicable) may not be so delivered.

If the Company decides to amend or supplement the Disclosure Package, the Registration Statement or the Prospectus, it will promptly advise the Purchasing Agent and the Agents and furnish the Purchasing Agent and the Issuing Agent with the proposed amendment or supplement and with such certificates and opinions as are required, all to the extent required by and in accordance with the terms of the Selling Agent Agreement. Subject to the provisions of the Selling Agent Agreement, the Company may file with the Commission any supplement to the Prospectus relating to the Notes. The Company will provide the Purchasing Agent and the Issuing Agent with copies of any such supplement, and confirm to the Purchasing Agent that such supplement has been filed with the SEC.

Issuing Agent Not to Risk Funds:

Nothing herein shall be deemed to require the Issuing Agent to risk or expend its own funds in connection with any payment to the Company, or the Agents or the purchasers, it being understood by all parties that payments made by the Issuing Agent to either the Company or the Agents shall be made only to the extent that funds are provided to the Issuing Agent for such purpose.

Advertising Costs:

The Company shall have the sole right to approve the form and substance of any advertising an Agent may initiate in connection with such Agent's solicitation to purchase the Notes. The expense of such advertising will be solely the responsibility of such Agent, unless otherwise agreed to by the Company.

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EXHIBIT C
TERMS AGREEMENT

_____, 20__

Prudential Financial, Inc.
751 Broad Street
Newark, New Jersey 07102
Attention: Assistant Treasurer – Capital Markets

Subject in all respects to the terms and conditions of the Selling Agent Agreement dated , 2009, among Prudential Financial, Inc. and Banc of America Securities LLC, Barclays Capital Inc., Charles Schwab & Co., Inc., Citigroup Global Markets Inc., Credit Suisse Securities (USA) LLC, Deutsche Bank Securities Inc., Fidelity Capital Markets Services, a division of National Financial Services LLC, Member NYSE, SIPC, Incapital LLC, J.P. Morgan Securities Inc., Merrill Lynch, Pierce, Fenner & Smith Incorporated, Morgan Stanley & Co. Incorporated, Muriel Siebert & Co., Samuel A. Ramirez & Co., Inc, RBC Capital Markets Corp., UBS Securities LLC and Wachovia Capital Markets, LLC, the undersigned agrees to purchase the following aggregate principal amount of Prudential Financial Retail Medium-Term Notes:

\$ _____

The terms of such Notes shall be as follows:

Purchasing Agent: _____

CUSIP Number: _____

Price to Public: _____

Agent's Concession: _____ %

Purchasing Agent's Concession: _____ %

Net Proceeds to Issuer: \$ _____

Maturity Date: _____

Settlement Date, Time and Place: _____

Interest Rate or Method of Determining:

Fixed Rate Note: _____

Interest Payment Frequency: _____

Regular Record Dates: _____

Floating Rate Note: _____

If LIBOR:

(i) Designated LIBOR Reuters Page:

(iii) Designated LIBOR Currency:

If CMT Rate:

(i) Designated CMT Reuters Page:

(ii) Designated CMT Maturity Index:

Initial Interest Rates: _____

Spread, if any: _____

Spread Multiplier, if any: _____

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Interest Reset Date(s): _____
Interest Payment Date(s): _____
Record Dates: _____
Index Maturity: _____
Maximum Interest Rate, if any: _____
Minimum Interest Rate, if any: _____
Calculation Agent: _____

Survivor's Option: _____
Amortizing Notes: " Yes " No
Indexed Notes: " Yes " No
Optional Redemption/Repayment, if any: _____
Initial Redemption/Repayment Date[s]: _____

Redemption/Repayment Price: Initially __% of Principal Amount and declining by __% of the Principal Amount on each anniversary of the Initial Redemption/Repayment Date until the Redemption/Repayment Price is 100% of the Principal Amount.

Other terms and conditions agreed to by the Purchasing Agent and the Company, if any:

[PURCHASING AGENT]

By: _____
Title: _____

ACCEPTED
PRUDENTIAL FINANCIAL, INC.

By: _____
Title: _____

EXHIBIT D
Form of Pricing Supplement

Rule 424(b)(3)
File Nos. 333-

Pricing Supplement Dated: _____
(To Prospectus Supplement Dated _____, 2009 and Prospectus Dated _____, 2009)
Pricing Supplement No. _____

U.S. \$
PRUDENTIAL FINANCIAL
RETAIL MEDIUM-TERM NOTES
DUE ONE YEAR OR MORE FROM DATE OF ISSUE

Trade Date: _____
Issue Date: _____
Joint Lead Managers: _____
Purchasing Agent (including e-mail address): _____
Agents: _____

CUSIP NUMBER	AGGREGATE PRINCIPAL AMOUNT	PRICE TO PUBLIC	CONCESSIONS OF PURCHASING AGENT AND AGENTS	NET PROCEEDS TO ISSUER	AMORTIZING NOTE YES/ NO	INTEREST RATE OR INTEREST RATE BASIS
SPREAD (if floating rate)	INDEX MATURITY (if floating rate)	INITIAL INTEREST RATE (if floating rate)	INTEREST RESET DATES (if floating rate)	MAXIMUM INTEREST RATE (if floating rate)	MINIMUM INTEREST RATE (if floating rate)	DAY COUNT BASIS (if floating rate)
INTEREST PAYMENT FREQUENCY	MATURITY DATE	1 st INTEREST PAYMENT DATE	SURVIVOR'S OPTION	REDEMPTION OR REPAYMENT YES/NO	REDEMPTION/ REPAYMENT TERMS	

MOODY'S RATING

S&P RATING

Other Terms: _____

EXHIBIT E
Master Selected Dealer Agreement

In connection with public offerings of securities after the date hereof for which there will be a manager of an underwriting syndicate for each such offering (the "Purchasing Agent"), where such Purchasing Agent may be any one of the parties to this Agreement, and such Purchasing Agent will be responsible for the distribution of securities to the public by means of an offering of securities for sale to selected dealers (the "Selected Dealers"), each Selected Dealer may be offered the right to purchase as principal a portion of such securities. This will confirm the agreement between the parties hereto that if any such party acts as Purchasing Agent, it agrees with each of the other parties hereto as Selected Dealers, through each Selected Dealer's execution of this Agreement, as to the general terms and conditions applicable to each Selected Dealer's participation in any such Selected Dealer group organized by the Purchasing Agent as follows.

1. Applicability of this Agreement. The terms and conditions of this Agreement shall be applicable to any public offering of securities ("Securities"), pursuant to a registration statement filed under the Securities Act of 1933, as amended (the "Securities Act"), or exempt from registration thereunder (other than a public offering of Securities effected wholly outside the United States of America), wherein the Purchasing Agent clearing through BNY Clearing Services, LLC (the "Account") (acting for its own Account or for the account of any underwriting or similar group or syndicate) is responsible for managing or otherwise implementing the sale of the Securities to the Selected Dealers and has expressly informed the Selected Dealers that such terms and conditions shall be applicable. Any such offering of Securities to the Selected Dealers is hereinafter called an "Offering". In the case of any Offering where the Purchasing Agent is acting for the account of any underwriting or similar group or syndicate ("Underwriters"), the terms and conditions of this Agreement shall be for the benefit of, and binding upon, such Underwriters, including, in the case of any Offering where the Purchasing Agent is acting with others as representatives of Underwriters, such other representatives.

2. Conditions of Offering; Acceptance and Purchases. Any Offering: (i) will be subject to delivery of the Securities and their acceptance by the Purchasing Agent and any other Underwriters; (ii) may be subject to the approval of all legal matters by counsel and the satisfaction of other conditions, and (iii) may be made on the basis of reservation of Securities or an allotment against subscription. The Purchasing Agent will advise the Selected Dealers by electronic mail, facsimile or other form of written communication ("Written Communication", which term, in the case of any Offering described in Section 3(a) or 3(b) hereof, may include a prospectus or offering circular) of the particular method and supplementary terms and conditions (including, without limitation, the information as to prices and offering date referred to in Section 3(c) hereof) of any Offering in which the Selected Dealers are invited to participate. To the extent such supplementary terms and conditions are inconsistent with any provision herein, such terms and conditions shall supersede any such provision. Unless otherwise indicated in any such Written Communication, acceptances and other communications by any of the Selected Dealers with

respect to an Offering should be sent to the Purchasing Agent at the address indicated on the signature page hereto. The Purchasing Agent reserves the right to reject any acceptance in whole or in part. Unless notified otherwise by the Purchasing Agent, Securities purchased by the Selected Dealers shall be paid for on such date as the Purchasing Agent shall determine, on one day's prior notice to the Selected Dealers, by certified or official bank check, in an amount equal to the Public Offering Prices (as hereinafter defined) or, if the Purchasing Agent shall so advise the Selected Dealers, at such Public Offering Price less the Concession (as hereinafter defined), payable in New York Clearing House funds to the order of BNY Clearing Services, LLC clearing for the account of the Purchasing Agent, against delivery of the Securities. If Securities are purchased and paid for at such Public Offering Price, such Concession will be paid after the termination of the provisions of Section 3(c) hereof with respect to such Securities. Notwithstanding the foregoing, unless notified otherwise by the Purchasing Agent, payment for and delivery of Securities purchased by a Selected Dealer shall be made through the facilities of The Depository Trust Company, if such Selected Dealer is a member, unless the Selected Dealer has otherwise notified us prior to the date specified in a Written Communication to the Selected Dealers from us or, if such Selected Dealer is not a member, settlement may be made through a correspondent who is a member pursuant to instructions which such Selected Dealer will send to the Purchasing Agent prior to such specified date.

3. Representations, Warranties and Agreements.

(a) Registered Offerings. In the case of any Offering of Securities that are registered under the Securities Act ("Registered Offering"), the Purchasing Agent shall provide each Selected Dealer with such number of copies of each preliminary prospectus, of the documents contained in the Disclosure Package (as defined in the Selling Agent Agreement entered into among Prudential Financial, Inc., Banc of America Securities LLC and certain other Agents named therein on _____, 2009 (the "Selling Agent Agreement")) and of the final prospectus relating thereto as it may reasonably request for the purposes contemplated by the Securities Act and the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and the applicable rules and regulations of the Securities and Exchange Commission thereunder. Each Selected Dealer represents and warrants that it is familiar with Rule 15c2-8 under the Exchange Act relating to the distribution of preliminary and final prospectuses and agrees to comply therewith. Each Selected Dealer agrees to make a record of its distribution of each preliminary prospectus and, when furnished with copies of any revised preliminary prospectus, will, upon the request of the Purchasing Agent, promptly forward copies thereof to each person to whom it has theretofore distributed a preliminary prospectus. Each Selected Dealer agrees that in purchasing Securities in a Registered Offering it will rely upon no statement whatsoever, written or oral, other than the statements in the Disclosure Package relating to such Securities or in the final prospectus delivered to it by the Purchasing Agent. The Selected Dealers may prepare and use one or more preliminary or final term sheets relating to the Securities; provided, however, that no Selected Dealer may make any offer relating to the Securities that constitutes or would constitute a "free writing prospectus" (as defined in Rule 405 under the Securities Act) required to be filed by the issuer with the Securities and Exchange Commission or retained by the issuer under Rule 433 under the Securities Act, other than the information contained in the Final Term Sheet (as defined in the Selling Agent Agreement). The Selected Dealers will not be authorized by the issuer or other seller of Securities offered pursuant to a prospectus or by any

Underwriter, to give any information or to make any representation not contained in the Disclosure Package relating to such securities or in the prospectus in connection with the sale of such Securities.

(b) Offerings Pursuant to Offering Circular. In the case of any Offering of Securities, other than a Registered Offering, which is made pursuant to an offering circular or other document comparable to a prospectus in a Registered Offering, the Purchasing Agent shall provide each Selected Dealer with such number of copies of each preliminary offering circular, of the documents contained in the Disclosure Package relating to such Securities, and of the final offering circular relating thereto as it may reasonably request. Each Selected Dealer agrees that it will comply with the applicable Federal and state laws, and the applicable rules and regulations of any regulatory body promulgated thereunder, governing the use and distribution of such documents by brokers or dealers. Each Selected Dealer agrees that in purchasing Securities pursuant to an offering circular, it will rely upon no statements whatsoever, written or oral, other than the statements in the Disclosure Package relating to such Securities and in final offering circular delivered to such Selected Dealer by the Purchasing Agent. The Selected Dealers will not be authorized by the issuer or other seller of Securities offered pursuant to an offering circular or by any Underwriter, to give any information or to make any representation not contained in the Disclosure Package relating to such Securities or in the offering circular in connection with the sale of such Securities; provided that no Selected Dealer may give to any prospective purchaser of the Securities any written information in respect thereof other than the materials contained in the Disclosure Package or offering circulars relating to such Securities or any other offering materials prepared by or with the consent of the issuer and the Purchasing Agent.

(c) Offer and Sale to the Public. With respect to any Offering of Securities, the Purchasing Agent will inform the Selected Dealers by a Written Communication of the public offering price, the selling concession, the reallowance (if any) to dealers and the time when the Selected Dealers may commence selling Securities to the public. After such public offering has commenced, the Purchasing Agent may change the public offering price, the selling concession and the reallowance to dealers. The offering price, selling concession and reallowance (if any) to dealers at any time in effect with respect to an Offering are hereinafter referred to, respectively, as the "Public Offering Price", the "Concession" and the "Reallowance". With respect to each Offering of Securities, until the provisions of this Section 3(c) shall be terminated pursuant to Section 4 hereof, the Selected Dealers agree to offer Securities to the public at no more than the Public Offering Price. If so notified by the Purchasing Agent, the Selected Dealers may sell Securities to the public at a lesser negotiated price than the Public Offering Price, but in an amount not to exceed the "Concession". If a Reallowance is in effect, a reallowance from the Public Offering Price not in excess of such Reallowance may be allowed as consideration for services rendered in distribution to dealers who are actually engaged in the investment banking or securities business, who execute the written agreement prescribed by Rule 2740 of the Conduct Rules of the Financial Industry Regulatory Authority, Inc. (the "FINRA") and who are either members in good standing of the FINRA or foreign banks, dealers or institutions not eligible for membership in the FINRA who represent to the Selected Dealer that they will promptly reoffer such Securities at the Public Offering Price and will abide by the conditions with respect to foreign banks, dealers and institutions set forth in Section 3(e) hereof.

(d) Over-allotment; Stabilization; Unsold Allotments. The Purchasing Agent may, with respect to any Offering, be authorized to over-allot in arranging sales to Selected Dealers, to purchase and sell Securities for long or short account and to stabilize or maintain the market price of the Securities. Each Selected Dealer agrees that, upon the request of the Purchasing Agent at any time and from time to time prior to the termination of the provisions of Section 3(c) hereof with respect to any Offering, it will report to the Purchasing Agent the amount of Securities it purchased pursuant to such Offering which then remain unsold and will, upon the request of the Purchasing Agent at any such time, sell to the Purchasing Agent for its account or the account of one or more Underwriters such amount of such unsold Securities as the Purchasing Agent may designate at the Public Offering Price less an amount to be determined by the Purchasing Agent not in excess of the Concession. If, prior to the later of (i) the termination of the provisions of Section 3(c) hereof with respect to any Offering or (ii) the covering by the Purchasing Agent of any short position created by the Purchasing Agent in connection with such Offering for its account or the account of one or more Underwriters, the Purchasing Agent purchases or contracts to purchase for its account or the account of one or more Underwriters in the open market or otherwise any Securities purchased by a Selected Dealer under this Agreement as part of such Offering, such Selected Dealer agrees to pay us on demand an amount equal to the Concession with respect to such Securities (unless such Selected Dealer shall have purchased such Securities pursuant to Section 2 hereof at the Public Offering Price in which case the Purchasing Agent shall not be obligated to pay such Concession to such Selected Dealer pursuant to Section 2) plus transfer taxes and broker's commissions or dealer's mark-up, if any, paid in connection with such purchase or contract to purchase.

(e) FINRA. Each Selected Dealer represents and warrants that it is actually engaged in the investment banking or securities business and either a member in good standing of the FINRA or, if it is not such a member, is a foreign bank, dealer or institution not eligible for membership in the FINRA. Each Selected Dealer represents and warrants that neither it nor its affiliates has offered or sold or will offer or sell any of the Securities in the United States unless such Selected Dealer or its acting affiliate is registered as a broker-dealer under the Exchange Act and a member in good standing of the FINRA (or such Selected Dealer is acting in accordance with Exchange Act Rule 15a-6 and complies with Section 3(f) below) and it offers and sells the Securities in compliance with all applicable rules and issued interpretive memoranda of the FINRA. Each Selected Dealer further represents, by its participation in an Offering, that it has provided to us all documents and other information required to be filed with respect to it, any related person or any person associated with it or any such related person pursuant to the supplementary requirements of the FINRA's interpretation with respect to review of corporate financing as such requirements relate to such Offering.

Each Selected Dealer agrees that, in connection with any purchase or sale of the Securities wherein a Concession, discount or other allowance is received or granted, (1) it will comply with the provisions of Rule 2740 of the FINRA's Conduct Rules and (2) if it is a non-FINRA member broker or dealer in a foreign country, it will also comply (a), as though it were an FINRA member, with (i) the provisions of Rules 2730, 2740 and 2750 of the FINRA's Conduct Rules and (ii) with Rule 2420 thereof as that Rule applies to a non-FINRA member broker or dealer in a foreign country, and (b) if it acts as a "conduit" (within the meaning of Rule 2790) for a participating FINRA member with respect to the disposition of any of the Securities, it will comply with the restrictions set forth in Rule 2790 of the FINRA's Conduct Rules with respect to such disposition.

Each Selected Dealer further agrees that, in connection with any purchase of securities from the Purchasing Agent that is not otherwise covered by the terms of this Agreement (whether the Purchasing Agent is acting as manager, as a member of an underwriting syndicate or a selling group or otherwise), if a Concession or other allowance is granted to a Selected Dealer, clauses (1) and (2) of the preceding paragraph will be applicable.

(f) Exchange Act Rule 15a-6. Each Selected Dealer that is a foreign bank or dealer not registered as a broker-dealer under Section 15 of the Exchange Act agrees that while acting as a Selected Dealer in respect of the Securities and in any event during the term of this Agreement, it will not, directly or indirectly, make use of any U.S. mails or any means or instrumentality of interstate commerce to effect transactions in or induce or attempt to induce the purchase or sale of, any Securities except for transactions in compliance with Rule 15a-6 under the Exchange Act or as otherwise permitted by Section 15 of the Exchange Act and the rules and regulations thereunder.

(g) Relationship among Underwriters and Selected Dealers. The Purchasing Agent may buy Securities from or sell Securities to any Underwriter or Selected Dealer and, without consent, the Underwriters (if any) and the Selected Dealers may purchase Securities from and sell Securities to each other at the Public Offering Price less all or any part of the Concession. Unless otherwise specified in a separate agreement between the Purchasing Agent and the Selected Dealers, this agreement does not authorize any Selected Dealer to act as agent for: (i) the Purchasing Agent; (ii) any Underwriter; (iii) the issuer; or (iv) other seller of any Securities in offering Securities to the public or otherwise. Neither the Purchasing Agent nor any Underwriter shall be under any obligation to any Selected Dealer except for obligations assumed hereby or in any Written Communication from the Purchasing Agent in connection with any Offering. Nothing contained herein or in any Written Communication from the Purchasing Agent shall constitute an agreement of the Selected Dealers to enter into an association or partnership with the Purchasing Agent or any Underwriter or with one another. If the Selected Dealers, among themselves or with the Underwriters, should be deemed to constitute a partnership for Federal income tax purposes, then each Selected Dealers elects to be excluded from the application of Subchapter K, Chapter 1, Subtitle A of the Internal Revenue Code of 1986 and agrees not to take any position inconsistent with that election. Each Selected Dealer authorizes us, in our discretion, to execute and file on its behalf such evidence of that election as may be required by the Internal Revenue Service. In connection with any Offering, each Selected Dealer shall be liable for its proportionate amount of any tax, claim, demand or liability that may be asserted against it alone or against one or more Selected Dealers participating in such Offering, or against us or the Underwriters, based upon the claim that the Selected Dealers, or any of them, constitute an association, an unincorporated business or other entity, including, in each case, its proportionate amount of any expense incurred in defending against any such tax, claim, demand or liability.

(h) Blue Sky Laws. Upon application to the Purchasing Agent, the Purchasing Agent shall inform the Selected Dealers as to any advice it has received from counsel concerning the jurisdictions in which Securities have been qualified for sale or are exempt under

the securities or blue sky laws of such jurisdictions, but the Purchasing Agent does not assume any obligation or responsibility as to the Selected Dealers' right to sell Securities in any such jurisdiction.

(i) Compliance with Law. Each Selected Dealer agrees that in selling Securities pursuant to any Offering (which agreement shall also be for the benefit of the issuer or other seller of such Securities), it will comply with all applicable laws, rules and regulations, including the applicable provisions of the Securities Act and the Exchange Act, the applicable rules and regulations of the Securities and Exchange Commission thereunder, the applicable rules and regulations of the FINRA, the applicable rules and regulations of any securities exchange having jurisdiction over the Offering and the applicable laws, rules and regulations specified in Section 3(b) hereof.

4. Termination, Supplements and Amendments. This Agreement shall continue in full force and effect until terminated by a written instrument executed by each of the parties hereto. This Agreement may be supplemented or amended by the Purchasing Agent by written notice thereof to the Selected Dealers, and any such supplement or amendment to this Agreement shall be effective with respect to any Offering to which this Agreement applies after the date of such supplement or amendment. Each reference to "this Agreement" herein shall, as appropriate, be to this Agreement as so amended and supplemented. The terms and conditions set forth in Section 3(c) hereof with regard to any Offering will terminate at the close of business on the 30th day after the commencement of the public offering of the Securities to which such Offering relates, but in Purchasing Agent's discretion may be extended by us for a further period not exceeding 30 days and in the Purchasing Agent's discretion, whether or not extended, may be terminated at any earlier time.

5. Successors and Assigns. This Agreement shall be binding on, and inure to the benefit of, the parties hereto and other persons specified in Section 1 hereof, and the respective successors and assigns of each of them.

6. Governing Law. This Agreement and the terms and conditions set forth herein with respect to any Offering together with such supplementary terms and conditions with respect to such Offering as may be contained in any Written Communication from the Purchasing Agent to the Selected Dealers in connection therewith shall be governed by, and construed in accordance with, the laws of the State of New York.

If any of the parties hereto acts as Purchasing Agent for any public offering of securities after the date hereof, such party agrees to the foregoing terms and conditions, and each Selected Dealer confirms by signing and returning to such Purchasing Agent an executed copy of this Agreement that its subscription to, or its acceptance of any reservation of, any Securities pursuant to an Offering shall constitute (i) acceptance of and agreement to the terms and conditions of this Agreement (as supplemented and amended pursuant to Section 4 hereof) together with and subject to any supplementary terms and conditions contained in any Written Communication from the Purchasing Agent in connection with such Offering, all of which shall constitute a binding agreement between the Purchasing Agent and such Selected Dealer, individually or as representative of any Underwriters, (ii) confirmation such Selected Dealer's representations and warranties set forth in Section 3 hereof are true and correct at that time, (iii)

confirmation that the Selected Dealer’s agreements set forth in Sections 2 and 3 hereof have been and will be fully performed by it to the extent and at the times required thereby and (iv) in the case of any Offering described in Section 3(a) and 3(b) hereof, acknowledgment that it will request and have received from the Purchasing Agent sufficient copies of the final prospectus or offering circular, as the case may be, with respect to such Offering in order to comply with such Selected Dealer’s undertakings in Section 3(a) or 3(b) hereof.

Confirmed and accepted
as of the date first above written:

BANC OF AMERICA SECURITIES LLC

By: _____
Name:
Title:

CHARLES SCHWAB & CO., INC.

By: _____
Name:
Title:

CITIGROUP GLOBAL MARKETS INC.

By: _____
Name:
Title:

FIDELITY CAPITAL MARKETS SERVICES, A DIVISION OF
NATIONAL FINANCIAL SERVICES LLC, MEMBER NYSE, SIPC

By: _____
Name:
Title:

INCAPITAL LLC

By: _____
Name:
Title:

MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED

By: _____
Name: _____
Title: _____

MORGAN STANLEY & CO. INCORPORATED

By: _____
Name: _____
Title: _____

MURIEL SIEBERT & CO., INC

By: _____
Name: _____
Title: _____

SAMUEL A. RAMIREZ & CO., INC

By: _____
Name: _____
Title: _____

RBC CAPITAL MARKETS CORP.

By: _____
Name: _____
Title: _____

UBS SECURITIES LLC

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

By: _____
Name:
Title:

CONFIRMED: _____, 20__

{Company}

By: _____

Name: _____
(Print name)

Title: _____

EXHIBIT F
FORM OF CONFIRMATION LETTER

To: [Insert name and address of new Agent]

[Date]

Prudential Financial, Inc. (the "Company")
Retail Medium-Term Notes
Due One Year or More from Date of Issue

Ladies and Gentlemen:

We refer to the Selling Agent Agreement, dated _____, 2009 (as amended from time to time, the "Agreement"), entered into with respect to the Company's Retail Medium-Term Notes Due or More from Date of Issue (the "Notes"), and hereby acknowledge receipt of your Accession Letter to us dated _____.

In accordance with Section V of the Agreement and your Accession Letter, we hereby confirm that, with effect from the date hereof, you shall become a party to the Agreement vested with all of the authority, rights, powers, duties and obligations of an Agent, as if originally named as an Agent under the Agreement, for purposes of the issue of \$ _____ aggregate principal amount of [Title of Notes].

Very truly yours,

PRUDENTIAL FINANCIAL, INC.

By: _____
Name:
Title:

cc:
Banc of America Securities LLC
Barclays Capital Inc.
Charles Schwab & Co., Inc.
Citigroup Global Markets Inc.
Credit Suisse Securities (USA) LLC
Deutsche Bank Securities Inc.
Fidelity Capital Markets Services, a division of National Financial Services LLC, Member
NYSE, SIPC
Incapital LLC
J.P. Morgan Securities Inc.
Merrill Lynch, Pierce, Fenner & Smith Incorporated
Morgan Stanley & Co. Incorporated
Muriel Siebert & Co.
Samuel A. Ramirez & Co., Inc
RBC Capital Markets Corp.
UBS Securities LLC
Wachovia Capital Markets, LLC

Exh F-1

EXHIBIT G
ACCESSION LETTER

To: Prudential Financial, Inc.
751 Broad Street
Newark, New Jersey 07102
Attention: Assistant Treasurer – Capital Markets

[Date]

Prudential Financial, Inc. (the “Company”)
Retail Medium-Term Notes
Due One Year or More from Date of Issue

Ladies and Gentlemen:

We refer to the Selling Agent Agreement, dated _____, 2009 (as amended from time to time, the “Agreement”), entered into with respect to the above-referenced Medium-Term Notes (the “Notes”), and made between the Company and the Agents parties thereto.

We confirm that we are in receipt of the documents referenced below:

- (a) the Agreement,
- (b) the Registration Statement and the Prospectus, each as amended or supplemented at the date hereof, referred to in the Agreement, and
- (c) the Indenture referred to in the Agreement,

and have found them to our satisfaction.

For purposes of the Agreement, our notice details are as follows:

[Insert name, address, telephone, telex and attention].

In consideration of the Company appointing us as an Agent in respect of \$_____ aggregate principal amount of [Title of Notes] (the “Applicable Notes”) under the Agreement, we hereby agree, for the benefit of the Company and each of the other Agents, that all of the terms and conditions (including commission and discount rates) of the Agreement apply in relation to the Applicable Notes.

This letter shall be governed by, and construed and enforced in accordance with, the laws of the State of New York.

Very truly yours,

[Insert name of new Agent]

Exh G-1

EXHIBIT H
FORM OF DISCLOSURE PACKAGE SCHEDULE

DISCLOSURE PACKAGE SCHEDULE

(1) Applicable Time:

(2) Issuer Free Writing Prospectuses:

[Final Term Sheet in the form set forth in Exhibit I to the Selling Agent Agreement], [if the Company is obligated to prepare and file such term sheet pursuant to Section III(a)(i) of the Selling Agent Agreement]

Exh H-1

EXHIBIT I
FORM OF FINAL TERM SHEET

[To be modified as appropriate]

Prudential Financial, Inc.

Issuer:

Principal Amount:

Ratings:

Reoffer Price:

Settlement Date:

Maturity Date:

Coupon Rate:

Coupon Payment Date:

Business Day Convention:

Initial Coupon Payment Date:

Call Frequency:

First Call Date:

Day Count Convention:

Denominations:

Dealer:

Gross Spread:

Form of Note:

CUSIP:

[Other Provisions:]

Exh I-1

The issuer has filed a registration statement (including a prospectus) with the SEC for the offering to which this communication relates. Before you invest, you should read the prospectus in that registration statement and other documents the issuer has filed with the SEC for more complete information about the issuer and this offering. You may get these documents for free by visiting EDGAR on the SEC Web site at www.sec.gov. Alternatively, the issuer, any agent or any dealer participating in the offering will arrange to send you the prospectus if you request it by calling [•] toll-free at [•].

Exh I-2

SELLING AGENT AGREEMENT

by and among

Prudential Financial, Inc.

and the

Agents named herein

, 2009

, 2009

To Incapital LLC and the Agents listed on the signature page hereto.

Prudential Financial, Inc., a New Jersey corporation (the “Company”), proposes to issue and sell up to \$5,000,000,000 aggregate principal amount at any one time outstanding of its Retail Medium-Term Notes, including those designated as InterNotes®, due one year or more from the date of issue (the InterNotes® alone are referred to herein as the “Notes”). It is understood that the Company may from time to time authorize the issuance and sale of additional amounts of the Notes and that such Notes may be issued and sold pursuant to the terms of this Agreement, all as though the issuance and sale of such Notes were authorized by the Company as of the date hereof. The Notes are to be issued under the senior debt securities indenture dated as of April 25, 2003 (as amended and supplemented from time to time, the “Indenture”), between the Company and The Bank of New York Mellon, a New York banking corporation (formerly known as The Bank of New York), as successor to JPMorgan Chase Bank, N.A., as Trustee (the “Trustee”). The Company’s InterNotes® and its Retail Medium-Term Notes constitute a single series of debt securities under the Indenture. The terms of the Notes are described in the Prospectus referred to below.

Subject to the terms and conditions contained in this Agreement, the Company hereby (1) appoints each of you as agent of the Company (each, an “Agent” and together, the “Agents”) for the purpose of soliciting offers to purchase Notes and each of you hereby agrees to use your reasonable best efforts to solicit offers to purchase Notes upon terms acceptable to the Company at such times and in such amounts as the Company shall from time to time specify and in accordance with the terms hereof, and after consultation with Incapital LLC (the “Purchasing Agent”) and (2) agrees that whenever the Company determines to sell Notes pursuant to this Agreement, such Notes shall be sold pursuant to a Terms Agreement (as defined herein) relating to such sale in accordance with the provisions of Section V hereof between the Company and the Purchasing Agent, with the Purchasing Agent purchasing such Notes as principal for resale to other Agents or dealers (the “Selected Dealers”), each of whom will purchase as principal. The Company reserves the right to enter into agreements substantially similar hereto with other agents and in particular, it is understood that the Company has entered into a similar agreement dated as of _____, 2009 with respect to its Retail Medium-Term Notes.

I.

The Company has filed with the Securities and Exchange Commission (the “Commission”) an automatic shelf registration statement, as defined under Rule 405 under the Securities Act of 1933, as amended (the “Securities Act”), on Form S-3 (File Nos. 333-[—], 333-[—] and 333-[—]), not earlier than three years prior to the date hereof; the base prospectus filed as part of such registration statement, in the form in which it has most recently been filed with the Commission on or prior to the date of this Agreement, is hereinafter called the “Basic

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Prospectus”; the various parts of such registration statement, including all exhibits thereto but excluding all Forms T-1 and including any prospectus supplement relating to the Notes that is filed with the Commission and deemed by virtue of Rule 430B to be part of such registration statement, each as amended or supplemented at the time such part of such registration statement became effective, are hereinafter collectively called the “Registration Statement”; the Basic Prospectus, as supplemented by the prospectus supplement dated , 2009 relating to the Notes, is hereinafter called the “Prospectus”; any reference herein to the Basic Prospectus or the Prospectus shall be deemed to refer to and include the documents incorporated by reference therein pursuant to Item 12 of Form S-3 under the Securities Act, as of the date of such prospectus; any supplement to the Prospectus that sets forth only the terms of a particular issue of the Notes is hereinafter called a “Pricing Supplement”; any reference to any amendment or supplement to the Prospectus shall be deemed to refer to and include any prospectus supplement (including any preliminary prospectus supplement) relating to the Notes filed with the Commission pursuant to Rule 424(b) under the Securities Act and any documents filed under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), and incorporated therein, in each case after the date of the Basic Prospectus or the Prospectus, as the case may be; any reference to any amendment to the Registration Statement shall be deemed to refer to and include any annual report of the Company filed pursuant to Section 13(a) or 15(d) of the Exchange Act after the effective date of the Registration Statement that is incorporated by reference in the Registration Statement. The Registration Statement has become effective, and the Indenture has been qualified under the Trust Indenture Act of 1939, as amended (the “Trust Indenture Act”).

II.

The Agents’ obligations hereunder are subject to the accuracy of the representations and warranties on the part of the Company herein contained, to the accuracy of the statements of the Company’s officers made in any certificates furnished pursuant to the provisions hereof, to the performance and observance by the Company of all of its covenants and agreements herein contained, and to the following additional conditions (it being understood that references in Sections II(a) through II(d) to the “Disclosure Package” (as defined in Section VII(c)) shall be deemed to apply only when the documents described in this section are required to be delivered in connection with an issuance of Notes pursuant to the requirements of Section VIII hereof):

(a) On the date hereof, the Agents shall have received the favorable opinion or opinions, dated the date hereof, of corporate counsel for the Company reasonably satisfactory to the Agents, in form and scope reasonably satisfactory to the Agents, to the following effect:

(1) The Company has been duly incorporated and is an existing corporation in good standing under the laws of the State of New Jersey. The Company has power and authority, corporate and other, to own its properties and to conduct its business as described in the Disclosure Package and the Prospectus, as amended or supplemented, and to enter into and perform its obligations under this Agreement, any applicable Terms Agreement, the Indenture and the Notes.

(2) Prudential Investment Management, Inc. has been duly organized and is an existing corporation in good standing under the laws of the State of New Jersey; and
(B) The Prudential Insurance Company of America has been duly organized and is a validly existing stock life insurance company in good standing under the laws of the State of New Jersey.

(3) To the extent that each of The Gibraltar Life Insurance Company, Ltd. and The Prudential Life Insurance Company, Ltd. is a “significant subsidiary” of the Company within the meaning of Rule 1-02 of Regulation S-X under the Securities Act, each such subsidiary has been duly incorporated and is an existing Japanese *kabushiki kaisha* in good standing under the laws of Japan.

(4) This Agreement has been duly authorized, executed and delivered by the Company, and any applicable Terms Agreement has been duly authorized by the Company. The Indenture has been duly authorized, executed and delivered by the Company and has been duly qualified under the Trust Indenture Act and is a valid and binding agreement of the Company, enforceable against the Company in accordance with its terms, except as enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium, fraudulent transfer and other similar laws relating to or affecting enforcement of creditors’ rights generally or by general equitable principles (regardless of whether such enforceability is considered in a proceeding in equity or at law).

(5) The issuance and sale of the Notes have been authorized by the Company. The master global note evidencing the Notes has been duly executed and delivered by the Company, and, assuming that such master global note has been duly authenticated and delivered by or on behalf of the Trustee or the predecessor trustee, when the Notes evidenced thereby have been duly issued and delivered in accordance with the Company’s Supplemental Authentication Order to the Trustee and the Issuing Agent dated as of the date hereof, the Notes will constitute valid and binding obligations of the Company, enforceable against the Company in accordance with their terms, except as enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium, fraudulent transfer or other similar laws relating to or affecting enforcement of creditors’ rights generally or by general equitable principles (regardless of whether such enforceability is considered in a proceeding in equity or at law).

(6) Such counsel does not know of any litigation or governmental proceeding instituted or threatened against the Company or any of its consolidated subsidiaries that would be required to be described in the Prospectus, as amended or supplemented, and is not so described; and no legal or governmental proceeding is pending or, to such counsel’s knowledge, is currently being threatened challenging the offering of the Notes that would be required to be described in the Prospectus, as amended or supplemented, and is not so described.

(7) No authorization, decree, approval, consent, order, registration or qualification of or with any court or governmental authority, agency or official is required to be obtained by the Company in connection with the execution, delivery or performance by the Company of this Agreement, the Indenture, any applicable Terms Agreement or the Notes, or in connection with the offering, issuance or sale of the Notes or the consummation of any of the transactions contemplated therein, except such as have been obtained and made under the Securities Act and the Trust Indenture Act and such as may be required under state securities or “Blue Sky” laws (as to which such counsel need express no opinion).

(8) The execution and delivery of this Agreement, any applicable Terms Agreement, the Indenture and the Notes, the consummation by the Company of the transactions contemplated herein and therein, and the compliance by the Company with its obligations hereunder and thereunder, will not result in a breach of, or default under, any material contract, indenture, mortgage, loan agreement, note, lease or other material agreement or instrument known to such counsel (after due inquiry and investigation) to which the Company is a party or by which it may be bound or to which any of the property or assets of the Company is subject, nor will such action result in any violation of the provisions of the Amended and Restated Certificate of Incorporation or By-Laws of the Company or any New York, New Jersey or United States federal statute or law or any order, rule or regulation of any court or insurance regulatory agency or other governmental agency or body having jurisdiction over the Company or any of its properties, except (other than with respect to the provisions of the Amended and Restated Certificate of Incorporation and By-Laws of the Company) to the extent that such breach, default or violation would not have individually or in the aggregate, a material adverse effect on the business, management, financial position, shareholders' equity or results of operations (in each case considered on a U.S. generally accepted accounting principles ("GAAP") basis) of the Company and its subsidiaries, considered as a whole (a "Material Adverse Effect"); *provided, however*, that, for purposes of this opinion (8), such counsel need not express any opinion with respect to federal and state securities laws, other antifraud laws and fraudulent transfer laws.

(9) (A) To such counsel's knowledge, each of the Company, and, to the extent that each of the following entities is a "significant subsidiary" of the Company within the meaning of Rule 1-02 of Regulation S-X under the Securities Act, each of Prudential Investment Management, Inc. and The Prudential Insurance Company of America is registered in all capacities with each federal, state, local or other governmental authority and is registered with, a member of, or a participant in, each self-regulatory organization, in each case, as is necessary to conduct its business as described in or contemplated by the Disclosure Package and the Prospectus, as amended or supplemented, except as set forth in the Disclosure Package and the Prospectus, as amended or supplemented, except where failure to be so registered would not have, individually or in the aggregate, a Material Adverse Effect; (B) to such counsel's knowledge, all such registrations and memberships are in full force and effect and neither the Company nor any of its subsidiaries has received any notice of any event, inquiry, investigation or proceeding that would reasonably be expected to result in the suspension, revocation or limitation of any such registrations or memberships, except as set forth in the Disclosure Package and the Prospectus, as amended or supplemented, and except as would not have, individually or in the aggregate, a Material Adverse Effect; and (C) to such counsel's knowledge, each of the Company and its subsidiaries is in compliance with all applicable laws, rules, regulations, orders, By-Laws and similar requirements in connection with such registrations or memberships, as the case may be, except as set forth in the Disclosure Package and the Prospectus, as amended or supplemented, and except as would not have, individually or in the aggregate, a Material Adverse Effect.

(10) To such counsel's knowledge, and, to the extent that each of the following entities is a "significant subsidiary" of the Company within the meaning of Rule 1-02 of Regulation S-X under the Securities Act, (A) each of The Gibraltar Life Insurance Company, Ltd. and The Prudential Life Insurance Company, Ltd. is registered with the Japanese Financial Supervisory Authority; (B) such registration is in full force and effect and neither The Gibraltar Life Insurance Company, Ltd. nor The Prudential Life Insurance Company, Ltd. has received any notice of any event, inquiry, investigation or proceeding that would reasonably be expected to result in the suspension, revocation or limitation of any such registration, except as set forth in the Disclosure Package and the Prospectus, as amended or supplemented, and except as would not have, individually or in the aggregate, a Material Adverse Effect; and (C) each of The Gibraltar Life Insurance Company, Ltd. and The Prudential Life Insurance Company, Ltd. is in compliance with all applicable laws, rules, regulations, orders, By-Laws and similar requirements in connection with such registration, except as set forth in the Disclosure Package and the Prospectus, as amended or supplemented, and except as would not have, individually or in the aggregate, a Material Adverse Effect.

(11) The statements set forth under the heading "Description of the Notes" in the Disclosure Package and in the Prospectus, as amended or supplemented, insofar as such statements purport to summarize certain provisions of the Notes and the Indenture, provide a fair summary of such provisions.

In rendering such opinion, such counsel may state that such counsel expresses no opinion as to the laws of any jurisdiction other than the federal laws of the United States and the laws of the States of New Jersey and New York and that such counsel is expressing no opinion as to the effect of the laws of any other jurisdiction; that, as to certain factual matters, such counsel has relied upon certificates of officers of the Company and its subsidiaries and certificates of public officials and other sources believed by such counsel to be responsible; and that such counsel has assumed that the Indenture has been duly authorized, executed and delivered by the Trustee, that the Notes conform to the form thereof examined by such counsel (or members of the Company's legal department), that the Trustee's certificates of authentication of the Notes have been manually signed by one of the Trustee's authorized signatories and that the signatures on all documents examined by such counsel (or members of the Company's legal department) are genuine (assumptions that such counsel has not independently verified). In addition, such counsel may state that such counsel has examined, or caused to be examined under such counsel's direction, certificates of public officials, and copies, certified or otherwise identified to such counsel's satisfaction, of such corporate documents and records of the Company, and of such other records, certificates, documents and other instruments as such counsel has deemed relevant and necessary or appropriate as a basis for such opinion.

Such counsel may also state that such counsel has consulted with certain attorneys in the Company's law department and has relied, to the extent that such counsel deemed such reliance proper, upon certificates of officers of the Company with respect to the accuracy of material factual matters that were not independently established. In addition, on the basis of such counsel's own knowledge and knowledge such counsel has gained from attorneys in the Company's law department, with whom such counsel has consulted for the purpose of preparing

the Company's disclosure documents incorporated by reference in the Registration Statement and Prospectus, considered in the light of such counsel's understanding of the applicable law and experience such counsel has gained through such counsel's practice in this field, such counsel shall confirm: (i) that the Registration Statement, as of its most recent effective date determined pursuant to Rule 430B(f)(2) under the Securities Act, and the Prospectus, as amended or supplemented, as of the date thereof (or, if such opinion is being delivered in connection with the purchase of Notes by any Agent as principal pursuant to Section VIII(c) hereof, at the date of the applicable Terms Agreement and the date of delivery of such Notes (the "Settlement Date") with respect thereto), appeared or appear on their face to be appropriately responsive in all material respects to the requirements of the Securities Act and the applicable rules and regulations of the Commission thereunder and (ii) that nothing has come to such counsel's attention that has caused such counsel to believe that the Registration Statement, as of its most recent effective date determined pursuant to Rule 430B(f)(2) under the Securities Act, contained any untrue statement of a material fact or omitted to state any material fact required to be stated therein or necessary to make the statements therein not misleading or that the Prospectus, as amended or supplemented, as of the date thereof or as of the date of the applicable Terms Agreement and as of the Settlement Date with respect thereto, includes an untrue statement of a material fact or omits to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading. In addition, if such opinion is being delivered in connection with the purchase of the Notes by any Agent as principal pursuant to Section VIII(c) hereof, such counsel shall state that nothing that came to such counsel's attention in the course of the Company's review has caused such counsel to believe that the Disclosure Package (when considered together with the terms of the Notes specified in, and the information on the front cover of, the Pricing Supplement, if the Disclosure Package does not contain such terms and information) as of the Applicable Time (as defined in VII(c)) in respect of such Notes, contained any untrue statement of a material fact or omitted to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading. Such counsel may also state that to the extent any of the opinions of this Section II(a) involve Japanese law, such counsel has relied with the Agents' permission on the opinions of the Chief Legal Officer of each of The Gibraltar Life Insurance Company, Ltd. and The Prudential Life Insurance Company, Ltd., addressed to the Agents. Such counsel may also state that to the extent any of the opinions of this Section II(a) involve New York or New Jersey law, such counsel has relied with the Agents' permission on the opinion of either Brian J. Morris, Vice President and Corporate Counsel of the Company, or John M. Cafiero, Vice President and Corporate Counsel of the Company, each of whom is admitted to practice law in the State of New York, addressed to the Agents. Such counsel may also state that the limitations inherent in the independent verification of factual matters and the character of determinations involved in the preparation of the Registration Statement, the Disclosure Package or the Prospectus as amended or supplemented are such that such counsel does not assume any responsibility for the accuracy, completeness or fairness of the statements contained in the Registration Statement, the Disclosure Package or the Prospectus, as amended or supplemented, (except to the extent expressly set forth in paragraph (11) above). Such counsel may state that he or she does not express any opinion or belief as to the financial statements or other financial data contained in the Registration Statement, the Disclosure Package or the Prospectus, as amended or supplemented, or as to the statement of the eligibility of the Trustee under the Indenture under which the Notes are being issued.

(b) On the date hereof, the Agents shall have received the favorable opinion, dated the date hereof, of Cleary Gottlieb Steen & Hamilton LLP, counsel to the Agents, in form and scope reasonably satisfactory to the Agents, with respect to the validity of the Indenture and the Notes, the Registration Statement, the Disclosure Package and the Prospectus, as amended or supplemented, and other related matters as such Agent or Agents may reasonably request.

(c) On the date hereof, the Agents shall have received a certificate of the President or any Vice President and the Treasurer or any Assistant Treasurer of the Company, dated as of the date hereof, to the effect that (i) since the respective dates as of which information is given in the Disclosure Package and the Prospectus, as then amended or supplemented, there has not been any material change in the stockholders' equity or long-term debt of the Company (other than as a result of the sale of (A) Notes and the Company's Retail Medium-Term Notes, (B) notes issued pursuant to the Company's Medium-Term Note Program or Euro Medium-Term Note Programme, (C) notes issued pursuant to the Commercial Paper Program of either the Company or Prudential Funding, LLC, (D) equity securities issued in connection with the Company's Floating Rate Convertible Senior Notes due 2036, (E) equity securities issued in connection with the Company's Floating Rate Convertible Senior Notes due 2037 or (F) borrowings with the Federal Home Loan Bank of New York by The Prudential Insurance Company of America) or any material adverse change, or any development which will involve a prospective material adverse change, in or affecting the business, management, financial position, shareholders' equity or results of operations of the Company and its subsidiaries considered as a whole; (ii) the representations and warranties of the Company contained in Section VII hereof are true and correct with the same force and effect as though expressly made at and as of the date of such certificate; (iii) the Company has performed or complied with all agreements and satisfied all conditions on its part to be performed or satisfied in connection with the performance of its obligations hereunder at or prior to the date of such certificate; and (iv) no Event of Default (as defined in the Indenture), or event which, with the giving of notice or the lapse of time or both, would constitute an Event of Default, shall have occurred and be continuing.

(d) On the date hereof, each Agent shall have received from PricewaterhouseCoopers LLC a letter in form and substance satisfactory to the Agents, dated as of the date hereof, containing statements and information of the type ordinarily included in accountants' "comfort letters" to underwriters with respect to the financial statements and certain financial information contained in or incorporated by reference into the Disclosure Package and the Prospectus, as then amended or supplemented.

(e) On or prior to the time any Agent purchases Notes pursuant to a Terms Agreement: (i) there shall not have been any litigation or proceeding threatened or pending to restrain or enjoin the issuance or delivery of the Notes, or which in any way questions or affects the validity of the Notes; (ii) there shall not have occurred, since the date of the Terms Agreement, any downgrading nor shall any notice have been given of (A) any downgrading, (B) any intended or potential downgrading or (C) any review or possible change with possible negative implications in the rating accorded any debt security or preferred stock of the Company by any "nationally recognized statistical rating organization", as such term is defined by the Commission for purposes of Rule 436(g)(2) under the Securities Act; (iii) there shall not have been since the respective dates as to which information is given in the Disclosure Package and the Prospectus any material decrease in the stockholders' equity of the Company or any material increase in the consolidated long-term debt of the Company (other than as a result of the sale of

(A) Notes and the Company's Retail Medium-Term Notes, (B) notes issued pursuant to the Company's Medium-Term Note Program or Euro Medium-Term Note Programme, (C) notes issued pursuant to the Commercial Paper Program of either the Company or Prudential Funding, LLC, (D) equity securities issued in connection with the Company's Floating Rate Convertible Senior Notes due 2036, (E) equity securities issued in connection with the Company's Floating Rate Convertible Senior Notes due 2037 or (F) borrowings with the Federal Home Loan Bank of New York by The Prudential Insurance Company of America) or any material adverse change, or any development involving a prospective material adverse change, in or affecting the business, management, financial position, shareholders' equity or results of operations of the Company and its subsidiaries, considered as a whole, in each case other than as set forth in the Disclosure Package and the Prospectus, as then amended or supplemented, the effect of which in the judgment of the Purchasing Agent makes it impracticable or inadvisable to proceed with the purchase by any Agent of Notes from the Company on the terms and in the manner contemplated in the Disclosure Package and the Prospectus, as then amended or supplemented; and neither the Company nor any of its subsidiaries has sustained since the date of the latest audited financial statements included or incorporated by reference in the Disclosure Package and the Prospectus, as then amended or supplemented, any loss or interference with its business from fire, explosion, flood or other calamity, whether or not covered by insurance (excluding, for the avoidance of doubt, any insurance underwriting losses of the Company or its subsidiaries), or from any labor dispute or court or governmental action, order or decree, in each case other than as set forth or contemplated in the Disclosure Package and the Prospectus, as then amended or supplemented; (iv) (A) trading generally shall not have been suspended or materially limited on the New York Stock Exchange, the Financial Industry Regulatory Authority, Inc. or in the over-the-counter market in debt securities, (B) trading of any securities of or guaranteed by the Company shall not have been suspended or materially limited on the New York Stock Exchange, the Financial Industry Regulatory Authority, Inc. or in any over-the-counter market in debt securities, (C) a general moratorium on commercial banking activities in New York shall not have been declared by either Federal, New York State or New Jersey authorities nor shall a material disruption in commercial banking or securities settlement or clearance services in the United States or other relevant jurisdiction have occurred, or (D) there shall not have occurred any outbreak or escalation of hostilities or the declaration by the United States of a national emergency or war or any other calamity or crisis involving the United States or any change in national or international financial, political or economic conditions or currency exchange rates or controls that, in the judgment of the Purchasing Agent makes it impracticable or inadvisable to proceed with the purchase by any Agent of Notes from the Company on the terms and in the manner contemplated in the Disclosure Package and the Prospectus, as amended or supplemented, at the time an offer to purchase was solicited or at the time such offer to purchase was made; and (v) no Event of Default, or event which, with the giving of notice or the lapse of time or both, would constitute an Event of Default, shall have occurred and be continuing.

III.

The Company covenants and agrees with each Agent as follows:

(a) Prior to the termination of the offering of the Notes pursuant to this Agreement or any Terms Agreement, the Company will not file any prospectus supplement or, except as provided below, any Pricing Supplement or any amendment to the Registration Statement unless

the Company has previously furnished to the Agents copies thereof for their review and will not file any such proposed supplement or amendment to which the Agents reasonably object; *provided, however*, that (i) the foregoing requirement shall not apply to any of the Company's periodic filings with the Commission filed pursuant to Section 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934, as amended, (the "Exchange Act") and (ii) any Pricing Supplement that merely sets forth the terms or a description of particular Notes shall only be reviewed and approved by the Agent or Agents offering such Notes. Subject to the foregoing sentence, the Company will promptly cause each prospectus supplement relating to the Notes, including each Pricing Supplement, to be filed with or transmitted for filing to the Commission in accordance with Rule 424(b) under the Securities Act. If required by Rule 430B(h) under the Securities Act, the Company shall prepare a form of prospectus in a form approved by the Agents and will file such form of prospectus pursuant to Rule 424(b) under the Securities Act not later than may be required by Rule 424(b) under the Securities Act; and the Company shall make no further amendment or supplement to such form of prospectus which shall be disapproved by the Agents promptly after reasonable notice thereof. The Company will promptly advise the Agents (i) of the filing of any amendment or supplement to the Prospectus (except that notice of the filing of an amendment or supplement to the Prospectus that merely sets forth the terms or a description of particular Notes shall only be given to the Agent or Agents offering such Notes), (ii) of the filing and effectiveness of any amendment to the Registration Statement, (iii) of any request by the Commission for any amendment to the Registration Statement or any amendment or supplement to the Prospectus or for any additional information, (iv) of the issuance by the Commission of any stop order suspending the effectiveness of the Registration Statement or any part thereof or of any notice of objection of the Commission to the use of the Registration Statement or any post-effective amendment thereto pursuant to Rule 401(g)(2) under the Securities Act or the institution or threatening of any proceeding for that purpose and (v) of the receipt by the Company of any notification with respect to the suspension of the qualification of the Notes for sale in any jurisdiction or the initiation or threatening of any proceeding for such purpose. Prior to the termination of the offering of the Notes pursuant to this Agreement or any Terms Agreement, the Company will use its reasonable efforts to prevent the issuance of any such stop order, notice of objection or notice of suspension of qualification and, in the event of the issuance of any such stop order or notice of suspension or qualification, the Company will use promptly its commercially reasonable efforts to obtain its withdrawal, and in the event of any such issuance of a notice of objection, the Company promptly will take such steps, including, without limitation, amending the Registration Statement or filing a new registration statement, at its own expense, as may be necessary to permit offers and sales of the Notes by the Agents (reference herein to the "Registration Statement" shall include any such amendment or new registration statement). If the Prospectus is amended or supplemented as a result of the filing under the Exchange Act of any document incorporated by reference in the Prospectus, no Agent shall be obligated to solicit offers to purchase Notes so long as it is not reasonably satisfied with such document.

If any event shall occur or condition shall exist as a result of which the Disclosure Package or the Prospectus, as then amended or supplemented, in the opinion of counsel for the Agents or counsel for the Company, includes an untrue statement of a material fact or omits to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading, or if in the opinion of any such counsel it is necessary at any time to amend or supplement the Disclosure Package, the

Registration Statement or the Prospectus, as then amended or supplemented, to comply with applicable law, the Company shall prior to the acceptance of any offer to purchase Notes prepare and, subject to this Section III(a), cause to be filed with the Commission an “issuer free writing prospectus”, as defined in Rule 433 under the Securities Act (an “Issuer Free Writing Prospectus”) or an amendment or supplement to the Registration Statement or the Prospectus, as then amended or supplemented, in form and substance satisfactory to counsel for the Agents, that corrects such untrue statement or omission or effects such compliance and shall furnish such Issuer Free Writing Prospectus or amended or supplemented Prospectus, as the case may be, to the Agents in such numbers as they may require.

(b) Reasonably in advance of each time any annual report of the Company filed under the Exchange Act is incorporated by reference into the Prospectus, and each time the Company sells Notes to an Agent as principal pursuant to a written Terms Agreement and such Terms Agreement specifies the delivery of an opinion or opinions by Cleary Gottlieb Steen & Hamilton LLP, counsel to the Agents, as a condition to the purchase of Notes pursuant to such Terms Agreement, the Company shall furnish to such counsel such papers and information as they may reasonably request to enable them to furnish to such Agent the opinion or opinions referred to in Section II(b) hereof.

(c) The Company will endeavor, in cooperation with the Agents, to qualify the Notes for offering and sale under the applicable securities laws of such states and other jurisdictions as the Agents may reasonably designate, and will maintain such qualifications in effect for as long as may be required for the distribution of the Notes; *provided, however*, that the Company shall not be obligated to file any general consent to service of process or to qualify as a foreign corporation in any jurisdiction in which it is not so qualified. The Company will file such statements and reports as may be required by the laws of each jurisdiction in which the Notes have been qualified as above provided. The Company will promptly advise the Agents of the receipt by the Company of any notification with respect to the suspension of the qualification of the Notes for sale in any such state or jurisdiction or the initiating or threatening of any proceeding for such purpose.

(d) Between the date of any Terms Agreement and the Settlement Date with respect thereto, and if agreed to by the applicable Agent or Agents and the Company, the Company will not, without the prior written consent of each such Agent, directly or indirectly, sell, offer to sell, or enter into any agreement to sell, any debt securities of the Company which are substantially similar to the Notes that are to be sold pursuant to such Terms Agreement. Any notes sold under the Company’s Medium-Term Note Program or Euro-Medium-Term Note Programme shall not be considered to be “substantially similar” to the Notes for purposes of the immediately preceding sentence.

(e) The Company shall make generally available to its security holders as soon as practicable, but in any event not later than 16 months after the effective date of the Registration Statement (as defined in Rule 158(c) under the Securities Act), an earnings statement of the Company and its subsidiaries (which need not be audited) complying with Section 11(a) of the Securities Act and the rules and regulations of the Commission thereunder.

(f) The Company shall not be required to comply with the provisions of subsections (a) or (b) of this Section or the provisions of Section VIII hereof during any period from the time

that the Agents (i) shall have been notified (such notice to be confirmed in writing) by the Company to suspend solicitation of offers to purchase the Notes and (ii) shall not then hold any Notes purchased as principal pursuant hereto, until the time the Company shall have notified the Agents (such notice to be confirmed in writing) of the Company's determination that solicitation of purchases of the Notes should be resumed or any Agent shall subsequently purchase Notes from the Company as principal and the Company has subsequently delivered such documents required by Section VIII.

(g) The Company will use the net proceeds received by it from the sale from time to time of Notes in the manner specified in the Prospectus under "Use of Proceeds".

(h) The Company shall pay the required Commission filing fees relating to the Notes within the time required by Rule 456(b)(1) under the Securities Act and otherwise in accordance with Rules 456(b) and 457(r) under the Securities Act.

(i) With respect to any issue of Notes, but only if requested by the Agents offering such Notes prior to the Applicable Time, the Company shall prepare a final term sheet relating to such Notes substantially in the form set forth in Exhibit G hereto (the "Final Term Sheet") and shall file the Final Term Sheet pursuant to Rule 433(d) under the Securities Act within the time required by such rule.

(j) If by the third anniversary (the "Renewal Deadline") of the initial effective date of the Registration Statement, any of the Notes remain unsold by the Agents, the Company will file, if it has not already done so and is eligible to do so, a new automatic shelf registration statement relating to the Notes, in a form satisfactory to the Agents. If at the Renewal Deadline the Company is no longer eligible to file an automatic shelf registration statement, the Company will, if it has not already done so, file a new shelf registration statement relating to the Notes, in a form satisfactory to the Agents and will use its best efforts to cause such registration statement to be declared effective within 180 days after the Renewal Deadline. The Company will take all other action necessary or appropriate to permit the public offering and sale of the Notes to continue as contemplated in the expired registration statement relating to the Notes. References herein to the "Registration Statement" shall include such new automatic shelf registration statement or such new shelf registration statement, as the case may be.

IV.

(a) (i) In connection with each issue of Notes, the Company and each Agent agree as follows:

(ii) Each Agent represents that it has not made and will not make any offer relating to the Notes that constitutes or would constitute a "free writing prospectus" (as defined in Rule 405 under the Securities Act) or a portion thereof required to be filed (x) by the Company with the Commission or retained by the Company under Rule 433 under the Securities Act, other than the information contained in one or more preliminary term sheets or the Final Term Sheet, or (y) by such Agent pursuant to Rule 433(d)(1)(ii) under the Securities Act, in each case without the prior consent of the Company, and that Section 2 to the applicable Disclosure Package Schedule will include all such free writing prospectuses for which the Agents have received such consent.

(iii) The Company represents and agrees that it has not made and will not make any offer relating to the Notes that would constitute an Issuer Free Writing Prospectus without the prior consent of the Agents, and that Section 2 to the applicable Disclosure Package Schedule will include all such free writing prospectuses for which the Company has received such consent.

(b) (i) The Company agrees that it has complied and will comply, as the case may be, with the requirements of Rule 433 under the Securities Act, including in respect of timely filing with the Commission, legending and record keeping.

(ii) Each agent agrees that it will, pursuant to reasonable procedures developed in good faith, (x) retain copies of each free writing prospectus used or referred to by it, in accordance with Rule 433 under the Securities Act and (y) file any free writing prospectus used or referred by it as set forth in Rule 433(d)(1)(ii) under the Securities Act.

(c) The Company agrees that each Issuer Free Writing Prospectus, as of its issue date and at all subsequent times through the completion of the public offer and sale of the Notes or until any earlier date that the issuer notified or notifies the Agents as described in the next sentence, did not, does not and will not include any information that conflicted, conflicts or will conflict with the information contained in the Registration Statement or the Prospectus, as then amended or supplemented. The Company further agrees that if at any time following the issuance of an Issuer Free Writing Prospectus any event occurred or occurs as a result of which such Issuer Free Writing Prospectus, if not amended, would conflict with the information in the Registration Statement or the Prospectus, as then amended or supplemented, or would include an untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading, the Company will give prompt notice thereof to the Agents and will promptly amend or supplement, at its own expense, such Issuer Free Writing Prospectus to eliminate or correct such conflict, untrue statement or omission. The foregoing two sentences do not apply to statements in or omissions from any Issuer Free Writing Prospectus based upon and in conformity with written information furnished to the Company by any Agent specifically for use therein.

V.

(a) Notes shall be purchased by each Agent as principal. The Agents shall offer the Notes upon the terms and conditions set forth herein, in the Disclosure Package and in the Prospectus and upon the terms communicated to the Agents from time to time by the Company or the Purchasing Agent, as the case may be (which terms, unless otherwise agreed, may be agreed upon orally, with written confirmation prepared by such Agent or Agents and sent by facsimile to the Company). For the purpose of such sales the Agents will use the Disclosure Package, the Prospectus, as then amended or supplemented, and such term sheets and free writing prospectuses as are contemplated by Section IV(a) hereof which has been most recently distributed or made available to the Agents by the Company, and the Agents will offer and sell the Notes only as permitted or contemplated thereby and herein and will offer and sell the Notes only as permitted by the Securities Act and the applicable securities laws or regulations of any jurisdiction. An Agent's commitment to purchase Notes as principal shall be deemed to have

been made on the basis of the representations and warranties of the Company herein contained and shall be subject to the terms and conditions herein set forth. Unless the context otherwise requires, references herein to “this Agreement” shall include the agreement of one or more Agents to purchase Notes from the Company as principal.

The Company agrees to sell the Notes to the Purchasing Agent at a discount from the principal amount of each such Note equivalent to the applicable commission set forth in Exhibit A hereto; provided, however, that the Company and the Purchasing Agent may agree instead to a discount greater than or less than the percentages set forth on Exhibit A hereto. The actual aggregate discount with respect to each sale of Notes will be set forth in the related Terms Agreement and Pricing Supplement. The Purchasing Agent and the other Agents or selected broker-dealers (the “Selected Dealers”) will share the above-mentioned discount in such proportions as they may agree.

(b) Procedural details relating to the issue and delivery of, and the solicitation of purchases and payment for, the Notes are set forth in the Administrative Procedures attached hereto as Exhibit B (the “Procedures”), as amended from time to time. Unless otherwise provided in a Terms Agreement, the provisions of the Procedures shall apply to all transactions contemplated hereunder. The Agents and the Company each agree to perform the respective duties and obligations specifically provided to be performed by each in the Procedures as amended from time to time. The Procedures may only be amended by written agreement of the Company and the Agents.

VI.

Each sale of Notes shall be made in accordance with the terms of this Agreement, the Procedures and a separate agreement in substantially the form attached as Exhibit C (a “Terms Agreement”) to be entered into which will provide for the sale of such Notes to, and the purchase and reoffering thereof, by the Purchasing Agent as principal. A Terms Agreement may also specify certain provisions relating to the reoffering of such Notes by the Purchasing Agent. The offering of Notes by the Company hereunder and the Purchasing Agent’s agreement to purchase Notes pursuant to any Terms Agreement shall be deemed to have been made on the basis of the representations, warranties and agreements of the Company herein contained and shall be subject to the terms and conditions herein set forth. Each Terms Agreement shall describe the Notes to be purchased pursuant thereto by the Purchasing Agent as principal, and may specify, among other things, the principal amount of Notes to be purchased, the interest rate or interest rate basis (and whether such interest rate shall be fixed or floating) and maturity date or dates of such Notes, the interest payment dates, if any, the net proceeds to the Company, the initial public offering price at which the Notes are proposed to be reoffered, and the time, Settlement Date and place of delivery of and payment for such Notes, whether the Notes provide for a Survivor’s Option (as such term is defined in the Disclosure Package and the Prospectus), whether the Notes are redeemable or repayable and on what terms and conditions, and any other relevant terms. In connection with the resale of the Notes purchased, without the consent of the Company or the Purchasing Agent, the Agents are not authorized to appoint subagents or to engage the service of any other broker or dealer, other than the Selected Dealers, nor may any Agent reallocate any portion of the discount paid to it.

VII.

The Company represents and warrants to each Agent as of the date hereof, as of the date of each acceptance by the Company of an offer for the purchase of Notes (including any purchase by the Purchasing Agent as principal, pursuant to a Terms Agreement or otherwise), as of each Settlement Date, and as of any time that the Registration Statement or the Prospectus shall be amended or supplemented or there is filed with the Commission any document incorporated by reference into the Prospectus (other than any Current Report on Form 8-K relating exclusively to the issuance of debt securities under the Registration Statement) (each of the times referenced above being referred to herein as a “Representation Date”) as follows, except as provided in Section VII(c)(i) hereof:

(a) The Registration Statement and any post-effective amendment thereto has been filed with the Commission and has become effective; no stop order suspending the effectiveness of the Registration Statement or any part thereof has been issued and, to the knowledge of the Company, no proceeding for that purpose has been initiated or threatened by the Commission, and no notice of objection of the Commission to the use of the Registration Statement or any post-effective amendment thereto pursuant to Rule 401(g)(2) under the Securities Act has been received by the Company.

(b) (i) Each document, if any, filed or to be filed pursuant to the Exchange Act and incorporated by reference in the Prospectus complied or will comply when so filed in all material respects with the Exchange Act and the applicable rules and regulations of the Commission thereunder, (ii) each part of the Registration Statement, when such part became effective, did not contain and each such part, as amended or supplemented, if applicable, will not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading, (iii) the Registration Statement and the Prospectus comply and, as amended or supplemented, if applicable, will comply in all material respects with the Securities Act and the applicable rules and regulations of the Commission thereunder and (iv) the Prospectus does not contain and, if applicable, will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, except that the representations and warranties set forth in this paragraph do not apply to statements or omissions in the Registration Statement or the Prospectus made in reliance upon and in conformity with information furnished in writing to the Company by any Agent expressly for use therein.

(c) (i) With respect to each issue of Notes, the “Applicable Time” will be such time as is specified as the Applicable Time in Section 1 of a schedule in the form of Exhibit F hereto, which schedule shall be prepared by the Company and approved by the Agents prior to or at the Applicable Time in connection with each issue of the Notes (the “Disclosure Package Schedule”), and the “Disclosure Package” will be the Prospectus, as amended or supplemented, at the Applicable Time together with such Issuer Free Writing Prospectus, if any, as may be listed in Section 2 of the Disclosure Package Schedule (ii) with respect to each such issue of Notes, the Disclosure Package (when considered together with the terms of the Notes specified in, and the information on the front cover of, the Pricing Supplement, if the Disclosure Package does not contain such terms and information), as of the Applicable Time, will not include any untrue statement of a material fact or omit to state any material fact necessary in order to make

the statements therein, in the light of the circumstances under which they are made, not misleading; and (iii) with respect to each such issue of Notes, each Issuer Free Writing Prospectus relating to the Notes listed in Section 2 of the Disclosure Package Schedule), if any, will not conflict with the information contained in the Registration Statement or the Prospectus; *provided, however*, that the representations and warranties in clauses (ii) and (iii) of this Section VII(c) shall not apply to statements or omissions made in the Disclosure Package in reliance upon and in conformity with information furnished in writing to the Company by any Agent expressly for use therein.

(d) The Company has been duly incorporated and is validly existing as a corporation in good standing under the laws of the State of New Jersey, with power and authority (corporate and other) to own its properties and to conduct its business as described in the Disclosure Package and the Prospectus, and has been duly qualified as a foreign corporation for the transaction of business and is in good standing under the laws of each other jurisdiction in which it owns or leases properties or conducts any business so as to require such qualification, except to the extent that the failure to be so qualified or in good standing would not have, individually or in the aggregate, a Material Adverse Effect.

(e) Each of this Agreement and any applicable Terms Agreement has been duly authorized, executed and delivered by the Company; the Indenture has been duly qualified under the Trust Indenture Act and has been duly authorized, executed and delivered by the Company and is a valid and binding agreement of the Company, enforceable against the Company in accordance with its terms, except as enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws relating to or affecting enforcement of creditors' rights generally or by general equitable principles; the master global note evidencing the Notes has been duly executed and delivered by the Company, and, assuming that such master global note has been duly authenticated and delivered by or on behalf of the Trustee, when the Notes evidenced thereby have been duly issued and delivered in accordance with the Company's Supplemental Authentication Order to the Trustee and the Issuing Agent dated as of the date hereof, the Notes will constitute valid and binding obligations of the Company, enforceable against the Company in accordance with their terms, except as enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws relating to or affecting enforcement of creditors' rights generally or by general equitable principles; and the terms of the Indenture and the Notes in respect of which an offer to purchase has been accepted by the Company are or will be in all material respects accurately described in the Disclosure Package and the Prospectus.

(f) None of the Company or any of its subsidiaries has sustained since the date of the latest audited financial statements included in the Disclosure Package and the Prospectus any loss or interference with its business that is, individually or in the aggregate, material to the Company and its subsidiaries, considered as a whole, from fire, explosion, flood or other calamity, whether or not covered by insurance (excluding, for the avoidance of doubt, any insurance underwriting losses of the Company or its subsidiaries), or from any labor dispute or court or governmental action, order or decree, in each case other than as set forth or contemplated in the Disclosure Package and the Prospectus; and, since the respective dates as of which information is given in the Disclosure Package and the Prospectus, except as may otherwise be stated therein or contemplated thereby, (i) there has been no material decrease in the capital or surplus of the Company, (i) there has been no decrease in the capital stock of the

Company or any material increase in the consolidated long-term debt of the Company (other than, in each case, as a result of the sale of (A) Notes and the Company's Retail Medium-Term Notes, (B) notes issued pursuant to the Company's Medium-Term Note Program, or Euro Medium-Term Note Programme, (C) notes issued pursuant to the Commercial Paper Program of either the Company or Prudential Funding, LLC, (D) equity securities issued in connection with the Company's Floating Rate Convertible Senior Notes due 2036, (E) equity securities issued in connection with the Company's Floating Rate Convertible Senior Notes due 2037, or (F) borrowings with the Federal Home Loan Bank of New York by The Prudential Insurance Company of America) and (iii) there has been no material adverse change, or any development which will involve a prospective material adverse change, in or affecting the business, management, financial position, shareholders' equity (in each case considered on a GAAP basis) or the financial strength ratings of the Company and its subsidiaries considered as a whole.

(g) The execution and delivery of this Agreement, any applicable Terms Agreement, the Indenture and the Notes, the consummation of the transactions contemplated herein and therein and compliance by the Company with its obligations hereunder and thereunder, as the case may be, will not conflict with, or result in a breach or violation of, any of the terms or provisions of, or constitute a default under, any indenture, mortgage, deed of trust, loan agreement or other agreement or instrument to which the Company or any of its subsidiaries is a party or by which the Company, or any of its subsidiaries is bound or to which any of the property or assets of the Company or any of its subsidiaries is subject, nor will such actions result in any violation of the provisions of the Amended and Restated Certificate of Incorporation or By-Laws of the Company or the organizational documents of any of its subsidiaries or any statute or any order, rule or regulation of any court or insurance regulatory agency or other governmental agency or body having jurisdiction over the Company or any of its subsidiaries or any of their properties, except (other than with respect to the provisions of the Amended and Restated Certificate of Incorporation or By-Laws of the Company) to the extent that such a conflict, breach, default or violation would not have, individually or in the aggregate, a Material Adverse Effect.

(h) Neither the Company nor any of its subsidiaries is, or at any time of delivery of the Notes will be, in violation of its Amended and Restated Certificate of Incorporation or By-Laws or other organizational documents or instruments or in default in the performance or observance of any obligation, agreement, covenant or condition contained in any indenture, mortgage, deed of trust, loan agreement, lease or other agreement or instrument to which it is a party or by which it or any of its properties may be bound, which violation or default would have, individually or in the aggregate, a Material Adverse Effect.

(i) Other than litigation (none of which is reasonably likely to be material) incidental to the kinds of business conducted by the Company and its subsidiaries, there are no legal or governmental proceedings pending to which the Company or any of its subsidiaries is a party or of which any property of the Company or any of its subsidiaries is the subject which, individually or in the aggregate, could reasonably be expected to have a Material Adverse Effect, other than as set forth in the Disclosure Package and the Prospectus; and, to the best of the Company's knowledge, no such proceedings are threatened or contemplated by governmental authorities or threatened by others, other than as set forth in the Disclosure Package and the Prospectus.

(j) No consent or action of, or filing or registration with, any governmental or public regulatory body or authority, is required to be obtained by the Company in connection with the execution, delivery or performance by the Company of this Agreement, any applicable Terms Agreement, the Indenture or the Notes, except such as have been obtained and made under the Securities Act and the Trust Indenture Act and such as may be required under the securities or Blue Sky laws of the various states in connection with the offer and sale of the Notes.

(k) The Company is not, nor after giving effect to the transactions contemplated herein will be, an “investment company” as such term is defined in the U.S. Investment Company Act of 1940, as amended (the “1940 Act”).

(l) The obligations of the Company to pay the principal of and premium, if any, and interest on the Notes and any and all amounts that become due and payable under this Agreement constitute direct, unconditional and general obligations of the Company and rank and will rank *pari passu* in priority of payment with respect to all unsecured and unsubordinated indebtedness of the Company.

(m) PricewaterhouseCoopers LLP, who have certified certain financial statements of the Company and its subsidiaries, are an independent registered public accounting firm as required by the Securities Act, the rules and regulations of the Commission thereunder and the applicable rules and regulations of the Public Company Accounting Oversight Board (United States).

(n) The consolidated financial statements of the Company and its subsidiaries, together with the related schedules, notes and supplemental information, set forth in the Disclosure Package and the Prospectus, comply in all material respects with the requirements of the Securities Act and interpretations thereof and present fairly in all material respects the financial position, the results of operations and the changes in cash flows of such entities in conformity with GAAP at the respective dates or for the respective periods to which they apply; such statements and related schedules, notes and supplemental information have been prepared in accordance with GAAP consistently applied throughout the periods involved except for any normal year-end adjustments and except as described therein.

(o) (i) (A) At the time of filing the Registration Statement, (B) at the time of the most recent amendment thereto for the purposes of complying with Section 10(a)(3) of the Securities Act (whether such amendment was by post-effective amendment, incorporated report filed pursuant to Section 13 or 15(d) of the Exchange Act or form of prospectus) and (C) at the time the Company or any person acting on its behalf (within the meaning, for this clause only, of Rule 163(c) under the Securities Act) made any offer relating to the Notes in reliance on the exemption of Rule 163 under the Securities Act, the Company was a “well-known seasoned issuer” as defined in Rule 405 under the Securities Act; and (ii) at the earliest time after the filing of the Registration Statement that the Company or another offering participant made a *bona fide* offer (within the meaning of Rule 164(h)(2) under the Securities Act) of the Notes, the Company was not an “ineligible issuer” as defined in Rule 405 under the Securities Act.

VIII.

The Company covenants and agrees with each Agent that:

(a) Each acceptance by the Company of an offer for the purchase of Notes and each delivery of Notes, shall be deemed to be an affirmation that the representations and warranties contained in this Agreement are true and correct at the time of such acceptance or sale, as the case may be, and an undertaking that such representations and warranties will be true and correct at the time of delivery to the purchaser or its agent, or to the applicable Agent, of the Note or Notes relating to such acceptance or sale, as the case may be, as though made at and as of each such time (and it is understood that such representations and warranties shall relate to the Registration Statement and the Prospectus, each as amended and supplemented at each such time, and to the Disclosure Package at the Applicable Time relating thereto in respect of such Notes).

(b) Each time that there is filed with the Commission any Quarterly Report on Form 10-Q or Annual Report on Form 10-K incorporated by reference into the Prospectus, and otherwise only (i) as may be required in connection with a sale pursuant to Section V(a) or (ii) at such times as may be reasonably requested by the Agents in the event of a material change in circumstances in respect of the Company, the Company shall furnish or cause to be furnished to the Agent(s) forthwith a certificate dated the date of filing with the Commission of such document, the date requested by the Agents or the date of such sale, as the case may be, in form reasonably satisfactory to the Agent(s) to the effect that the statements contained in the certificate referred to in Section II(c) hereof which were last furnished to the Agents are true and correct at the time of such filing, as though made at and as of such time (except that such statements shall be deemed to relate to the Registration Statement and the Prospectus, each as amended and supplemented to such time, and, in the case of any such sale, to the Disclosure Package at the Applicable Time relating thereto) or, in lieu of such certificate, a certificate substantially similar to the certificate referred to in Section II(c) hereof, modified as necessary to relate to the Registration Statement and the Prospectus, each as amended and supplemented to the time of delivery of such certificate, and, in the case of any such sale, to the Disclosure Package at the Applicable Time relating thereto.

(c) Each time that there is filed with the Commission any Quarterly Report on Form 10-Q or Annual Report on Form 10-K incorporated by reference into the Prospectus, and otherwise only as may be required in connection with a sale pursuant to Section V(a), the Company shall furnish or cause to be furnished forthwith, and in any case promptly upon request, to the Agent(s) and to counsel to the Agents the written opinion of counsel to the Company referred to in Section II(a), or other counsel reasonably satisfactory to the Agent(s), dated the date of filing with the Commission of such document, the date requested by the Agent(s) or the date of such sale, as the case may be, in form and scope reasonably satisfactory to the Agent(s), of the same tenor as the opinions referred to in Section II(a) (except that, in the case of any interim report filed on Form 10-Q or other document or annual report on Form 10-K filed under the Exchange Act, such opinions need not be rendered as to the good standing of the entities referred to in Sections II(a)(2) and (3) hereof or as to the matters referred to in Section II(a)(9) and (10) hereof), but modified, as necessary, to relate to the Registration Statement and the Prospectus, each as amended and supplemented to the time of delivery of such opinion, and, in the case of any such sale, to the Disclosure Package at the Applicable Time relating thereto or,

in lieu of such opinion, counsel last furnishing such opinion to the Agents shall furnish the Agent(s) with a letter substantially to the effect that the Agent(s) may rely on such last opinion to the same extent as though it were dated the date of such letter authorizing reliance (except that statements in such last opinion shall be deemed to relate to the Registration Statement and the Prospectus as amended and supplemented to the time of delivery of such letter authorizing reliance, and, in the case of any such sale, to the Disclosure Package at the Applicable Time relating thereto).

(d) Each time that there is filed with the Commission any Quarterly Report on Form 10-Q or Annual Report on Form 10-K incorporated by reference into the Prospectus, and otherwise only as may be requested by the Agents in connection with a sale pursuant to Section V(a), the Company shall furnish or cause their independent registered public accountants to furnish such Agents (i) in the case of a sale, a letter dated the date of such sale, in form reasonably satisfactory to the Agent(s), substantially in the form of the letter referred to in Section II(d) hereof, (ii) in the case of a filing of an Annual Report on Form 10-K, a letter in form reasonably satisfactory to the Agent(s), substantially in the form of the letter referred to in Section II(d) hereof, and (iii) in the case of a Quarterly Report on Form 10-Q, a review letter from such accountants in conformity with the requirements of Statement of Accounting Standards No. 100, but modified as necessary to relate to the Registration Statement and Prospectus, each as amended and supplemented to the date of such letter, and, in the case of any such sale, to the Disclosure Package, at the Applicable Time relating thereto, and with such changes as may be necessary to reflect changes in the financial statements and other information derived from the accounting records of the Company.

IX.

(a) The Company will indemnify and hold harmless each Agent against any losses, claims, damages or liabilities, joint or several, to which such Agent may become subject, under the Securities Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon an untrue statement or alleged untrue statement of a material fact contained in the Registration Statement or any amendment thereof, the Prospectus, as amended or supplemented, any Issuer Free Writing Prospectus, any "issuer information" required to be filed pursuant to Rule 433(d) under the Securities Act or the information contained in any Final Term Sheet, or arise out of or are based upon the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, and will reimburse each Agent for any legal or other expenses reasonably incurred by it in connection with investigating or defending any action or claim as to which it is entitled to indemnification hereunder as such expenses are incurred; provided, however, that the Company shall not be liable in any such case to the extent that any such loss, claim, damage or liability arises out of or is based upon an untrue statement or alleged untrue statement or omission or alleged omission made in the Registration Statement or any amendment thereof, the Prospectus, as amended or supplemented, any Issuer Free Writing Prospectus, or any Final Term Sheet in reliance upon and in conformity with written information furnished to the Company by any Agent expressly for use therein.

(b) Each Agent, severally and not jointly, will indemnify and hold harmless the Company against any losses, claims, damages or liabilities to which the Company may become subject, under the Securities Act or otherwise, insofar as such losses, claims, damages or

liabilities (or actions in respect thereof) arise out of or are based upon an untrue statement or alleged untrue statement of a material fact contained in the Registration Statement or any amendment thereof, the Prospectus, as amended or supplemented, any Issuer Free Writing Prospectus or any Final Term Sheet, or arise out of or are based upon the omission or alleged omission to state therein a material fact required to be stated therein or necessary to make the statements therein not misleading, in each case to the extent, but only to the extent, that such untrue statement or alleged untrue statement or omission or alleged omission was made in the Registration Statement or any amendment thereof, the Prospectus, as amended or supplemented, any Issuer Free Writing Prospectus or any Final Term Sheet in reliance upon and in conformity with written information furnished to the Company by such Agent expressly for use therein; and will reimburse the Company for any legal or other expenses reasonably incurred by the Company in connection with investigating or defending any such action or claim as such expenses are incurred.

(c) Promptly after receipt by an indemnified party under subsection (a) or (b) above of notice of the commencement of any action, such indemnified party shall, if a claim in respect thereof is to be made against the indemnifying party under such subsection, notify the indemnifying party in writing of the commencement thereof; but the omission so to notify the indemnifying party shall not relieve it from any liability which it may have to any indemnified party otherwise than under such subsection. In case any such action shall be brought against any indemnified party and it shall notify the indemnifying party of the commencement thereof, the indemnifying party shall be entitled to participate therein and, to the extent that it shall wish, jointly with any other indemnifying party similarly notified, to assume the defense thereof, with counsel satisfactory to such indemnified party (who shall not, except with the consent of the indemnified party, be counsel to the indemnifying party) and, after notice from the indemnifying party to such indemnified party of its election so to assume the defense thereof, the indemnifying party shall not be liable to such indemnified party under such subsection for any legal expenses of other counsel or any other expenses, in each case subsequently incurred by such indemnified party, in connection with the defense thereof other than reasonable costs of investigation. No indemnifying party shall, without the written consent of the indemnified party, effect the settlement or compromise of, or consent to the entry of any judgment with respect to, any pending or threatened action or claim in respect of which indemnification or contribution may be sought hereunder (whether or not the indemnified party is an actual or potential party to such action or claim) unless such settlement, compromise or judgment (i) includes an unconditional release of the indemnified party (or such other release of the indemnified party as shall be satisfactory to the indemnified party) from all liability arising out of such action or claim and (ii) does not include a statement as to or an admission of fault, culpability or a failure to act, by or on behalf of any indemnified party.

(d) If the indemnification provided for in this Section IX is unavailable to or insufficient to hold harmless an indemnified party under subsection (a) or (b) above in respect of any losses, claims, damages or liabilities (or actions in respect thereof) referred to therein, then each indemnifying party shall contribute to the amount paid or payable by such indemnified party as a result of such losses, claims, damages or liabilities (or actions in respect thereof) in such proportion as is appropriate to reflect the relative benefits received by the Company on the one hand and the Agents on the other from the offering of the Notes to which such loss, claim, damage or liability (or action in respect thereof) relates. If, however, the allocation provided by

the immediately preceding sentence is not permitted by applicable law or if the indemnified party failed to give the notice required under subsection (c) above, then each indemnifying party shall contribute to such amount paid or payable by such indemnified party in such proportion as is appropriate to reflect not only such relative benefits but also the relative fault of the Company on the one hand and the Agents on the other in connection with the statements or omissions which resulted in such losses, claims, damages or liabilities (or actions in respect thereof), as well as any other relevant equitable considerations. The relative benefits received by the Company on the one hand and the Agents on the other shall be deemed to be in the same proportion as the total net proceeds from the offering of such Notes purchased under this Agreement (before deducting expenses) received by the Company bear to the total discounts and commissions received by the Agents with respect to such Notes purchased under this Agreement, in each case as set forth in Schedule A hereto. The relative fault shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the Company on the one hand or the Agents on the other and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission. The Company and the Agents agree that it would not be just and equitable if contributions pursuant to this subsection (d) were determined by *pro rata* allocation (even if the Agents were treated as one entity for such purpose) or by any other method of allocation which does not take account of the equitable considerations referred to above in this subsection (d). The amount paid or payable by an indemnified party as a result of the losses, claims, damages or liabilities (or actions in respect thereof) referred to above in this subsection (d) shall be deemed to include any legal or other expenses reasonably incurred by such indemnified party in connection with investigating or defending any such action or claim. Notwithstanding the provisions of this subsection (d), no Agent shall be required to contribute any amount in excess of the amount by which the total price at which the Notes purchased by it and distributed to or placed by it with investors were offered to investors exceeds the amount of any damages which such Agent has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. The Agents' obligations in this subsection (d) to contribute are several in proportion to their respective purchase obligations and not joint.

(e) The obligations of the Company under this Section IX shall be in addition to any liability which the Company may otherwise have and shall extend, upon the same terms and conditions, to each person, if any, who controls any Agent within the meaning of the Securities Act or the Exchange Act; and the obligations of the Agents under this Section IX shall be in addition to any liability which the respective Agents may otherwise have and shall extend, upon the same terms and conditions, to each officer and director of the Company (including any person who, with his or her consent, is named in the Prospectus as about to become a director of the Company) and to each person, if any, who controls the Company within the meaning of the Securities Act.

X.

The Company may elect to suspend or terminate the offering of Notes under this Agreement at any time; the Company also (as to any one or more of the Agents) or any Agent (as

to itself) may terminate the appointment and arrangements described in this Agreement. Upon receipt of instructions from the Company, the Purchasing Agent shall suspend or terminate the participation of any Selected Dealer under the Master Selected Dealer Agreement. Such actions may be taken, in the case of the Company, by giving prompt written notice of suspension to all of the Agents and by giving not less than five days' written notice of termination to the affected party and the other parties to this Agreement, or in the case of an Agent, by giving not less than five days' written notice of termination to the Company and except that, if at the time of termination an offer for the purchase of Notes shall have been accepted by the Company but the time of delivery to the purchaser or his agent of the Note or Notes relating thereto shall not yet have occurred, the Company shall have the obligations provided herein with respect to such Note or Notes. The Company shall promptly notify the other parties in writing of any such termination.

The Purchasing Agent may, and, upon the request of an Agent with respect to any Notes being purchased by such Agent shall, terminate any agreement hereunder by the Purchasing Agent to purchase such Notes, immediately upon notice to the Company at any time at or prior to the Settlement Date relating thereto, if there shall have come to the attention of the Purchasing Agent or such Agent or Agents any facts that would cause them to believe that the Disclosure Package, at the Applicable Time, or the Prospectus, at the time it was required to be delivered to a purchaser of Notes, included an untrue statement of a material fact or omitted to state a material fact necessary in order to make the statements therein, in light of the circumstances under which they were made or existing at the time of such delivery, not misleading. As used in this Section X, the term "Prospectus" means the Prospectus in the form first provided to the applicable Agent or Agents for use in confirming sales of the related Notes.

Any Terms Agreement shall be subject to termination in the absolute discretion of the Agents on the terms set forth or incorporated by reference therein. The termination of this Agreement shall not require termination of any agreement by the Purchasing Agent to purchase Notes as principal, and the termination of any such agreement shall not require termination of this Agreement.

If this Agreement is terminated, Sections IX, XIV and XV hereof shall survive and shall remain in effect; provided that if at the time of termination of this Agreement an offer to purchase Notes has been accepted by the Company but the time of delivery to the Purchasing Agent of such Notes has not occurred, the provisions of all of Section III, Section V and Section VI shall also survive until the time of delivery.

In the event a proposed offering is not completed according to the terms of this Agreement, an Agent will be reimbursed by the Company only for out-of-pocket accountable expenses actually incurred.

XI.

Except as otherwise specifically provided herein, all statements, requests, notices and advices hereunder shall be in writing, or by telephone if promptly confirmed in writing, and if to an Agent shall be sufficient in all respects if delivered in person or sent by telex, facsimile, e-mail transmission (confirmed in writing), or registered mail to such Agent at its address, telex or facsimile number set forth on Annex A hereto and if to the Company shall be sufficient in all

respects if delivered or sent by telex, facsimile, e-mail transmission (confirmed in writing) or registered mail to the Company at the address specified below. All such notices shall be effective on receipt.

If to the Company:

Prudential Financial, Inc.
751 Broad Street
Newark, NJ 07102
Attention: Assistant Treasurer – Capital Markets
Facsimile: 973-802-5267
Telephone: 973-802-6000

or at such other address as any such party may designate from time to time by notice duly given to the other parties hereto in accordance with the terms of this Section XI.

XII.

The Company acknowledges and agrees that: (i) the purchase and sale of the Notes pursuant to this Agreement and any Terms Agreement, including the determination of the public offering price of the Notes and any related discounts and commissions, is an arm's-length commercial transaction between the Company, on the one hand, and the Agents, on the other hand, and the Company is capable of evaluating and understanding and understands and accepts the terms, risks and conditions of the transactions contemplated by this Agreement and any Terms Agreement; (ii) in connection with each transaction contemplated hereby and the process leading to such transaction each Agent is and has been acting solely as a principal and is not the financial advisor, agent or fiduciary of the Company or its affiliates, stockholders, creditors or employees or any other party; (iii) no Agent has assumed or will assume an advisory, agency or fiduciary responsibility in favor of the Company with respect to any of the transactions contemplated hereby or the process leading thereto (irrespective of whether such Agent has advised or is currently advising the Company on other matters) and no Agent has any obligation to the Company with respect to the offering contemplated hereby except the obligations expressly set forth in this Agreement and any Terms Agreement; (iv) the Agents and their respective affiliates may be engaged in a broad range of transactions that involve interests that differ from those of the Company and that the Agents have no obligation to disclose any of such interests by virtue of any advisory, agency or fiduciary relationship; and (v) the Agents have not provided any legal, accounting, regulatory or tax advice with respect to the offering contemplated hereby and the Company has consulted its own legal, accounting, regulatory and tax advisors to the extent it deemed appropriate.

XIII.

This Agreement shall be binding upon the Agents and the Company, and inure solely to the benefit of the Agents and the Company and any other person expressly entitled to indemnification hereunder and the respective personal representatives, successors and assigns of each, and no other person shall acquire or have any rights under or by virtue of this Agreement.

XIV.

This Agreement shall be governed by and construed in accordance with the substantive laws of the State of New York. Each party to this Agreement irrevocably agrees that any legal action or proceeding against it arising out of or in connection with this Agreement or for recognition or enforcement of any judgment rendered against it in connection with this Agreement may be brought in any federal or New York State court sitting in the County of New York, New York, and, by execution and delivery of this Agreement, such party hereby irrevocably accepts and submits to the non-exclusive jurisdiction of each of the aforesaid courts in person, generally and unconditionally with respect to any such action or proceeding for itself and in respect of its property, assets and revenues. Each party hereby also irrevocably waives, to the fullest extent permitted by law, any objection which it may now or hereafter have to the laying of venue of any such action or proceeding brought in any such court and any claim that any such action or proceeding has been brought in an inconvenient forum.

XV.

Except as may otherwise be agreed by the Company, Banc of America Securities LLC and the Purchasing Agent, the Company will pay the following expenses incident to the performance of its obligations under this Agreement: (i) the preparation and filing of the Registration Statement; (ii) the preparation, issuance and delivery of the Notes; (iii) the fees and disbursements of the Company's auditors, of the Trustee and its counsel and of any paying or other agents appointed by the Company; (iv) the printing and delivery to the Agents in quantities as hereinabove stated of copies of the Registration Statement, the Prospectus and any Issuer Free Writing Prospectus (and, for the avoidance of doubt, not any other free writing prospectuses (as defined in Rule 405 under the Securities Act), all fees and expenses in relation to which shall be paid by the Agents); (v) if the Company lists Notes on a securities exchange, the costs and fees of such listing; (vi) the cost of providing CUSIP or other identification numbers for the Notes, (vii) the fees and expenses, if any, incurred with respect to any filing with the Financial Industry Regulatory Authority, Inc.; (viii) all reasonable expenses (including fees and disbursements of any counsel specifically engaged for Blue Sky purposes) in connection with "Blue Sky" qualifications, (ix) any fees charged by rating agencies for the rating of the Notes and (x) the reasonable fees and disbursements of Cleary Gottlieb Steen & Hamilton LLP, counsel for the Agents, incurred in connection with the establishment of the program relating to the Notes, and any amendment or supplement to this Agreement, the Indenture, any Terms Agreement, the Registration Statement or the Prospectus or the Notes and, if agreed to by the Company and the Purchasing Agent, any purchase of Notes by the Purchasing Agent as principal.

This Agreement may be executed by each of the parties hereto in any number of counterparts, and by each of the parties hereto on separate counterparts, each of which counterparts, when so executed and delivered, shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument. Facsimile signatures shall be deemed original signatures.

If the foregoing is in accordance with your understanding, please sign and return to us a counterpart hereof, and upon acceptance hereof by you, this letter and such acceptance hereof shall constitute a binding agreement between the Company and you.

Very truly yours,

PRUDENTIAL FINANCIAL, INC.

By: _____
Name:
Title:

Confirmed and accepted
as of the date first above written:

BANC OF AMERICA SECURITIES LLC

By: _____
Name:
Title:

INCAPITAL LLC

By: _____
Name:
Title:

BARCLAYS CAPITAL INC.

By: _____
Name:
Title:

CHARLES SCHWAB & CO., INC.

By: _____
Name:
Title:

CITIGROUP GLOBAL MARKETS INC.

By: _____
Name:
Title:

CREDIT SUISSE SECURITIES (USA) INC.

By: _____
Name: _____
Title: _____

DEUTSCHE BANK SECURITIES INC.

By: _____
Name: _____
Title: _____

FIDELITY CAPITAL MARKETS SERVICES, A DIVISION OF
NATIONAL FINANCIAL SERVICES LLC, MEMBER NYSE, SIPC

By: _____
Name: _____
Title: _____

J.P. MORGAN SECURITIES INC.

By: _____
Name: _____
Title: _____

MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED

By: _____
Name: _____
Title: _____

MORGAN STANLEY & CO. INCORPORATED

By: _____
Name: _____
Title: _____

MURIEL SIEBERT & CO., INC

By: _____
Name: _____
Title: _____

RBC CAPITAL MARKETS CORP.

By: _____
Name: _____
Title: _____

SAMUEL A. RAMIREZ & CO., INC

By: _____
Name: _____
Title: _____

UBS SECURITIES LLC

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

WACHOVIA SECURITIES, LLC

By: _____
Name: _____
Title: _____

AGENT CONTACT INFORMATION

Banc of America Securities LLC
One Bryant Park
NY 100-18-03
New York, New York 10036
Attention: Joseph A. Crowley
Tel: (646) 855-0742
Facsimile: (704) 264-2522

Incapital LLC
200 South Wacker Drive
Suite 3700
Chicago, IL 60606
Attention: Brian Walker
Tel: (312) 379-3750
Facsimile: (312) 379-3701

Barclays Capital Inc.
200 Park Avenue
New York, NY 10166
Attention: Investment Grade Syndicate
Facsimile: (212) 412-7305

Charles Schwab & Co., Inc.
345 California Street, 19th Floor (19-115)
San Francisco, CA 94104
Attention: Peter Campfield
Tel: (415) 667-5072
Facsimile: (415) 667-5087

Citigroup Global Markets Inc.
390 Greenwich Street, 4th Floor
New York, NY 10013
Attention: Peter Aherne
Tel: (212) 723-6104
Facsimile: (212) 723-8670

Credit Suisse Securities (USA) LLC
11 Madison Avenue
New York, NY 10010
Tel: (212) 325-7198
Facsimile: (212) 743-5825
Attention: Short Term Products Group

Deutsche Bank Securities Inc.
60 Wall Street, 2nd Floor
New York, New York 10005
Tel: (212) 250-6859
Facsimile: (212) 797-2202
Attention: Debt Capital Markets – Insurance Group

Fidelity Capital Markets Services, a division of National Financial Services LLC, Member
NYSE, SIPC
200 Seaport Blvd.
Boston, MA 02210
Mail Zone: Z2H
Attention: Blake Shepard
Tel: (617) 563-0800
Facsimile: (617) 692-4933

J.P. Morgan Securities Inc.
270 Park Avenue, 9th Floor
New York, New York 10017
Tel: (212) 834-5737
Facsimile: (212) 834-6702
Attention: Transaction Execution Group

Merrill Lynch, Pierce, Fenner & Smith Incorporated
4 World Financial Center
15th Floor
New York, NY 10080
Attention: Scott Primrose
Tel: (212) 449-7476
Facsimile: (212) 449-2234

Morgan Stanley & Co. Incorporated
1585 Broadway, 2nd Floor
New York, NY 10036
Attention: Harold Hendershot
Tel: (212) 761-1890
Facsimile: (212) 507-2409

Muriel Siebert & Co.
885 3rd Avenue
#1170
New York, NY 10022
Attention: Chris Myer
Tel: (212) 644-2466
Facsimile: (212) 486-2784

RBC Capital Markets Corp.
Three World Financial Center
200 Vesey Street
New York, NY 10281
Attention: Adam F. Molino
Tel: (212) 618-3240
Facsimile: (212) 858-7425

Samuel A. Ramirez & Co., Inc.
61 Broadway
Suite 2924
New York, NY 10006
Attention: Justin Kelly
Tel: (212) 248-3883
Facsimile: (212) 248-0528

UBS Securities LLC
800 Harbor Blvd.
3rd Floor
Weehawken, NJ 07087
Attention: Corporate Bond Financing
Tel: (201) 352-7150
Facsimile: (201) 272-2814

Wachovia Securities, LLC
One North Jefferson Avenue
St. Louis, MO 63103
Attention: Julie Pernicario
Tel: (314) 875-5000
Facsimile: (314) 955-4897

EXHIBIT A

CONCESSION SCHEDULE

The following Concessions are payable as a percentage of the non-discounted Price to Public of each Note sold through the Purchasing Agent.

9 months to less than 18 months	0.300%
18 months to less than 24 months	0.425%
24 months to less than 30 months	0.550%
30 months to less than 42 months	0.825%
42 months to less than 54 months	0.950%
54 months to less than 66 months	1.250%
66 months to less than 78 months	1.350%
78 months to less than 90 months	1.450%
90 months to less than 102 months	1.550%
102 months to less than 114 months	1.650%
114 months to less than 126 months	1.800%
126 months to less than 138 months	1.900%
138 months to less than 150 months	2.000%
150 months to less than 162 months	2.150%
162 months to less than 174 months	2.300%
174 months to less than 186 months	2.500%
186 months to less than 198 months	2.600%
198 months to less than 210 months	2.700%
210 months to less than 222 months	2.800%
222 months to less than 234 months	2.900%
234 months to 359 months	3.000%
360 months or greater	3.150%

Exh A-1

EXHIBIT B

Prudential Financial, Inc.

\$5,000,000,000

INTERNOTES®

DUE ONE YEAR OR MORE FROM DATE OF ISSUE

ADMINISTRATIVE PROCEDURES

InterNotes®, due one year or more from date of issue (the “Notes”) may be offered on a continuing basis by Prudential Financial, Inc. (the “Company”). The Notes will be offered by Incapital LLC (the “Purchasing Agent”), Barclays Capital, Inc., Charles Schwab & Co., Inc., Citigroup Global Markets Inc., Credit Suisse Securities (USA) LLC, Deutsche Bank Securities Inc., Fidelity Capital Markets Services, a division of National Financial Services LLC, Member NYSE, SIPC, J.P. Morgan Securities Inc., Merrill Lynch, Pierce, Fenner & Smith Incorporated, Morgan Stanley & Co. Incorporated, Muriel Siebert & Co., RBC Capital Markets Corp., Samuel A. Ramirez & Co., Inc, UBS Securities LLC, and Wachovia Securities, LLC (collectively, the “Agents”) pursuant to a Selling Agent Agreement among the Company and the Agents dated as of the date hereof (the “Selling Agent Agreement”) and one or more terms agreements substantially in the form attached to the Selling Agent Agreement as Exhibit C (each a “Terms Agreement”). The Notes are being resold by the Purchasing Agent (and by any Agent that purchases them from the Purchasing Agent) (i) directly to customers of the Agents or (ii) to selected broker-dealers (the “Selected Dealers”) for distribution to their customers pursuant to a Master Selected Dealer Agreement (a “Dealers Agreement”) attached to the Selling Agent Agreement as Exhibit E. The Notes have been registered with the Securities and Exchange Commission (the “Commission”). The Bank of New York Mellon, a New York banking corporation (formerly known as The Bank of New York), as successor to JPMorgan Chase Bank, N.A., is the Trustee (the “Trustee”) under the indenture, dated as of April 25, 2003, between the Company and JPMorgan Chase Bank, N.A. (formerly known as JPMorgan Chase Bank) (as amended or supplemented from time to time, the “Indenture”), covering, among other debt securities, the Notes. Pursuant to the terms of the Indenture, Citibank, N.A. will serve as issuing agent (the “Issuing Agent”) and paying agent (the “Paying Agent”).

Unless otherwise agreed by the Agents and the Company, Notes will be purchased by the Purchasing Agent as principal as set forth herein. Such purchases will be made in accordance with terms agreed upon by the Purchasing Agent and the Company (which terms, unless otherwise agreed, shall be agreed upon orally, with written confirmation prepared by the Agents and mailed, facsimiled or e-mailed to the Company).

Unless otherwise agreed by the Agents and the Company, the Notes will be issued in book-entry form only (each, a “Book-Entry Note”) and represented by a fully registered master global note without coupons (each, a “Master Global Note”) held by the Issuing Agent, as agent for The Depository Trust Company (“DTC”) and recorded in the book-entry system maintained by DTC. Owners of beneficial interests in Book-Entry Notes will be entitled to physical delivery of Notes issued in certificated form equal in principal amount to their respective beneficial interests only upon certain limited circumstances described in the Indenture.

InterNotes® is a registered servicemark of Incapital Holdings LLC

Exh B-1

Administrative procedures and specific terms of the offering are explained below. Administrative and record-keeping responsibilities will be handled for the Company by its Treasury Department. The Company will advise the Agents and the Issuing Agent in writing of those persons handling administrative responsibilities with whom the Agents and the Issuing Agent are to communicate regarding offers to purchase Notes and the details of their delivery.

Notes will be issued in accordance with the administrative procedures set forth herein. To the extent the procedures set forth below conflict with or omit certain of the provisions of the Notes, the Indenture, the Selling Agent Agreement or information set forth in the Disclosure Package (as defined in the Selling Agent Agreement), the Prospectus (as defined in the Selling Agent Agreement), as then amended or supplemented, or the Pricing Supplement (the Pricing Supplement and the Prospectus together referred to herein as the "Prospectus"), the relevant provisions of the Notes, the Indenture, the Selling Agent Agreement and the information set forth in the Disclosure Package and the Prospectus shall control. Capitalized terms used herein that are not otherwise defined shall have the meanings ascribed thereto in the Selling Agent Agreement, the Prospectus in the form most recently filed with the Commission pursuant to Rule 424 of the Securities Act of 1933, as amended (the "Securities Act"), or in the Indenture.

Administrative Procedures for Notes

In connection with the qualification of Notes for eligibility in the book-entry system maintained by DTC, the Issuing Agent will perform the custodial, document control and administrative functions described below, in accordance with its obligations under a Letter of Representations from the Company and the Issuing Agent to DTC, dated March 25, 2004, as made applicable to the Notes by a Bring-Down Letter of Representations from the Company and the Issuing Agent to DTC, dated , 2009 and a Medium-Term Note Certificate Agreement between the Issuing Agent and DTC (the "Certificate Agreement") dated October 31, 1988 and its obligations as a participant in DTC, including DTC's Same-Day Funds Settlement System ("SDFS"). The procedures set forth below may be modified (i) in compliance with DTC's then-applicable procedures and upon agreement by the Company, the Issuing Agent and the Purchasing Agent and (ii) if the Notes are sold outside of the United States, as agreed to by the Company, the Issuing Agent and the Purchasing Agent. Notes for which interest is calculated on the basis of a fixed interest rate, which may be zero, are referred to herein as "Fixed Rate Notes." Notes for which interest is calculated on the basis of a floating interest rate are referred to herein as "Floating Rate Notes."

Maturities: Each Note will mature on a date (the "Maturity Date") not less than one year after the date of delivery by the Company of such Note. Notes will mature on any date selected by the initial purchaser and agreed to by the Company. "Maturity" when used with respect to any Note means the date on which the outstanding principal amount of such Note becomes due and payable in full in accordance with its terms, whether at its Maturity Date or by declaration of acceleration, call for redemption, repayment or otherwise.

Issuance:	All Book-Entry Notes will be represented initially by a single Master Global Note in fully registered form without coupons. The Master Global Note will be dated and issued as of the date of its authentication by the Trustee. The Master Global Note will not represent any Note in certificated form.
Identification Numbers:	The Company has received from the CUSIP Service Bureau (the CUSIP Service Bureau”) of Standard & Poor’s Corporation (“Standard & Poor’s”) one series of CUSIP numbers consisting of approximately 900 CUSIP numbers for future assignment to the Book-Entry Notes. The Company will provide the Purchasing Agent, DTC and the Issuing Agent with a list of such CUSIP numbers. On behalf of the Company, the Purchasing Agent will assign CUSIP numbers as described below under Settlement Procedure “B”. DTC will notify the CUSIP Service Bureau periodically of the CUSIP numbers that the Company has assigned to Book-Entry Notes. The Company will reserve additional CUSIP numbers when necessary for assignment to Book-Entry Notes and will provide the Purchasing Agent, the Issuing Agent and DTC with the list of additional CUSIP numbers so obtained.
Registration:	Unless otherwise specified by DTC, the Master Global Note will be issued only in fully registered form without coupons. The Master Global Note will be registered in the name of Cede & Co., as nominee for DTC, on the Note Register maintained under the Indenture by the Issuing Agent. The beneficial owner of a Book-Entry Note (or one or more indirect participants in DTC designated by such owner) will designate one or more participants in DTC (with respect to such Book-Entry Note, the “Participants”) to act as agent or agents for such owner in connection with the book-entry system maintained by DTC, and DTC will record in book-entry form, in accordance with instructions provided by such Participants, a credit balance with respect to such beneficial owner of such Book-Entry Note in the account of such Participants. The ownership interest of such beneficial owner in such Book-Entry Note will be recorded through the records of such Participants or through the separate records of such Participants and one or more indirect participants in DTC.
Transfers:	Transfers of interests in a Book-Entry Note will be accomplished by book entries made by DTC and, in turn, by Participants (and in certain cases, one or more indirect participants in DTC) acting on behalf of beneficial transferors and transferees of such interests.

Consolidation and Exchanges:	The Issuing Agent, at the Company's request, may deliver to DTC and the CUSIP Service Bureau at any time a written notice of consolidation specifying (a) the CUSIP numbers of two or more Book-Entry Notes outstanding having the same terms (except that Issue Dates need not be the same) and for which interest, if any, has been paid to the same date and which otherwise constitute Book-Entry Notes of the same series and tenor under the Indenture, (b) a date, occurring at least 30 days after such written notice is delivered and at least 30 days before the next Interest Payment Date, if any, for such Book-Entry Notes shall be consolidated; and (c) a new CUSIP number, obtained from the Company, to be assigned to such consolidated Book-Entry Notes. Upon receipt of such a notice, DTC will send to its participants (including the Issuing Agent) and the Issuing Agent a written reorganization notice to the effect that such consolidation will occur on such date. Prior to the specified consolidation date, the Issuing Agent will deliver to the CUSIP Service Bureau written notice setting forth such consolidation date and the new CUSIP number and stating that, as of such exchange date, the CUSIP numbers of the Book-Entry Notes to be consolidated will no longer be valid. On the specified consolidation date, the Issuing Agent will consolidate on its records such Book-Entry Notes as a single Book-Entry Note bearing the new CUSIP number and dated the last Interest Payment Date to which interest has been paid on the underlying Book-Entry Notes, and the CUSIP numbers of the consolidated Book-Entry Notes will, in accordance with CUSIP Service Bureau procedures, be cancelled and not immediately reassigned.
Denominations:	Unless otherwise agreed by the Company, Notes will be issued in denominations of \$1,000 or more (in multiples of \$1,000).
Issue Price:	Unless otherwise specified in the applicable Disclosure Package and Pricing Supplement, each Note will be issued at the percentage of principal amount specified in the Disclosure Package and the Prospectus relating to such Note.
Interest:	<u>General.</u> Each Note will bear interest at either a fixed rate or a floating rate. Interest on each Note will accrue from the Issue Date of such Note for the first interest period and from the most recent Interest Payment Date to which interest has been paid for all subsequent interest periods. Except as set forth hereafter, each payment of interest on a Note will include interest accrued

to, but excluding, as the case may be, the Interest Payment Date or the date of Maturity (other than a Maturity Date of a Fixed Rate Note occurring on the 31st day of a month in which case such payment of interest will include interest accrued to but excluding the 30th day of such month) or on the date of redemption or repayment if a Note is repurchased by the Company prior to maturity pursuant to mandatory or optional redemption or repayment provisions or the Survivor's Option. Any payment of principal, premium or interest required to be made on a day that is not a Business Day (as defined below) may be made on the next succeeding Business Day, except that in the case of a Floating Rate Note for which the interest rate basis is LIBOR, if such Business Day is in the next succeeding calendar month, such Interest Payment Date will be the immediately preceding business day, and no interest shall accrue as a result of any such delayed payment.

Each pending deposit message described under Settlement Procedure "C" below will be routed to Standard & Poor's Corporation, which will use the message to include certain information regarding the related Notes in the appropriate daily bond report published by Standard & Poor's Corporation.

Each Note will bear interest from, and including, its Issue Date at the rate, or in accordance with the interest rate basis, set forth thereon and in the applicable Disclosure Package and Pricing Supplement until the principal amount thereof is paid, or made available for payment, in full.

Unless otherwise specified in the applicable Disclosure Package and Pricing Supplement, interest on each Note will be payable either monthly, quarterly, semi-annually or annually on each Interest Payment Date and at Maturity (or on the date of redemption or repayment if a Note is repurchased by the Company prior to maturity pursuant to mandatory or optional redemption or repayment provisions or the Survivor's Option). Interest will be payable to the person in whose name a Note is registered at the close of business on the Regular Record Date next preceding each Interest Payment Date; provided, however, interest payable at Maturity, on a date of redemption or repayment or in connection with the exercise of the Survivor's Option will be payable to the person to whom principal shall be payable.

The interest rates the Company will agree to pay on newly-issued Notes are subject to change without notice by the

Company from time to time, but no such change will affect any Notes already issued or as to which an offer to purchase has been accepted by the Company.

Unless otherwise specified in the applicable Disclosure Package and Pricing Supplement, the Interest Payment Dates for a Note that provides for monthly interest payments shall be the fifteenth day of each calendar month, commencing in the calendar month that next succeeds the month in which the Note is issued; in the case of a Note that provides for quarterly interest payments, the Interest Payment Dates shall be the fifteenth day of each third month, commencing in the third succeeding calendar month following the month in which the Note is issued; in the case of a Note that provides for semi-annual interest payments, the Interest Payment dates shall be the fifteenth day of each sixth month, commencing in the sixth succeeding calendar month following the month in which the Note is issued; in the case of a Note that provides for annual interest payments, the Interest Payment Date shall be the fifteenth day of every twelfth month, commencing in the twelfth succeeding calendar month following the month in which the Note is issued. Unless otherwise specified in the applicable Disclosure Package and Pricing Supplement, the Regular Record Date with respect to any Interest Payment Date shall be the first day of the calendar month in which such Interest Payment Date occurred, except that the Regular Record Date with respect to the final Interest Payment Date shall be the final Interest Payment Date.

Each payment of interest on a Note shall include accrued interest from and including the Issue Date or from and including the last day in respect of which interest has been paid (or duly provided for), as the case may be, to, but excluding, the Interest Payment Date, Maturity Date or date of redemption or repayment, as the case may be.

Calculation of Interest:

Fixed Rate Notes. Unless otherwise specified in the applicable Disclosure Package and Pricing Supplement, interest on Fixed Rate Notes (including interest for partial periods) will be calculated on the basis of a 360-day year of twelve 30-day months, and with respect to an incomplete month, the number of days elapsed calculated on the basis of a 30-day month.

Floating Rate Notes. Interest rates on Floating Rate Notes will be determined as set forth therein and in the applicable Disclosure Package and Pricing Supplement. Interest on Floating Rate Notes, except as otherwise set forth therein, will be

calculated on the basis of actual days elapsed and a year of 360 days, except that in the case of a CMT Rate Note, a Treasury Rate Note, or a floating rate note for which the CMT Rate or the Treasury Rate is an applicable base rate, interest will be calculated on the basis of the actual number of days in the year.

Business Day:

“Business Day” means, unless otherwise specified in the applicable Disclosure Package and Pricing Supplement, any day other than a Saturday or Sunday, or a day on which commercial banks are authorized or required by law, regulation or executive order to close in The City of New York.

Payments of Principal
and Interest:

Payments of Principal and Interest. Promptly after each Regular Record Date, the Paying Agent will deliver to the Company and DTC a written notice specifying by CUSIP number the amount of interest, if any, to be paid on each Book-Entry Note on the following Interest Payment Date (other than an Interest Payment Date coinciding with a Maturity Date) and the total of such amounts. DTC will confirm the amount payable on each Book-Entry Note on such Interest Payment Date by reference to the daily bond reports published by Standard & Poor’s. On such Interest Payment Date, the Company will pay to the Paying Agent, and the Paying Agent in turn will pay to DTC, such total amount of interest due (other than on the Maturity Date), at the times and in the manner set forth below under “Manner of Payment”.

Exh B-7

Payments on the Maturity Date. On or about the first Business Day of each month, the Paying Agent will deliver to the Company and DTC a written list of principal, premium, if any, and interest to be paid on each Book-Entry Note maturing or subject to redemption (pursuant to a sinking fund or otherwise) or repayment (“Maturity”) in the following month. The Paying Agent, the Company and DTC will confirm the amounts of such principal, premium, if any, and interest payments with respect to each Book-Entry Note on or about the fifth Business Day preceding the Maturity Date of such Book-Entry Note. On the Maturity Date, the Company will pay to the Paying Agent, and the Paying Agent in turn will pay to DTC, the principal amount of such Book-Entry Note, together with interest and premium, if any, due on such Maturity Date, at the times and in the manner set forth below under “Manner of Payment”. Promptly after payment to DTC of the principal and interest due on the Maturity Date of such Book-Entry Note, the Paying Agent will cancel and destroy such Book-Entry Note in accordance with the Indenture, record an appropriate debit advice on the Master Global Note and so advise the Company.

Manner of Payment. The total amount of any principal, premium, if any, and interest due on Book-Entry Notes on any Interest Payment Date or at Maturity shall be paid by the Company to the Paying Agent in immediately available funds on such date. The Company will make such payment on such Book-Entry Notes to an account specified by the Paying Agent. Prior to 10:00 a.m., New York City time, on the date of Maturity or as soon as possible thereafter, the Paying Agent will make payment to DTC in accordance with existing arrangements between DTC and the Paying Agent, in funds available for immediate use by DTC, each payment of interest, principal and premium, if any, due on a Book-Entry Note on such date. On each Interest Payment Date (other than on the Maturity Date) the Paying Agent will pay DTC such interest payments in same-day funds in accordance with existing arrangements between the Paying Agent and DTC. Thereafter, on each such date, DTC will pay, in accordance with its SDFS operating procedures then in effect, such amounts in funds available for immediate use to the respective Participants with payments in amounts proportionate to their respective holdings in principal amount of beneficial interest in such Book-Entry Notes as are recorded in the book-entry system maintained by DTC. Neither the Company nor the Paying Agent shall have any direct responsibility or liability for the payment by DTC of the principal of, or premium, if any, or interest on, the Notes to such Participants.

Exh B-8

Withholding Taxes. The amount of any taxes required under applicable law to be withheld from any interest payment on a Note will be determined and withheld by the Participant, indirect participant in DTC or other person responsible for forwarding payments and materials directly to the beneficial owner of such Note.

Purchase of Notes by
the Purchasing Agent:

Unless otherwise agreed by the Agents and the Company, Notes offered from time to time by the Company will be purchased by the Purchasing Agent as principal for subsequent resale to the Agents and Selected Dealers party to the Master Selected Dealer Agreement in the form attached as Exhibit E to the Selling Agent Agreement.

Acceptance and
Rejection of Orders:

Unless otherwise agreed by the Company and the Purchasing Agent, the Company has the sole right to accept orders to purchase Notes and may reject any such order in whole or in part. Unless otherwise instructed by the Company, the Purchasing Agent will promptly advise the Company by telephone of all offers to purchase Notes received by it, other than those rejected by it in whole or in part in the reasonable exercise of its discretion. No order for less than \$1,000 principal amount of Notes will be accepted.

Upon receipt of a completed and executed Terms Agreement from the Purchasing Agent, the Company will (i) promptly execute and return such Terms Agreement to the Purchasing Agent or (ii) inform the Purchasing Agent that its offer to purchase the Notes of a particular tranche has been rejected, in whole or in part. The Purchasing Agent will thereafter promptly inform the Agents and participating Selected Dealers of the action taken by the Company.

Preparation of Pricing
Supplement/Final Term Sheet:

If any offer to purchase a Note is accepted by or on behalf of the Company, the Purchasing Agent will use its reasonable best efforts to send by email or facsimile a draft Final Term Sheet (if requested by the Agents) and a Pricing Supplement (substantially in the form attached to the Selling Agent Agreement as Exhibit D) to the Company reflecting the terms of such Note by 2:00 p.m. (New York City time) on the applicable Trade Day. The Company shall use its reasonable best efforts to deliver any comments to any such Final Term Sheet and Pricing Supplement by email or facsimile to the Purchasing Agent and the Issuing Agent by 4:00 p.m. (New York City Time) on the applicable

Trade Day. The Company will file any such Final Term Sheet and Pricing Supplement with the Commission in accordance with Rule 433(d) and the applicable paragraph of Rule 424(b) under the Securities Act, respectively. The Purchasing Agent shall use its reasonable best efforts to send any such Final Term Sheet, Pricing Supplement and the Prospectus by email or facsimile or overnight express (for delivery by the close of business on the applicable Trade Day, but in no event later than 11:00 a.m. New York City time on the Business Day immediately following the applicable Trade Day and no earlier than the earlier of (i) 5:00 p.m. (New York City time) on the applicable Trade Date or (ii) such time after which the Purchasing Agent shall have incorporated the comments of the Company, if any, to the Final Term Sheet and the Pricing Supplement), to each Agent (or other Selected Dealer) which made or presented the offer to purchase the applicable Note and the Issuing Agent at the following applicable address:

if to Banc of America Securities LLC, to:

One Bryant Park
NY1-100-18-03
New York, New York 10036
Attention: Joseph A. Crowley
Tel: (646) 855-0742
Facsimile: (704) 264-2522
Email: joseph.a.crowley@bofasecurities.com

if to Incapital LLC, to:

200 South Wacker Drive
Suite 3700
Chicago, IL 60606
Attention: Brian Walker
Telephone: (312) 379-3700
Facsimile: (312) 379-3701
Email: brian.walker@incapital.com

and if to the Issuing Agent, to:

Citibank, N.A.
388 Greenwich Street, 14th Floor
New York, NY 10013
Telephone: (212) 816-5827
Facsimile: (212) 816-5527

For record keeping purposes, one copy of each Pricing Supplement, as so filed, shall also be mailed or facsimiled:

Cleary Gottlieb Steen & Hamilton LLP
One Liberty Plaza
New York, NY 10006
Attention: Sandra L. Flow
Telephone: (212) 225-2494
Facsimile: (212) 225-3999

and to:

Banc of America Securities LLC
One Bryant Park
NY1-100-18-03
New York, NY 10036
Attention: Joseph A. Crowley
Tel: (646) 855-0742
Facsimile: (704) 264-2522

Each such Agent (or Selected Dealer), in turn, pursuant to the terms of the Selling Agent Agreement and the Master Selected Dealer Agreement, will cause to be timely delivered a copy of the Prospectus and the applicable Pricing Supplement to each purchaser of Notes from such Agent or Selected Dealer or otherwise will comply with the requirements of Rule 173(a) under the Securities Act.

Outdated Pricing Supplements and the Prospectuses to which they are attached (other than those retained for files) will be destroyed by those in possession thereof.

Delivery of Confirmation
and Prospectus to Purchaser
by Presenting Agent:

Unless the Agents or Selected Dealers comply with the requirements of Rule 173(a) under the Securities Act, if available, the Agents or Selected Dealers will deliver a Prospectus and Pricing Supplement herein described with respect to each Note sold by it.

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For each offer to purchase a Note accepted by or on behalf of the Company, the Purchasing Agent will confirm in writing with each Agent or Selected Dealer the terms of such Note, the amount being purchased by such Agent or Selected Dealer and other applicable details described above and delivery and payment instructions, with a copy to the Company.

In addition, unless the Agent or Selected Dealer complies with the requirements of Rule 173(a) under the Securities Act, if available, the Purchasing Agent, other Agent or Selected Dealer, as the case may be, will deliver to investors purchasing the Notes the Prospectus (including the Pricing Supplement) in relation to such Notes prior to or simultaneously with delivery of the confirmation of sale or delivery of the Note.

Settlement:

The receipt of immediately available funds by the Company in payment for a Note and the entry by the Issuing Agent of an SDFS deliver order through DTC's Participant Terminal System to credit such Note to the account of a Participant purchasing, or acting for the purchaser of such Note, shall constitute "Settlement" with respect to such Note. All orders accepted by the Company will be settled within three Business Days pursuant to the timetable for Settlement set forth below, unless the Company and the purchaser agree to Settlement on another specified date, and shall be specified upon acceptance of such offer; provided, however, in all cases the Company will notify the Issuing Agent on the date issuance instructions are given.

Settlement Procedures:

Settlement Procedures with regard to each Note sold by an Agent shall be as follows:

A. After the acceptance of an offer by the Company with respect to a Note, the Purchasing Agent will communicate the following details of the terms of such offer (the "Note Sale Information") to the Company in writing or by facsimile transmission, email or other written means acceptable to the Company:

1. Principal amount of the purchase;

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2. In the case of a Fixed Rate Note, the interest rate or, in the case of a Floating Rate Note, the interest rate basis (including, if LIBOR, the method for determining LIBOR), initial interest rate (if known at such time), Index Maturity, Interest Reset Period and Interest Reset Dates (if any), Spread and/or Spread Multiplier (if any), minimum interest rate (if any) and maximum interest rate (if any);
 3. Interest Payment Frequency;
 4. Settlement Date;
 5. Maturity Date;
 6. Price to Public;
 7. Purchasing Agent's commission determined pursuant to Section V(a) of the Selling Agent Agreement;
 8. Net proceeds to the Company;
 9. Trade Date;
 10. If a Note is redeemable by the Company or repayable at the request of the Noteholder, such of the following as are applicable:
 11. (i) The date on and after which such Note may be redeemed/repaid (the "Redemption/Repayment Commencement Date"),
(ii) Initial redemption/repayment price (% of par), and
(iii) Amount (% of par) that the initial redemption/repayment price shall decline (but not below par) on each anniversary of the Redemption/Repayment Commencement Date;
 12. Whether the Note has a Survivor's Option;

Exh B-13

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13. DTC Participant Number of the institution through which the customer will hold the beneficial interest in the Book-Entry Note; and
 14. Such other terms as are necessary to complete the applicable form of Note.
- B. The Company will advise the Issuing Agent and the Purchasing Agent by telephone (confirmed in writing at any time on the same date) or by facsimile or other form of electronic transmission of the information received in accordance with Settlement Procedure “A” above, the assigned CUSIP number and the name of the Purchasing Agent. Each such communication by the Company will be deemed to constitute a representation and warranty by the Company to the Issuing Agent and the Agents that (i) such Note is then, and at the time of issuance and sale thereof will be, duly authorized for issuance and sale by the Company; (ii) such Note will conform with the terms of the Indenture for such Note; and (iii) upon issuance of such Book-Entry Note, the aggregate principal amount of all Notes issued under the Indenture will not exceed the aggregate principal amount of Notes authorized for issuance at such time by the Company.
- C. The Issuing Agent will communicate to DTC and the Purchasing Agent through DTC’s Participant Terminal System, a pending deposit message specifying the following Settlement information:
1. The information received in accordance with Settlement Procedure “A”.
 2. The numbers of the participant accounts maintained by DTC on behalf of the Issuing Agent and the Purchasing Agent.
 3. Identification as a Fixed Rate Note or a Floating Rate Note.

Exh B-14

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4. The initial Interest Payment Date for such Note, number of days by which such date succeeds the related DTC record date (which term means the Regular Record Date), and if then calculated, the amount of interest payable on such Initial Interest Payment Date (which amount shall have been confirmed by the Issuing Agent).
 5. The CUSIP number of the Book-Entry Note representing such Notes.
 6. The frequency of interest.
 7. Whether such Book-Entry Note represents any other Notes issued or to be issued (to the extent then known).
- D. DTC will credit such Note to the participant account of the Issuing Agent maintained by DTC.
 - E. The Issuing Agent will complete the Master Global Note as it relates to such Note by filing the applicable Pricing Supplement relating to such Note in the records maintained by it, which records, taken with the Master Global Note, shall evidence such Note.
 - F. The Issuing Agent will enter an SDFS deliver order through DTC's Participant Terminal System instructing DTC to (i) debit such Note to the Issuing Agent's participant account and credit such Note to the participant account of the Purchasing Agent maintained by DTC and (ii) debit the settlement account of the Purchasing Agent and credit the settlement account of the Issuing Agent maintained by DTC, in an amount equal to the price of such Note less the Purchasing Agent's commission. The entry of such a deliver order shall be deemed to constitute a representation and warranty by the Issuing Agent to DTC that (a) the Master Global Note representing such Note has been issued and authenticated and (b) the Issuing Agent is holding such Master Global Note pursuant to the Certificate Agreement.

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- G. The Purchasing Agent will enter an SDFS deliver order through DTC's Participant Terminal System instructing DTC to (i) debit such Note to the Purchasing Agent's participant account and credit such Note to the participant accounts of the Participants to whom such Note is to be credited maintained by DTC and (ii) debit the settlement accounts of such Participants and credit the settlement account of the Purchasing Agent maintained by DTC, in an amount equal to the price of the Note less the agreed upon commission so credited to their accounts.
 - H. Transfers of funds in accordance with SDFS deliver orders described in Settlement Procedures "F" and "G" will be settled in accordance with SDFS operating procedures in effect on the Settlement Date.
 - I. The Issuing Agent will credit to an account specified by the Company funds available for immediate use in an amount equal to the amount credited to the Issuing Agent's DTC participant account in accordance with Settlement Procedure "F".
 - J. Each Agent and Selected Dealer will confirm the purchase of each Note to the purchaser thereof either by transmitting to the Participant to whose account such Note has been credited a confirmation order through DTC's Participant Terminal System or by mailing a written confirmation to such purchaser. In all cases the Prospectus, as most recently amended or supplemented, must accompany or precede such confirmation (or Rule 173(a) under the Securities Act must be complied with, if available).
 - K. On a day that is a Business Day, the Issuing Agent will send, by facsimile or electronic transmission, to the Company a statement setting forth the principal amount of Notes outstanding as of that date under the Indenture and setting forth the CUSIP number(s) assigned to, and a brief description of, any orders which the Company has advised the Issuing Agent but which have not yet been settled.

Settlement Procedures Timetable: In the event of a purchase of Notes by the Purchasing Agent, as principal, appropriate Settlement details, if different from those set forth below will be set forth in the applicable Terms Agreement to be entered into between the Purchasing Agent and the Company pursuant to the Selling Agent Agreement.

Settlement Procedures “A” through “K” shall be completed as soon as possible but not later than the respective times (New York City time) set forth below:

Settlement

<u>Procedure</u>	<u>Time</u>
A	2:00 p.m. on the Trade Day.
B	12:00 p.m. on the Business Day following the Trade Day.
C	2:00 p.m. on the Business Day before the Settlement Date.
D	10:00 a.m. on the Settlement Date.
E	12:00 p.m. on the Settlement Date.
F-H	2:00 p.m. on the Settlement Date.
I-J	2:30 p.m. on the Settlement Date.
K	Weekly or at the request of the Company.

The Prospectus, as most recently amended or supplemented, must accompany or precede any written confirmation given to the customer (Settlement Procedure “J”) or the Agent or Selected Dealer must otherwise comply with Rule 173(a) under the Securities Act, if available. Settlement Procedure “H” is subject to extension in accordance with any extension Fedwire closing deadlines and in the other events specified in the SDFS operating procedures in effect on the Settlement Date.

If Settlement of a Note is rescheduled or cancelled, the Issuing Agent will deliver to DTC, through DTC’s Participant Terminal System, a cancellation message to such effect by no later than 2:00 p.m., New York City time, on the Business Day immediately preceding the scheduled Settlement Date.

Failure to Settle:

If the Issuing Agent fails to enter an SDFS deliver order with respect to a Note pursuant to Settlement Procedure “F”, the Issuing Agent may deliver to DTC, through DTC’s Participant Terminal System, as soon as practicable a withdrawal message instructing DTC to debit such Note to the participant account of the Issuing Agent maintained at DTC. DTC will process the withdrawal message, provided that such participant account contains Notes having the same terms and having a principal amount that is at least equal to the principal amount of such Note to be debited. If withdrawal messages are processed with respect to all the Notes issued or to be issued represented by a Book-Entry Note, the Issuing Agent will cancel the Book-Entry Note in accordance with the Indenture, make appropriate entries in its records and so advise the Company. The CUSIP number assigned to such Book-Entry Note shall, in accordance with CUSIP Service Bureau procedures, be cancelled and not immediately reassigned. If withdrawal messages are processed with respect to one or more, but not all, of the Notes represented by a Book-Entry Note, the Issuing Agent will exchange such Book-Entry Note for two Book-Entry Notes, one of which shall represent such Notes and shall be cancelled immediately after issuance, and the other of which shall represent the remaining Notes previously represented by the surrendered Book-Entry Note and shall bear the CUSIP number of the surrendered Book-Entry Note. If the purchase price for any Note is not timely paid to the Participants with respect to such Note by the beneficial purchaser thereof (or a person, including an indirect participant in DTC, acting on behalf of such purchaser), such Participants and, in turn, the related Agent may enter SDFS deliver orders through DTC’s participant Terminal System reversing the orders entered pursuant to Settlement Procedures “F” and “G”. Thereafter, the Issuing Agent will deliver the withdrawal message and take the related actions described in the preceding paragraph. If such failure shall have occurred for any reason other than default by the Agent in the performance of its obligations hereunder or under the Selling Agent Agreement, the Company will reimburse the Agent on an equitable basis for its reasonable out-of-pocket accountable expenses actually incurred and loss of the use of funds during the period when they were credited to the account of the Company.

Suspension of Solicitation;
Amendment or Supplement:

Notwithstanding the foregoing, upon any failure to settle with respect to a Book-Entry Note, DTC may take any actions in accordance with its SDFS operating procedures then in effect. In the event of a failure to settle with respect to one or more, but not all of the Notes, to have been represented by a Book-Entry Note, the Issuing Agent will follow the procedures described in Settlement Procedure “D” with respect to the Note.

Subject to the Company’s representations, warranties and covenants contained in the Selling Agent Agreement as they relate to prior solicitations or sales of Notes, the Company may instruct the Purchasing Agent to instruct the Agents to suspend at any time for any period of time or permanently, the solicitation of orders to purchase Notes. Upon receipt of such instructions (which may be given orally), each Agent will forthwith suspend solicitation until such time as the Company has advised it that solicitation of purchases may be resumed.

In the event that at the time the Company suspends solicitation of purchases there shall be any orders outstanding for settlement, the Company will promptly advise the Purchasing Agent, the Agents and the Issuing Agent whether such orders may be settled and whether copies of the Prospectus as in effect at the time of the suspension (or the notice provided for in Rule 173(a) under the Securities Act, if applicable) may be delivered in connection with the settlement of such orders. The Company will have the sole responsibility for such decision and for any arrangements which may be made in the event that the Company determines that such orders may not be settled or that copies of such Prospectus (or the notice provided for in Rule 173(a) under the Securities Act, if applicable) may not be so delivered.

If the Company decides to amend or supplement the Disclosure Package, the Registration Statement or the Prospectus, it will promptly advise the Purchasing Agent and the Agents and furnish the Purchasing Agent and the Issuing Agent with the proposed amendment or supplement and with such certificates and opinions as are required, all to the extent required by and in accordance with the terms of the Selling Agent Agreement. Subject to the provisions of the Selling Agent Agreement, the Company may file with the Commission any supplement to the Prospectus relating to the Notes. The Company will provide the Purchasing Agent and the Issuing Agent with copies of any such supplement, and confirm to the Purchasing Agent that such supplement has been filed with the SEC.

Issuing Agent Not to Risk Funds:	Nothing herein shall be deemed to require the Issuing Agent to risk or expend its own funds in connection with any payment to the Company, or the Agents or the purchasers, it being understood by all parties that payments made by the Issuing Agent to either the Company or the Agents shall be made only to the extent that funds are provided to the Issuing Agent for such purpose.
Advertising Costs:	The Company shall have the sole right to approve the form and substance of any advertising an Agent may initiate in connection with such Agent's solicitation to purchase the Notes. The expense of such advertising will be solely the responsibility of such Agent, unless otherwise agreed to by the Company.

EXHIBIT C
TERMS AGREEMENT

_____, 20____

Prudential Financial, Inc.
751 Broad Street
Newark, New Jersey 07102
Attention: Assistant Treasurer – Capital Markets

Subject in all respects to the terms and conditions of the Selling Agent Agreement dated _____, 2009, among Prudential Financial, Inc. and Banc of America Securities LLC, Incapital LLC, Barclays Capital, Inc., Charles Schwab & Co., Inc., Citigroup Global Markets Inc., Credit Suisse Securities (USA) LLC, Deutsche Bank Securities Inc., Fidelity Capital Markets Services, a division of National Financial Services LLC, Member NYSE, SIPC, J.P. Morgan Securities Inc. Merrill Lynch, Pierce, Fenner & Smith Incorporated, Morgan Stanley & Co. Incorporated, Muriel Siebert & Co., RBC Capital Markets Corp., Samuel A. Ramirez & Co., Inc, UBS Securities LLC, and Wachovia Securities, LLC, the undersigned agrees to purchase the following aggregate principal amount of Prudential Financial InterNotes®:

\$_____

The terms of such Notes shall be as follows:

CUSIP Number: _____

Price to Public: _____

Agent's Concession: ____%

Net Proceeds to Issuer: \$_____

Maturity Date: _____

Settlement Date, Time and Place: _____

Interest Rate or Method of Determining:

Fixed Rate Note: _____

Interest Payment Frequency: _____

Regular Record Dates: _____

Floating Rate Note: _____

If LIBOR:

(i) Designated LIBOR Page: _____

(ii) Designated LIBOR Currency: _____

If CMT Rate:

(i) Designated CMT Reuters Page: _____

(ii) Designated CMT Maturity Index: _____

Initial Interest Rates: _____

Spread, if any: _____

Spread Multiplier, if any: _____

Interest Reset Date(s): _____

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Interest Payment Date(s): _____
Record Dates: _____
Index Maturity: _____
Maximum Interest Rate, if any: _____
Minimum Interest Rate, if any: _____
Calculation Agent: _____

Survivor's Option: _____
Amortizing Notes: " Yes " No
Indexed Notes: " Yes " No
Optional Redemption/Repayment, if any: _____
Initial Redemption/Repayment Date[s]: _____
Redemption/Repayment Price: Initially _____% of Principal Amount and declining by _____% of the
Principal Amount on each anniversary of the Initial Redemption/Repayment Date until the
Redemption/Repayment Price is 100% of the Principal Amount.
Other terms and conditions agreed to by the Purchasing Agent and the Company, if any:

INCAPITAL LLC

By: _____
Title: _____

ACCEPTED
PRUDENTIAL FINANCIAL, INC.

By: _____
Title: _____

EXHIBIT D
Form of Pricing Supplement

Pricing Supplement Dated: _____
(To Prospectus Supplement Dated ,
2009 and Prospectus Dated , 2009)
Pricing Supplement No. _____

Rule 424(b)(3)
File Nos. 333-

U.S. \$
PRUDENTIAL FINANCIAL
INTERNOTES®
DUE ONE YEAR OR MORE FROM DATE OF ISSUE

Trade Date: _____
Issue Date: _____
Joint Lead Managers: _____
Agents: _____

CUSIP	AGGREGATE PRINCIPAL AMOUNT	PRICE TO PUBLIC	CONCESSION	NET PROCEEDS TO ISSUER	AMORTIZING NOTE YES/NO	INTEREST RATE OR INTEREST RATE BASIS
SPREAD (if floating rate)	INDEX MATURITY (if floating rate)	INITIAL INTEREST RATE (if floating rate)	INTEREST RESET DATES (if floating rate)	MAXIMUM INTEREST RATE (if floating rate)	MINIMUM INTEREST RATE (if floating rate)	DAY COUNT BASIS (if floating rate)
INTEREST PAYMENT FREQUENCY		MATURITY DATE	1 st INTEREST PAYMENT DATE	SURVIVOR'S OPTION	REDEMPTION OR REPAYMENT YES/NO	REDEMPTION/ REPAYMENT TERMS

Exh D-1

MOODY'S
RATING

S&P RATING

Other Terms:

Exh D-2

EXHIBIT E
Master Selected Dealer Agreement

[Name]
[Address1]
[Address2]

Dear Selected Dealer:

In connection with public offerings of securities after the date hereof for which we are acting as manager of an underwriting syndicate or are otherwise responsible for the distribution of securities to the public by means of an offering of securities for sale to selected dealers, you may be offered the right as such a selected dealer to purchase as principal a portion of such securities. This will confirm our mutual agreement as to the general terms and conditions applicable to your participation in any such selected dealer group organized by us as follows.

1. Applicability of this Agreement. The terms and conditions of this Agreement shall be applicable to any public offering of securities ("Securities"), pursuant to a registration statement filed under the Securities Act of 1933, as amended (the "Securities Act"), or exempt from registration thereunder (other than a public offering of Securities effected wholly outside the United States of America), wherein Incapital LLC clearing through BNY Clearing Services, LLC (the "Account") (acting for its own Account or for the account of any underwriting or similar group or syndicate) is responsible for managing or otherwise implementing the sale of the Securities to selected dealers ("Selected Dealers") and has expressly informed you that such terms and conditions shall be applicable. Any such offering of Securities to you as a Selected Dealer is hereinafter called an "Offering". In the case of any Offering where we are acting for the account of any underwriting or similar group or syndicate ("Underwriters"), the terms and conditions of this Agreement shall be for the benefit of, and binding upon, such Underwriters, including, in the case of any Offering where we are acting with others as representatives of Underwriters, such other representatives.

2. Conditions of Offering; Acceptance and Purchases. Any Offering: (i) will be subject to delivery of the Securities and their acceptance by us and any other Underwriters; (ii) may be subject to the approval of all legal matters by counsel and the satisfaction of other conditions, and (iii) may be made on the basis of reservation of Securities or an allotment against subscription. We will advise you by electronic mail, facsimile or other form of written communication ("Written Communication", which term, in the case of any Offering described in Section 3(a) or 3(b) hereof, may include a prospectus or offering circular) of the particular method and supplementary terms and conditions (including, without limitation, the information as to prices and offering date referred to in Section 3(c) hereof) of any Offering in which you are invited to participate. To the extent such supplementary terms and conditions are inconsistent with any provision herein, such terms and conditions shall supersede any such provision. Unless otherwise indicated in any such Written Communication, acceptances and other communications by you with respect to

Exh E-1

an Offering should be sent to Incapital LLC, 200 South Wacker Drive, Suite 3700 Chicago, IL 60606 (Facsimile: (312) 379-3701). We reserve the right to reject any acceptance in whole or in part. Unless notified otherwise by us, Securities purchased by you shall be paid for on such date as we shall determine, on one day's prior notice to you, by certified or official bank check, in an amount equal to the Public Offering Prices (as hereinafter defined) or, if we shall so advise you, at such Public Offering Price less the Concession (as hereinafter defined), payable in New York Clearing House funds to the order of BNY Clearing Services, LLC clearing for the account of Incapital LLC, against delivery of the Securities. If Securities are purchased and paid for at such Public Offering Price, such Concession will be paid after the termination of the provisions of Section 3(c) hereof with respect to such Securities. Notwithstanding the foregoing, unless notified otherwise by us, payment for and delivery of Securities purchased by you shall be made through the facilities of The Depository Trust Company, if you are a member, unless you have otherwise notified us prior to the date specified in a Written Communication to you from us or, if you are not a member, settlement may be made through a correspondent who is a member pursuant to instructions which you will send to us prior to such specified date.

3. Representations, Warranties and Agreements.

(a) Registered Offerings. In the case of any Offering of Securities that are registered under the Securities Act ("Registered Offering"), we shall provide you with such number of copies of each preliminary prospectus, of the documents contained in the Disclosure Package (as defined in the Selling Agent Agreement entered into among Prudential Financial, Inc., Banc of America Securities LLC and certain other Agents named therein on March 16, 2006 (the "Selling Agent Agreement")) and of the final prospectus relating thereto as you may reasonably request for the purposes contemplated by the Securities Act and the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and the applicable rules and regulations of the Securities and Exchange Commission thereunder. You represent and warrant that you are familiar with Rule 15c2-8 under the Exchange Act relating to the distribution of preliminary and final prospectuses and agree that you will comply therewith. You agree to make a record of your distribution of each preliminary prospectus and, when furnished with copies of any revised preliminary prospectus, you will, upon our request, promptly forward copies thereof to each person to whom you have theretofore distributed a preliminary prospectus. You agree that in purchasing Securities in a Registered Offering you will rely upon no statement whatsoever, written or oral, other than the statements in the Disclosure Package relating to such Securities and in the final prospectus delivered to you by us. You may prepare and use one or more preliminary or final term sheets relating to the Securities; provided, however, that you may not make any offer relating to the Securities that constitutes or would constitute a "free writing prospectus" (as defined in Rule 405 under the Securities Act) or a portion thereof required to be filed by the issuer with the Securities and Exchange Commission or retained by the issuer under Rule 433 under the Securities Act, other than the information contained in the Final Term Sheet (as defined in the Selling Agent Agreement). You will not be authorized by the issuer or other seller of Securities offered pursuant to a prospectus or by any Underwriter to give any information or to make any representation not contained in the Disclosure Package relating to such Securities or in the prospectus in connection with the sale of such Securities.

(b) Offerings Pursuant to Offering Circular. In the case of any Offering of Securities, other than a Registered Offering, which is made pursuant to an offering circular or other document comparable to a prospectus in a Registered Offering, we shall provide you with such number of copies of each preliminary offering circular, of the documents contained in the Disclosure Package relating to such Securities and of the final offering circular relating thereto as you may reasonably request. You agree that you will comply with the applicable Federal and state laws, and the applicable rules and regulations of any regulatory body promulgated thereunder, governing the use and distribution of such documents by brokers or dealers. You agree that in purchasing Securities pursuant to an offering circular you will rely upon no statements whatsoever, written or oral, other than the statements in the Disclosure Package relating to such Securities and in the final offering circular delivered to you by us. You will not be authorized by the issuer or other seller of Securities offered pursuant to an offering circular or by any Underwriter to give any information or to make any representation not contained in the Disclosure Package relating to such Securities or in the offering circular in connection with the sale of such Securities provided that you may not give to any prospective purchaser of the Securities any written information in respect thereof other than the materials contained in the Disclosure Package or offering circulars relating to such Securities or any other offering materials prepared by or with the consent of the issuer and the Purchasing Agent.

(c) Offer and Sale to the Public. With respect to any Offering of Securities, we will inform you by a Written Communication of the public offering price, the selling concession, the reallowance (if any) to dealers and the time when you may commence selling Securities to the public. After such public offering has commenced, we may change the public offering price, the selling concession and the reallowance to dealers. The offering price, selling concession and reallowance (if any) to dealers at any time in effect with respect to an Offering are hereinafter referred to, respectively, as the "Public Offering Price", the "Concession" and the "Reallowance". With respect to each Offering of Securities, until the provisions of this Section 3(c) shall be terminated pursuant to Section 4 hereof, you agree to offer Securities to the public at no more than the Public Offering Price. If so notified by us, you may sell Securities to the public at a lesser negotiated price than the Public Offering Price, but in an amount not to exceed the "Concession". If a Reallowance is in effect, a reallowance from the Public Offering Price not in excess of such Reallowance may be allowed as consideration for services rendered in distribution to dealers who are actually engaged in the investment banking or securities business, who execute the written agreement prescribed by Rule 2740 of the Conduct Rules of the Financial Industry Regulatory Authority, Inc. (the "FINRA") and who are either members in good standing of the FINRA or foreign banks, dealers or institutions not eligible for membership in the FINRA who represent to you that they will promptly reoffer such Securities at the Public Offering Price and will abide by the conditions with respect to foreign banks, dealers and institutions set forth in Section 3(e) hereof.

(d) Over-allotment; Stabilization; Unsold Allotments. We may, with respect to any Offering, be authorized to over-allot in arranging sales to Selected Dealers, to purchase and sell Securities for long or short account and to stabilize or maintain the market price of the Securities. You agree that, upon our request at any time and from time to time prior to the termination of the provisions of Section 3(c) hereof with respect to any Offering, you will report to us the amount of Securities purchased by you pursuant to such Offering which then remain

unsold by you and will, upon our request at any such time, sell to us for our account or the account of one or more Underwriters such amount of such unsold Securities as we may designate at the Public Offering Price less an amount to be determined by us not in excess of the Concession. If, prior to the later of (i) the termination of the provisions of Section 3(c) hereof with respect to any Offering or (ii) the covering by us of any short position created by us in connection with such Offering for our account or the account of one or more Underwriters, we purchase or contract to purchase for our account or the account of one or more Underwriters in the open market or otherwise any Securities purchased by you under this Agreement as part of such Offering, you agree to pay us on demand an amount equal to the Concession with respect to such Securities (unless you shall have purchased such Securities pursuant to Section 2 hereof at the Public Offering Price in which case we shall not be obligated to pay such Concession to you pursuant to Section 2) plus transfer taxes and broker's commissions or dealer's mark-up, if any, paid in connection with such purchase or contract to purchase.

(e) FINRA. You represent and warrant that you are actually engaged in the investment banking or securities business and either a member in good standing of the FINRA or, if you are not such a member, you are a foreign bank, dealer or institution not eligible for membership in the FINRA. You represent and warrant that neither you nor your affiliates has offered or sold or will offer or sell any of the Securities in the United States unless you or your acting affiliate is registered as a broker-dealer under the Exchange Act and a member in good standing of the FINRA (or you are acting in accordance with Exchange Act Rule 15a-6 and comply with Section 3(f) below) and you offer and sell the Securities in compliance with all applicable rules and issued interpretive memoranda of the FINRA. You further represent, by your participation in an Offering, that you have provided to us all documents and other information required to be filed with respect to you, any related person or any person associated with you or any such related person pursuant to the supplementary requirements of the FINRA's interpretation with respect to review of corporate financing as such requirements relate to such Offering.

You agree that, in connection with any purchase or sale of the Securities wherein a Concession, discount or other allowance is received or granted, (1) you will comply with the provisions of Rule 2740 of the FINRA's Conduct Rules and (2) if you are a non-FINRA member broker or dealer in a foreign country, you will also comply (a), as though you were an FINRA member, with (i) the provisions of Rules 2730, 2740 and 2750 of the FINRA's Conduct Rules and (ii) with Rule 2420 thereof as that Rule applies to a non-FINRA member broker or dealer in a foreign country, and (b) if you act as a "conduit" (within the meaning of Rule 2790) for a participating FINRA member with respect to the disposition of any of the Securities, you will comply with the restrictions set forth in Rule 2790 of the FINRA's Conduct Rules with respect to such disposition.

You further agree that, in connection with any purchase of securities from us that is not otherwise covered by the terms of this Agreement (whether we are acting as manager, as a member of an underwriting syndicate or a selling group or otherwise), if a Concession or other allowance is granted to you, clauses (1) and (2) of the preceding paragraph will be applicable.

(f) Exchange Act Rule 15a-6. If you are a foreign bank or dealer not registered as a broker-dealer under Section 15 of the Exchange Act, you agree that while acting

as a Selected Dealer in respect of the Securities and in any event during the term of this Agreement, you will not, directly or indirectly, make use of any U.S. mails or any means or instrumentality of interstate commerce to effect transactions in or induce or attempt to induce the purchase or sale of, any Securities except for transactions in compliance with Rule 15a-6 under the Exchange Act or as otherwise permitted by Section 15 of the Exchange Act and the rules and regulations thereunder.

(g) Relationship among Underwriters and Selected Dealers. We may buy Securities from or sell Securities to any Underwriter or Selected Dealer and, without consent, the Underwriters (if any) and the Selected Dealers may purchase Securities from and sell Securities to each other at the Public Offering Price less all or any part of the Concession. Unless otherwise specified in a separate agreement between you and us, this agreement does not authorize you to act as agent for: (i) us; (ii) any Underwriter; (iii) the issuer; or (iv) other seller of any Securities in offering Securities to the public or otherwise. Neither we nor any Underwriter shall be under any obligation to you except for obligations assumed hereby or in any Written Communication from us in connection with any Offering. Nothing contained herein or in any Written Communication from us shall constitute an agreement of the Selected Dealers to enter into an association or partnership with us or any Underwriter or with one another. If the Selected Dealers, among themselves or with the Underwriters, should be deemed to constitute a partnership for Federal income tax purposes, then you elect to be excluded from the application of Subchapter K, Chapter 1, Subtitle A of the Internal Revenue Code of 1986 and agree not to take any position inconsistent with that election. You authorize us, in our discretion, to execute and file on your behalf such evidence of that election as may be required by the Internal Revenue Service. In connection with any Offering, you shall be liable for your proportionate amount of any tax, claim, demand or liability that may be asserted against you alone or against one or more Selected Dealers participating in such Offering, or against us or the Underwriters, based upon the claim that the Selected Dealers, or any of them, constitute an association, an unincorporated business or other entity, including, in each case, your proportionate amount of any expense incurred in defending against any such tax, claim, demand or liability.

(h) Blue Sky Laws. Upon application to us, we shall inform you as to any advice we have received from counsel concerning the jurisdictions in which Securities have been qualified for sale or are exempt under the securities or blue sky laws of such jurisdictions, but we do not assume any obligation or responsibility as to your right to sell Securities in any such jurisdiction.

(i) Compliance with Law. You agree that in selling Securities pursuant to any Offering (which agreement shall also be for the benefit of the issuer or other seller of such Securities) you will comply with all applicable laws, rules and regulations, including the applicable provisions of the Securities Act and the Exchange Act, the applicable rules and regulations of the Securities and Exchange Commission thereunder, the applicable rules and regulations of the FINRA, the applicable rules and regulations of any securities exchange having jurisdiction over the Offering and the applicable laws, rules and regulations specified in Section 3(b) hereof.

4. Termination, Supplements and Amendments. This Agreement shall continue in full force and effect until terminated by a written instrument executed by each of the

parties hereto. This Agreement may be supplemented or amended by us by written notice thereof to you, and any such supplement or amendment to this Agreement shall be effective with respect to any Offering to which this Agreement applies after the date of such supplement or amendment. Each reference to “this Agreement” herein shall, as appropriate, be to this Agreement as so amended and supplemented. The terms and conditions set forth in Section 3(c) hereof with regard to any Offering will terminate at the close of business on the 30th day after the commencement of the public offering of the Securities to which such Offering relates, but in our discretion may be extended by us for a further period not exceeding 30 days and in our discretion, whether or not extended, may be terminated at any earlier time.

5. Successors and Assigns. This Agreement shall be binding on, and inure to the benefit of, the parties hereto and other persons specified in Section 1 hereof, and the respective successors and assigns of each of them.

6. Governing Law. This Agreement and the terms and conditions set forth herein with respect to any Offering together with such supplementary terms and conditions with respect to such Offering as may be contained in any Written Communication from us to you in connection therewith shall be governed by, and construed in accordance with, the laws of the State of New York.

Please confirm by signing and returning to us the enclosed copy of this Agreement that your subscription to, or your acceptance of any reservation of, any Securities pursuant to an Offering shall constitute (i) acceptance of and agreement to the terms and conditions of this Agreement (as supplemented and amended pursuant to Section 4 hereof) together with and subject to any supplementary terms and conditions contained in any Written Communication from us in connection with such Offering, all of which shall constitute a binding agreement between you and us, individually or as representative of any Underwriters, (ii) confirmation that your representations and warranties set forth in Section 3 hereof are true and correct at that time, (iii) confirmation that your agreements set forth in Sections 2 and 3 hereof have been and will be fully performed by you to the extent and at the times required thereby and (iv) in the case of any Offering described in Section 3(a) and 3(b) hereof, acknowledgment that you will request and have received from us sufficient copies of the final prospectus or offering circular, as the case may be, with respect to such Offering in order to comply with your undertakings in Section 3(a) or 3(b) hereof.

Very truly yours,

INCAPITAL LLC

By: _____
Name:
Title:

CONFIRMED: _____,20____
{Company}

By: _____
Name: _____
(Print name)
Title: _____

EXHIBIT F
FORM OF DISCLOSURE PACKAGE SCHEDULE

DISCLOSURE PACKAGE SCHEDULE

(1) Applicable Time:

(2) Issuer Free Writing Prospectuses:

- [Final Term Sheet in the form set forth in Exhibit G to the Selling Agent Agreement], [if the Company is obligated to prepare and file such term sheet pursuant to Section III(a)(i) of the Selling Agent Agreement]

Exh F-1

EXHIBIT G
FORM OF FINAL TERM SHEET

[To be modified as appropriate]

Prudential Financial, Inc.

Issuer:

Principal Amount:

Ratings:

Reoffer Price:

Settlement Date:

Maturity Date:

Coupon Rate:

Coupon Payment Date:

Business Day Convention:

Initial Coupon Payment Date:

Call Frequency:

First Call Date:

Day Count Convention:

Denominations:

Dealer:

Gross Spread:

Form of Note:

CUSIP:

[Other Provisions:]

Exh G-1

The issuer has filed a registration statement (including a prospectus) with the SEC for the offering to which this communication relates. Before you invest, you should read the prospectus in that registration statement and other documents the issuer has filed with the SEC for more complete information about the issuer and this offering. You may get these documents for free by visiting EDGAR on the SEC Web site at www.sec.gov. Alternatively, the issuer, any agent or any dealer participating in the offering will arrange to send you the prospectus if you request it by calling [•] toll-free at [•].

Exh F-2

PRUDENTIAL FINANCIAL, INC.

as Issuer

TO

THE BANK OF NEW YORK

as Trustee

Second Supplemental Indenture

Dated as of December 12, 2006

**\$2,000,000,000 Floating Rate Convertible Senior Notes
due December 12, 2036**

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¹ This Table of Contents shall not, for any purpose, be deemed a part of the Indenture.

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SECOND SUPPLEMENTAL INDENTURE, dated as of December 12, 2006 (the “*Second Supplemental Indenture*”), between PRUDENTIAL FINANCIAL, INC., a corporation duly organized and existing under the laws of the State of New Jersey (the “*Company*”), and THE BANK OF NEW YORK, a New York banking corporation (as successor to JPMorgan Chase Bank, N.A.), as trustee (the “*Trustee*”).

WHEREAS, the Company executed and delivered an indenture, dated as of April 25, 2003 (the “*Base Indenture*”), which was supplemented by the First Supplemental Indenture, dated as of November 16, 2005 (the “*First Supplemental Indenture*” and together with the Base Indenture and with this Second Supplemental Indenture, the “*Indenture*”), to the Trustee to provide for the future issuance of the Company’s senior debt securities (the “*Securities*”), to be issued from time to time in one or more series as might be determined by the Company under the Base Indenture;

WHEREAS, pursuant to the terms of the Base Indenture, the Company desires to provide for the establishment, authentication and issuance of a new series of its Securities to be known as its “Floating Rate Convertible Senior Notes due December 12, 2036” (the “*Convertible Notes*”), the form and substance of such Convertible Notes and the terms, provisions and conditions thereof to be set forth as provided in the Indenture; and

WHEREAS, the Company has requested that the Trustee execute and deliver this Second Supplemental Indenture and has satisfied all requirements necessary to make this Second Supplemental Indenture a valid instrument in accordance with its terms, and to make the Convertible Notes, when executed by the Company and authenticated and delivered by the Trustee, the valid and binding obligations of the Company and all acts and things necessary have been done and performed to make this Second Supplemental Indenture enforceable in accordance with its terms, and the execution and delivery of this Second Supplemental Indenture has been duly authorized in all respects:

NOW, THEREFORE, in consideration of the purchase and acceptance of the Convertible Notes by the Holders thereof, and for the purpose of setting forth, as provided in the Indenture, the form and substance of the Convertible Notes and the terms, provisions and conditions thereof, the Company covenants and agrees with the Trustee as follows:

ARTICLE I

DEFINITIONS

SECTION 1.1. *Definition of Terms.*

Unless the context otherwise requires:

- (a) a term defined or interpreted pursuant to the Base Indenture has the same meaning when used in this Second Supplemental Indenture;
- (b) a term defined anywhere in this Second Supplemental Indenture has the same meaning throughout;
- (c) the singular includes the plural and vice versa;
- (d) headings are for convenience of reference only and do not affect interpretation; and

(e) the following terms have the meanings given to them in this Section 1.1(e):

“3-month LIBOR” means:

- (i) the rate for three-month deposits in U.S. dollars commencing on the related LIBOR Rate Reset Date, that appears on the Moneyline Telerate Page 3750 as of 11:00 A.M., London time, on the LIBOR Determination Date; or
- (ii) if no rate appears on the particular LIBOR Determination Date on the Moneyline Telerate Page 3750, the rate calculated by the Trustee as the arithmetic mean of at least two offered quotations obtained by the Trustee after requesting the principal London offices of each of four major reference banks in the London interbank market to provide the Trustee with its offered quotation for deposits in U.S. dollars for the period of three months, commencing on the related LIBOR Rate Reset Date, to prime banks in the London interbank market at approximately 11:00 A.M., London time, on that LIBOR Determination Date and in a principal amount that is representative for a single transaction in U.S. dollars in that market at that time; or
- (iii) if fewer than two offered quotations referred to in clause (ii) above are provided as requested, the rate calculated by the Trustee as the arithmetic mean of the rates quoted at approximately 11:00 A.M., New York time, on the particular LIBOR Determination Date by three major banks in The City of New York selected by the Trustee for loans in U.S. dollars to leading European banks for a period of three months and in a principal amount that is representative for a single transaction in U.S. dollars in that market at that time; or
- (iv) if the banks so selected by the Trustee are not quoting as mentioned in clause (iii) above, 3-month LIBOR in effect on the particular LIBOR Determination Date.

“Acquirer Common Stock” shall have the meaning set forth in the definition of “Public Acquirer Change in Control”.

“Applicable Procedures” means, with respect to any transfer or transaction involving a Global Security or beneficial interests therein, or involving a Convertible Note in definitive form, the rules and procedures of the Depositary for such Global Security or such Convertible Note in definitive form, as the case may be, in each case to the extent applicable to such transaction and as in effect from time to time.

“Beneficial Owner” has the meaning determined in accordance with Rules 13d-3 and 13d-5 promulgated by the Commission under the Exchange Act, or any successor provision, except that (i) a Person shall be deemed to have “beneficial ownership” of all shares of the Company’s Common Stock that the Person has the right to acquire, whether exercisable immediately or only after the passage of time and (ii) any percentage of beneficial ownership shall be determined using the definition in clause (i) in both the numerator and the denominator.

“*Business Day*” means each Monday, Tuesday, Wednesday, Thursday and Friday which is not a day on which banking institutions in The City of New York are authorized or obligated by law or executive order to close, *provided* that such Business Day is also a London Banking Day.

“*Capital Stock*” for any corporation means any and all shares, interests, rights to purchase, warrants, options, participations or other equivalents of or interests in (however designated) stock issued by that corporation, but excluding from all of the foregoing any debt securities convertible into Capital Stock, whether or not such debt securities include any right of participation with Capital Stock.

“*Change in Control*” means the occurrence of one or more of the following events: (i) any sale, lease, exchange or other transfer (in one transaction or a series of related transactions) of all or substantially all of the Company’s properties and assets, to any Person or group of related Persons, as defined in Section 13(d) of the Exchange Act (a “*Group*”); (ii) the approval by the holders of the Company’s capital stock of any plan or proposal for the Company’s liquidation or dissolution, whether or not otherwise in compliance with the provisions of the Indenture; (iii) any Person or Group, other than the Company or any of the Company’s Subsidiaries, or any employee benefit plan of the Company’s or any of the Company’s Subsidiaries, becomes the Beneficial Owner, directly or indirectly, of shares of the Company’s voting stock representing more than 50% of the aggregate ordinary voting power represented by the Company’s issued and outstanding voting shares; or (iv) the first day on which a majority of the members of the Company’s Board of Directors are not Continuing Directors.

“*Closing Sale Price*” on any date means the closing sale price per share (or if no closing sale price is reported, the average of the bid and ask prices or, if more than one in either case, the average of the average bid and the average ask prices) on such date for the Acquirer Common Stock as reported in composite transactions on The New York Stock Exchange or the principal U.S. securities exchange on which the Common Stock is traded or, if the Common Stock is not listed on a U.S. national or regional securities exchange, as reported by the Nasdaq National Market System.

“*Common Stock*” shall mean shares of the Company’s Common Stock, \$.01 par value per share, as they exist on the date of this Second Supplemental Indenture.

“*Common Stock Price*” on any date means the closing sale price per share (or if no closing sale price is reported, the average of the bid and ask prices or, if more than one in either case, the average of the average bid and the average ask prices) on such date for the Common Stock as reported in composite transactions on The New York Stock Exchange or the principal U.S. securities exchange on which the Common Stock is traded or, if the Common Stock is not listed on a U.S. national or regional securities exchange, as reported by the Nasdaq National Market System. If the Common Stock is not so quoted, the “*Common Stock Price*” will be the average of the mid-point of the last bid and asked prices for the Common Stock on the relevant date quoted by each of at least three nationally

recognized independent investment banking firms selected by the Company for this purpose.

“*Continuing Directors*” means, as of any date of determination, any member of the Board of Directors who (a) was a member of the Board of Directors as of the date of this Second Supplemental Indenture or (b) was nominated for election or elected to the Board of Directors with the approval of a majority of the Continuing Directors who were members of the Board of Directors at the time of such nomination or election.

“*Conversion Price*” means \$104.208 per share of Common Stock as of the date of this Second Supplemental Indenture, subject to the adjustments described in Section 5.5 of this Second Supplemental Indenture.

“*Conversion Rate*” means the number of shares of Common Stock equal to \$1,000 divided by the Conversion Price, which as of the date of this Second Supplemental Indenture, shall be 9.5962 prior to any adjustment thereto pursuant to Article V of this Second Supplemental Indenture.

“*Daily Conversion Value*” means, for each of the 10 consecutive Trading Days during the Observation Period, one-tenth of the product of (i) the applicable Conversion Rate and (ii) the Common Stock Price (or the consideration into which the Company’s Common Stock has been converted in connection with certain corporate transactions contemplated by this Second Supplemental Indenture) on such day.

“*Daily Settlement Amount*,” for each of the 10 Trading Days during the Observation Period consists of: (i) an amount in cash equal to the lesser of \$100 and the Daily Conversion Value relating to such day; and (ii) to the extent such Daily Conversion Value exceeds \$100, a number of shares equal to (i) the difference between such Daily Conversion Value and \$100, divided by (ii) the Common Stock Price for such day.

“*Default*” means any event which is, or after notice or passage of time or both would be, an Event of Default.

“*Holder*”, or “*Holder of Convertible Notes*”, means the Person in whose name a Convertible Note is registered in the Security Register.

“*Institutional Accredited Investor*” or “*IAI*” means an institutional investor that is an “accredited investor” within the meaning of Rule 501(a)(1), (2), (3) or (7) of Regulation D under the Securities Act (or any successor provision), as it may be amended from time to time.

“*Initial Purchasers*” shall mean Citigroup Global Markets Inc. and Morgan Stanley & Co. Incorporated.

“*LIBOR Determination Date*” means the second London Banking Day preceding each LIBOR Rate Reset Date.

“*LIBOR Rate Reset Date*” means the 12th day of the months of March, June, September and December of each year commencing on March 12, 2007.

“*Liquidated Damages*” has the meaning set forth in the Registration Rights Agreement.

“*London Banking Day*” means a day on which commercial banks are open for business, including dealings in U.S. dollars, in London.

“*Market Price*” means the average of the Common Stock Prices for 20 consecutive Trading Days commencing 30 Trading Days before the record date with respect to any distribution, issuance or other event requiring the computation thereof, appropriately adjusted (as determined in good faith by the Board of Directors, whose determination shall be conclusive) to take into account the occurrence, during the period commencing on the first of such 20 consecutive Trading Days and ending on such record date, of any event requiring adjustment of the Conversion Price under this Second Supplemental Indenture.

“*Moneyline Telerate Page 3750*” means the display on Moneyline Telerate (or any successor service) on such page (or any other page as may replace such page on such service) for the purpose of displaying the London interbank rates of major banks for U.S. dollars.

“*Observation Period*” with respect to any Convertible Note means the 10 consecutive Trading Day period beginning on and including the second Trading Day after delivery of the Conversion Notice to the Conversion Agent pursuant to Section 5.2(a) of this Second Supplemental Indenture or the delivery of the appropriate instructions to the Conversion Agent pursuant to the Applicable Procedures as referred to in clause (v) of said Section 5.2(a), *provided* that, in connection with any Conversion Notice (or appropriate instructions) received after the date of issuance of a notice of redemption of the Convertible Notes pursuant to Section 3.1 of this Second Supplemental Indenture, the Observation Period means the 10 consecutive Trading Days beginning on and including the 13th scheduled Trading Day prior to the applicable Redemption Date.

“*Over-Allotment Option*” shall mean the option granted to the Initial Purchaser pursuant to the Purchase Agreement to purchase up to an additional \$300,000,000 principal amount of Convertible Notes.

“*Public Acquirer Change in Control*” means any transaction described in clause (iii) of the definition of Change in Control where the acquirer, or any entity that is a direct or indirect beneficial owner (as defined in Rule 13d-3 under the Exchange Act) of more than 50% of the aggregate ordinary voting power of all shares of such acquirer’s Capital Stock that are entitled to vote generally in the election of directors, but in each case other than the Company, has a class of common stock traded on a U.S. national securities exchange or quoted on the Nasdaq National Market System or which will be so traded or quoted when issued or exchanged in connection with such Change in Control. Such acquirer’s or other entity’s class of common stock traded on a U.S. national securities

exchange or quoted on the Nasdaq National Market System or which will be so traded or quoted when issued or exchanged in connection with such Change in Control is herein referred to as “*Acquirer Common Stock*.”

“*Purchase Agreement*” means the Purchase Agreement, dated December 7, 2006, between the Company and the Initial Purchasers relating to the Convertible Notes.

“*Redemption Date*” means the date fixed for the redemption of the Convertible Notes pursuant to Section 3.1 of this Second Supplemental Indenture.

“*Registration Rights Agreement*” means the Registration Rights Agreement, dated December 12, 2006, between the Company and the Initial Purchasers relating to the Convertible Notes.

“*Rule 144A*” means Rule 144A under the Securities Act (or any successor provision), as it may be amended from time to time.

“*Tax Original Issue Discount*” means the amount of ordinary interest income on a Convertible Note that must be accrued as original issue discount for U.S. federal income tax purposes pursuant to Treasury regulation section 1.1275-4 or any successor provision.

“*TIA*” means the Trust Indenture Act of 1939 as in effect on the date of this Second Supplemental Indenture, *provided* that in the event the TIA is amended after such date, TIA means, to the extent required by any such amendment, the TIA as so amended.

“*Trading Day*” means any regular or abbreviated trading day of The New York Stock Exchange or of the principal U.S. securities exchange on which the Common Stock is traded or, if the Common Stock is not listed on a U.S. national or regional securities exchange, of the Nasdaq National Market.

“*Trading Price*” on any date of determination means the average of the secondary market bid quotations per \$1,000 principal amount of Convertible Notes obtained by the Trustee for \$5,000,000 principal amount of the Convertible Notes at approximately 3:30 p.m., New York City time, on such determination date from three independent nationally recognized securities dealers selected by the Company, which may include the Initial Purchasers; *provided* that if at least three such bids cannot reasonably be obtained by the Trustee, but two such bids are obtained, then the average of the two bids shall be used, and if only one such bid can reasonably be obtained by the Trustee, this one bid shall be used. If the Trustee cannot reasonably obtain at least one such bid or, in the Company’s reasonable judgment, the bid quotations are not indicative of the secondary market value of the Convertible Notes, then the Trading Price of the Convertible Notes will be determined in good faith by the Company, taking into account in such determination such factors as it, in its sole discretion, deems appropriate.

“*Transfer Restricted Securities Legend*” means the legend labeled as such and that is set forth in Exhibit A hereto.

SECTION 1.2. *Other Definitions.*

<u>Term</u>	<u>Defined in Section</u>
Accepted Purchased Shares	5.5(f)(ii)
Accredited Investor Certificate	2.7(a)(ii)
Additional Shares	5.1(b)(i)
Agent Member	2.7(d)(ii)
Change in Control Repurchase Date	3.3(a)
Change in Control Repurchase Notice	3.3(e)
Change in Control Repurchase Price	3.3(a)
Company Change in Control Repurchase Notice	3.3(b)
Company Repurchase Notice	3.2(g)
contingent payment regulations	6.6(a)
Conversion Agent	5.16
Conversion Date	5.2(a)
Conversion Notice	5.2(a)
Definitive Transfer Restricted Security	2.7(d)(i)
Dividend Threshold Amount	5.5(e)
Effective Date	5.1(b)(ii)
Ex-Dividend Date	5.5(b)(iii)
Initial Interest Rate	2.5(b)
Interest Payment Date	2.5(b)
Notice of Redemption	3.1(c)
Offer Expiration Time	5.5(d)(i)
Paying Agent	2.8
Pre-Dividend Sale Price	5.5(e)(i)
Purchased Shares	5.5(d)(ii)
QIB	2.7(a)(i)
Record Date	2.6(a)
Repurchase Date	3.2(a)
Repurchase Notice	3.2(b)(i)
Repurchase Price	3.2(a)
Rule 144A Information	4.1
Share Price	5.1(b)(ii)
Spinoff Valuation Period	5.5(c)(ii)(B)
transfer	2.7(c)
Transfer Restricted Global Security	2.7(d)(i)
Transfer Restricted Securities	2.7(c)

ARTICLE II

GENERAL TERMS AND CONDITIONS OF THE SECURITIES

SECTION 2.1. *Designation, Principal Amount and Authorized Denomination.*

There is hereby authorized and established a series of Securities designated as “Floating Rate Convertible Senior Notes due December 12, 2036”, limited in aggregate principal amount to \$2,000,000,000 (or \$2,300,000,000, if the Over-Allotment Option is exercised in full), which amount to be issued shall be as set forth in any Company Order for the authentication and delivery of Securities pursuant to the Base Indenture. The Convertible Notes shall be issuable in denominations of \$1,000 and integral multiples thereof.

SECTION 2.2. *Maturity.*

The Stated Maturity of the principal of the Convertible Notes shall be December 12, 2036.

SECTION 2.3. *Form and Terms of Convertible Notes.*

(a) The Convertible Notes shall be substantially in the form, and shall have the terms, set forth on Exhibit A, which in its entirety is made a part of this Second Supplemental Indenture and is incorporated by reference herein as if set forth in full herein. In the event of any conflict between the provisions set forth in Exhibit A and the provisions set forth in the Indenture, the provisions of the Indenture shall control. The Convertible Notes may have any notations, legends or endorsements required by law, stock exchange rule or usage; *provided* that any such notation, legend or endorsement required by usage is in a form acceptable to the Company. The Company shall provide any such notations, legends or endorsements to the Trustee in writing.

(b) The terms and provisions contained in the Convertible Notes shall constitute, and are hereby expressly made, a part of the Indenture and the Company and the Trustee, by their execution and delivery of this Second Supplemental Indenture, expressly agree to such terms and provisions and to be bound thereby.

SECTION 2.4. *Global Securities.*

The Convertible Notes shall initially be issued in the form of one or more Global Securities registered in the name of the Depositary (which initially shall be The Depositary Trust Company) or its nominee. Except under the limited circumstances described in Section 305(h) of the Base Indenture, Convertible Notes represented by such Global Security or Global Securities shall not be exchangeable for, and shall not otherwise be issuable as, Convertible Notes in definitive form; *provided*, that any election of the Company to issue Convertible Notes in definitive form pursuant to clause (ii) of said Section 305(h) and to effect transfers of such definitive Convertible Notes pursuant to Section 2.7(d) hereof shall be subject to the Applicable Procedures of the Depositary. The Global Securities may not be transferred except by the Depositary to a nominee of the Depositary or by a nominee of the Depositary to the Depositary or another nominee of the Depositary or to a successor Depositary or its nominee.

SECTION 2.5. *Payment of Principal; Interest Rate and Payment Dates; Liquidated Damages.*

(a) The principal of the Convertible Notes shall be due on December 12, 2036 (unless earlier repurchased, redeemed or converted). The Company shall pay interest on any overdue principal amount at the interest rate borne by the Convertible Notes at the time such interest on the overdue principal amount accrues, compounded quarterly.

(b) The Convertible Notes shall bear interest at an annual rate equal to 3-month LIBOR, reset quarterly, minus 2.40%, and will initially bear interest at a rate of 2.95313% (the “*Initial Interest Rate*”), *provided* that such rate shall never be less than 0% *per annum*. Interest shall be payable quarterly in arrears on each March 12, June 12, September 12 and December 12 (each, an “*Interest Payment Date*”), commencing on March 12, 2007. If any Interest Payment Date (other than an Interest Payment Date coinciding with a Redemption Date, Repurchase Date, Change in Control Repurchase Date or the Stated Maturity of the principal of the Convertible Notes) falls on a day that is not a Business Day, such Interest Payment Date shall be postponed to the next succeeding Business Day, *provided* that, if such Business Day falls in the next succeeding calendar month, such Interest Payment Date will be brought forward to the immediately preceding Business Day. If the Redemption Date, Repurchase Date, Change in Control Repurchase Date or the Stated Maturity of principal of the Convertible Notes shall fall on a day that is not a Business Day, the required payment of interest, if any, and principal will be made on the next succeeding Business Day and no interest on such payment will accrue for the period from and after the Redemption Date, Repurchase Date, Change in Control Repurchase Date or the Stated Maturity to such next succeeding Business Day. Interest on the notes will accrue from December 12, 2006 or, if interest has already been paid or duly provided for, from the date on which it was most recently paid or duly provided for. The *per annum* interest rate shall be reset on each LIBOR Rate Reset Date.

(c) (i) Interest on the notes will be computed using the actual number of days elapsed between the LIBOR Rate Reset Dates divided by 360. All percentages resulting from any calculation on the Convertible Notes will be rounded, if necessary, to the nearest one-hundred-thousandth of a percentage point, with five one-millionths of a percentage point rounded upward and all dollar amounts used in or resulting from that calculation on the Convertible Notes will be rounded to the nearest cent, with one-half cent being rounded upward. The Company will pay interest and Liquidated Damages, if any, on the Convertible Notes at the Corporate Trust Office of the Trustee in The City of New York.

(ii) If any LIBOR Rate Reset Date falls on a day that is not a Business Day, the LIBOR Rate Reset Date will be postponed to the next day that is a Business Day, except that if that Business Day is in the next succeeding calendar month, the LIBOR Rate Reset Date will be the immediately preceding Business Day. The interest rate in effect on any LIBOR Rate Reset Date will be the applicable rate as reset on that date and the interest rate in effect on any other day will be the interest rate in effect on the next preceding LIBOR Rate Reset Date or if there was no preceding LIBOR Rate Reset Date, the interest rate in effect on that day shall be the Initial Interest Rate.

(d) The Trustee shall determine 3-month LIBOR on each LIBOR Determination Date.

(e) The Holders of the Convertible Notes shall be entitled to the benefits of the Registration Rights Agreement, including the right to receive Liquidated Damages in the event of Registration Defaults (as defined in the Registration Rights Agreement) under Section 7 thereof,

such Liquidated Damages to be payable at the same times and to the same Persons as regular interest is payable with respect to the Convertible Notes, it being understood that any reference in this Second Supplemental Indenture to “interest” shall be deemed to include “Liquidated Damages” if then owing in accordance with the terms of the Registration Rights Agreement. If at any time Liquidated Damages become payable by the Company pursuant to the Registration Rights Agreement, the Company shall promptly deliver to the Trustee an Officers’ Certificate to that effect stating (i) the amount of such Liquidated Damages that are payable, (ii) the date from which such Liquidated Damages shall accrue, and (iii) the date on which such Liquidated Damages are payable pursuant to the terms of the Registration Rights Agreement. Unless and until a Responsible Officer of the Trustee receives such a certificate, the Trustee may assume without inquiry that no Liquidated Damages are payable.

SECTION 2.6. *Method of Payment.*

(a) The Company will pay interest (including Liquidated Damages, if any) on the Convertible Notes to the Person who is the registered Holder of a Convertible Note at the close of business on March 1, June 1, September 1 and December 1, whether or not a Business Day (each, a “*Record Date*”), as the case may be, immediately preceding the related Interest Payment Date, *provided* that interest payable upon repurchase or redemption of the Convertible Notes pursuant to Article III or at the Stated Maturity of principal (including any such date that is an Interest Payment Date) shall be paid to the Person to whom principal is payable) and *provided* that subject to the terms and conditions of the Indenture, the Company will make all payments and deliveries in respect of the Redemption Price, Repurchase Price, Change in Control Repurchase Price and the principal amount at Stated Maturity (including the interest payable on the date such amounts are due), as the case may be, to the Holder who surrenders a Convertible Note to the Paying Agent (as defined below) to collect such payments in respect of the Convertible Note. The Company will pay cash amounts in money of the United States that at the time of payment is legal tender for payment of public and private debts.

(b) Notwithstanding Section 2.6(a), if a Holder is holding Convertible Notes in definitive form, the Company shall pay interest (including Liquidated Damages, if any), other than interest payable at the Stated Maturity of principal or on a Redemption Date, Repurchase Date or Change in Control Repurchase Date, by check mailed to such Holder. If a Holder is holding at least \$1,000,000 principal amount of Convertible Notes in definitive form, such Holder may receive such interest payments by wire transfer provided that such Holder has notified the Trustee in writing at the Trustee’s Corporate Trust Office, on or before the Record Date before the applicable Interest Payment Date, other than an Interest Payment Date at the Stated Maturity of principal or on a Redemption Date, Repurchase Date or Change in Control Repurchase Date, that such Holder chooses to have interest on such Holder’s Convertible Notes payable on such Interest Payment Date and all subsequent Interest Payment Dates paid by wire transfer of immediately available funds to an account at a bank (that has facilities to receive wire transfers) in The City of New York, or in another city designated by such Holder and agreed to by the Company and the Trustee. Such payment method will apply until such Holder provides the Trustee written notice to the contrary. The Company shall pay the principal of and interest (including Liquidated Damages, if any) on any Convertible Note in definitive form that is due at the Stated Maturity of principal, the Redemption Date, Repurchase Date or Change in Control Repurchase Date in immediately available funds against presentation of such Convertible Note in definitive form at the Corporate Trust Office of the Trustee in The City of New York or at any other office or agency of the Trustee in The City of New York that the Trustee may designate to such Holder in writing; *provided* if any such payment is to be made by wire transfer, the Trustee must have

received appropriate wire transfer instructions in writing from any Holder being so paid at least two Business Days prior to the relevant date.

SECTION 2.7. *Transfer and Exchange.*

(a) (i) Notwithstanding any other provision of this Second Supplemental Indenture or the Convertible Notes, until the expiration of the applicable holding period set forth in Rule 144(k) of the Securities Act (or any successor provision), the Convertible Notes may not be offered, sold, pledged or otherwise transferred in whole or in part except (i) to a Person whom the transferor reasonably believes is a qualified institutional buyer, as such term is defined in Rule 144A (a “QIB”), acquiring for its own account or for the account of a QIB in a transaction meeting the requirements of Rule 144A, (ii) pursuant to an exemption from registration under the Securities Act provided by Rule 144 thereunder (if available), (iii) subject to Section 2.7(d) below, to an institutional investor that is an “accredited investor” as such term is defined in Rule 501(a)(1), (2), (3) or (7) of Regulation D under the Securities Act pursuant to an exemption from registration under the Securities Act (if available), (iv) pursuant to an effective registration statement under the Securities Act or (v) to the Company or any of its Subsidiaries, in each of cases (i) through (v) in accordance with any applicable securities laws of any state of the United States and other jurisdictions. Whenever, prior to the expiration of such holding period, any Convertible Note is presented or surrendered for registration of transfer or exchange for a Convertible Note registered in a name other than that of the Holder thereof, such Convertible Note must be accompanied by a certificate in substantially the form set forth in Exhibit B, dated the date of such surrender and signed by the Holder of such Convertible Note, (and in the case of a proposed transfer to an IAI, by an Accredited Investor Certificate signed by the proposed transferee substantially in the form set forth in Exhibit D and by an Opinion of Counsel acceptable to the Company) as to compliance with such restrictions on transfer. The Security Registrar shall not be required to accept for such registration of transfer or exchange any Convertible Note not so accompanied by such properly completed certificates and Opinion of Counsel, as applicable.

(ii) Notwithstanding any other provision of this Second Supplemental Indenture or the Convertible Notes, any Convertible Notes that are to be reoffered and resold to Institutional Accredited Investors that are not QIBs, may be resold in each case only to an Institutional Accredited Investor that has executed and delivered to the Trustee, as Security Registrar, a certificate substantially in the form of Exhibit D hereto (an “*Accredited Investor Certificate*”), and shall be issued in definitive, fully registered form without interest coupons, substantially in the form set forth herein, in minimum denominations of \$100,000 and integral multiples of \$1,000 in excess thereof. Any Convertible Note sold to Institutional Accredited Investors in accordance with the foregoing sentence shall not be issued in the form of a Global Security; *provided, however*, that Convertible Notes in definitive form may be transferred to QIBs in accordance with Rule 144A and exchanged for interests in Global Securities pursuant to Section 2.7(d) below. Convertible Notes in definitive form shall be duly executed by the Company and authenticated by the Trustee as provided herein, and shall be registered in the name of the Institutional Accredited Investor purchasing such Convertible Note in definitive form, if any.

(b) Any certificate evidencing a Convertible Note (and all securities issued in exchange therefore or substitution thereof) shall bear the Transfer Restricted Securities Legend, unless (1) such Convertible Note has been sold pursuant to a registration statement that has been

declared effective under the Securities Act (and which continues to be effective at the time of such transfer) or pursuant to Rule 144 under the Securities Act or any similar provision then in force, (2) such Convertible Note is eligible for resale pursuant to Rule 144(k) under the Securities Act (or any successor provision) or (3) otherwise agreed by the Company in writing, with written notice thereof to the Trustee.

(c) Every Convertible Note that bears or is required under this Section 2.7 to bear the Transfer Restricted Securities Legend (the “*Transfer Restricted Securities*”) shall be subject to the restrictions on transfer set forth in this Section 2.7 (including those set forth in the Transfer Restricted Securities Legend), and the Holder of each such Transfer Restricted Security, by such Holder’s acceptance thereof, agrees to be bound by all such restrictions on transfer. As used in this Section 2.7, the term “*transfer*” encompasses any sale, pledge, loan, transfer or other disposition whatsoever of any Transfer Restricted Security or any interest therein.

(d) (i) *Transfer of a Definitive Transfer Restricted Security to a Transfer Restricted Global Security*. Notwithstanding anything herein to the contrary, if the Holder of a definitive Convertible Note that is a Transfer Restricted Security (a “*Definitive Transfer Restricted Security*”) wishes at any time to transfer such Definitive Transfer Restricted Security to a Person who wishes to take delivery thereof in the form of a beneficial interest in a Transfer Restricted Security that is a Global Security (a “*Transfer Restricted Global Security*”), such transfer may be effected, subject to the other provisions of this Indenture and the Applicable Procedures, only in accordance with this Section 2.7(d). Upon receipt by (1) the Depositary of (A) written instructions given in accordance with the Applicable Procedures from any member or participant in the Depositary (an “*Agent Member*”) directing the Depositary to credit or cause to be credited to a specified Agent Member’s account a beneficial interest in the Transfer Restricted Global Security, in a principal amount equal to the principal amount of the Definitive Transfer Restricted Security to be so transferred and (B) a written order given in accordance with the Applicable Procedures containing information regarding the account of the Agent Member to be credited with such beneficial interest; and upon receipt by (2) the Trustee of (A) the Definitive Transfer Restricted Security to be transferred and (B) notification from the Depositary of the transaction described in (1) above, the Trustee shall cancel the Definitive Transfer Restricted Security and instruct the Depositary to increase the principal amount of the Transfer Restricted Global Security by the principal amount of the Definitive Transfer Restricted Security so transferred, and to credit or cause to be credited to the account of the Person specified in such instructions a corresponding principal amount of the Transfer Restricted Global Security.

(ii) *Transfers by IAI*s. In connection with any transfer of a definitive Convertible Note by an Institutional Accredited Investor, such Institutional Accredited Investor shall be required, prior to such transfer, to furnish to the Company and the Trustee, as Security Registrar, an Opinion of Counsel having substantial experience in practice under the Securities Act and otherwise reasonably acceptable to the Company, addressed to the Company and in form acceptable to the Company, to the effect that such transfer is being made pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act.

(iii) *Transfers to IAI*s. In connection with any transfer of any Convertible Note to an Institutional Accredited Investor, such Institutional Accredited Investor shall be required, prior to such transfer, to furnish to the Company and the Trustee, as Security Registrar, an Accredited Investor Certificate executed by such Institutional Accredited Investor and an Opinion of Counsel having substantial experience in practice under the

Securities Act and otherwise reasonably acceptable to the Company, addressed to the Company and in form acceptable to the Company, to the effect that such transfer is being made pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act.

(e) Any Convertible Note (or Convertible Note issued in exchange or substitution therefor) as to which such restrictions on transfer shall have expired in accordance with their terms or as to conditions for removal of the Transfer Restricted Securities Legend have been satisfied may, upon surrender of such Convertible Note for exchange to the Security Registrar in accordance with the provisions of this Section 2.7, be exchanged for a new Convertible Note or Convertible Notes, of like tenor and aggregate principal amount, which shall not bear the Transfer Restricted Securities Legend. If the Transfer Restricted Security surrendered for exchange is represented by a Global Security bearing a Transfer Restricted Securities Legend, the principal amount of the Global Security so legended shall be reduced by the appropriate principal amount and the principal amount of a Global Security without the Transfer Restricted Securities Legend shall be increased by an equal principal amount. If a Global Security without the Transfer Restricted Securities Legend is not then outstanding, the Company shall execute and the Trustee shall authenticate and deliver a Global Security without the Transfer Restricted Securities Legend to the Depository. The Security Registrar shall not be required to remove any Transfer Restricted Securities Legend from a Convertible Note unless directed to do so in an Officers' Certificate.

(f) The Trustee and the Security Registrar shall have no obligation or duty to monitor, determine or inquire as to compliance with any restrictions on transfer imposed under this Second Supplemental Indenture or under applicable law with respect to any transfer of a beneficial interest in any Convertible Note that is a Global Security (including any transfers between or among Depository participants, indirect participants or Beneficial Owners in any such Global Security) other than to require delivery of such certificates and other documentation or evidence as are expressly required by, and to do so if and when expressly required by, the terms of this Second Supplemental Indenture and to examine the same to determine substantial compliance as to form with the express requirements of this Second Supplemental Indenture.

SECTION 2.8. *Paying Agent.*

The Company shall maintain an office or agency where Convertible Notes may be presented for payment (the "*Paying Agent*"). If the Company fails to maintain a Paying Agent, the Trustee shall act as such and shall be entitled to appropriate compensation therefor pursuant to Section 607 of the Base Indenture. The Company or any of its Subsidiaries or an Affiliate of the Company or any of its Subsidiaries may act as Paying Agent. The Company initially appoints the Trustee as Paying Agent in connection with the Convertible Notes.

ARTICLE III

REPURCHASES AND REDEMPTION

SECTION 3.1. *Redemption of Convertible Notes at the Option of the Company.*

(a) Beginning on December 13, 2007 and during the period thereafter to maturity, the Convertible Notes are redeemable as a whole at any time, or in part from time to time, in any integral multiple of \$1,000, at the option of the Company for cash at a Redemption Price equal to

100% of the principal amount, together with accrued but unpaid interest (including Liquidated Damages, if any) thereon, up to but not including the Redemption Date.

(b) A Notice of Redemption (as defined below) pursuant to this Section 3.1 shall contain the information required under Section 3.1(c) and will be mailed at least 30 days but not more than 60 days before the Redemption Date to each Holder of Convertible Notes to be redeemed at the Holder's address appearing in the Security Register. If money sufficient to pay the Redemption Price of all Convertible Notes (or portions thereof) to be redeemed on the Redemption Date is deposited with the Paying Agent prior to 10:00 a.m., New York City time, on the Redemption Date, on and after such Redemption Date, interest (including Liquidated Damages, if any) shall cease to accrue on such Convertible Notes or portions thereof. Convertible Notes in denominations larger than \$1,000 of principal amount may be redeemed in part but only in integral multiples of \$1,000 of principal amount.

(c) Section 1104 of the Base Indenture is amended to read in its entirety as follows with respect to the Convertible Notes: "At least 30 days but not more than 60 days before any Redemption Date, the Company shall mail a notice of redemption (the "*Notice of Redemption*") by first-class mail, postage prepaid, to each Holder of Convertible Notes to be redeemed at such Holder's address appearing in the Security Register.

The Notice of Redemption shall identify the Convertible Notes to be redeemed and shall state:

- (i) the Redemption Date;
- (ii) the Redemption Price and, to the extent known at the time of such notice the amount of accrued but unpaid interest (including Liquidated Damages, if any) payable on the Redemption Date;
- (iii) the current Conversion Price;
- (iv) the name and address of the Paying Agent and Conversion Agent;
- (v) that Convertible Notes called for redemption may be converted at any time before the close of business on the second Business Day immediately preceding the Redemption Date;
- (vi) that Holders who want to convert Convertible Notes must satisfy the requirements set forth in the Convertible Notes and Article V of the Second Supplemental Indenture;
- (vii) that Convertible Notes called for redemption must be surrendered to the Paying Agent in order to collect the Redemption Price therefor, together with accrued but unpaid interest (including Liquidated Damages, if any) thereon;
- (viii) if fewer than all the outstanding Convertible Notes are to be redeemed, the certificate numbers, if any, and principal amounts of the particular Convertible Notes to be redeemed;
- (ix) that, unless the Company defaults in paying the Redemption Price, interest (including Liquidated Damages, if any) on Convertible Notes called for redemption will

cease to accrue on and after the Redemption Date and the Convertible Notes called for redemption will cease to be Outstanding; and

(x) the CUSIP number of the Convertible Notes called for redemption.

(d) At the Company's request, the Trustee shall give the Notice of Redemption in the Company's name and at the Company's expense, so long as the Company makes such request at least five Business Days prior to the date by which such Notice of Redemption is to be given to Holders in accordance with this Section 3.1 and the Company provides the Trustee with all information required for such Notice of Redemption.

(e) If any of the Convertible Notes are in the form of a Global Security, then the Company shall modify such Notice of Redemption to the extent necessary to accord with the Applicable Procedures that apply to the redemption of Global Securities."

SECTION 3.2. Repurchase of Convertible Notes at the Option of the Holder on Specified Dates.

(a) At the option of the Holder, the Company shall repurchase on December 12, 2007 and on December 12, 2008, 2009, 2010, 2011, 2016, 2021, 2026 and 2031 (each, a "Repurchase Date") all or a portion of the Convertible Notes held by such Holder for cash at a price per Convertible Note equal to 100% of the principal amount of the Convertible Note (the "Repurchase Price"), together with accrued but unpaid interest (including Liquidated Damages, if any) thereon, up to but not including the Repurchase Date.

(b) Convertible Notes shall be repurchased pursuant to this Section 3.2 at the option of the Holder thereof upon:

(i) delivery to the Company and the Paying Agent by the Holder of a written notice substantially in the form included in the Form of Convertible Note attached as Exhibit A hereto (a "Repurchase Notice") at any time from the opening of business on the date that is 30 Business Days prior to the Repurchase Date until the close of business on the Business Day prior to such Repurchase Date stating:

(A) if the Convertible Note which the Holder will deliver to be repurchased is a Convertible Note in definitive form, the certificate number of such Convertible Note, or if such Convertible Note is a Global Security, the notice must comply with the Applicable Procedures;

(B) the portion of the principal amount of the Security which the Holder will deliver to be repurchased, which portion must be in a principal amount of \$1,000 or any integral multiple thereof; and

(C) that such Security shall be repurchased as of the Repurchase Date pursuant to the terms and conditions specified in this Second Supplemental Indenture; and

(ii) delivery or book-entry transfer of such Convertible Note to the Paying Agent prior to, on or after the Repurchase Date (together with all necessary endorsements) at the offices of the Paying Agent, such delivery being a condition to receipt by the Holder of the Repurchase Price therefor, together with accrued but unpaid interest (including

Liquidated Damages, if any); *provided* that the Repurchase Price, together with accrued but unpaid interest (including Liquidated Damages, if any) thereon, shall be so paid pursuant to this Section 3.2 only if the Convertible Note so delivered to the Paying Agent shall conform in all material respects to the description thereof in the related Repurchase Notice.

(c) The Company shall repurchase from the Holder thereof, pursuant to this Section 3.2, a portion of a Convertible Note if the principal amount of such portion is \$1,000 or an integral multiple of \$1,000. Provisions of this Second Supplemental Indenture that apply to the repurchase of all of a Convertible Note also apply to the repurchase of a portion of a Convertible Note.

(d) Any repurchase by the Company contemplated pursuant to the provisions of this Section 3.2 shall be consummated by the delivery to the Paying Agent of the Repurchase Price, together with accrued but unpaid interest (including Liquidated Damages, if any) thereon, to be received by the Holder promptly following the later of the Repurchase Date and the time of delivery or book-entry transfer of the Convertible Note to the Paying Agent in accordance with this Section 3.2.

(e) Notwithstanding anything herein to the contrary, any Holder delivering to the Paying Agent the Repurchase Notice contemplated by this Section 3.2 shall have the right to withdraw such Repurchase Notice at any time prior to the close of business on the Repurchase Date by delivery of a written notice of withdrawal to the Paying Agent at the principal office of the Paying Agent in accordance with Section 3.4. If the Paying Agent holds money sufficient to pay the Repurchase Price of a Convertible Note on the Repurchase Date in accordance with the terms of the Indenture, then, immediately after the Repurchase Date, the Convertible Note will cease to be Outstanding, whether or not the Convertible Note is delivered to the Paying Agent. Thereafter, all other rights of the Holder of a Convertible Note shall terminate, other than the right to receive the Repurchase Price upon delivery of the Convertible Note.

(f) The Paying Agent shall promptly notify the Company of the receipt by it of any Repurchase Notice or written notice of withdrawal thereof.

(g) *Company Repurchase Notice.* In connection with any repurchase of Convertible Notes pursuant to this Section 3.2, the Company shall give written notice of the Repurchase Date to the Holders of the Convertible Notes (the “*Company Repurchase Notice*”). The Company Repurchase Notice shall be sent by first-class mail to the Trustee and to each Holder (and each beneficial owner if required by applicable law) of the Convertible Notes not less than 30 days prior to any Repurchase Date. All questions as to the validity, eligibility (including time of receipt) and acceptance of any Convertible Note for repurchase pursuant to this Section 3.2 shall be determined by the Company, whose determination shall be final and binding. Each Company Repurchase Notice shall include a form of Repurchase Notice to be completed by a Holder and shall state:

(i) the Repurchase Price, the Conversion Price and, to the extent known at the time of such notice, the amount of accrued but unpaid interest (including Liquidated Damages, if any) that will be payable with respect to the Convertible Notes on the Repurchase Date;

(ii) the name and address of the Paying Agent and the Conversion Agent;

(iii) that Convertible Notes as to which a Repurchase Notice has been given may be converted only if (x) the applicable Repurchase Notice has been withdrawn in accordance with the terms of this Second Supplemental Indenture and (y) the Convertible Notes may be converted pursuant to Article V of this Second Supplemental Indenture;

(iv) that Convertible Notes must be surrendered to the Paying Agent to collect payment of the Repurchase Price and accrued but unpaid interest (including Liquidated Damages, if any);

(v) that the Repurchase Price for any Convertible Notes as to which a Repurchase Notice has been given and not withdrawn, together with accrued but unpaid interest (including Liquidated Damages, if any) payable with respect thereto, shall be paid promptly following the later of the Repurchase Date and the time of surrender of such Convertible Notes as described in clause (iv);

(vi) the procedures the Holder must follow under this Section 3.2;

(vii) the conversion rights of the Convertible Notes;

(viii) that, unless the Company defaults in making payment of such Repurchase Price, interest (including Liquidated Damages, if any) on Convertible Notes covered by any Repurchase Notice will cease to accrue on and after the Repurchase Date;

(ix) the CUSIP number of the Convertible Notes; and

(x) the procedures for withdrawing a Repurchase Notice or (as specified in Section 3.4).

(h) At the Company's request, which shall be made at least five Business Days prior to the date by which the Company Repurchase Notice is to be given to the Holders in accordance with this Section 3.2, and at the Company's expense, the Trustee shall give the Company Repurchase Notice in the Company's name; *provided* that, in all cases, the text of the Company Repurchase Notice shall be prepared by the Company.

(i) If any of the Convertible Notes is in the form of a Global Security, then the Company shall modify such notice to the extent necessary to accord with the Applicable Procedures that apply to the repurchase of Global Securities.

(j) There shall be no repurchase of any Convertible Notes pursuant to this Section 3.2 if an Event of Default (other than a default in the payment of the Repurchase Price) has occurred prior to, on or after, as the case may be, the giving by the Holders of such Convertible Notes of the required Repurchase Notice and such Event of Default is continuing. The Paying Agent will promptly return to the respective Holders thereof any Convertible Notes (x) with respect to which a Repurchase Notice has been withdrawn in compliance with this Second Supplemental Indenture, or (y) held by it during the continuance of an Event of Default (other than a default in the payment of the Repurchase Price) in which case, upon such return, the Repurchase Notice with respect thereto shall be deemed to have been withdrawn.

SECTION 3.3. *Repurchase of Convertible Notes at Option of the Holder Upon a Change in Control.*

(a) If at any time that Convertible Notes remain Outstanding there shall have occurred a Change in Control, Convertible Notes shall be repurchased by the Company, at the option of the Holder thereof, at a price in cash (the “*Change in Control Repurchase Price*”) equal to 100% of the principal amount of such Convertible Notes plus accrued but unpaid interest (including Liquidated Damages, if any) thereon, up to but not including the date (the “*Change in Control Repurchase Date*”) fixed by the Company that is not less than 30 days nor more than 60 days after the date the Company Change in Control Repurchase Notice (as defined below) is given, subject to satisfaction by or on behalf of the Holder of the requirements set forth in Section 3.3(e).

(b) *Company Change in Control Repurchase Notice.* In connection with any repurchase of Convertible Notes pursuant to this Section 3.3, the Company shall give written notice of the occurrence of a Change in Control, the repurchase right arising as a result thereof and the Change in Control Repurchase Date to the Holders and the Trustee (the “*Company Change in Control Repurchase Notice*”). The Company Change in Control Repurchase Notice shall be sent by first-class mail to the Trustee and to each Holder not more than 20 Business Days after the occurrence of a Change in Control. Each Company Change in Control Repurchase Notice shall include a form of Change in Control Repurchase Notice to be completed by a Holder and shall state:

(i) the Change in Control Repurchase Date;

(ii) the Change in Control Repurchase Price, the Conversion Price, the Conversion Rate, whether the Change in Control is in connection with a corporate transaction referred to in Section 5.1(b)(i) of this Second Supplemental Indenture, the number of Additional Shares, if any, to be received pursuant to Section 5.1(b)(i) of this Second Supplemental Indenture and, to the extent known at the time of such notice, the amount of accrued but unpaid interest (including Liquidated Damages, if any) that will be payable with respect to the Convertible Notes on the Change in Control Repurchase Date;

(iii) the name and address of the Paying Agent and the Conversion Agent;

(iv) that the Company must receive the Holder’s Change in Control Repurchase Notice on or before the close of business on the third Business Day prior to the Change in Control Repurchase Date;

(v) that the Convertible Notes must be surrendered to the Paying Agent to collect payment of the Change in Control Repurchase Price and accrued but unpaid interest (including Liquidated Damages, if any);

(vi) that the Change in Control Repurchase Price for any Convertible Notes as to which a Change in Control Repurchase Notice has been given and not withdrawn, together with any accrued but unpaid interest (including Liquidated Damages, if any) payable with respect thereto, shall be paid promptly following the later of the Change in Control Repurchase Date and the time of surrender of such Convertible Notes as described in clause (v);

(vii) the procedures the Holder must follow under this Section 3.3;

(viii) the conversion rights of the Convertible Notes, including that Convertible Notes as to which a Change in Control Repurchase Notice has been given may be converted only if such Change in Control Repurchase Notice has been withdrawn in accordance with the terms of this Second Supplemental Indenture;

(ix) that, unless the Company defaults in making payment of such Change in Control Repurchase Price, interest (including Liquidated Damages, if any) on Convertible Notes covered by any Change in Control Repurchase Notice will cease to accrue on and after the Change in Control Repurchase Date;

(x) the CUSIP number of the Convertible Notes; and

(xi) the procedures for withdrawing a Change in Control Repurchase Notice (as specified in Section 3.4).

(c) At the Company's request, which shall be made at least five Business Days prior to the date by which the Company Change in Control Repurchase Notice is to be given to the Holders in accordance with this Section 3.3 and at the Company's expense, the Trustee shall give the Company Change in Control Repurchase Notice in the Company's name; *provided* that, in all cases, the text of the Company Change in Control Repurchase Notice shall be prepared by the Company.

(d) If any of the Convertible Notes is in the form of a Global Security, then the Company shall modify such notice to the extent necessary to accord with the Applicable Procedures that apply to the repurchase of Global Securities.

(e) For a Convertible Note to be so repurchased at the option of the Holder upon a Change in Control, the Paying Agent must receive such Convertible Note with the form entitled "Option to Elect Repurchase Upon a Change in Control" (a "*Change in Control Repurchase Notice*") on the reverse thereof duly completed, together with such Convertible Note duly endorsed for transfer, on or before the close of business on the third Business Day prior to the Change in Control Repurchase Date. All questions as to the validity, eligibility (including time of receipt) and acceptance of any Convertible Note for repurchase pursuant to this Section 3.3 shall be determined by the Company, whose determination shall be final and binding.

(f) The Company shall repurchase from the Holder thereof, pursuant to this Section 3.3, a portion of a Convertible Note if the principal amount of such portion is \$1,000 or an integral multiple of \$1,000. Provisions of this Second Supplemental Indenture that apply to the repurchase of all of a Convertible Note also apply to the repurchase of a portion of a Convertible Note.

(g) Any repurchase by the Company contemplated pursuant to the provisions of this Section 3.3 shall be consummated by the delivery to the Paying Agent of the Change in Control Repurchase Price, together with accrued but unpaid interest (including Liquidated Damages, if any) thereon, to be received by the Holder promptly following the later of the Change in Control Repurchase Date and the time of delivery or book-entry transfer of the Convertible Note to the Paying Agent in accordance with this Section 3.3.

(h) Notwithstanding anything herein to the contrary, any Holder delivering to the Paying Agent the Change in Control Repurchase Notice contemplated by this Section 3.3(c) shall have

the right to withdraw such Change in Control Repurchase Notice at any time prior to the close of business on the Business Day preceding the Change in Control Repurchase Date by delivery of a written notice of withdrawal to the Paying Agent at the principal office of the Paying Agent in accordance with Section 3.4. If the Trustee or the Paying Agent holds money sufficient to pay the Change in Control Repurchase Price of a Convertible Note on the Change in Control Repurchase Date in accordance with the terms of the Indenture, then, on the Change in Control Repurchase Date, the Convertible Note will cease to be Outstanding, whether or not the Convertible Note is delivered to the Paying Agent. Thereafter, all other rights of the Holder of a Convertible Note shall terminate, other than the right to receive the Change in Control Repurchase Price upon delivery of the Convertible Notes.

(i) The Paying Agent shall promptly notify the Company of the receipt by it of any Change in Control Repurchase Notice or written withdrawal thereof.

(j) Notwithstanding anything herein to the contrary, the Company's obligations pursuant to this Section 3.3 shall be satisfied if a third party makes an offer to repurchase Outstanding Convertible Notes after a Change in Control in the manner and at the times and otherwise in compliance in all material respects with the requirements of this Section 3.3 and such third party purchases all Convertible Notes properly tendered and not withdrawn pursuant to the requirements of this Section 3.3.

(k) Not more than 30 days after the occurrence of a Change in Control, the Company shall use its commercially reasonable efforts to either (i) obtain the consents under all existing indebtedness required to permit the repurchase of the Convertible Notes pursuant to any Company Change in Control Repurchase Notice or (ii) repay in full all existing indebtedness and terminate all commitments under all existing indebtedness, in each case the terms of which would prohibit the repurchase of the Convertible Notes pursuant to any Company Change in Control Repurchase Notice; provided that if no Holders deliver a Change in Control Repurchase Notice prior to such date or if the Company shall have satisfied its obligations to repurchase the Convertible Notes of all Holders that have submitted a Change in Control Repurchase Notice, the Company shall be deemed to have satisfied the requirements of this Section 3.3(k).

SECTION 3.4. Effect of Repurchase Notice or Change in Control Repurchase Notice.

(a) Upon receipt by the Paying Agent of a Repurchase Notice or Change in Control Repurchase Notice, the Holder of the Convertible Note in respect of which such Repurchase Notice or Change in Control Repurchase Notice, as the case may be, was given shall (unless such Repurchase Notice or Change in Control Repurchase Notice is withdrawn as specified in the following two paragraphs) thereafter be entitled to receive solely the Repurchase Price or Change in Control Repurchase Price, together with accrued but unpaid interest (including Liquidated Damages, if any) thereon, to but not including the Repurchase Date or Change in Control Repurchase Date, as the case may be, with respect to such Convertible Note. Such Repurchase Price or Change in Control Repurchase Price, together with accrued but unpaid interest (including Liquidated Damages, if any) thereon, to but not including the Repurchase Date or Change in Control Repurchase Date, as the case may be, shall be paid to such Holder, subject to receipt of funds by the Paying Agent, promptly following the later of (x) the Repurchase Date or the Change in Control Repurchase Date, as the case may be, with respect to such Convertible Note (*provided* that the conditions in Section 3.2 or Section 3.3, as applicable, have been satisfied) and (y) the time of delivery or book-entry transfer of such Convertible Note to the Paying Agent by the Holder thereof in the manner required by Section 3.2 or Section 3.3, as applicable.

Convertible Notes in respect of which a Repurchase Notice or Change in Control Repurchase Notice, as the case may be, has been given by the Holder thereof may not be converted pursuant to Article V of this Second Supplemental Indenture on or after the date of the delivery of such Repurchase Notice or Change in Control Repurchase Notice, as the case may be, unless such Repurchase Notice or Change in Control Repurchase Notice, as the case may be, has first been validly withdrawn as specified in the following paragraph.

(b) A Repurchase Notice or Change in Control Repurchase Notice, as the case may be, may be withdrawn by means of a written notice of withdrawal delivered to the office of the Paying Agent in accordance with the Repurchase Notice or Change in Control Repurchase Notice, as the case may be, at any time prior to the close of business on the Repurchase Date or the close of business on the Business Day preceding the Change in Control Repurchase Date, as the case may be, specifying:

- (i) if the Convertible Note with respect to which such notice of withdrawal is being submitted is a Convertible Note in definitive form, the certificate number of such Convertible Note, or if such Convertible Note is a Global Security, the notice must comply with the Applicable Procedures;
- (ii) the principal amount of the Convertible Note with respect to which such notice of withdrawal is being submitted; and
- (iii) the principal amount, if any, of such Convertible Note which remains subject to the original Repurchase Notice or Change in Control Repurchase Notice, as the case may be, and which has been or will be delivered for repurchase by the Company.

SECTION 3.5. Deposit of Repurchase Price or Change in Control Repurchase Price.

Prior to 10:00 a.m. (New York City time) on or prior to the Repurchase Date or the Change in Control Repurchase Date, as the case may be, the Company shall deposit with the Trustee or with the Paying Agent an amount of money (in immediately available funds if deposited on such Business Day) sufficient to pay the aggregate Repurchase Price or Change in Control Repurchase Price, as the case may be, together with accrued but unpaid interest (including Liquidated Damages, if any) thereon, to but not including the Repurchase Date or Change in Control Repurchase Date, as the case may be, of all the Convertible Notes or portions thereof which are to be repurchased as of the Repurchase Date or Change in Control Repurchase Date, as the case may be.

SECTION 3.6. Convertible Notes Repurchased in Part.

Any Convertible Note in definitive form that is to be repurchased only in part shall be surrendered at the office of the Paying Agent (with, if the Company or the Trustee so requires, due endorsement by, or a written instrument of transfer in form satisfactory to the Company and the Trustee duly executed by, the Holder thereof or such Holder's attorney duly authorized in writing) and the Company shall execute and the Trustee shall authenticate and deliver to the Holder of such Convertible Note, without service charge, one or more new Convertible Notes in definitive form, of any authorized denomination as requested by such Holder in aggregate principal amount equal to, and in exchange for, the portion of the principal amount of the Convertible Note in definitive form so surrendered which is not repurchased.

SECTION 3.7. *Covenant to Comply with Securities Laws upon Repurchase of Convertible Notes.*

When complying with the provisions of Section 3.2 or 3.3 of this Second Supplemental Indenture (so long as such offer or repurchase constitutes an “issuer tender offer” for purposes of Rule 13e-4 (which term, as used herein, includes any successor provision thereto) under the Exchange Act at the time of such offer or repurchase), the Company shall (i) comply in all material respects with Rule 13e-4 and Rule 14e-1 under the Exchange Act, (ii) file the related Schedule TO (or any successor schedule, form or report) under the Exchange Act and (iii) otherwise comply in all material respects with all federal and state securities laws so as to permit the rights and obligations under Section 3.2 or 3.3 to be exercised in the time and in the manner specified in Section 3.2 or 3.3.

SECTION 3.8. *Repayment to the Company.*

To the extent that the aggregate amount of cash deposited by the Company pursuant to Section 3.5 exceeds the aggregate Repurchase Price or Change in Control Repurchase Price, as the case may be, of the Convertible Notes or portions thereof which the Company is obligated to repurchase as of the Repurchase Date or Change in Control Repurchase Date, as the case may be, together with accrued but unpaid interest (including Liquidated Damages, if any) thereon, then, unless otherwise agreed in writing with the Company, promptly after the Business Day following the Repurchase Date or Change in Control Repurchase Date, as the case may be, the Trustee shall return any such excess to the Company together with interest, if any, thereon (subject to the provisions of Section 606 of the Base Indenture).

SECTION 3.9. *No Sinking Fund.*

The Convertible Notes are not entitled to any sinking fund payments.

ARTICLE IV

ADDITIONAL COVENANTS; EVENTS OF DEFAULT;
MODIFICATION AND WAIVER.

SECTION 4.1. *Delivery of Certain Information.*

At any time when the Company is not subject to Section 13 or 15(d) of the Exchange Act, upon the request of a Holder or any Beneficial Owner of Convertible Notes or holder or Beneficial Owner of Common Stock delivered upon conversion thereof, the Company will promptly furnish or cause to be furnished Rule 144A Information (as defined below) to such Holder or any Beneficial Owner of Convertible Notes or holder or Beneficial Owner of Common Stock delivered upon conversion thereof or to a prospective purchaser of any such security designated by any such holder, as the case may be, to the extent required to permit compliance by such Holder or holder with Rule 144A under the Securities Act in connection with the resale of any such security. “Rule 144A Information” shall be such information as is specified pursuant to Rule 144A(d)(4) under the Securities Act or any successor provisions. Whether a Person is a Beneficial Owner shall be determined by the Company to the Company’s reasonable satisfaction.

SECTION 4.2. *Events of Default and Covenants.*

(a) Section 704(1) of the Base Indenture is amended with respect to Events of Default and covenants relating to the Convertible Notes and the Securities of any other series created after the date hereof pursuant to the Base Indenture as follows:

(i) Section 704(1) of the Base Indenture shall be replaced in its entirety with the following:

“file with the Trustee, within 15 days after the Company has filed the same with the Commission, copies of the annual reports and of the information, documents and other reports (or copies of such portions of any of the foregoing as the Commission may from time to time by rules and regulations prescribe) which the Company may be required to file with the Commission pursuant to Section 13 or Section 15(d) of the Exchange Act; or, if the Company is not required to file information, documents or reports pursuant to either of said Sections, then it shall file with the Trustee and the Commission, in accordance with rules and regulations prescribed from time to time by the Commission, such of the supplementary and periodic information, documents and reports which may be required pursuant to Section 13 of the Exchange Act in respect of a security listed and registered on a national securities exchange as may be prescribed from time to time in such rules and regulations;”

(b) Section 501 of the Base Indenture is amended with respect to Events of Default solely relating to the Convertible Notes as follows:

(i) Section 501(1) of the Base Indenture shall be replaced in its entirety with the following: “a failure to pay interest, including Liquidated Damages, if any, on any Convertible Note when it becomes due and payable and continuation of such default for a period of 30 days, whether or not such failure shall be due to compliance with agreements with respect to any other indebtedness or any other cause; or”;

(ii) Section 501(2) of the Base Indenture shall be replaced in its entirety with the following: “a failure to pay the principal of any Convertible Note, when it becomes due and payable, at the Stated Maturity of principal, upon acceleration, upon redemption or otherwise, including the failure to make cash payments or, if applicable, to deliver shares of Common Stock due upon conversion of the Convertible Notes, or make a payment to repurchase Convertible Notes tendered pursuant to Section 3.3 or the failure to repurchase Convertible Notes pursuant to Section 3.2, whether or not such failure shall be due to compliance with agreements with respect to any other indebtedness or any other cause; or”;

(iii) Section 501(7) of the Base Indenture shall be replaced in its entirety with the following: “failure to provide a Company Change in Control Repurchase Notice on a timely basis.”

(c) Section 501 of the Base Indenture is amended with respect to Events of Default relating to the Convertible Notes and the Securities of any other series created after the date hereof pursuant to the Base Indenture as follows:

(i) Section 501(4) of the Base Indenture shall be replaced in its entirety with the following: “default in the observance or performance of any other covenant or agreement contained in this Indenture which default continues for a period of 90 days after the Company receives written notice specifying the default (and demanding that such default be remedied) from the Trustee or the Holders of at least 25% of the Outstanding principal amount of the Convertible Notes (with a copy to the Trustee if given by Holders) (except in the case of a default with respect to Section 801 of the Base Indenture, which will constitute an Event of Default with such notice requirement but without such passage of time requirement); *provided*, that neither the failure to comply with the requirements of Section 314(a) of the TIA or Section 704(1) of the Base Indenture, as amended by the second supplemental indenture hereto, nor the failure to file a report with the Commission as contemplated by Section 704(1) or otherwise shall constitute an event, which with the giving of notice and the passage of time pursuant to this clause (4), would constitute an Event of Default; or”;

(d) For the avoidance of doubt, (i) the Events of Default specified in Section 501(3) of the Base Indenture shall not apply with respect to the Convertible Notes and the Securities of any other series created after the date hereof pursuant to the Base Indenture, (ii) the Events of Default specified in Sections 501(5) and (6) of the Base Indenture shall apply with respect to the Convertible Notes and (iii) the Trustee shall have no right or obligation under the Indenture or otherwise to exercise any remedies on behalf of any Holders of Convertible Notes or the Holders of the Securities of any series created after the date hereof pursuant to the Base Indenture in connection with any failure referred to in the proviso to Section 501(4) of the Base Indenture, as amended hereby, unless such remedies are available under the Indenture and the Trustee is directed to exercise such remedies pursuant to and subject to the conditions of Section 512 of the Base Indenture. In connection with any such exercise of remedies the Trustee shall be entitled to the same immunities and protections and remedial rights (other than acceleration) as if such failure to file were an Event of Default.

(e) The Trustee shall not be charged with knowledge or notice of any Event of Default under Section 4.2(b)(iii) of this Second Supplemental Indenture unless a Responsible Officer of the Trustee in its Corporate Trust Office shall have actual knowledge thereof or unless the Company or any Holder shall have given the Trustee notice thereof in accordance with Section 105 of the Base Indenture, which notice states that an Event of Default has occurred.

(f) Section 502(a) of the Base Indenture is amended solely with respect to the Convertible Notes and shall be replaced in its entirety with the following: “If an Event of Default (other than an Event of Default specified in Section 501(5) or (6) of the Base Indenture) occurs and is continuing, the Trustee may, and at the written request of the Holders of at least 25% in principal amount of Outstanding Convertible Notes shall, declare the principal of and accrued but unpaid interest (including Liquidated Damages, if any) on all the Convertible Notes to be due and payable by notice in writing to the Company. Such notice shall specify the respective Event of Default and that it is a “notice of acceleration.” Upon the giving of a notice of acceleration, the principal of and accrued but unpaid interest (including Liquidated Damages, if any) on all the Convertible Notes shall become immediately due and payable. If an Event of Default specified in Section 501(5) or (6) of the Base Indenture occurs and is continuing, then all unpaid principal of, and any accrued but unpaid interest (including Liquidated Damages, if any) on, all of the Outstanding Convertible Notes shall *ipso facto* become and be immediately due and payable without any declaration or other act on the part of the Trustee or any Holder.”

SECTION 4.3. *Modification and Waiver:*

Section 902 of the Base Indenture is amended solely with respect to the Convertible Notes and shall be replaced in its entirety with the following (except with respect to Section 902(c) of the Base Indenture, which shall not be affected by such amendment):

“(a) The Company and the Trustee may amend or supplement the Indenture, with respect to the Convertible Notes, or the Convertible Notes without notice to any Holder but with the consent of the Holders of a majority in aggregate principal amount of the Convertible Notes at the time Outstanding by Act of said Holders delivered to the Company and the Trustee. The Holders of a majority in aggregate principal amount of the Convertible Notes at the time Outstanding may waive compliance by the Company with the provisions of this Second Supplemental Indenture other than as set forth in this Section 902, and waive any past or existing default or Event of Default under this Second Supplemental Indenture and its consequences, except a default in the payment of the principal of, or Redemption Price, Repurchase Price, Change in Control Repurchase Price of, or any interest on, any Convertible Note, or in respect of a provision which under this Second Supplemental Indenture cannot be modified or amended without the consent of the Holder of each Outstanding Convertible Note affected, or an Event of Default which constitutes a failure to convert any Convertible Note in accordance with the terms of the Indenture.

(b) Without the consent of each Holder of a Convertible Note affected, however, an amendment, supplement or waiver, may not:

- (i) change the Stated Maturity of principal of, or any payment date of any installment of interest (including Liquidated Damages, if any) on, any Convertible Note;
- (ii) reduce the principal amount or Redemption Price of, or the rate of interest (including Liquidated Damages, if any) on, any Convertible Note, whether upon acceleration, redemption or otherwise, or alter the manner of calculation of interest or the rate of accrual thereof on any Convertible Note;
- (iii) change the place or currency of payment of principal of, or interest (including Liquidated Damages, if any) on, any Convertible Note;
- (iv) impair the right to institute suit for the enforcement of any payment of any amount with respect to any Convertible Note when due;
- (v) modify the provisions of this Second Supplemental Indenture requiring the Company to make an offer to repurchase Convertible Notes upon a Change in Control pursuant to Section 3.3, or to repurchase Convertible Notes at the option of the Holders pursuant to Section 3.2;
- (vi) impair the conversion rights provided in Article V;
- (vii) reduce the percentage of principal amount of the Outstanding Convertible Notes necessary to modify or amend this Indenture with respect to the Convertible Notes;
- (viii) reduce the percentage of principal amount of the Outstanding Convertible Notes necessary to waive the Company’s compliance with certain provisions of this Second Supplemental Indenture or to waive certain defaults, including a default in the

payment of the principal of, or Redemption Price, Repurchase Price, or Change in Control Repurchase Price of, or any interest (including Liquidated Damages, if any) on, any Convertible Note; or

(ix) make any changes to this Section 902.

(c) After an amendment under this Section 902 becomes effective, the Company shall mail to each Holder a notice that briefly describes the amendment or includes a copy of the amendment. Failure to mail the notice or a defect in the notice shall not affect the validity of the amendment.

ARTICLE V

CONVERSION

SECTION 5.1. *Conversion Privilege.*

(a) Subject to the provisions of this Article V, a Holder of a Convertible Note may convert such Convertible Note into cash and Common Stock, if any, at the Conversion Rate on or prior to December 12, 2036.

(b) (i) If the Company has provided a Change in Control Repurchase Notice, and a Holder of Convertible Notes elects to convert its Convertible Notes in connection with a corporate transaction that occurs on or prior to December 12, 2007 and that constitutes a Change in Control (other than relating to the composition of the Company's Board of Directors as described in clause (iv) of the definition of Change in Control in Section 1.1) and 10% or more of the fair market value of the consideration for the Common Stock (as determined by the Board of Directors, whose determination shall be conclusive evidence of such fair market value) in the corporate transaction consists of (i) cash, (ii) other property or (iii) securities that are not traded or scheduled to be traded immediately following such transaction on a U.S. national securities exchange or the Nasdaq National Market System, then the Conversion Price of the Convertible Notes being converted by such Holder at that time shall be decreased by increasing the Conversion Rate by a number of additional shares of Common Stock (the "*Additional Shares*") determined in the manner set forth below; *provided* that if the Share Price in such transaction is equal to or greater than \$170.00 or less than \$86.84 (subject in each case to adjustment as described below), the number of Additional Shares shall be zero; and *provided further* that in no event will the Conversion Rate exceed approximately 11.5154 per \$1,000 principal amount of Convertible Notes, subject to adjustments in the same manner as the Conversion Price as set forth in this Second Supplemental Indenture. For the avoidance of doubt, the adjustment provided for in this Section 5.1(b) shall only be made with respect to the Convertible Notes being converted in connection with such Change in Control and shall not be effective as to any Convertible Notes not so converted (it being understood that a Holder of Convertible Notes electing to convert the Convertible Notes pursuant to this Section 5.1(b) shall provide the Conversion Agent with a notice as contemplated by Section 5.2).

(ii) The number of Additional Shares will be determined by the Company by reference to the table attached as Schedule A hereto, based on the date the corporate transaction becomes effective (the "*Effective Date*") and the share price paid per share of Common Stock in the corporate transaction (the "*Share Price*"); *provided*, that if

(i) holders of shares of Common Stock receive only cash in such corporate transaction, the Share Price shall be the cash amount paid per share, and (ii) otherwise, the Share Price shall be the average of the Common Stock Price on the five Trading Days prior to but not including the Effective Date; and; *provided, further*, that if the Share Price is between two Share Price amounts in the table or the Effective Date is between two Effective Dates in the table, the Company shall determine the number of Additional Shares by a straight-line interpolation between the number of Additional Shares set forth for the higher and lower Share Price amounts and the two dates, as applicable, based on a 365-day year.

(iii) The Share Prices set forth in the first row of the table (i.e., column headers) in Schedule A hereto will be adjusted as of any date on which the Conversion Price of the Convertible Notes is adjusted pursuant to this Second Supplemental Indenture. The adjusted Share Prices will equal the Share Prices applicable immediately prior to such adjustment, multiplied by a fraction, the numerator of which is the Conversion Rate immediately prior to the adjustment giving rise to the Share Price adjustment and the denominator of which is the Conversion Rate as so adjusted. The number of Additional Shares will be adjusted in the same manner as the Conversion Price as set forth in this Second Supplemental Indenture.

(iv) Conversion “in connection with a corporate transaction”, for purposes of this Section 5.1, means any conversion in respect of which the Conversion Notice is delivered at any time during the period from and including the Effective Date until, and including, the close of business on the Business Day immediately preceding the Change in Control Repurchase Date corresponding to such corporate transaction.

(c) Notwithstanding the foregoing, and in lieu of adjusting the Conversion Rate as set forth in Section 5.1(b), in the case of a Public Acquirer Change in Control, the Company may elect (with sufficient advance notice thereof to the Trustee and the Conversion Agent and each Holder of Convertible Notes) that, from and after the Effective Date of such Public Acquirer Change in Control, the right to convert a Convertible Note will be changed into a right to convert a Convertible Note into a number of shares of Acquirer Common Stock. If the Company makes the election referred to in the immediately preceding sentence, the Company will, at any time prior to the 20th day immediately preceding the proposed Effective Date of the Public Acquirer Change in Control, adjust the terms of the Holder’s conversion privilege set forth in Sections 5.1(b) such that following such adjustment the Acquirer Common Stock shall be deemed to be the Common Stock component of the Daily Settlement Amount and the Conversion Rate in effect immediately before the Effective Date of such transaction described in this Section 5.1(c) shall be adjusted by a fraction:

(i) the numerator of which will be (a) in the case of a share exchange, consolidation, merger or binding share exchange, pursuant to which the Company’s Common Stock is converted into cash, securities or other property, the fair market value of all cash and any other consideration (as determined by the Company’s Board of Directors) paid or payable per share of Common Stock or (b) in the case of any other Public Acquirer Change in Control, the average of the Common Stock Price for the five consecutive Trading Days prior to but excluding the Effective Date of such Public Acquirer Change in Control, and

(ii) the denominator of which will be the average of the Closing Sale Prices of the Public Acquirer Common Stock for the five consecutive Trading Days prior to but excluding the Effective Date of such Public Acquirer Change in Control.

(d) A Holder may convert a portion of a Convertible Note equal to \$1,000 or any integral multiple thereof. Provisions of this Second Supplemental Indenture that apply to conversion of all of a Convertible Note also apply to conversion of a portion of a Convertible Note.

(e) If a Convertible Note is called for redemption pursuant to Section 3.1 hereof, in order to convert such Convertible Note, the Holder must deliver the Convertible Note to the Conversion Agent (or, if the Convertible Note is held in book-entry form, complete and deliver to the Depositary appropriate instructions in accordance with the Applicable Procedures) at any time prior to the close of business on the day that is two Business Days prior to the applicable Redemption Date for such Convertible Note (unless the Company shall default in paying the Redemption Price when due, in which case the conversion right shall terminate on the date such Default is cured and such Convertible Note is redeemed). A Convertible Note in respect of which a Holder has delivered a Repurchase Notice pursuant to Section 3.2 or a Change in Control Repurchase Notice pursuant to Section 3.3 exercising the option of such Holder to require the Company to repurchase such Convertible Note may be converted only if such Repurchase Notice or Change in Control Repurchase Notice, as the case may be, is withdrawn by a written notice of withdrawal delivered to the Paying Agent prior to the close of business on the Repurchase Date or the close of business on the Business Day preceding the Change in Control Repurchase Date, as the case may be, in accordance with Section 3.2 or Section 3.3, as applicable.

(f) A Holder of Convertible Notes is not entitled to any rights of a holder of Common Stock until such Holder has converted its Convertible Notes into Common Stock.

SECTION 5.2. *Conversion Procedure.*

(a) To convert a Convertible Note, a Holder must (i) if the Convertible Note is in definitive form, complete and manually sign the irrevocable conversion notice on the back of the Convertible Note (a "*Conversion Notice*", which term for the avoidance of doubt, shall include the instructions referred to in clause (v) of this Section 5.2(a), if applicable) and deliver such notice to the Conversion Agent, (ii) if the Convertible Note is in definitive form, surrender the Convertible Note to the Conversion Agent, (iii) if the Convertible Note is in definitive form, furnish appropriate endorsements and transfer documents if required by the Security Registrar or the Conversion Agent, (iv) pay any transfer or other tax, if required by Section 5.3 and (v) if the Convertible Note is held in book-entry form, complete and deliver to the Depositary appropriate conversion instructions pursuant to the Applicable Procedures. The date on which the Holder satisfies all of the foregoing requirements is the "*Conversion Date*". As promptly as practicable after the Conversion Date and in any event, no later than the third Trading Day immediately following the last day of the related Observation Period, the Company shall deliver to the Holder through the Conversion Agent cash and shares of Common Stock in the amounts calculated in accordance with Section 5.14.

(b) The Person in whose name the Convertible Note is registered shall be deemed to be a stockholder of record on the Conversion Date; *provided* that no surrender of a Convertible Note on any date when the Security Register of the Company shall be closed shall be effective to constitute the Person or Persons entitled to receive the shares of Common Stock upon such conversion as the record holder or holders of such shares of Common Stock on such date, but

such surrender shall be effective to constitute the Person or Persons entitled to receive such shares of Common Stock as the record holder or holders thereof for all purposes at the close of business on the next succeeding day on which such Security Register is open; *provided further* that such conversion shall be at the Conversion Price in effect on the date that such Convertible Note shall have been surrendered for conversion, as if the Security Register of the Company had not been closed. Upon conversion of a Convertible Note, such Person shall no longer be a Holder of such Convertible Note.

(c) No payment or adjustment will be made for accrued but unpaid interest (including Liquidated Damages, if any) on a converted Convertible Note or for dividends or distributions on shares of Common Stock issued upon conversion of a Convertible Note. The Company shall not adjust the Conversion Price to account for the accrued but unpaid interest (including Liquidated Damages, if any). Notwithstanding the foregoing, if Convertible Notes are converted after the close of business on a Regular Record Date and prior to the opening of business on the next Interest Payment Date, *provided* that such Interest Payment Date is an Interest Payment Date the interest due on which is payable to the Holder as of the preceding Regular Record Date, Holders of such Convertible Notes at the close of business on such Regular Record Date shall receive the accrued but unpaid interest (including Liquidated Damages, if any) payable on such Convertible Notes on the corresponding Interest Payment Date notwithstanding the conversion. In such event, such Convertible Note, when surrendered for conversion, must be accompanied by delivery of a check payable to the Conversion Agent in an amount equal to the accrued but unpaid interest (including Liquidated Damages, if any) payable on such Interest Payment Date on the portion so converted. If such payment does not accompany such Convertible Note, the Convertible Note shall not be converted; *provided* that no such check shall be required if such Convertible Note has been called for redemption on a Redemption Date within the period between the close of business on such Regular Record Date and the opening of business on such Interest Payment Date, or if such Convertible Note is surrendered for conversion on the Interest Payment Date or is being redeemed on such Interest Payment Date or if such Interest Payment Date is the Stated Maturity of the principal of the Convertible Notes. If the Company defaults in the payment of interest (including Liquidated Damages, if any) payable on the Interest Payment Date, the Conversion Agent shall promptly repay such funds to the Holder.

(d) Upon surrender of a Convertible Note that is converted in part, the Company shall execute, and the Trustee shall, upon receipt of a Company Order, authenticate and deliver to the Holder, a new Convertible Note equal in principal amount to the unconverted portion of the Convertible Note surrendered.

SECTION 5.3. *Taxes on Conversion.*

If a Holder converts a Convertible Note, the Company shall pay any documentary, stamp or similar issue or transfer tax due on the issue of shares of Common Stock upon such conversion. However, the Holder shall pay any tax which is due because the Holder requests the shares to be issued in a name other than the Holder's name. The Conversion Agent may refuse to deliver the certificates representing the Common Stock being issued in a name other than the Holder's name until the Conversion Agent receives a sum sufficient to pay any tax which will be due because the shares are to be issued in a name other than the Holder's name. Nothing herein shall preclude any tax withholding required by law or regulations.

SECTION 5.4. *Company to Provide Stock.*

(a) The Company shall, prior to issuance of any Convertible Notes hereunder, and from time to time as may be necessary, reserve, out of its authorized but unissued Common Stock, a sufficient number of shares of Common Stock to permit the conversion of all outstanding Convertible Notes into shares of Common Stock. The certificates representing the shares of Common Stock issued upon conversion of Transfer Restricted Securities shall bear a legend substantially in the following form:

“THIS SECURITY HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “SECURITIES ACT”), OR ANY STATE OR OTHER SECURITIES LAWS. NEITHER THIS SECURITY NOR ANY INTEREST OR PARTICIPATION HEREIN MAY BE REOFFERED, SOLD, ASSIGNED, PLEDGED, OR OTHERWISE TRANSFERRED IN THE ABSENCE OF SUCH REGISTRATION OR UNLESS SUCH TRANSACTION IS EXEMPT FROM, OR NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT. BY ITS ACQUISITION HEREOF OR OF A BENEFICIAL INTEREST HEREIN, THE HOLDER (1) REPRESENTS THAT IT IS A “QUALIFIED INSTITUTIONAL BUYER” (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT (“RULE 144A”)) AND IS PURCHASING IN COMPLIANCE WITH RULE 144A UNDER THE SECURITIES ACT, (2) AGREES NOT TO OFFER, SELL OR OTHERWISE TRANSFER SUCH SECURITY PRIOR TO THE DATE WHICH IS THE LATER OF (X) TWO YEARS (OR SUCH SHORTER PERIOD OF TIME AS PERMITTED BY RULE 144(K) OF THE SECURITIES ACT) AFTER THE LATER OF THE LAST DATE OF ORIGINAL ISSUANCE OF THIS SECURITY (OR ANY PREDECESSOR OF THIS SECURITY) AND THE LAST DATE ON WHICH PRUDENTIAL FINANCIAL, INC. OR ANY AFFILIATE OF PRUDENTIAL FINANCIAL, INC. WAS THE OWNER OF THIS SECURITY (OR ANY PREDECESSOR OF THIS SECURITY) AND (Y) SUCH LATER DATE, IF ANY, AS MAY BE REQUIRED BY APPLICABLE LAW (THE “RESALE RESTRICTION TERMINATION DATE”) EXCEPT (A) TO PRUDENTIAL FINANCIAL, INC. OR ANY SUBSIDIARY THEREOF, (B) PURSUANT TO A REGISTRATION STATEMENT WHICH HAS BEEN DECLARED EFFECTIVE UNDER THE SECURITIES ACT AND WHICH CONTINUES TO BE EFFECTIVE AT THE TIME OF SUCH TRANSFER, (C) PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT PROVIDED BY RULE 144 UNDER THE SECURITIES ACT (IF AVAILABLE) OR (D) FOR SO LONG AS THE SECURITIES ARE ELIGIBLE FOR RESALE PURSUANT TO RULE 144A, TO A PERSON IT REASONABLY BELIEVES IS A “QUALIFIED INSTITUTIONAL BUYER” AS DEFINED IN RULE 144A THAT PURCHASES FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER TO WHOM NOTICE IS GIVEN THAT THE TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A, OR (E) TO AN INSTITUTIONAL INVESTOR THAT IS AN “ACCREDITED INVESTOR” AS DEFINED IN RULE 501 (A) (1), (2), (3) OR (7) OF REGULATION D UNDER THE SECURITIES ACT PURSUANT TO AN EXEMPTION FROM REGISTRATION THEREUNDER (IF AVAILABLE) (IN EACH CASE (A) THROUGH (E) IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES AND OTHER JURISDICTIONS) AND (3) AGREES THAT IT WILL GIVE TO EACH PERSON TO WHOM THIS SECURITY IS TRANSFERRED A NOTICE SUBSTANTIALLY TO THE EFFECT OF THIS

LEGEND; AND, IN EACH OF THE FOREGOING CASES, TO REQUIRE THAT A CERTIFICATE OF TRANSFER IN THE FORM APPEARING ON THE OTHER SIDE OF THIS SECURITY IS COMPLETED AND DELIVERED BY THE TRANSFEROR TO PRUDENTIAL FINANCIAL, INC. AND THE TRANSFER AGENT. THIS LEGEND WILL BE REMOVED UPON THE REQUEST OF THE HOLDER AFTER THE RESALE RESTRICTION TERMINATION DATE.”

(b) The Company covenants that all shares of Common Stock delivered upon conversion of the Convertible Notes shall be newly issued shares or treasury shares, shall be duly authorized, validly issued, fully paid and non-assessable and shall be free from preemptive rights and free of any lien or adverse claim.

(c) The Company will endeavor promptly to comply with all federal and state securities laws regulating the offer and delivery of shares of Common Stock upon conversion of Convertible Notes, if any, and will list or cause to have quoted such shares of Common Stock on each U.S. national securities exchange or in the over-the-counter market or such other market on which the Common Stock is then listed or quoted.

SECTION 5.5. *Adjustment of Conversion Price.*

The Conversion Price shall be adjusted (without duplication) from time to time by the Company as follows:

(a) In case the Company shall (i) pay a dividend or other distribution in shares of Common Stock to all holders of Common Stock, (ii) subdivide its outstanding Common Stock into a greater number of shares or (iii) combine its outstanding Common Stock into a smaller number of shares, the Conversion Price shall be adjusted so that the Holder of any Convertible Note thereafter surrendered for conversion shall be entitled to receive the number of shares of Common Stock which it would have owned or been entitled to receive had such Convertible Note been converted immediately prior to the happening of such event. For the purposes of calculating the Conversion Price adjustment pursuant to this Section 5.5(a), Holders of a Convertible Note shall be treated as if they had the right to convert the Convertible Note solely into Common Stock at the then applicable Conversion Price. An adjustment made pursuant to this Section 5.5(a) shall become effective immediately after the record date in the case of a dividend or distribution and shall become effective immediately after the Effective Date in the case of subdivision or combination.

(b) In case the Company shall issue to all holders of Common Stock rights, warrants or options entitling such holders (for a period commencing no earlier than the date of distribution and expiring not more than 60 days after the date of distribution) to subscribe for or purchase shares of Common Stock (or securities convertible into Common Stock) at a price per share less than the average Common Stock Price for the five Trading Days ending on the earlier of the record date in respect of such distribution or the Trading Day before the Ex-Dividend Date with respect thereto the Conversion Price shall be decreased so that the Conversion Price shall equal the price determined by multiplying the Conversion Price in effect immediately prior to the Record Date for such issue by a fraction,

(i) the numerator of which shall be the number of shares of Common Stock outstanding on such date of public announcement, plus the number of shares which the aggregate subscription or purchase price for the total number of shares of Common Stock

offered by the rights, warrants or options so issued (or the aggregate Conversion Price of the convertible securities offered by such rights, warrants or options) would purchase at such average Common Stock Price, and

(ii) the denominator of which shall be the number of shares of Common Stock outstanding on such date of public announcement plus the number of Additional Shares of Common Stock offered by such rights, warrants or options (or into which the convertible securities so offered by such rights, warrants or options are convertible);

provided that no adjustment will be made if Holders of the Convertible Notes are entitled to participate in the distribution on substantially the same terms as holders of the Company's Common Stock as if such Holders had converted their Convertible Notes solely into Common Stock immediately prior to such distribution at the then applicable Conversion Price. Such adjustment shall be made successively whenever any such rights, warrants or options are issued, and shall become effective immediately after such Record Date. If at the end of the period during which such rights, warrants or options are exercisable not all rights, warrants or options shall have been exercised, the adjusted Conversion Price shall be immediately readjusted to what it would have been upon application of the foregoing adjustment substituting the number of additional shares of Common Stock actually issued (or the number of shares of Common Stock issuable upon conversion of convertible securities actually issued) for the total number of shares of Common Stock offered (or convertible securities offered).

(iii) The "*Ex-Dividend Date*" for any such issuance or distribution means the date immediately prior to the commencement of "ex-dividend" trading for such issuance or distribution on The New York Stock Exchange or such other U.S. national securities exchange or the Nasdaq Stock Market or similar system of automated dissemination of quotations of securities prices on which the Common Stock is then listed or quoted.

(c) (i) In case the Company shall distribute to all holders of Common Stock any shares of Capital Stock of the Company (other than Common Stock) or evidences of its indebtedness, other securities or other assets, or shall distribute to all holders of Common Stock, rights, warrants or options to subscribe for or purchase any of its securities (excluding (1) those rights, options and warrants referred to in Section 5.5(b); (2) those dividends, distributions, subdivisions and combinations referred to in Section 5.5(a); and (3) those dividends and distributions paid in cash referred to in Section 5.5(e)), then in each such case the Conversion Price shall be decreased so that the same shall equal the price determined by multiplying the Conversion Price in effect immediately prior to the date of such distribution by a fraction,

(A) the numerator of which shall be the Market Price on the Record Date for the determination of holders of Common Stock entitled to receive such distribution less the fair market value on such Record Date (as determined by the Board of Directors, whose determination shall be conclusive evidence of such fair market value) of the portion of the Capital Stock or evidences of indebtedness, securities or assets so distributed or of such rights, warrants or options, in each case applicable to one share of Common Stock, and

(B) the denominator of which shall be the Market Price on such Record Date,

such adjustment to become effective immediately after the Record Date for such distribution; *provided* that if the numerator of the foregoing fraction is less than \$1.00 (including a negative amount), then in lieu of the foregoing adjustment, adequate provision shall be made so that each Holder shall have the right to receive upon conversion, in addition to the cash and Common Stock issuable upon such conversion, the distribution such Holder would have received had such Holder converted its Convertible Note solely into Common Stock at the then applicable Conversion Price immediately prior to the Record Date for such distribution; *provided* that no adjustment will be made if Holders of the notes are entitled to participate in the distribution on substantially the same terms as holders of the Company's Common Stock as if such Holders had converted their Convertible Notes solely into Common Stock immediately prior to such distribution at the then applicable Conversion Price.

(ii) Notwithstanding the foregoing, if the distribution by the Company to all holders of its Common Stock consists of Capital Stock of, or similar equity interests in, a Subsidiary or other business unit of the Company (unless such Capital Stock or similar equity interests are distributed to holders in such distribution as if such holders had converted their Convertible Notes into Common Stock), the Conversion Price shall be decreased so that the same shall be equal to the rate determined by multiplying the Conversion Price in effect on the Record Date with respect to such distribution by a fraction:

(A) the numerator of which shall be the average Common Stock Price over the Spinoff Valuation Period; and

(B) the denominator of which shall be the sum of (x) the average Common Stock Price over the ten (10) consecutive Trading Day period (the "*Spinoff Valuation Period*") commencing on and including the Trading Day on which "ex-dividend trading" commences for such dividend or distribution on the New York Stock Exchange or such other national or regional exchange or market on which the Common Shares are then listed or quoted plus (y) the average fair market value (as determined by the Board of Directors and described in a resolution of the Board of Directors) over the Spinoff Valuation Period of the portion of the assets so distributed applicable to one share of Common Stock,

such adjustment to become effective immediately prior to the opening of business on the day following such Record Date; *provided* that the Company may in lieu of the foregoing adjustment make adequate provision so that each Holder shall have the right to receive upon conversion the amount of the distribution such holder would have received had such holder converted each Note on the Record Date with respect to such distribution. If any dividend or distribution of the type described in this Section 5.5(c) is declared but not so paid or made, such adjustment to the Conversion Price shall be reversed. In any case in which this paragraph is applicable, Section 5.5(a), Section 5.5(b) and the first paragraph of this Section 5.5(c) shall not be applicable.

(d) In case the Company or any Subsidiary of the Company makes a payment in respect of a tender or exchange offer, other than an odd-lot offer, to holders of the Company's Common Stock to the extent that the cash and the value of any other consideration included in the payment per share of Common Stock exceeds the Common Stock Price on the Trading Day next succeeding the last day on which tenders or exchanges may be made pursuant to such tender or

exchange offer, the Conversion Price shall be decreased so that the same shall equal the price determined by multiplying the Conversion Price in effect immediately prior to the Offer Expiration Time by a fraction,

(i) the numerator of which shall be the number of shares of Common Stock outstanding (including any tendered or exchanged shares) at the last time (the “*Offer Expiration Time*”) tenders or exchanges may be made pursuant to such tender or exchange offer (as it may be amended) multiplied by the Common Stock Price on the Trading Day next succeeding the Offer Expiration Time, and

(ii) the denominator of which shall be the sum of (x) the fair market value (determined as aforesaid) of the aggregate consideration payable to holders of Common Stock based on the acceptance (up to any maximum specified in the terms of the tender or exchange offer) of all shares of Common Stock validly tendered or exchanged and not withdrawn as of the Offer Expiration Time (the shares deemed so accepted up to any such maximum being referred to as the “*Purchased Shares*”) and (y) the product of the number of shares of Common Stock outstanding (less any Purchased Shares) at the Offer Expiration Time and the Common Stock Price on the Trading Day next succeeding the Offer Expiration Time,

such adjustment to become effective immediately prior to the opening of business on the day following the Expiration Time. If the Company is obligated to purchase shares pursuant to any such tender or exchange offer, but the Company is permanently prevented by applicable law from effecting any such purchases or all such purchases are rescinded, the Conversion Price shall again be adjusted to be the Conversion Price that would then be in effect if such tender or exchange offer had not been made.

(e) In case the Company shall declare a cash dividend or cash distribution to all of the holders of Common Stock such that the aggregate cash dividends or cash distributions per share of Common Stock in any fiscal year exceeds \$0.950 (the “*Dividend Threshold Amount*”), the Conversion Price shall be decreased to equal the price determined by multiplying the Conversion Price in effect immediately prior to the Record Date for such dividend or distribution by a fraction,

(i) the numerator of which shall be the average of the Common Stock Price for the three consecutive Trading Days ending on the Trading Day immediately preceding the Record Date for such dividend or distribution (the “*Pre-Dividend Sale Price*”), minus the difference between the full amount of the dividend or distribution to the extent payable in cash applicable to one share of the Company’s Common Stock and the Dividend Threshold Amount, and

(ii) the denominator of which shall be the Pre-Dividend Sale Price,

such adjustment to become effective immediately after the Record Date for such dividend or distribution; *provided* that if the numerator of the foregoing fraction is less than \$1.00 (including a negative amount), then in lieu of the foregoing adjustment, the Company shall make adequate provision so that each Holder shall have the right to receive upon conversion, in addition to the cash and shares of Common Stock issuable upon such conversion, the amount of cash such Holder would have received had such Holder converted its Convertible Notes solely into Common Stock at the then applicable

Conversion Price immediately prior to the Record Date for such cash dividend or cash distribution. If such cash dividend or cash distribution is not so paid or made, the Conversion Price shall again be adjusted to be the Conversion Price that would then be in effect if such dividend or distribution had not been declared.

(f) In case of a tender or exchange offer made by a Person other than the Company or any Subsidiary of the Company for an amount that increases the offeror's ownership of Common Stock to more than twenty-five percent (25%) of the Common Stock outstanding and shall involve the payment by such Person of consideration per share of Common Stock having a fair market value (as determined by the Board of Directors, whose determination shall be conclusive, and described in a resolution of the Board of Directors) that as of the Offer Expiration Time exceeds the Common Stock Price on the Trading Day next succeeding the Offer Expiration Time, and in which, as of the Offer Expiration Time, the Board of Directors is not recommending rejection of the offer, the Conversion Price shall be decreased so that the same shall equal the price determined by multiplying the Conversion Price in effect immediately prior to the Offer Expiration Time by a fraction,

(i) the numerator of which shall be the number of shares of Common Stock outstanding (including any tendered or exchanged shares) at the Offer Expiration Time multiplied by the Common Stock Price on the Trading Day next succeeding the Offer Expiration Time, and

(ii) the denominator of which shall be the sum of (x) the fair market value (determined as aforesaid) of the aggregate consideration payable to holders of Common Stock based on the acceptance (up to any maximum specified in the terms of the tender or exchange offer) of all shares validly tendered or exchanged and not withdrawn as of the Offer Expiration Time (the shares deemed so accepted up to any such maximum being referred to as the "*Accepted Purchased Shares*") and (y) the product of the number of shares of Common Stock outstanding (less any Accepted Purchased Shares) at the Offer Expiration Time and the Common Stock Price on the Trading Day next succeeding the Offer Expiration Time,

such adjustment to become effective immediately prior to the opening of business on the day following the Offer Expiration Time. If such Person is obligated to purchase shares pursuant to any such tender or exchange offer, but such Person is permanently prevented by applicable law from effecting any such purchases or all such purchases are rescinded, the Conversion Price shall again be adjusted to be the Conversion Price that would then be in effect if such tender or exchange offer had not been made. Notwithstanding the foregoing, the adjustment described in this Section 5.5(f) shall not be made if, as of the Offer Expiration Time, the offering documents with respect to such offer disclose a plan or intention to cause the Company to engage in a consolidation, merger or sale of all or substantially all of the properties and assets of the Company.

(g) In any case in which this Section 5.5 shall require that an adjustment be made immediately following a record date established for purposes of this Section 5.5, the Company may elect to defer (but only until five Business Days following the filing by the Company with the Trustee of the certificate described in Section 5.9) issuing to the holder of any Convertible Note converted after such record date the cash, shares of Common Stock and other Capital Stock of the Company issuable upon such conversion over and above the cash, shares of Common Stock and other Capital Stock of the Company issuable upon such conversion only on the basis of

the Conversion Price prior to adjustment; and, in lieu of the cash and shares the issuance of which is so deferred, the Company shall issue or cause its transfer agents to issue due bills or other appropriate evidence of the right to receive such shares.

(h) Before taking any action which would cause an adjustment decreasing the Conversion Price so that the shares of Common Stock issuable upon conversion of the Convertible Notes would be issued for less than the par value of such Common Stock, the Company will take all corporate action which may be necessary in order that the Company may validly and legally issue fully paid and non-assessable shares of such Common Stock at such adjusted Conversion Price.

SECTION 5.6. *No Adjustment.*

(a) No adjustment in the Conversion Price shall be required unless the adjustment would require an increase or decrease of at least 1% in the Conversion Price as last adjusted; *provided* that any adjustments which by reason of this Section 5.6 are not required to be made shall be carried forward and taken into account in any subsequent adjustment. All calculations under this Article V shall be made to the nearest cent, with one-half cent rounded up, or to the nearest ten thousandth (0.0001) of a share, with each five hundred-thousandth (0.00005) of a share being rounded up, as the case may be.

(b) No adjustment need be made upon the issuance of Common Stock under any present or future employee benefits plan or program of the Company.

(c) No adjustment need be made upon the issuance of Common Stock pursuant to (i) the exercise of any options, warrants or rights to purchase such Common Stock, (ii) the exchange of any exchangeable securities for such Common Stock or (iii) the conversion of any convertible securities into such Common Stock, in each case so long as such options, warrants, rights to purchase, exchangeable securities or convertible securities are outstanding as of the date on which the Convertible Notes are first issued.

(d) No adjustment need be made for a change in the par value or a change to no par value of the Common Stock.

(e) To the extent that the Convertible Notes become convertible into cash, no adjustment need be made thereafter as to the cash. Interest will not accrue on the cash.

(f) To the extent that any rights plan adopted by the Company is in effect upon conversion of the Convertible Notes pursuant to the terms of this Second Supplemental Indenture, a Holder shall receive, in addition to cash or shares of Common Stock to be received upon conversion, the rights under such rights plan, only if the rights have not separated from the Common Stock at the time of conversion, and no adjustment of the Conversion Price shall be made in connection with any distribution of rights thereunder in such circumstances; *provided, however*, that if such rights have separated from the Common Stock, a Holder shall not receive such rights, but an adjustment to the Conversion Price shall be made in accordance with Section 5.5(c) above.

SECTION 5.7. *Equivalent Adjustments.*

If, as a result of an adjustment made pursuant to Section 5.5 above, the Holder of any Convertible Note thereafter surrendered for conversion shall become entitled to receive any shares of Capital Stock of the Company other than shares of Common Stock, thereafter the Conversion Price of such other shares so receivable upon conversion of any Convertible Notes shall be subject to adjustment from time to time in a manner and on terms as nearly equivalent as practicable to the provisions with respect to Common Stock contained in this Article V.

SECTION 5.8. *Adjustment for Tax Purposes.*

The Company shall be entitled to make such reductions in the Conversion Price, in addition to those required by Section 5.5, as the Board of Directors in its discretion shall determine to be advisable in order that any stock dividends, subdivisions of shares, distributions of rights to purchase stock or other securities, or distributions of securities convertible into or exchangeable for stock hereafter made by the Company to its holders of Common Stock shall not be taxable to such holders.

SECTION 5.9. *Notice of Adjustment.*

Whenever a Change in Control (including a Public Acquirer Change in Control) occurs, or the Conversion Price is adjusted (whether pursuant to Section 5.1(b), 5.1(c), 5.5 or 5.11) or Holders become entitled to other securities or due bills, the Company shall promptly mail to Holders a notice of such occurrence or the adjustment and file with the Trustee and the Conversion Agent, an Officers' Certificate briefly stating the facts of such occurrence or the facts requiring the adjustment and the manner of computing it. In the case of an adjustment, the certificate shall be conclusive evidence of the correctness of such adjustment, absent manifest error, and the Trustee and the Conversion Agent may conclusively assume that, unless and until such certificate is received by it, no such adjustment is required.

SECTION 5.10. *Notice of Certain Transactions.*

In case:

- (a) the Company shall declare a dividend (or any other distribution) on the Common Stock; or
- (b) the Company shall authorize the granting to the holders of Common Stock of rights, warrants or options to subscribe for or purchase any share of any class or any other rights, warrants or options; or
- (c) of any reclassification of the Common Stock of the Company (other than a subdivision or combination of its outstanding Common Stock, or a change in par value, or from par value to no par value, or from no par value to par value), or of any consolidation, merger, or share exchange to which the Company is a party and for which approval of any holders of Common Stock is required, or of the sale or transfer of all or substantially all of the properties and assets of the Company; or

(d) of the voluntary or involuntary dissolution, liquidation or winding-up of the Company;

the Company shall cause to be filed with the Trustee and the Conversion Agent and to be mailed to each Holder of Convertible Notes at its address appearing in the Security Register provided for in Section 305 of the Base Indenture, as promptly as possible but in any event at least ten days prior to the applicable date hereinafter specified, a notice stating (x) the date on which a record is to be taken for the purpose of such dividend, distribution or rights, warrants or options, or, if a record is not to be taken, the date as of which the holders of Common Stock of record to be entitled to such dividend, distribution or rights are to be determined, or (y) the date on which such reclassification, consolidation, merger, share exchange, sale, transfer, dissolution, liquidation or winding-up is expected to become effective or occur, and the date as of which it is expected that holders of Common Stock of record shall be entitled to exchange their Common Stock for securities or other property deliverable upon such reclassification, consolidation, merger, share exchange, sale, transfer, dissolution, liquidation or winding-up. Failure to give such notice, or any defect therein, shall not affect the legality or validity of such dividend, distribution, reclassification, consolidation, merger, sale, share exchange, transfer, dissolution, liquidation or winding-up.

SECTION 5.11. Effect of Reclassification, Consolidation, Merger, Share Exchange or Sale on Conversion Privilege.

(a) If any of the following shall occur, namely: (i) any reclassification or change of outstanding shares of Common Stock (other than a change in par value, or from par value to no par value, or from no par value to par value, or as a result of a subdivision or combination); (ii) any consolidation, combination, merger or share exchange to which the Company is a party other than a merger in which the Company is the resulting or surviving corporation and which does not result in any reclassification of, or change (other than a change in name, or par value, or from par value to no par value, or from no par value to par value, or as a result of a subdivision or combination) in, outstanding shares of Common Stock; or (iii) any sale or conveyance of all or substantially all of the properties and assets of the Company, then the Company, or such successor or purchasing corporation, as the case may be, shall, as a condition precedent to such reclassification, change, consolidation, merger, share exchange, sale or conveyance, execute and deliver to the Trustee a supplemental indenture providing that the Holder of each Convertible Note then outstanding shall have the right to convert such Convertible Note into the kind and amount of cash, securities or other property receivable upon such reclassification, change, consolidation, merger, share exchange, sale or conveyance by a holder of the number of shares of Common Stock deliverable upon conversion of such Convertible Note solely into Common Stock at the then applicable Conversion Price immediately prior to such reclassification, change, consolidation, merger, share exchange, sale or conveyance. Such supplemental indenture shall provide for adjustments of the Conversion Price which shall be as nearly equivalent as may be practicable to the adjustments of the Conversion Price provided for in this Article V. If, in the case of any such consolidation, merger, share exchange, sale or conveyance, the stock or other securities and property (including cash) receivable thereupon by a holder of Common Stock includes shares of Capital Stock or other securities and property of a corporation other than the successor or purchasing corporation, as the case may be, in such consolidation, merger, share exchange, sale or conveyance, then such supplemental indenture shall also be executed by such other corporation and shall contain such additional provisions to protect the interests of the Holders of the Convertible Notes as the Board of Directors shall reasonably consider necessary by reason of the foregoing. The provisions of this Section 5.11 shall similarly apply to successive

consolidations, mergers, share exchanges, sales or conveyances. Notwithstanding the foregoing, a distribution by the Company to all or substantially all holders of Common Stock for which an adjustment to the Conversion Price or provision for conversion of the Convertible Notes may be made pursuant to Section 5.5 shall not be deemed to be a sale or conveyance of all or substantially all of the properties and assets of the Company for purposes of this Section 5.11.

(b) In the event the Company shall execute a supplemental indenture pursuant to this Section 5.11, the Company shall promptly file with the Trustee an Opinion of Counsel stating that such supplemental indenture is authorized or permitted by this Second Supplemental Indenture and an Officers' Certificate briefly stating the reasons therefor, the kind or amount of cash, securities or other property receivable by Holders of the Convertible Notes upon the conversion of their Convertible Notes after any such reclassification, change, consolidation, merger, share exchange, sale or conveyance, any adjustment to be made with respect thereto and that all conditions precedent have been complied with.

(c) For purposes of this Section 5.11, the type and amount of consideration that a Holder of Convertible Notes would have been entitled to receive as a holder of the Company's Common Stock in the case of a transaction described in Article V that causes the Common Stock to be converted into the right to receive more than a single type of consideration, determined based in part upon any form of stockholder election, will be deemed to be the weighted average of the types and amounts of consideration received by the holders of Common Stock that affirmatively make such an election.

SECTION 5.12. *Trustee's and Agent's Disclaimer.*

(a) The Trustee has no duty to determine when an adjustment under this Article V (whether pursuant to Section 5.1(b), 5.1(c), 5.5 or 5.11) should be made, how it should be made or what such adjustment should be, but may accept as conclusive evidence of the correctness of any such adjustment, and shall be fully protected in relying upon, the Officers' Certificate with respect thereto which the Company is obligated to file with the Trustee pursuant to Section 5.9. The Trustee shall not be accountable for and makes no representation as to the validity or value of any securities or assets issued upon conversion of Convertible Notes, and the Trustee shall not be responsible for the Company's failure to comply with any provisions of this Article V. Each Conversion Agent (other than the Company or an Affiliate of the Company) shall have the same protection under this Section 5.12 as the Trustee.

(b) The Trustee shall not be under any responsibility to determine the correctness of any provisions contained in any supplemental indenture executed pursuant to Section 5.11, but may accept as conclusive evidence of the correctness thereof, and shall be protected in relying upon, the Officers' Certificate with respect thereto which the Company is obligated to file with the Trustee pursuant to Section 5.11.

SECTION 5.13. *Voluntary Reduction.*

The Company from time to time may reduce the Conversion Price by any amount for any period of time if such period is at least 20 Trading Days or such longer period as may be required by law and if the reduction is irrevocable during such period; if the Board of Directors determines, in good faith, that such decrease would be in the best interests of the Company;

provided that in no event may the Conversion Price be less than the par value of a share of Common Stock. Any such determination by the Board of Directors shall be conclusive.

SECTION 5.14. *Payment Upon Conversion; Daily Conversion Value of Convertible Notes Tendered.*

(a) Holders tendering the Convertible Notes for conversion shall be entitled to receive upon conversion of each \$1,000 principal amount of Convertible Notes, no later than the third Trading Day immediately following the last day of the related Observation Period, cash and shares of Common Stock, if any, equal to the sum of the Daily Settlement Amounts for each of the 10 Trading Days during the related Observation Period. Cash will be delivered in lieu of fractional shares of Common Stock issuable in connection with payment of the foregoing amounts (based on the Common Stock Price on the last day of the applicable Observation Period).

(b) Neither the Trustee nor the Conversion Agent has any duty to determine or calculate the Conversion Rate, the Daily Conversion Value, the cash amounts payable upon conversion or the number of shares, if any, of Common Stock issuable upon conversion, or any other computation required under this Article V, all of which shall be determined by the Company in accordance with the provisions of this Second Supplemental Indenture, and the Trustee and Conversion Agent shall not be under any responsibility to determine the correctness of any such determinations and/or calculations and may conclusively rely on the correctness thereof.

SECTION 5.15. *Simultaneous Adjustments.*

In the event that this Article V requires adjustments to the Conversion Price under more than one of Sections 5.5(a) and (c), and the Record Dates for the distributions giving rise to such adjustments shall occur on the same date, then such adjustments shall be made by applying, first, the provisions of Section 5.5(c), as applicable, and, second, the provisions of Section 5.5(a). If more than one event requiring adjustment pursuant to Section 5.5 shall occur before completing the determination of the Conversion Price for the first event requiring such adjustment, then the Board of Directors (whose determination shall, if made in good faith, be conclusive) shall make such adjustments to the Conversion Price (and the calculation thereof) after giving effect to all such events as shall preserve for Holders the Conversion Price protection provided in Section 5.5.

SECTION 5.16. *Conversion Agent.*

The Company shall maintain an office or agency where Convertible Notes may be presented for conversion (the “*Conversion Agent*”). If the Company fails to maintain a Conversion Agent, the Trustee shall act as such and shall be entitled to appropriate compensation therefor pursuant to Section 607 of the Base Indenture. The Company or any of its Subsidiaries or an Affiliate of the Company or any of its Subsidiaries may act as Conversion Agent. The Company initially appoints the Trustee as Conversion Agent in connection with the Convertible Notes.

ARTICLE VI
MISCELLANEOUS

SECTION 6.1. *Ratification of Base Indenture; Conflicts.*

(a) The Base Indenture, as supplemented by this Second Supplemental Indenture, is in all respects ratified and confirmed, and this Second Supplemental Indenture shall be deemed part of the Base Indenture in the manner and to the extent herein and therein provided.

(b) In the event of any conflict, inconsistency or ambiguity between the Base Indenture and this Second Supplemental Indenture, the provisions of this Second Supplemental Indenture shall control.

SECTION 6.2. *Governing Law.*

THIS SECOND SUPPLEMENTAL INDENTURE AND EACH SECURITY SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, WITHOUT REGARD TO ITS PRINCIPLES OF CONFLICTS OF LAWS.

SECTION 6.3. *Counterparts.*

This Second Supplemental Indenture may be executed in any number of counterparts each of which shall be an original; but such counterparts shall together constitute but one and the same instrument.

SECTION 6.4. *Trustee Not Responsible for Recitals.*

The recitals herein contained are made by the Company and not by the Trustee, and the Trustee assumes no responsibility for the correctness thereof. The Trustee shall not be responsible in any manner whatsoever for or in respect of the validity or sufficiency of this Second Supplemental Indenture.

SECTION 6.5. *Trust Indenture Act Controls.*

If any provision of this Second Supplemental Indenture limits, qualifies, or conflicts with another provision which is required to be included in this Second Supplemental Indenture by the TIA, the required provision shall control.

SECTION 6.6. *Tax Treatment of the Convertible Notes.*

(a) The Company agrees, and by acceptance of a beneficial interest in a Convertible Note each Holder and any Beneficial Owner of a Convertible Note shall be deemed to agree, to treat, for U.S. federal income tax purposes, the Convertible Notes as debt instruments that are subject to Treasury regulation section 1.1275-4 or any successor provision (the “*contingent payment regulations*”). For U.S. federal income tax purposes, the Company further agrees, and by acceptance of a beneficial interest in a Convertible Note each Holder and any Beneficial Owner

of a Convertible Note shall be deemed to agree (i) to treat the cash and the fair market value of any Common Stock received upon the conversion of a Convertible Note as a contingent payment for purposes of the contingent payment regulations, (ii) to accrue interest with respect to outstanding Convertible Notes as original issue discount for U.S. federal income tax purposes (i.e., Tax Original Issue Discount) according to the “noncontingent bond method” set forth in the contingent payment regulations, using the comparable yield of 6.07% compounded quarterly, and (iii) to be bound by the Company’s determination of the “projected payment schedule,” attached hereto as Exhibit C within the meaning of the contingent payment regulations, with respect to the Convertible Notes, as attached on Exhibit C hereto. Holders or Beneficial Owners also may obtain the issue price, amount of Tax Original Issue Discount, issue date, comparable yield and projected payment schedule, by submitting a written request for it to the Company at the following address: 751 Broad Street, Newark, New Jersey 07102, Attention: Investor Relations.

(b) The Company acknowledges and agrees, and by acceptance of a beneficial interest in a Convertible Note each Holder and any Beneficial Owner of a Convertible Note shall be deemed to acknowledge and agree, that (i) the comparable yield means the annual yield the Company would pay, as of the issue date, on a noncontingent, nonconvertible, fixed-rate debt instrument with terms and conditions otherwise similar to those of the Convertible Notes and (ii) the comparable yield and the projected payment schedule that a Holder or Beneficial Owner may obtain as described above do not constitute a representation by the Company regarding the actual amounts that will be paid on the Convertible Notes or the value of the Common Stock into which the Convertible Notes may be converted.

IN WITNESS WHEREOF, the parties hereto have caused this Second Supplemental Indenture to be duly executed by their respective officers thereunto duly authorized, as of the day and year first above written.

PRUDENTIAL FINANCIAL, INC.,
as Issuer

By: /s/ Jonathan P. Hunt
Name: JONATHAN P. HUNT
Title: Vice President and Assistant Treasurer

THE BANK OF NEW YORK,
as Trustee

By: /s/ Ignazio Tamburello
Name: IGNAZIO TAMBURELLO
Title: Assistant Vice President

FORM OF CONVERTIBLE NOTE

[FORM OF FACE OF NOTE]

[Transfer Restricted Securities Legend – Include only
on Transfer Restricted Securities]

[THIS SECURITY AND ANY COMMON STOCK ISSUABLE UPON THE CONVERSION OF THIS SECURITY HAVE NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “*SECURITIES ACT*”), AND MAY NOT BE SOLD OR OTHERWISE TRANSFERRED IN THE ABSENCE OF SUCH REGISTRATION OR AN APPLICABLE EXEMPTION THEREFROM. EACH PURCHASER OF THIS SECURITY IS HEREBY NOTIFIED THAT THE SELLER OF THIS SECURITY MAY BE RELYING ON THE EXEMPTION FROM THE PROVISIONS OF SECTION 5 OF THE SECURITIES ACT PROVIDED BY RULE 144A THEREUNDER.

THIS SECURITY AND ANY COMMON STOCK ISSUABLE UPON THE CONVERSION OF THIS SECURITY MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT (A)(1) TO A PERSON WHO THE TRANSFEROR REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A UNDER THE SECURITIES ACT ACQUIRING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A, (2) PURSUANT TO AN EXEMPTION FROM THE REGISTRATION UNDER THE SECURITIES ACT PROVIDED BY RULE 144A THEREUNDER (IF AVAILABLE), (3) SUBJECT TO THE REQUIREMENTS OF THE INDENTURE, TO AN INSTITUTIONAL INVESTOR THAT IS AN ACCREDITED INVESTOR WITHIN THE MEANING OF RULE 501(a)(1), (2), (3) OR (7) OF REGULATION D UNDER THE SECURITIES ACT PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT (IF AVAILABLE) OR (4) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT, AND (B) IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF THE STATES OF THE UNITED STATES AND OTHER JURISDICTIONS.

THIS SECURITY, ANY SHARES OF COMMON STOCK ISSUABLE UPON ITS CONVERSION AND ANY RELATED DOCUMENTATION MAY BE AMENDED OR SUPPLEMENTED FROM TIME TO TIME TO MODIFY THE RESTRICTIONS ON REALES AND OTHER TRANSFERS OF THIS SECURITY AND ANY SUCH SHARES TO REFLECT ANY CHANGE IN APPLICABLE LAW OR REGULATION (OR THE INTERPRETATION THEREOF) OR IN PRACTICES RELATING TO THE RESALE OR TRANSFER OF RESTRICTED SECURITIES GENERALLY THE HOLDER OF THIS SECURITY AND SUCH SHARES SHALL BE DEEMED BY THE ACCEPTANCE OF THIS NOTE AND ANY SUCH SHARES TO HAVE AGREED TO ANY SUCH AMENDMENT OR SUPPLEMENT.]

[Global Securities Legend – Include only on Global Securities]

[THIS SECURITY IS A GLOBAL SECURITY WITHIN THE MEANING OF THE INDENTURE HEREINAFTER REFERRED TO AND IS REGISTERED IN THE NAME OF A DEPOSITARY OR A NOMINEE THEREOF. UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY TO THE COMPANY OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY

TRUST COMPANY (AND ANY PAYMENT HEREON IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL SINCE THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN. TRANSFERS OF THIS GLOBAL SECURITY SHALL BE LIMITED TO TRANSFERS TO THE DEPOSITORY TRUST COMPANY, TO NOMINEES OF THE DEPOSITORY TRUST COMPANY OR TO A SUCCESSOR THEREOF OR SUCH SUCCESSOR'S NOMINEE AND TRANSFERS OF PORTIONS OF THIS GLOBAL SECURITY SHALL BE LIMITED TO TRANSFERS MADE IN ACCORDANCE WITH THE RESTRICTIONS SET FORTH IN THE INDENTURE REFERRED TO ON THE REVERSE HEREOF.]

PRUDENTIAL FINANCIAL, INC.

Floating Rate Convertible Senior Note due December 12, 2036

No.: RA -

CUSIP NUMBER: 744320 AE 2
ISIN NUMBER: US744320AE26

Principal Amount: \$

Prudential Financial, Inc., a New Jersey corporation, promises to pay to [Cede & Co.]* or registered assigns, [the principal amount of \$] [the principal amount as set forth on Schedule I hereto]*, on December 12, 2036, subject to the further provisions of this Convertible Note set forth on the reverse hereof, which further provisions shall for all purposes have the same effect as if set forth at this place. This Convertible Note is convertible as specified on the other side of this Convertible Note.

Interest Payment Dates: March 12, June 12, September 12 and December 12, commencing March 12, 2007.

Record Dates: March 1, June 1, September 1 and December 1 (whether or not a Business Day), commencing March 1, 2007.

Prudential Financial, Inc.

By: _____
Name:
Title:

* Include only on Global Security

TRUSTEE'S CERTIFICATE OF AUTHENTICATION

This is one of the Securities of the series designated therein referred to in the within-mentioned Indenture.

THE BANK OF NEW YORK,
as Trustee

By: _____
Authorized Signatory

Dated:

[FORM OF REVERSE SIDE OF NOTE]

PRUDENTIAL FINANCIAL, INC.

Floating Rate Convertible Senior Note due December 12, 2036

(1) Interest.

The Company will pay interest on any overdue principal amount at the interest rate borne by the Convertible Notes at the time such interest on the overdue principal amount accrues, compounded quarterly.

This Convertible Note will bear interest at an annual rate equal to 3-month LIBOR, reset quarterly, minus 2.40%, and will initially bear interest at a rate of 2.95313%; *provided* that such rate shall never be less than zero. Interest will be payable quarterly in arrears on March 12, June 12, September 12 and December 12 of each year (each, an “*Interest Payment Date*”), subject to Section 2.5 of the Second Supplemental Indenture, commencing March 12, 2007. The Company will pay interest on any overdue principal amount at the interest rate borne by the Convertible Notes at the time such interest on the overdue principal amount accrues, compounded quarterly, and it shall pay interest on overdue installments of interest (without regard to any applicable grace period), at the same interest rate, compounded quarterly. Interest (including Liquidated Damages, if any) on the Convertible Notes will be computed using the actual number of days elapsed between the LIBOR Rate Reset Dates divided by 360.

The Holders of the Convertible Notes shall be entitled to the benefits of the Registration Rights Agreement, including the right to receive Liquidated Damages in the event of Registration Defaults (as defined in the Registration Rights Agreement under Section 7 thereof), such Liquidated Damages to be payable at the same times and to the same Persons as regular interest is payable with respect to the Convertible Notes, it being understood that any reference in this Convertible Note to “interest” shall be deemed to include “Liquidated Damages” if then owing in accordance with the terms of the Registration Rights Agreement.

(2) Method of Payment.

Subject to the terms and conditions of the Indenture, the Company will pay interest (including Liquidated Damages, if any) on this Convertible Note to the Person who is the registered Holder of this Convertible Note at the close of business on March 1, June 1, September 1 and December 1, whether or not a Business Day (each, a “*Record Date*”), as the case may be, immediately preceding the related Interest Payment Date (*provided* that interest payable upon repurchase or redemption of this Convertible Note or at the Stated Maturity of principal (including any such date that is an Interest Payment Date) shall be paid to the Person to whom principal is payable). Subject to the terms and conditions of the Indenture, the Company will make all payments in respect of the Redemption Price, Repurchase Price, Change in Control Repurchase Price and the principal amount at Stated Maturity (including interest payable on the date such amounts are due), as the case may be, to the Holder who surrenders a Convertible Note to a Paying Agent to collect such payments in respect of the Convertible Note. The Company will pay cash amounts in money of the United States that at the time of payment is legal tender for payment of public and private debts. Notwithstanding the foregoing, if a Holder is holding Convertible Notes in definitive form, the Company shall pay interest (including Liquidated Damages, if any), other than interest payable at the Stated Maturity of principal or on a Redemption Date, Repurchase Date or Change in Control Repurchase Date, by check mailed to such Holder. If a Holder is holding at least \$1,000,000 principal amount of Convertible Notes in definitive form, the Company may pay such interest by wire transfer provided that such Holder has notified the Trustee in writing at the Trustee’s Corporate Trust Office, on

or before the Record Date before the applicable Interest Payment Date, other than an Interest Payment Date at the Stated Maturity of principal or on a Redemption Date, Repurchase Date or Change in Control Repurchase Date, that such Holder chooses to have interest on such Holder's Convertible Notes payable on such Interest Payment Date and all subsequent Interest Payment Dates paid by wire transfer of immediately available funds to an account at a bank (that has facilities to receive wire transfers) in The City of New York, or in another city designated by such Holder and agreed to by the Company and the Trustee. Such payment method will apply until such Holder provides the Trustee written notice to the contrary. The Company shall pay the principal of and interest (including Liquidated Damages, if any) on any Convertible Note in definitive form that is due at the Stated Maturity of principal, the Redemption Date or Repurchase Date or Change in Control Repurchase Date in immediately available funds against presentation of such Convertible Note in definitive form at the Corporate Trust Office of the Trustee in The City of New York or at any other office or agency of the Trustee in The City of New York that the Trustee may designate to such Holder in writing; *provided* if any such payment is to be made by wire transfer, the Trustee must have received appropriate wire transfer instructions in writing from any Holder being so paid at least two Business Days prior to the relevant date.

(3) Paying Agent, Conversion Agent and Registrar.

Initially, The Bank of New York (as successor to JPMorgan Chase Bank, N.A.) (the "*Trustee*") will act as Paying Agent, Conversion Agent and Security Registrar. The Company may appoint and change any Paying Agent, Conversion Agent or Security Registrar without notice, other than notice to the Trustee; *provided* that the Company will maintain at least one Paying Agent having an office or agency in the State of New York, City of New York, Borough of Manhattan, which shall initially be an office or agency of the Trustee. The Company or any of its Subsidiaries or any of their Affiliates may act as Paying Agent, Conversion Agent or Security Registrar.

(4) Indenture.

The Company issued the Convertible Notes under an Indenture dated as of April 25, 2003, as supplemented by a First Supplemental Indenture dated as of November 16, 2005 and a Second Supplemental Indenture dated as of December 12, 2006 (collectively, the "*Indenture*") between the Company and the Trustee. The terms of the Convertible Notes include those stated in the Indenture and those made part of the Indenture by reference to the Trust Indenture Act of 1939, as in effect from time to time (the "*TIA*"). Capitalized terms used herein and not defined herein have the meanings ascribed thereto in the Indenture. The Convertible Notes are subject to all such terms, and Holders are referred to the Indenture and the TIA for a statement of those terms.

The Convertible Notes are direct, unsubordinated, unsecured debt obligations of the Company. The Indenture does not limit other indebtedness of the Company, secured or unsecured.

(5) Redemption at the Option of the Company.

No sinking fund is provided for the Convertible Notes. Beginning on December 13, 2007 and during the periods thereafter to maturity, the Convertible Notes are redeemable as a whole at any time, or in part from time to time, in any integral multiple of \$1,000, at the option of the Company for cash at a Redemption Price equal to 100% of the principal amount, together with accrued but unpaid interest (including Liquidated Damages, if any) thereon, up to but not including the Redemption Date.

Notice of redemption pursuant to paragraph 5 of this Convertible Note will be mailed at least 30 days but not more than 60 days before the Redemption Date to each Holder of Convertible Notes to be redeemed at the Holder's address appearing in the Security Register. If money sufficient to pay the

Redemption Price of all Convertible Notes (or portions thereof) to be redeemed on the Redemption Date is deposited with the Paying Agent prior to 10:00 a.m., New York City time, on the Redemption Date, on and after such Redemption Date, interest (including Liquidated Damages, if any) shall cease to accrue on such Convertible Notes or portions thereof. Convertible Notes in denominations larger than \$1,000 of principal amount may be redeemed in part but only in integral multiples of \$1,000 of principal amount.

(6) Repurchase By the Company at the Option of the Holder on Specified Dates; Repurchase at the Option of the Holder Upon a Change in Control.

Subject to the terms and conditions of the Indenture, the Company shall become obligated to repurchase, at the option of the Holder, on December 12, 2007 and December 12, 2008, 2009, 2010, 2011, 2016, 2021, 2026 and 2031 (each, a “*Repurchase Date*”), all or a portion of the Convertible Notes held by such Holder, in any integral multiple of \$1,000, for cash at a price per Convertible Note equal to 100% of the aggregate principal amount of the Convertible Note (the “*Repurchase Price*”), together with accrued but unpaid interest (including Liquidated Damages, if any) thereon, up to but not including the Repurchase Date upon delivery of a Repurchase Notice containing the information set forth in the Indenture, together with the Convertible Notes subject thereto and upon delivery of the Convertible Notes to the Paying Agent by the Holder as set forth in the Indenture.

At the option of the Holder and subject to the terms and conditions of the Indenture, the Company shall become obligated to repurchase the Convertible Notes held by such Holder after the occurrence of a Change in Control of the Company for a Change in Control Repurchase Price equal to 100% of the principal amount thereof plus accrued but unpaid interest (including Liquidated Damages, if any) thereon, up to but not including the Change in Control Repurchase Date which Change in Control Repurchase Price shall be paid in cash. Holders have the right to withdraw any Repurchase Notice or Change in Control Repurchase Notice, as the case may be, by delivering to the Paying Agent a written notice of withdrawal in accordance with the provisions of the Indenture.

If cash sufficient to pay the Repurchase Price or Change in Control Repurchase Price, as the case may be, and accrued but unpaid interest (including Liquidated Damages, if any) on all Convertible Notes or portions thereof to be repurchased as of the Repurchase Date or the Change in Control Repurchase Date, as the case may be, is held by the Paying Agent by 10:00 a.m., New York City time, on the Business Day immediately following the Repurchase Date or on or prior to the Change in Control Repurchase Date, interest (including Liquidated Damages, if any) shall cease to accrue on such Convertible Notes (or portions thereof) as of such Repurchase Date or Change in Control Repurchase Date, and the Holder thereof shall have no other rights as such, other than the right to receive the Repurchase Price or Change in Control Repurchase Price, as the case may be, and interest (including Liquidated Damages, if any) upon surrender of such Convertible Note.

(7) Conversion.

A Holder of a Convertible Note may convert any portion of the principal amount of any Convertible Note that is an integral multiple of \$1,000 into cash and fully paid and non-assessable shares (calculated as to each conversion to the nearest 1/10000th of a share) of Common Stock in accordance with the provisions of Section 5.14 of the Indenture; *provided* that if such Convertible Note is called for redemption, the conversion right will terminate at the close of business on the second Business Day immediately preceding the Redemption Date of such Convertible Note (unless the Company shall default in making the redemption payment when due, in which case the conversion right shall terminate at the close of business on the date such Default is cured and such Convertible Note is redeemed). Such conversion right shall commence on the initial issuance date of the Convertible Notes and expire at the close of business on the date of maturity, subject, in the case of conversion of any Global Security, to any

Applicable Procedures. The Conversion Price shall, as of the date of the Indenture, initially be \$104.208 per share of Common Stock. The Conversion Rate shall, as of the date of the Second Supplemental Indenture referred to above, initially be 9.5962 shares of the Company's Common Stock for each \$1,000 principal amount of Convertible Notes. The Conversion Price and Conversion Rate will be adjusted under the circumstances specified in the Indenture. Upon conversion, no adjustment for interest (including Liquidated Damages, if any) or dividends will be made. No fractional shares will be issued upon conversion; in lieu thereof, an amount will be paid in cash based upon the Common Stock Price on the last day of the applicable Observation Period. Delivery of the shares of Common Stock and cash (including cash in lieu of fractional shares) shall be deemed to satisfy the Company's obligation to pay the principal amount of a converted Convertible Note and accrued but unpaid interest (including Liquidated Damages, if any) thereon. Any accrued interest (including Liquidated Damages, if any) payable on a converted Convertible Note will be deemed paid in full, rather than canceled, extinguished or forfeited.

In addition, following certain corporate transactions that occur on or prior to May 15, 2007 and that constitute a Change in Control (other than relating to the composition of the Board of Directors as described in clause (d) of the definition of Change in Control in Section 1.1) and for which 10% or more of the fair market value of the consideration for the Common Stock (as determined by the Board of Directors) in the corporate transaction consists of (i) cash, (ii) other property or (iii) securities that are not traded or scheduled to be traded immediately following such transaction on a U.S. national securities exchange or the Nasdaq National Market System, a Holder who elects to convert its Convertible Notes in connection with such corporate transaction will be entitled to receive Additional Shares of Common Stock upon conversion in certain circumstances (it being understood that a Holder of Convertible Notes electing to convert its Convertible Notes pursuant to Section 5.1(b) of the Second Supplemental Indenture referred to above shall provide the Conversion Agent with a notice as contemplated by Section 5.2 of the Second Supplemental Indenture).

As provided in the Indenture, to convert a Convertible Note, a Holder must (a) complete and manually sign the conversion notice set forth below and deliver such notice to the Conversion Agent, (b) surrender the Convertible Note to the Conversion Agent, (c) furnish appropriate endorsements and transfer documents if required by the Registrar or the Conversion Agent, (d) pay any transfer or other tax, if required and (e) if the Convertible Note is held in book-entry form, complete and deliver to the Depositary appropriate instructions pursuant to the Applicable Procedures. If a Holder surrenders a Convertible Note for conversion between the close of business on the Record Date and the opening of business on the related Interest Payment Date, *provided* that such Interest Payment Date is an Interest Payment Date the interest due on which is payable to the Holder as of the preceding Regular Record Date, the Convertible Note must be accompanied by payment of an amount equal to the interest (including Liquidated Damages, if any) payable on such Interest Payment Date on the principal amount of the Convertible Note or portion thereof then converted; *provided* that no such payment shall be required if such Convertible Note has been called for redemption on a Redemption Date within the period between the close of business on such Record Date and the opening of business on such Interest Payment Date, or if such Convertible Note is surrendered for conversion on the Interest Payment Date or is being redeemed on such Interest Payment Date or if such Interest Payment Date is the Stated Maturity of the principal of the Convertible Notes. A Holder may convert a portion of a Convertible Note equal to \$1,000 or any integral multiple thereof.

A Convertible Note in respect of which a Holder has delivered a Repurchase Notice or a Change of Control Repurchase Notice exercising the option of such Holder to require the Company to repurchase such Convertible Note as provided in Section 3.2 or Section 3.3, respectively, of the Indenture may be converted only if such notice of exercise is withdrawn in accordance with the terms of the Indenture.

(8) Denominations; Transfer; Exchange.

The Convertible Notes are in fully registered form, without coupons, in denominations of \$1,000 of principal amount and integral multiples of \$1,000. A Holder may transfer or exchange Convertible Notes in accordance with the Indenture. The Security Registrar may require a Holder, among other things, to furnish appropriate endorsements and transfer documents and to pay any taxes and fees required by law or permitted by the Indenture. The Security Registrar need not transfer or exchange any Convertible Notes selected for redemption (except, in the case of a Convertible Note to be redeemed in part, the portion of the Convertible Note not to be redeemed), or any Convertible Notes in respect of which a Repurchase Notice or a Change in Control Repurchase Notice has been given and not withdrawn (except, in the case of a Convertible Note to be repurchased in part, the portion of the Convertible Note not to be repurchased), or any Convertible Notes for a period of 15 days before the mailing of a Notice of Redemption of Convertible Notes to be redeemed.

(9) Persons Deemed Owners.

The registered Holder of this Convertible Note may be treated as the owner of this Convertible Note for all purposes.

(10) Amendment; Waiver.

Subject to certain exceptions set forth in the Indenture, (i) the Indenture or the Convertible Notes may be amended with the written consent of the Holders of at least a majority in aggregate principal amount of the Convertible Notes at the time outstanding and (ii) certain Defaults may be waived with the written consent of the Holders of a majority in aggregate principal amount of the Convertible Notes at the time outstanding. Subject to certain exceptions set forth in the Indenture, without the consent of any Holder, the Company and the Trustee may amend the Indenture or the Convertible Notes, among other things, (i) to cure any ambiguity, omission, defect or inconsistency, or make any other change that does not adversely affect the rights of any Holder of Convertible Notes in any material respect, (ii) to evidence and provide for the acceptance of appointment under the Indenture by a successor Trustee, or (iii) to comply with the provisions of the TIA or any requirement of the Commission in connection with the qualification of the Indenture under the TIA, in each case as set forth in the Indenture.

(11) Defaults and Remedies.

As set forth in the Indenture, if an Event of Default occurs and is continuing, the Trustee may, and at the written request of the Holders of not less than 25% in principal amount of Convertible Notes then Outstanding shall, declare the principal of and accrued but unpaid interest (including Liquidated Damages, if any) of all the Convertible Notes to be due and payable in the manner, at the time and with the effect provided in the Indenture. Holders of Convertible Notes may not enforce the Indenture or the Convertible Notes except as provided in the Indenture. The Trustee is not obligated to enforce the Indenture or the Convertible Notes unless it has received security or indemnity reasonably satisfactory to it. The Indenture permits, subject to certain limitations therein provided, Holders of a majority in aggregate principal amount of the Convertible Notes at the time outstanding to direct the Trustee in its exercise of any trust or power. The Trustee may withhold from Holders of Convertible Notes notice of any continuing Default or Event of Default (except a default in payment of principal or interest when due, for any reason) if it determines in good faith that withholding notice is in the interests of Holders.

(12) Trustee Dealings with the Company.

Subject to certain limitations imposed by the TIA, the Trustee under the Indenture, in its individual or any other capacity, may become the owner or pledgee of Convertible Notes and may otherwise deal with and collect obligations owed to it by the Company or its Affiliates and may otherwise deal with the Company or its Affiliates with the same rights it would have if it were not Trustee.

(13) No Recourse Against Others.

A director, officer, employee or shareholder, as such, of the Company shall not have any liability for any obligations of the Company under the Convertible Notes or the Indenture or for any claim based on, in respect of or by reason of such obligations or their creation. By accepting a Convertible Note, each Holder waives and releases all such liability. The waiver and release are part of the consideration for the issue of the Convertible Notes.

(14) Ranking.

The Convertible Notes shall be direct, unsubordinated, unsecured debt obligations of the Company and shall rank equally in right of payment with any other existing and direct, unsubordinated, unsecured debt of the Company and senior to any future subordinated indebtedness of the Company.

(15) Authentication.

This Convertible Note shall not be valid until an authorized signatory of the Trustee manually signs the Trustee's Certificate of Authentication on the other side of this Convertible Note.

(16) Abbreviations.

Customary abbreviations may be used in the name of a Holder or an assignee, such as TEN COM ("*Tenants In Common*"), TEN ENT ("*Tenants By The Entireties*"), JT TEN ("*Joint Tenants With Right Of Survivorship And Not As Tenants In Common*"), CUST ("*Custodian*") and U/G/M/A ("*Uniform Gift To Minors Act*").

(17) Governing Law.

THIS SECURITY AND THE INDENTURE SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, WITHOUT REGARD TO ITS PRINCIPLES OF CONFLICTS OF LAWS.

(18) CUSIP Numbers.

Pursuant to a recommendation promulgated by the Committee on Uniform Security Identification Procedures, the Company has caused CUSIP numbers to be printed on the Convertible Notes as a convenience to the Holders of the Convertible Notes. No representation is made as to the accuracy of such numbers as printed on the Convertible Notes and reliance may be placed only on the other identification numbers printed hereon.

(19) Conflicts with Indenture.

In the event of any conflict, inconsistency or ambiguity between any provision set forth in this Convertible Note and any provision of the Indenture, the Indenture shall control.

ASSIGNMENT FORM

To assign this Convertible Note, fill in the form below:

I or we assign and transfer this Convertible Note to

(Insert assignee's soc. sec. or tax ID no.)

(Print or type assignee's name, address and zip code)

and irrevocably appoint _____ agent to transfer this Convertible Note on the books of the Company. The agent may substitute another to act for him.

Date: _____

Signature Guaranteed

Participant in a Recognized Signature Guarantee Medallion Program

By: _____
Authorized Signatory

CONVERSION NOTICE

To convert this Convertible Note into Cash and Common Stock of the Company, check the box "

To convert only part of this Convertible Note, state the principal amount to be converted (which must be \$1,000 or an integral multiple of \$1,000):

If you want the stock certificate made out in another person's name fill in the form below:

(Insert the other person's soc. sec. or tax ID no.)

(Print or type other person's name, address and zip code)

Your Signature: _____

(Sign exactly as your name appears on the other side of this Convertible Note)

FORM OF REPURCHASE NOTICE

To: Prudential Financial, Inc.

The undersigned registered holder of this Convertible Note requests and instructs the Company to repurchase this Convertible Note, or the portion hereof (which is \$1,000 principal amount or a multiple thereof) designated below, on the date specified below, in accordance with the terms and conditions referred to in this Convertible Note and the Indenture referred to in this Convertible Note and directs that the check in payment for this Convertible Note or the portion thereof and any Securities representing the portion of principal amount hereof not to be so repurchased, be issued and delivered to the registered holder hereof unless a different name has been indicated below. If any portion of this Convertible Note not repurchased is to be issued in the name of a Person other than the undersigned, the undersigned shall pay all transfer taxes payable with respect thereto.

Dated:

Signature(s)

Fill in for registration of Securities not repurchased if to be issued other than to and in the name of registered holder:

(Name)

(Street Address)

(City, state and zip code)

Please print name and address

principal amount to be repurchased (if less than all): \$ __,000

date of requested repurchase: _____, 20__

(specify either 2007, 2008, 2009, 2010, 2011, 2016, 2021, 2026 or 2031)

**FORM OF OPTION TO ELECT REPURCHASE
UPON A CHANGE IN CONTROL**

To: Prudential Financial, Inc.

The undersigned registered holder of this Convertible Note hereby acknowledges receipt of a notice from Prudential Financial, Inc. (the "Company") as to the occurrence of a Change in Control with respect to the Company and requests and instructs the Company to repurchase this Convertible Note, or the portion hereof (which is \$1,000 principal amount or a multiple thereof) designated below, in accordance with the terms of this Convertible Note and the Indenture referred to in this Convertible Note and directs that the payment for this Convertible Note or the portion thereof and any Securities representing any unrepurchased principal amount hereof, be issued and delivered to the registered holder hereof unless a different name has been indicated below. If any portion of this Convertible Note not repurchased is to be issued in the name of a Person other than the undersigned, the undersigned shall pay all transfer taxes payable with respect thereto.

Dated:

Signature(s)

Fill in for registration of Securities not repurchased if to be issued other than to and in the name of registered holder:

(Name)

(Street Address)

(City, state and zip code)

Please print name and address

principal amount to be repurchased (if less than all): \$__,000

SCHEDULE I*

PRUDENTIAL FINANCIAL, INC.
Floating Rate Convertible Senior Notes due December 12, 2036

No.:

Date

Principal Amount

Notation

* Include only on Global Security

TRANSFER CERTIFICATE

In connection with any transfer of any of the Securities within the period prior to the expiration of the holding period applicable to the sales thereof under Rule 144(k) under the Securities Act of 1933, as amended (the "Securities Act") (or any successor provision), the undersigned registered owner of this Convertible Note hereby certifies with respect to \$ _____ principal amount of the above-captioned Securities presented or surrendered on the date hereof (the "Surrendered Securities") for registration of transfer, or for exchange or conversion where the securities deliverable upon such exchange or conversion are to be registered in a name other than that of the undersigned registered owner (each such transaction being a "transfer"), that such transfer complies with the restrictive legend set forth on the face of the Surrendered Securities for the reason checked below:

- " The transfer of the Surrendered Securities complies with Rule 144A under the U.S. Securities Act of 1933, as amended (the "Securities Act"); or
- " The transfer of the Surrendered Securities is pursuant to an exemption from the registration requirement of the Securities Act provided by Rule 144 thereunder; or
- " The transfer of the Surrendered Securities is to an institutional investor that is an "accredited investor" within the meaning of Rule 501(a)(1), (2), (3) or (7) of Regulation D under the Securities Act; or
- " The transfer of the Surrendered Securities is pursuant to an effective registration statement under the Securities Act; or
- " A transfer of the Surrendered Securities is made to the Company or any of its subsidiaries.

The undersigned confirms that, to the undersigned's knowledge, such Securities are not being transferred to an "affiliate" of the Company as defined in Rule 144 under the Securities Act (an "Affiliate").

Date:

Signature(s)

(If the registered owner is a corporation, partnership or fiduciary, the title of the Person signing on behalf of such registered owner must be stated.)

Signature Guaranteed

Participant in a Recognized Signature
Guarantee Medallion Program

By: _____
Authorized Signatory

PROJECTED PAYMENT SCHEDULE

C-1

FORM OF ACCREDITED INVESTOR CERTIFICATE

[DATE]

Prudential Financial, Inc.
Attn: Investor Relations
751 Broad Street
Newark, New Jersey 07102

Ladies and Gentlemen:

We are delivering this letter in connection with the proposed transfer of \$_____ of Floating Rate Convertible Senior Notes due December 12, 2036 (the "*Convertible Notes*") of Prudential Financial, Inc. (the "*Issuer*"), as described in the Offering Circular dated December 7, 2006 (the "*Offering Circular*") relating to the Convertible Notes.

We hereby confirm that:

1. We are an institutional "accredited investor" (as defined in Rule 501(a) (1), (2), (3) or (7) of Regulation D under the Securities Act of 1933, as amended (the "*Securities Act*")), or an entity in which all of the equity owners are institutional "accredited investors" within the meaning of Rule 501(a)(1), (2), (3) or (7) of Regulation D under the Securities Act ("*Institutional Accredited Investors*"), and have such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of our investment in the Convertible Notes, and we and any accounts for which we are acting are each able to bear the economic risks of our or their investment. We will acquire Convertible Notes having a minimum principal amount of not less than \$100,000 for our own account or for any accounts for which we are acting.
2. We are acquiring the Convertible Notes for our own account or for one or more accounts (each of which is an Institutional Accredited Investor) as to each of which we exercise sole investment discretion.
3. We are not acquiring the Convertible Notes with a view to distribution thereof or with any present intention of offering or selling the Convertible Notes or the shares of Common Stock of the Company issuable upon conversion thereof (the "*Underlying Shares*"), except as permitted below, *provided* that the disposition of our property and the property of any accounts for which we are acting as fiduciary shall remain at all times within our control.
4. We understand that any subsequent transfer of the Convertible Notes and the Underlying Shares is subject to certain restrictions and conditions set forth in the indenture relating to the Convertible Notes and the undersigned agrees to be bound by, and not to resell, pledge or otherwise transfer the Convertible Notes or the Underlying Shares except in compliance with such restrictions and conditions and the Securities Act.
5. We understand that the offer and sale of neither the Convertible Notes nor the Underlying Shares have been or will be registered under the Securities Act, and that neither the Convertible Notes nor the Underlying Shares may be offered or sold except as permitted in the following sentence. We agree, on our own behalf and on behalf of any accounts for which we are acting as

hereinafter stated, that if we should sell any Convertible Notes or Underlying Shares, we will do so only (i) to a person whom we reasonably believe is a qualified institutional buyer, as such term is defined in Rule 144A (a “QIB”), acquiring for its own account or for the account of a QIB in a transaction meeting the requirements of Rule 144A, (ii) subject to the requirements of the indenture relating to the Convertible Notes, pursuant to an exemption from registration under the Securities Act provided by Rule 144 thereunder (if available), (iii) to an institutional investor that is an “accredited investor” as such term is defined in Rule 501(a)(1), (2), (3) or (7) of Regulation D under the Securities Act pursuant to an exemption from registration under the Securities Act (if available), (iv) pursuant to an effective registration statement under the Securities Act or (v) to the Issuer or any of its subsidiaries, in each of cases (i) through (v) in accordance with any applicable securities laws of any state of the United States and other jurisdictions, and we further agree to provide to any person purchasing any of the Convertible Notes or Underlying Shares from us a notice advising such purchaser that resales of the Convertible Notes and Underlying Shares are restricted as stated herein.

6. We understand that, on any proposed transfer of any Convertible Notes or Underlying Shares, we will be required to furnish to the Issuer and the trustee for the Convertible Notes (the “Trustee”) such certificates, legal opinions and other information as the Issuer or the Trustee may reasonably require to confirm that the proposed transfer complies with the foregoing restrictions. We further understand that the Convertible Notes and Underlying Shares purchased by us will be in certificated form and will bear a legend to the foregoing effect.

Each of the Issuer, the Trustee and the initial purchasers of the Convertible Notes is entitled to rely upon this letter and is irrevocably authorized to produce this letter or a copy hereof to any interested party in any administrative or legal proceeding or official inquiry with respect to the matters covered hereby.

Very truly yours,

(Name of Purchaser)

By: _____
Name:
Title:

Address:

SCHEDULE A

The following table sets forth the hypothetical Share Price and the number of Additional Shares to be received per \$1,000 principal amount of Convertible Notes:

Effective Date of Change in Control	Stock Price												
	<u>\$86.84</u>	<u>\$90.00</u>	<u>\$95.00</u>	<u>\$100.00</u>	<u>\$105.00</u>	<u>\$110.00</u>	<u>\$115.00</u>	<u>\$120.00</u>	<u>\$125.00</u>	<u>\$135.00</u>	<u>\$145.00</u>	<u>\$155.00</u>	<u>\$170.00</u>
December 12, 2006	1.9192	1.6144	1.2168	0.9106	0.6806	0.5120	0.3909	0.3055	0.2460	0.1766	0.1429	0.1251	0.1102
March 12, 2007	1.9192	1.5661	1.1454	0.8246	0.5888	0.4214	0.3065	0.2298	0.1796	0.1265	0.1038	0.0927	0.0829
June 12, 2007	1.9192	1.5193	1.0650	0.7222	0.4781	0.3142	0.2102	0.1474	0.1109	0.0784	0.0671	0.0614	0.0558
September 12, 2007	1.9192	1.5149	0.9749	0.5902	0.3313	0.1780	0.0983	0.0614	0.0458	0.0363	0.0333	0.0311	0.0283
December 12, 2007	1.9192	1.5149	0.9301	0.4038	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000

The Share Prices and additional share amounts set forth above are based upon a common stock price of \$86.84 at December 7, 2006 and an initial Conversion Price of approximately \$104.208.

Schedule A-1

PRUDENTIAL FINANCIAL, INC.

as Issuer

TO

THE BANK OF NEW YORK

as Trustee

Third Supplemental Indenture

Dated as of December 12, 2007

**\$3,000,000,000 Floating Rate Convertible Senior Notes
due December 15, 2037**

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¹ This Table of Contents shall not, for any purpose, be deemed a part of the Indenture.

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THIRD SUPPLEMENTAL INDENTURE, dated as of December 12, 2007 (the “*Third Supplemental Indenture*”), between PRUDENTIAL FINANCIAL, INC., a corporation duly organized and existing under the laws of the State of New Jersey (the “*Company*”), and THE BANK OF NEW YORK, a New York banking corporation (as successor to JPMorgan Chase Bank, N.A.), as trustee (the “*Trustee*”).

WHEREAS, the Company executed and delivered an indenture, dated as of April 25, 2003 (the “*Base Indenture*”), which was supplemented by (i) the First Supplemental Indenture, dated as of November 16, 2005 (the “*First Supplemental Indenture*”) and (ii) the Second Supplemental Indenture, dated as of December 12, 2006 (the “*Second Supplemental Indenture*”) and together with the Base Indenture, the First Supplemental Indenture and this Third Supplemental Indenture, the “*Indenture*”), to the Trustee to provide for the future issuance of the Company’s senior debt securities (the “*Securities*”), to be issued from time to time in one or more series as might be determined by the Company under the Base Indenture;

WHEREAS, pursuant to the terms of the Base Indenture, the Company desires to provide for the establishment, authentication and issuance of a new series of its Securities to be known as its “Floating Rate Convertible Senior Notes due December 15, 2037” (the “*Convertible Notes*”), the form and substance of such Convertible Notes and the terms, provisions and conditions thereof to be set forth as provided in the Indenture; and

WHEREAS, the Company has requested that the Trustee execute and deliver this Third Supplemental Indenture and has satisfied all requirements necessary to make this Third Supplemental Indenture a valid instrument in accordance with its terms, and to make the Convertible Notes, when executed by the Company and authenticated and delivered by the Trustee, the valid and binding obligations of the Company and all acts and things necessary have been done and performed to make this Third Supplemental Indenture enforceable in accordance with its terms, and the execution and delivery of this Third Supplemental Indenture has been duly authorized in all respects:

NOW, THEREFORE, in consideration of the purchase and acceptance of the Convertible Notes by the Holders thereof, and for the purpose of setting forth, as provided in the Indenture, the form and substance of the Convertible Notes and the terms, provisions and conditions thereof, the Company covenants and agrees with the Trustee as follows:

ARTICLE I

DEFINITIONS

SECTION 1.1. *Definition of Terms.*

Unless the context otherwise requires:

- (a) a term defined or interpreted pursuant to the Base Indenture has the same meaning when used in this Third Supplemental Indenture;
- (b) a term defined anywhere in this Third Supplemental Indenture has the same meaning throughout;
- (c) the singular includes the plural and vice versa;

(d) headings are for convenience of reference only and do not affect interpretation; and

(e) the following terms have the meanings given to them in this Section 1.1(e):

“3-month LIBOR” means:

- (i) the rate for three-month deposits in U.S. dollars commencing on the related LIBOR Rate Reset Date, that appears on Reuters Page LIBOR01 as of 11:00 A.M., London time, on the LIBOR Determination Date; or
- (ii) if no rate appears on the particular LIBOR Determination Date on Reuters Page LIBOR01, the rate calculated by the Trustee as the arithmetic mean of at least two offered quotations obtained by the Trustee after requesting the principal London offices of each of four major reference banks in the London interbank market selected by the Trustee (after consultation with the Company) to provide the Trustee with its offered quotation for deposits in U.S. dollars for the period of three months, commencing on the related LIBOR Rate Reset Date, to prime banks in the London interbank market at approximately 11:00 A.M., London time, on that LIBOR Determination Date and in a principal amount that is representative for a single transaction in U.S. dollars in that market at that time; or
- (iii) if fewer than two offered quotations referred to in clause (ii) above are provided as requested, the rate calculated by the Trustee as the arithmetic mean of the rates quoted at approximately 11:00 A.M., New York time, on the particular LIBOR Determination Date by three major banks in The City of New York selected by the Trustee (after consultation with the Company) for loans in U.S. dollars to leading European banks for a period of three months and in a principal amount that is representative for a single transaction in U.S. dollars in that market at that time; or
- (iv) if the banks so selected by the Trustee are not quoting as mentioned in clause (iii) above, 3-month LIBOR in effect on the particular LIBOR Determination Date.

“Applicable Procedures” means, with respect to any transfer or transaction involving a Global Security or beneficial interests therein, or involving a Convertible Note in definitive form, the rules and procedures of the Depositary for such Global Security or such Convertible Note in definitive form, as the case may be, in each case to the extent applicable to such transaction and as in effect from time to time.

“Beneficial Owner” has the meaning determined in accordance with Rules 13d-3 and 13d-5 promulgated by the Commission under the Exchange Act, or any successor provision, except that (i) a Person shall be deemed to have “beneficial ownership” of all shares of the Company’s Common Stock that the Person has the right to acquire, whether exercisable immediately or only after the passage of time and (ii) any percentage of beneficial ownership shall be determined using the definition in clause (i) in both the numerator and the denominator.

“*Business Day*” means each Monday, Tuesday, Wednesday, Thursday and Friday which is not a day on which banking institutions in The City of New York are authorized or obligated by law or executive order to close, *provided* that such Business Day is also a London Banking Day.

“*Capital Stock*” for any corporation means any and all shares, interests, rights to purchase, warrants, options, participations or other equivalents of or interests in (however designated) stock issued by that corporation, but excluding from all of the foregoing any debt securities convertible into Capital Stock, whether or not such debt securities include any right of participation with Capital Stock.

“*Change in Control*” means the occurrence of one or more of the following events: (i) any sale, lease, exchange or other transfer (in one transaction or a series of related transactions) of all or substantially all of the Company’s properties and assets, to any Person or group of related Persons, as defined in Section 13(d) of the Exchange Act (a “*Group*”); (ii) the approval by the holders of the Company’s capital stock of any plan or proposal for the Company’s liquidation or dissolution, whether or not otherwise in compliance with the provisions of the Indenture; (iii) any Person or Group, other than the Company or any of the Company’s Subsidiaries, or any employee benefit plan of the Company’s or any of the Company’s Subsidiaries, becomes the Beneficial Owner, directly or indirectly, of shares of the Company’s voting stock representing more than 50% of the aggregate ordinary voting power represented by the Company’s issued and outstanding voting shares; or (iv) the first day on which a majority of the members of the Company’s Board of Directors are not Continuing Directors.

“*Common Stock*” shall mean shares of the Company’s Common Stock, \$.01 par value per share, as they exist on the date of this Third Supplemental Indenture.

“*Common Stock Price*” on any date means the closing sale price per share (or if no closing sale price is reported, the average of the bid and ask prices or, if more than one in either case, the average of the average bid and the average ask prices) on such date for the Common Stock as reported in composite transactions on The New York Stock Exchange or the principal U.S. securities exchange on which the Common Stock is traded or, if the Common Stock is not listed on a U.S. national or regional securities exchange, as reported by the Nasdaq Global Market. If the Common Stock is not so quoted, the “*Common Stock Price*” will be the average of the mid-point of the last bid and asked prices for the Common Stock on the relevant date quoted by each of at least three nationally recognized independent investment banking firms selected by the Company for this purpose.

“*Continuing Directors*” means, as of any date of determination, any member of the Board of Directors who (a) was a member of the Board of Directors as of the date of this Third Supplemental Indenture or (b) was nominated for election or elected to the Board of Directors with the approval of a majority of the Continuing Directors who were members of the Board of Directors at the time of such nomination or election.

“*Conversion Price*” means \$132.394 per share of Common Stock as of the date of this Third Supplemental Indenture, subject to the adjustments described in Section 5.5 of this Third Supplemental Indenture.

“*Conversion Rate*” means the number of shares of Common Stock equal to \$1,000 divided by the Conversion Price, which as of the date of this Third Supplemental Indenture, shall be 7.5532 prior to any adjustment thereto pursuant to Article V of this Third Supplemental Indenture.

“*Daily Conversion Value*” means, for each of the 10 consecutive Trading Days during the Observation Period, one-tenth of the product of (i) the applicable Conversion Rate and (ii) the Common Stock Price (or the consideration into which the Company’s Common Stock has been converted in connection with certain corporate transactions contemplated by this Third Supplemental Indenture) on such day.

“*Daily Settlement Amount*,” for each of the 10 Trading Days during the Observation Period consists of: (i) an amount in cash equal to the lesser of \$100 and the Daily Conversion Value relating to such day; and (ii) to the extent such Daily Conversion Value exceeds \$100, a number of shares equal to (i) the difference between such Daily Conversion Value and \$100, divided by (ii) the Common Stock Price for such day.

“*Default*” means any event which is, or after notice or passage of time or both would be, an Event of Default.

“*Holder*”, or “*Holder of Convertible Notes*”, means the Person in whose name a Convertible Note is registered in the Security Register.

“*Institutional Accredited Investor*” or “*IAI*” means an institutional investor that is an “accredited investor” within the meaning of Rule 501(a)(1), (2), (3) or (7) of Regulation D under the Securities Act (or any successor provision), as it may be amended from time to time.

“*Initial Purchaser*” shall mean Citigroup Global Markets Inc.

“*LIBOR Determination Date*” means the second London Banking Day preceding each LIBOR Rate Reset Date.

“*LIBOR Rate Reset Date*” means the 15th day of the months of March, June, September and December of each year commencing on March 15, 2008.

“*Liquidated Damages*” has the meaning set forth in the Registration Rights Agreement.

“*London Banking Day*” means a day on which commercial banks are open for business, including dealings in U.S. dollars, in London.

“*Market Price*” means the average of the Common Stock Prices for 20 consecutive Trading Days commencing 30 Trading Days before the record date with respect to any distribution, issuance or other event requiring the

computation thereof, appropriately adjusted (as determined in good faith by the Board of Directors, whose determination shall be conclusive) to take into account the occurrence, during the period commencing on the first of such 20 consecutive Trading Days and ending on such record date, of any event requiring adjustment of the Conversion Price under this Third Supplemental Indenture.

“*Observation Period*” with respect to any Convertible Note means the 10 consecutive Trading Day period beginning on and including the second Trading Day after delivery of the Conversion Notice to the Conversion Agent pursuant to Section 5.2(a) of this Third Supplemental Indenture or the delivery of the appropriate instructions to the Conversion Agent pursuant to the Applicable Procedures as referred to in clause (v) of said Section 5.2(a), *provided* that, in connection with any Conversion Notice (or appropriate instructions) received after the date of issuance of a notice of redemption of the Convertible Notes pursuant to Section 3.1 of this Third Supplemental Indenture, the Observation Period means the 10 consecutive Trading Days beginning on and including the 13th scheduled Trading Day prior to the applicable Redemption Date.

“*Over-Allotment Option*” shall mean the option granted to the Initial Purchaser pursuant to the Purchase Agreement to purchase up to an additional \$450,000,000 principal amount of Convertible Notes.

“*Purchase Agreement*” means the Purchase Agreement, dated December 6, 2007, between the Company and the Initial Purchaser relating to the Convertible Notes.

“*Redemption Date*” means the date fixed for the redemption of the Convertible Notes pursuant to Section 3.1 of this Third Supplemental Indenture.

“*Registration Rights Agreement*” means the Registration Rights Agreement, dated December 12, 2007, between the Company and the Initial Purchaser relating to the Convertible Notes.

“*Reuters Page LIBOR01*” means the display on Reuters (or any successor service) on such page (or any other page as may replace such page on such service) for the purpose of displaying the London interbank rates of major banks for U.S. dollars.

“*Rule 144A*” means Rule 144A under the Securities Act (or any successor provision), as it may be amended from time to time.

“*TIA*” means the Trust Indenture Act of 1939 as in effect on the date of this Third Supplemental Indenture, *provided* that in the event the TIA is amended after such date, TIA means, to the extent required by any such amendment, the TIA as so amended.

“*Trading Day*” means any regular or abbreviated trading day of The New York Stock Exchange or of the principal U.S. securities exchange on which the Common Stock is traded or, if the Common Stock is not listed on a U.S. national or regional securities exchange, of the Nasdaq Global Market.

“*Transfer Restricted Securities Legend*” means the legend labeled as such and that is set forth in Exhibit A hereto.

SECTION 1.2. *Other Definitions.*

<u>Term</u>	<u>Defined in Section</u>
Accepted Purchased Shares	5.5(f)(ii)
Accredited Investor Certificate	2.7(a)(ii)
Additional Shares	5.1(b)(i)
Agent Member	2.7(d)(ii)
Change in Control Repurchase Date	3.3(a)
Change in Control Repurchase Notice	3.3(e)
Change in Control Repurchase Price	3.3(a)
Company Change in Control Repurchase Notice	3.3(b)
Company Repurchase Notice	3.2(g)
Conversion Agent	5.16
Conversion Date	5.2(a)
Conversion Notice	5.2(a)
Definitive Transfer Restricted Security	2.7(d)(i)
Dividend Threshold Amount	5.5(e)
Effective Date	5.1(b)(ii)
Ex-Dividend Date	5.5(b)(iii)
Initial Interest Rate	2.5(b)
Interest Payment Date	2.5(b)
Notice of Redemption	3.1(c)
Offer Expiration Time	5.5(d)(i)
Paying Agent	2.8
Pre-Dividend Sale Price	5.5(e)(i)
Purchased Shares	5.5(d)(ii)
QIB	2.7(a)(i)
Record Date	2.6(a)
Repurchase Date	3.2(a)
Repurchase Notice	3.2(b)(i)
Repurchase Price	3.2(a)
Rule 144A Information	4.1
Share Price	5.1(b)(ii)
Spinoff Valuation Period	5.5(c)(ii)(B)
transfer	2.7(c)
Transfer Restricted Global Security	2.7(d)(i)
Transfer Restricted Securities	2.7(c)

ARTICLE II

GENERAL TERMS AND CONDITIONS OF THE SECURITIES

SECTION 2.1. *Designation, Principal Amount and Authorized Denomination.*

There is hereby authorized and established a series of Securities designated as “Floating Rate Convertible Senior Notes due December 15, 2037”, limited in aggregate principal amount to

\$ 3,000,000,000 (or \$3,450,000,000, if the Over-Allotment Option is exercised in full), which amount to be issued shall be as set forth in any Company Order for the authentication and delivery of Securities pursuant to the Base Indenture. The Convertible Notes shall be issuable in denominations of \$1,000 and integral multiples thereof.

SECTION 2.2. *Maturity.*

The Stated Maturity of the principal of the Convertible Notes shall be December 15, 2037.

SECTION 2.3. *Form and Terms of Convertible Notes.*

(a) The Convertible Notes shall be substantially in the form, and shall have the terms, set forth on Exhibit A, which in its entirety is made a part of this Third Supplemental Indenture and is incorporated by reference herein as if set forth in full herein. In the event of any conflict between the provisions set forth in Exhibit A and the provisions set forth in the Indenture, the provisions of the Indenture shall control. The Convertible Notes may have any notations, legends or endorsements required by law, stock exchange rule or usage; *provided* that any such notation, legend or endorsement required by usage is in a form acceptable to the Company. The Company shall provide any such notations, legends or endorsements to the Trustee in writing.

(b) The terms and provisions contained in the Convertible Notes shall constitute, and are hereby expressly made, a part of the Indenture and the Company and the Trustee, by their execution and delivery of this Third Supplemental Indenture, expressly agree to such terms and provisions and to be bound thereby.

SECTION 2.4. *Global Securities.*

The Convertible Notes shall initially be issued in the form of one or more Global Securities registered in the name of the Depositary (which initially shall be The Depositary Trust Company) or its nominee. Except under the limited circumstances described in Section 305(h) of the Base Indenture, Convertible Notes represented by such Global Security or Global Securities shall not be exchangeable for, and shall not otherwise be issuable as, Convertible Notes in definitive form; *provided*, that any election of the Company to issue Convertible Notes in definitive form pursuant to clause (ii) of said Section 305(h) and to effect transfers of such definitive Convertible Notes pursuant to Section 2.7(d) hereof shall be subject to the Applicable Procedures of the Depositary. The Global Securities may not be transferred except by the Depositary to a nominee of the Depositary or by a nominee of the Depositary to the Depositary or another nominee of the Depositary or to a successor Depositary or its nominee.

SECTION 2.5. *Payment of Principal; Interest Rate and Payment Dates; Liquidated Damages.*

(a) The principal of the Convertible Notes shall be due on December 15, 2037 (unless earlier repurchased, redeemed or converted). The Company shall pay interest on any overdue principal amount at the interest rate borne by the Convertible Notes at the time such interest on the overdue principal amount accrues, compounded quarterly.

(b) The Convertible Notes shall bear interest at an annual rate equal to 3-month LIBOR, reset quarterly, minus 1.63%, and will initially bear interest at a rate of 3.51625% (the “*Initial*”).

Interest Rate”), provided that such rate shall never be less than 0% *per annum*. Interest shall be payable quarterly in arrears on each March 15, June 15, September 15 and December 15 (each, an “*Interest Payment Date*”), commencing on March 15, 2008. If any Interest Payment Date (other than an Interest Payment Date coinciding with a Redemption Date, Repurchase Date, Change in Control Repurchase Date or the Stated Maturity of the principal of the Convertible Notes) falls on a day that is not a Business Day, such Interest Payment Date shall be postponed to the next succeeding Business Day, provided that, if such Business Day falls in the next succeeding calendar month, such Interest Payment Date will be brought forward to the immediately preceding Business Day. If the Redemption Date, Repurchase Date, Change in Control Repurchase Date or the Stated Maturity of principal of the Convertible Notes shall fall on a day that is not a Business Day, the required payment of interest, if any, and principal will be made on the next succeeding Business Day and no interest on such payment will accrue for the period from and after the Redemption Date, Repurchase Date, Change in Control Repurchase Date or the Stated Maturity to such next succeeding Business Day. Interest on the notes will accrue from December 12, 2007 or, if interest has already been paid or duly provided for, from the date on which it was most recently paid or duly provided for. The *per annum* interest rate shall be reset on each LIBOR Rate Reset Date.

(c) (i) Interest on the notes will be computed using the actual number of days elapsed between the LIBOR Rate Reset Dates divided by 360. All percentages resulting from any calculation on the Convertible Notes will be rounded, if necessary, to the nearest one-hundred-thousandth of a percentage point, with five one-millionths of a percentage point rounded upward and all dollar amounts used in or resulting from that calculation on the Convertible Notes will be rounded to the nearest cent, with one-half cent being rounded upward. The Company will pay interest and Liquidated Damages, if any, on the Convertible Notes at the Corporate Trust Office of the Trustee in The City of New York.

(ii) If any LIBOR Rate Reset Date falls on a day that is not a Business Day, the LIBOR Rate Reset Date will be postponed to the next day that is a Business Day, except that if that Business Day is in the next succeeding calendar month, the LIBOR Rate Reset Date will be the immediately preceding Business Day. The interest rate in effect on any LIBOR Rate Reset Date will be the applicable rate as reset on that date and the interest rate in effect on any other day will be the interest rate in effect on the next preceding LIBOR Rate Reset Date or if there was no preceding LIBOR Rate Reset Date, the interest rate in effect on that day shall be the Initial Interest Rate.

(d) The Trustee shall determine 3-month LIBOR on each LIBOR Determination Date.

(e) The Holders of the Convertible Notes shall be entitled to the benefits of the Registration Rights Agreement, including the right to receive Liquidated Damages in the event of Registration Defaults (as defined in the Registration Rights Agreement) under Section 7 thereof, such Liquidated Damages to be payable at the same times and to the same Persons as regular interest is payable with respect to the Convertible Notes, it being understood that any reference in this Third Supplemental Indenture to “interest” shall be deemed to include “Liquidated Damages” if then owing in accordance with the terms of the Registration Rights Agreement. If at any time Liquidated Damages become payable by the Company pursuant to the Registration Rights Agreement, the Company shall promptly deliver to the Trustee an Officers’ Certificate to that effect stating (i) the amount of such Liquidated Damages that are payable, (ii) the date from which such Liquidated Damages shall accrue, and (iii) the date on which such Liquidated Damages are payable pursuant to the terms of the Registration Rights Agreement. Unless and

until a Responsible Officer of the Trustee receives such a certificate, the Trustee may assume without inquiry that no Liquidated Damages are payable.

SECTION 2.6. *Method of Payment.*

(a) The Company will pay interest (including Liquidated Damages, if any) on the Convertible Notes to the Person who is the registered Holder of a Convertible Note at the close of business on March 1, June 1, September 1 and December 1, whether or not a Business Day (each, a “*Record Date*”), as the case may be, immediately preceding the related Interest Payment Date, *provided* that interest payable upon repurchase or redemption of the Convertible Notes pursuant to Article III or at the Stated Maturity of principal (including any such date that is an Interest Payment Date) shall be paid to the Person to whom principal is payable) and *provided* that subject to the terms and conditions of the Indenture, the Company will make all payments and deliveries in respect of the Redemption Price, Repurchase Price, Change in Control Repurchase Price and the principal amount at Stated Maturity (including the interest payable on the date such amounts are due), as the case may be, to the Holder who surrenders a Convertible Note to the Paying Agent (as defined below) to collect such payments in respect of the Convertible Note. The Company will pay cash amounts in money of the United States that at the time of payment is legal tender for payment of public and private debts.

(b) Notwithstanding Section 2.6(a), if a Holder is holding Convertible Notes in definitive form, the Company shall pay interest (including Liquidated Damages, if any), other than interest payable at the Stated Maturity of principal or on a Redemption Date, Repurchase Date or Change in Control Repurchase Date, by check mailed to such Holder. If a Holder is holding at least \$1,000,000 principal amount of Convertible Notes in definitive form, such Holder may receive such interest payments by wire transfer provided that such Holder has notified the Trustee in writing at the Trustee’s Corporate Trust Office, on or before the Record Date before the applicable Interest Payment Date, other than an Interest Payment Date at the Stated Maturity of principal or on a Redemption Date, Repurchase Date or Change in Control Repurchase Date, that such Holder chooses to have interest on such Holder’s Convertible Notes payable on such Interest Payment Date and all subsequent Interest Payment Dates paid by wire transfer of immediately available funds to an account at a bank (that has facilities to receive wire transfers) in The City of New York, or in another city designated by such Holder and agreed to by the Company and the Trustee. Such payment method will apply until such Holder provides the Trustee written notice to the contrary. The Company shall pay the principal of and interest (including Liquidated Damages, if any) on any Convertible Note in definitive form that is due at the Stated Maturity of principal, the Redemption Date, Repurchase Date or Change in Control Repurchase Date in immediately available funds against presentation of such Convertible Note in definitive form at the Corporate Trust Office of the Trustee in The City of New York or at any other office or agency of the Trustee in The City of New York that the Trustee may designate to such Holder in writing; *provided* if any such payment is to be made by wire transfer, the Trustee must have received appropriate wire transfer instructions in writing from any Holder being so paid at least two Business Days prior to the relevant date.

SECTION 2.7. *Transfer and Exchange.*

(a) (i) Notwithstanding any other provision of this Third Supplemental Indenture or the Convertible Notes, until the expiration of the applicable holding period set forth in Rule 144(k) of the Securities Act (or any successor provision), the Convertible Notes may not be

offered, sold, pledged or otherwise transferred in whole or in part except (i) to a Person whom the transferor reasonably believes is a qualified institutional buyer, as such term is defined in Rule 144A (a “QIB”), acquiring for its own account or for the account of a QIB in a transaction meeting the requirements of Rule 144A, (ii) pursuant to an exemption from registration under the Securities Act provided by Rule 144 thereunder (if available), (iii) subject to Section 2.7(d) below, to an institutional investor that is an “accredited investor” as such term is defined in Rule 501(a)(1), (2), (3) or (7) of Regulation D under the Securities Act pursuant to an exemption from registration under the Securities Act (if available), (iv) pursuant to an effective registration statement under the Securities Act or (v) to the Company or any of its Subsidiaries, in each of cases (i) through (v) in accordance with any applicable securities laws of any state of the United States and other jurisdictions. Whenever, prior to the expiration of such holding period, any Convertible Note is presented or surrendered for registration of transfer or exchange for a Convertible Note registered in a name other than that of the Holder thereof, such Convertible Note must be accompanied by a certificate in substantially the form set forth in Exhibit B, dated the date of such surrender and signed by the Holder of such Convertible Note, (and in the case of a proposed transfer to an IAI, by an Accredited Investor Certificate signed by the proposed transferee substantially in the form set forth in Exhibit D and by an Opinion of Counsel acceptable to the Company) as to compliance with such restrictions on transfer. The Security Registrar shall not be required to accept for such registration of transfer or exchange any Convertible Note not so accompanied by such properly completed certificates and Opinion of Counsel, as applicable.

(ii) Notwithstanding any other provision of this Third Supplemental Indenture or the Convertible Notes, any Convertible Notes that are to be reoffered and resold to Institutional Accredited Investors that are not QIBs, may be resold in each case only to an Institutional Accredited Investor that has executed and delivered to the Trustee, as Security Registrar, a certificate substantially in the form of Exhibit D hereto (an “*Accredited Investor Certificate*”), and shall be issued in definitive, fully registered form without interest coupons, substantially in the form set forth herein, in minimum denominations of \$100,000 and integral multiples of \$1,000 in excess thereof. Any Convertible Note sold to Institutional Accredited Investors in accordance with the foregoing sentence shall not be issued in the form of a Global Security; *provided, however*, that Convertible Notes in definitive form may be transferred to QIBs in accordance with Rule 144A and exchanged for interests in Global Securities pursuant to Section 2.7(d) below. Convertible Notes in definitive form shall be duly executed by the Company and authenticated by the Trustee as provided herein, and shall be registered in the name of the Institutional Accredited Investor purchasing such Convertible Note in definitive form, if any.

(b) Any certificate evidencing a Convertible Note (and all securities issued in exchange therefor or substitution thereof) shall bear the Transfer Restricted Securities Legend, unless (1) such Convertible Note has been sold pursuant to a registration statement that has been declared effective under the Securities Act (and which continues to be effective at the time of such transfer) or pursuant to Rule 144 under the Securities Act or any similar provision then in force, (2) such Convertible Note is eligible for resale pursuant to Rule 144(k) under the Securities Act (or any successor provision) or (3) otherwise agreed by the Company in writing, with written notice thereof to the Trustee.

(c) Every Convertible Note that bears or is required under this Section 2.7 to bear the Transfer Restricted Securities Legend (the “*Transfer Restricted Securities*”) shall be subject to the

restrictions on transfer set forth in this Section 2.7 (including those set forth in the Transfer Restricted Securities Legend), and the Holder of each such Transfer Restricted Security, by such Holder's acceptance thereof, agrees to be bound by all such restrictions on transfer. As used in this Section 2.7, the term "transfer" encompasses any sale, pledge, loan, transfer or other disposition whatsoever of any Transfer Restricted Security or any interest therein.

(d) (i) *Transfer of a Definitive Transfer Restricted Security to a Transfer Restricted Global Security.* Notwithstanding anything herein to the contrary, if the Holder of a definitive Convertible Note that is a Transfer Restricted Security (a "Definitive Transfer Restricted Security") wishes at any time to transfer such Definitive Transfer Restricted Security to a Person who wishes to take delivery thereof in the form of a beneficial interest in a Transfer Restricted Security that is a Global Security (a "Transfer Restricted Global Security"), such transfer may be effected, subject to the other provisions of this Indenture and the Applicable Procedures, only in accordance with this Section 2.7(d). Upon receipt by (1) the Depositary of (A) written instructions given in accordance with the Applicable Procedures from any member or participant in the Depositary (an "Agent Member") directing the Depositary to credit or cause to be credited to a specified Agent Member's account a beneficial interest in the Transfer Restricted Global Security, in a principal amount equal to the principal amount of the Definitive Transfer Restricted Security to be so transferred and (B) a written order given in accordance with the Applicable Procedures containing information regarding the account of the Agent Member to be credited with such beneficial interest; and upon receipt by (2) the Trustee of (A) the Definitive Transfer Restricted Security to be transferred and (B) notification from the Depositary of the transaction described in (1) above, the Trustee shall cancel the Definitive Transfer Restricted Security and instruct the Depositary to increase the principal amount of the Transfer Restricted Global Security by the principal amount of the Definitive Transfer Restricted Security so transferred, and to credit or cause to be credited to the account of the Person specified in such instructions a corresponding principal amount of the Transfer Restricted Global Security.

(ii) *Transfers by IALs.* In connection with any transfer of a definitive Convertible Note by an Institutional Accredited Investor, such Institutional Accredited Investor shall be required, prior to such transfer, to furnish to the Company and the Trustee, as Security Registrar, an Opinion of Counsel having substantial experience in practice under the Securities Act and otherwise reasonably acceptable to the Company, addressed to the Company and in form acceptable to the Company, to the effect that such transfer is being made pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act.

(iii) *Transfers to IALs.* In connection with any transfer of any Convertible Note to an Institutional Accredited Investor, such Institutional Accredited Investor shall be required, prior to such transfer, to furnish to the Company and the Trustee, as Security Registrar, an Accredited Investor Certificate executed by such Institutional Accredited Investor and an Opinion of Counsel having substantial experience in practice under the Securities Act and otherwise reasonably acceptable to the Company, addressed to the Company and in form acceptable to the Company, to the effect that such transfer is being made pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act.

(e) Any Convertible Note (or Convertible Note issued in exchange or substitution therefor) as to which such restrictions on transfer shall have expired in accordance with their terms or as to conditions for removal of the Transfer Restricted Securities Legend have been

satisfied may, upon surrender of such Convertible Note for exchange to the Security Registrar in accordance with the provisions of this Section 2.7, be exchanged for a new Convertible Note or Convertible Notes, of like tenor and aggregate principal amount, which shall not bear the Transfer Restricted Securities Legend. If the Transfer Restricted Security surrendered for exchange is represented by a Global Security bearing a Transfer Restricted Securities Legend, the principal amount of the Global Security so legended shall be reduced by the appropriate principal amount and the principal amount of a Global Security without the Transfer Restricted Securities Legend shall be increased by an equal principal amount. If a Global Security without the Transfer Restricted Securities Legend is not then outstanding, the Company shall execute and the Trustee shall authenticate and deliver a Global Security without the Transfer Restricted Securities Legend to the Depositary. The Security Registrar shall not be required to remove any Transfer Restricted Securities Legend from a Convertible Note unless directed to do so in an Officers' Certificate.

(f) The Trustee and the Security Registrar shall have no obligation or duty to monitor, determine or inquire as to compliance with any restrictions on transfer imposed under this Third Supplemental Indenture or under applicable law with respect to any transfer of a beneficial interest in any Convertible Note that is a Global Security (including any transfers between or among Depositary participants, indirect participants or Beneficial Owners in any such Global Security) other than to require delivery of such certificates and other documentation or evidence as are expressly required by, and to do so if and when expressly required by, the terms of this Third Supplemental Indenture and to examine the same to determine substantial compliance as to form with the express requirements of this Third Supplemental Indenture.

SECTION 2.8. Paying Agent.

The Company shall maintain an office or agency where Convertible Notes may be presented for payment (the "*Paying Agent*"). If the Company fails to maintain a Paying Agent, the Trustee shall act as such and shall be entitled to appropriate compensation therefor pursuant to Section 607 of the Base Indenture. The Company or any of its Subsidiaries or an Affiliate of the Company or any of its Subsidiaries may act as Paying Agent. The Company initially appoints the Trustee as Paying Agent in connection with the Convertible Notes.

ARTICLE III

REPURCHASES AND REDEMPTION

SECTION 3.1. *Redemption of Convertible Notes at the Option of the Company.*

(a) Beginning on June 16, 2009 and during the period thereafter to maturity, the Convertible Notes are redeemable as a whole at any time, or in part from time to time, in any integral multiple of \$1,000, at the option of the Company for cash at a Redemption Price equal to 100% of the principal amount, together with accrued but unpaid interest (including Liquidated Damages, if any) thereon, up to but not including the Redemption Date.

(b) A Notice of Redemption (as defined below) pursuant to this Section 3.1 shall contain the information required under Section 3.1(c) and will be mailed at least 30 days but not more than 60 days before the Redemption Date to each Holder of Convertible Notes to be redeemed at the Holder's address appearing in the Security Register. If money sufficient to pay the Redemption Price of all Convertible Notes (or portions thereof) to be redeemed on the

Redemption Date is deposited with the Paying Agent prior to 10:00 a.m., New York City time, on the Redemption Date, on and after such Redemption Date, interest (including Liquidated Damages, if any) shall cease to accrue on such Convertible Notes or portions thereof. Convertible Notes in denominations larger than \$1,000 of principal amount may be redeemed in part but only in integral multiples of \$1,000 of principal amount.

(c) Section 1104 of the Base Indenture is amended to read in its entirety as follows with respect to the Convertible Notes: "At least 30 days but not more than 60 days before any Redemption Date, the Company shall mail a notice of redemption (the "*Notice of Redemption*") by first-class mail, postage prepaid, to each Holder of Convertible Notes to be redeemed at such Holder's address appearing in the Security Register.

The Notice of Redemption shall identify the Convertible Notes to be redeemed and shall state:

- (i) the Redemption Date;
- (ii) the Redemption Price and, to the extent known at the time of such notice the amount of accrued but unpaid interest (including Liquidated Damages, if any) payable on the Redemption Date;
- (iii) the current Conversion Price;
- (iv) the name and address of the Paying Agent and Conversion Agent;
- (v) that Convertible Notes called for redemption may be converted at any time before the close of business on the second Business Day immediately preceding the Redemption Date;
- (vi) that Holders who want to convert Convertible Notes must satisfy the requirements set forth in the Convertible Notes and Article V of the Third Supplemental Indenture;
- (vii) that Convertible Notes called for redemption must be surrendered to the Paying Agent in order to collect the Redemption Price therefor, together with accrued but unpaid interest (including Liquidated Damages, if any) thereon;
- (viii) if fewer than all the outstanding Convertible Notes are to be redeemed, the certificate numbers, if any, and principal amounts of the particular Convertible Notes to be redeemed;
- (ix) that, unless the Company defaults in paying the Redemption Price, interest (including Liquidated Damages, if any) on Convertible Notes called for redemption will cease to accrue on and after the Redemption Date and the Convertible Notes called for redemption will cease to be Outstanding; and
- (x) the CUSIP number of the Convertible Notes called for redemption.

(d) At the Company's request, the Trustee shall give the Notice of Redemption in the Company's name and at the Company's expense, so long as the Company makes such request at least five Business Days prior to the date by which such Notice of Redemption is to be given to

Holders in accordance with this Section 3.1 and the Company provides the Trustee with all information required for such Notice of Redemption.

(e) If any of the Convertible Notes are in the form of a Global Security, then the Company shall modify such Notice of Redemption to the extent necessary to accord with the Applicable Procedures that apply to the redemption of Global Securities.”

SECTION 3.2. Repurchase of Convertible Notes at the Option of the Holder on Specified Dates.

(a) At the option of the Holder, the Company shall repurchase on June 15, 2009 and on December 15, 2009, 2010, 2011, 2012, 2017, 2022, 2027 and 2032 (each, a “*Repurchase Date*”) all or a portion of the Convertible Notes held by such Holder for cash at a price per Convertible Note equal to 100% of the principal amount of the Convertible Note (the “*Repurchase Price*”), together with accrued but unpaid interest (including Liquidated Damages, if any) thereon, up to but not including the Repurchase Date.

(b) Convertible Notes shall be repurchased pursuant to this Section 3.2 at the option of the Holder thereof upon:

(i) delivery to the Company and the Paying Agent by the Holder of a written notice substantially in the form included in the Form of Convertible Note attached as Exhibit A hereto (a “*Repurchase Notice*”) at any time from the opening of business on the date that is 30 Business Days prior to the Repurchase Date until the close of business on the Business Day prior to such Repurchase Date stating:

(A) if the Convertible Note which the Holder will deliver to be repurchased is a Convertible Note in definitive form, the certificate number of such Convertible Note, or if such Convertible Note is a Global Security, the notice must comply with the Applicable Procedures;

(B) the portion of the principal amount of the Security which the Holder will deliver to be repurchased, which portion must be in a principal amount of \$1,000 or any integral multiple thereof; and

(C) that such Security shall be repurchased as of the Repurchase Date pursuant to the terms and conditions specified in this Third Supplemental Indenture; and

(ii) delivery or book-entry transfer of such Convertible Note to the Paying Agent prior to, on or after the Repurchase Date (together with all necessary endorsements) at the offices of the Paying Agent, such delivery being a condition to receipt by the Holder of the Repurchase Price therefor, together with accrued but unpaid interest (including Liquidated Damages, if any); *provided* that the Repurchase Price, together with accrued but unpaid interest (including Liquidated Damages, if any) thereon, shall be so paid pursuant to this Section 3.2 only if the Convertible Note so delivered to the Paying Agent shall conform in all material respects to the description thereof in the related Repurchase Notice.

(c) The Company shall repurchase from the Holder thereof, pursuant to this Section 3.2, a portion of a Convertible Note if the principal amount of such portion is \$1,000 or an integral multiple of \$1,000. Provisions of this Third Supplemental Indenture that apply to the repurchase of all of a Convertible Note also apply to the repurchase of a portion of a Convertible Note.

(d) Any repurchase by the Company contemplated pursuant to the provisions of this Section 3.2 shall be consummated by the delivery to the Paying Agent of the Repurchase Price, together with accrued but unpaid interest (including Liquidated Damages, if any) thereon, to be received by the Holder promptly following the later of the Repurchase Date and the time of delivery or book-entry transfer of the Convertible Note to the Paying Agent in accordance with this Section 3.2.

(e) Notwithstanding anything herein to the contrary, any Holder delivering to the Paying Agent the Repurchase Notice contemplated by this Section 3.2 shall have the right to withdraw such Repurchase Notice at any time prior to the close of business on the Repurchase Date by delivery of a written notice of withdrawal to the Paying Agent at the principal office of the Paying Agent in accordance with Section 3.4. If the Paying Agent holds money sufficient to pay the Repurchase Price of a Convertible Note on the Repurchase Date in accordance with the terms of the Indenture, then, immediately after the Repurchase Date, the Convertible Note will cease to be Outstanding, whether or not the Convertible Note is delivered to the Paying Agent. Thereafter, all other rights of the Holder of a Convertible Note shall terminate, other than the right to receive the Repurchase Price upon delivery of the Convertible Note.

(f) The Paying Agent shall promptly notify the Company of the receipt by it of any Repurchase Notice or written notice of withdrawal thereof.

(g) *Company Repurchase Notice.* In connection with any repurchase of Convertible Notes pursuant to this Section 3.2, the Company shall give written notice of the Repurchase Date to the Holders of the Convertible Notes (the “*Company Repurchase Notice*”). The Company Repurchase Notice shall be sent by first-class mail to the Trustee and to each Holder (and each beneficial owner if required by applicable law) of the Convertible Notes not less than 30 days prior to any Repurchase Date. All questions as to the validity, eligibility (including time of receipt) and acceptance of any Convertible Note for repurchase pursuant to this Section 3.2 shall be determined by the Company, whose determination shall be final and binding. Each Company Repurchase Notice shall include a form of Repurchase Notice to be completed by a Holder and shall state:

(i) the Repurchase Price, the Conversion Price and, to the extent known at the time of such notice, the amount of accrued but unpaid interest (including Liquidated Damages, if any) that will be payable with respect to the Convertible Notes on the Repurchase Date;

(ii) the name and address of the Paying Agent and the Conversion Agent;

(iii) that Convertible Notes as to which a Repurchase Notice has been given may be converted only if (x) the applicable Repurchase Notice has been withdrawn in accordance with the terms of this Third Supplemental Indenture and (y) the Convertible Notes may be converted pursuant to Article V of this Third Supplemental Indenture;

(iv) that Convertible Notes must be surrendered to the Paying Agent to collect payment of the Repurchase Price and accrued but unpaid interest (including Liquidated Damages, if any);

(v) that the Repurchase Price for any Convertible Notes as to which a Repurchase Notice has been given and not withdrawn, together with accrued but unpaid interest (including Liquidated Damages, if any) payable with respect thereto, shall be paid promptly following the later of the Repurchase Date and the time of surrender of such Convertible Notes as described in clause (iv);

(vi) the procedures the Holder must follow under this Section 3.2;

(vii) the conversion rights of the Convertible Notes;

(viii) that, unless the Company defaults in making payment of such Repurchase Price, interest (including Liquidated Damages, if any) on Convertible Notes covered by any Repurchase Notice will cease to accrue on and after the Repurchase Date;

(ix) the CUSIP number of the Convertible Notes; and

(x) the procedures for withdrawing a Repurchase Notice or (as specified in Section 3.4).

(h) At the Company's request, which shall be made at least five Business Days prior to the date by which the Company Repurchase Notice is to be given to the Holders in accordance with this Section 3.2, and at the Company's expense, the Trustee shall give the Company Repurchase Notice in the Company's name; *provided* that, in all cases, the text of the Company Repurchase Notice shall be prepared by the Company.

(i) If any of the Convertible Notes is in the form of a Global Security, then the Company shall modify such notice to the extent necessary to accord with the Applicable Procedures that apply to the repurchase of Global Securities.

(j) There shall be no repurchase of any Convertible Notes pursuant to this Section 3.2 if an Event of Default (other than a default in the payment of the Repurchase Price) has occurred prior to, on or after, as the case may be, the giving by the Holders of such Convertible Notes of the required Repurchase Notice and such Event of Default is continuing. The Paying Agent will promptly return to the respective Holders thereof any Convertible Notes (x) with respect to which a Repurchase Notice has been withdrawn in compliance with this Third Supplemental Indenture, or (y) held by it during the continuance of an Event of Default (other than a default in the payment of the Repurchase Price) in which case, upon such return, the Repurchase Notice with respect thereto shall be deemed to have been withdrawn.

SECTION 3.3. *Repurchase of Convertible Notes at Option of the Holder Upon a Change in Control.*

(a) If at any time that Convertible Notes remain Outstanding there shall have occurred a Change in Control, Convertible Notes shall be repurchased by the Company, at the option of the Holder thereof, at a price in cash (the "*Change in Control Repurchase Price*") equal to 100% of the principal amount of such Convertible Notes plus accrued but unpaid interest (including

Liquidated Damages, if any) thereon, up to but not including the date (the “*Change in Control Repurchase Date*”) fixed by the Company that is not less than 30 days nor more than 60 days after the date the Company Change in Control Repurchase Notice (as defined below) is given, subject to satisfaction by or on behalf of the Holder of the requirements set forth in Section 3.3(e).

(b) *Company Change in Control Repurchase Notice*. In connection with any repurchase of Convertible Notes pursuant to this Section 3.3, the Company shall give written notice of the occurrence of a Change in Control, the repurchase right arising as a result thereof and the Change in Control Repurchase Date to the Holders and the Trustee (the “*Company Change in Control Repurchase Notice*”). The Company Change in Control Repurchase Notice shall be sent by first-class mail to the Trustee and to each Holder not more than 20 Business Days after the occurrence of a Change in Control. Each Company Change in Control Repurchase Notice shall include a form of Change in Control Repurchase Notice to be completed by a Holder and shall state:

(i) the Change in Control Repurchase Date;

(ii) the Change in Control Repurchase Price, the Conversion Price, the Conversion Rate, whether the Change in Control is in connection with a corporate transaction referred to in Section 5.1(b)(i) of this Third Supplemental Indenture, the number of Additional Shares, if any, to be received pursuant to Section 5.1(b)(i) of this Third Supplemental Indenture and, to the extent known at the time of such notice, the amount of accrued but unpaid interest (including Liquidated Damages, if any) that will be payable with respect to the Convertible Notes on the Change in Control Repurchase Date;

(iii) the name and address of the Paying Agent and the Conversion Agent;

(iv) that the Company must receive the Holder’s Change in Control Repurchase Notice on or before the close of business on the third Business Day prior to the Change in Control Repurchase Date;

(v) that the Convertible Notes must be surrendered to the Paying Agent to collect payment of the Change in Control Repurchase Price and accrued but unpaid interest (including Liquidated Damages, if any);

(vi) that the Change in Control Repurchase Price for any Convertible Notes as to which a Change in Control Repurchase Notice has been given and not withdrawn, together with any accrued but unpaid interest (including Liquidated Damages, if any) payable with respect thereto, shall be paid promptly following the later of the Change in Control Repurchase Date and the time of surrender of such Convertible Notes as described in clause (v);

(vii) the procedures the Holder must follow under this Section 3.3;

(viii) the conversion rights of the Convertible Notes, including that Convertible Notes as to which a Change in Control Repurchase Notice has been given may be converted only if such Change in Control Repurchase Notice has been withdrawn in accordance with the terms of this Third Supplemental Indenture;

(ix) that, unless the Company defaults in making payment of such Change in Control Repurchase Price, interest (including Liquidated Damages, if any) on Convertible Notes covered by any Change in Control Repurchase Notice will cease to accrue on and after the Change in Control Repurchase Date;

(x) the CUSIP number of the Convertible Notes; and

(xi) the procedures for withdrawing a Change in Control Repurchase Notice (as specified in Section 3.4).

(c) At the Company's request, which shall be made at least five Business Days prior to the date by which the Company Change in Control Repurchase Notice is to be given to the Holders in accordance with this Section 3.3 and at the Company's expense, the Trustee shall give the Company Change in Control Repurchase Notice in the Company's name; *provided* that, in all cases, the text of the Company Change in Control Repurchase Notice shall be prepared by the Company.

(d) If any of the Convertible Notes is in the form of a Global Security, then the Company shall modify such notice to the extent necessary to accord with the Applicable Procedures that apply to the repurchase of Global Securities.

(e) For a Convertible Note to be so repurchased at the option of the Holder upon a Change in Control, the Paying Agent must receive such Convertible Note with the form entitled "Option to Elect Repurchase Upon a Change in Control" (a "*Change in Control Repurchase Notice*") on the reverse thereof duly completed, together with such Convertible Note duly endorsed for transfer, on or before the close of business on the third Business Day prior to the Change in Control Repurchase Date. All questions as to the validity, eligibility (including time of receipt) and acceptance of any Convertible Note for repurchase pursuant to this Section 3.3 shall be determined by the Company, whose determination shall be final and binding.

(f) The Company shall repurchase from the Holder thereof, pursuant to this Section 3.3, a portion of a Convertible Note if the principal amount of such portion is \$1,000 or an integral multiple of \$1,000. Provisions of this Third Supplemental Indenture that apply to the repurchase of all of a Convertible Note also apply to the repurchase of a portion of a Convertible Note.

(g) Any repurchase by the Company contemplated pursuant to the provisions of this Section 3.3 shall be consummated by the delivery to the Paying Agent of the Change in Control Repurchase Price, together with accrued but unpaid interest (including Liquidated Damages, if any) thereon, to be received by the Holder promptly following the later of the Change in Control Repurchase Date and the time of delivery or book-entry transfer of the Convertible Note to the Paying Agent in accordance with this Section 3.3.

(h) Notwithstanding anything herein to the contrary, any Holder delivering to the Paying Agent the Change in Control Repurchase Notice contemplated by this Section 3.3(c) shall have the right to withdraw such Change in Control Repurchase Notice at any time prior to the close of business on the Business Day preceding the Change in Control Repurchase Date by delivery of a written notice of withdrawal to the Paying Agent at the principal office of the Paying Agent in accordance with Section 3.4. If the Trustee or the Paying Agent holds money sufficient to pay the Change in Control Repurchase Price of a Convertible Note on the Change in Control Repurchase Date in accordance with the terms of the Indenture, then, on the Change in Control

Repurchase Date, the Convertible Note will cease to be Outstanding, whether or not the Convertible Note is delivered to the Paying Agent. Thereafter, all other rights of the Holder of a Convertible Note shall terminate, other than the right to receive the Change in Control Repurchase Price upon delivery of the Convertible Notes.

(i) The Paying Agent shall promptly notify the Company of the receipt by it of any Change in Control Repurchase Notice or written withdrawal thereof.

(j) Notwithstanding anything herein to the contrary, the Company's obligations pursuant to this Section 3.3 shall be satisfied if a third party makes an offer to repurchase Outstanding Convertible Notes after a Change in Control in the manner and at the times and otherwise in compliance in all material respects with the requirements of this Section 3.3 and such third party purchases all Convertible Notes properly tendered and not withdrawn pursuant to the requirements of this Section 3.3.

(k) Not more than 30 days after the occurrence of a Change in Control, the Company shall use its commercially reasonable efforts to either (i) obtain the consents under all existing indebtedness required to permit the repurchase of the Convertible Notes pursuant to any Company Change in Control Repurchase Notice or (ii) repay in full all existing indebtedness and terminate all commitments under all existing indebtedness, in each case the terms of which would prohibit the repurchase of the Convertible Notes pursuant to any Company Change in Control Repurchase Notice; provided that if no Holders deliver a Change in Control Repurchase Notice prior to such date or if the Company shall have satisfied its obligations to repurchase the Convertible Notes of all Holders that have submitted a Change in Control Repurchase Notice, the Company shall be deemed to have satisfied the requirements of this Section 3.3(k).

SECTION 3.4. Effect of Repurchase Notice or Change in Control Repurchase Notice.

(a) Upon receipt by the Paying Agent of a Repurchase Notice or Change in Control Repurchase Notice, the Holder of the Convertible Note in respect of which such Repurchase Notice or Change in Control Repurchase Notice, as the case may be, was given shall (unless such Repurchase Notice or Change in Control Repurchase Notice is withdrawn as specified in the following two paragraphs) thereafter be entitled to receive solely the Repurchase Price or Change in Control Repurchase Price, together with accrued but unpaid interest (including Liquidated Damages, if any) thereon, to but not including the Repurchase Date or Change in Control Repurchase Date, as the case may be, with respect to such Convertible Note. Such Repurchase Price or Change in Control Repurchase Price, together with accrued but unpaid interest (including Liquidated Damages, if any) thereon, to but not including the Repurchase Date or Change in Control Repurchase Date, as the case may be, shall be paid to such Holder, subject to receipt of funds by the Paying Agent, promptly following the later of (x) the Repurchase Date or the Change in Control Repurchase Date, as the case may be, with respect to such Convertible Note (*provided* that the conditions in Section 3.2 or Section 3.3, as applicable, have been satisfied) and (y) the time of delivery or book-entry transfer of such Convertible Note to the Paying Agent by the Holder thereof in the manner required by Section 3.2 or Section 3.3, as applicable. Convertible Notes in respect of which a Repurchase Notice or Change in Control Repurchase Notice, as the case may be, has been given by the Holder thereof may not be converted pursuant to Article V of this Third Supplemental Indenture on or after the date of the delivery of such Repurchase Notice or Change in Control Repurchase Notice, as the case may be, unless such Repurchase Notice or Change in Control Repurchase Notice, as the case may be, has first been validly withdrawn as specified in the following paragraph.

(b) A Repurchase Notice or Change in Control Repurchase Notice, as the case may be, may be withdrawn by means of a written notice of withdrawal delivered to the office of the Paying Agent in accordance with the Repurchase Notice or Change in Control Repurchase Notice, as the case may be, at any time prior to the close of business on the Repurchase Date or the close of business on the Business Day preceding the Change in Control Repurchase Date, as the case may be, specifying:

- (i) if the Convertible Note with respect to which such notice of withdrawal is being submitted is a Convertible Note in definitive form, the certificate number of such Convertible Note, or if such Convertible Note is a Global Security, the notice must comply with the Applicable Procedures;
- (ii) the principal amount of the Convertible Note with respect to which such notice of withdrawal is being submitted; and
- (iii) the principal amount, if any, of such Convertible Note which remains subject to the original Repurchase Notice or Change in Control Repurchase Notice, as the case may be, and which has been or will be delivered for repurchase by the Company.

SECTION 3.5. Deposit of Repurchase Price or Change in Control Repurchase Price.

Prior to 10:00 a.m. (New York City time) on or prior to the Repurchase Date or the Change in Control Repurchase Date, as the case may be, the Company shall deposit with the Trustee or with the Paying Agent an amount of money (in immediately available funds if deposited on such Business Day) sufficient to pay the aggregate Repurchase Price or Change in Control Repurchase Price, as the case may be, together with accrued but unpaid interest (including Liquidated Damages, if any) thereon, to but not including the Repurchase Date or Change in Control Repurchase Date, as the case may be, of all the Convertible Notes or portions thereof which are to be repurchased as of the Repurchase Date or Change in Control Repurchase Date, as the case may be.

SECTION 3.6. Convertible Notes Repurchased in Part.

Any Convertible Note in definitive form that is to be repurchased only in part shall be surrendered at the office of the Paying Agent (with, if the Company or the Trustee so requires, due endorsement by, or a written instrument of transfer in form satisfactory to the Company and the Trustee duly executed by, the Holder thereof or such Holder's attorney duly authorized in writing) and the Company shall execute and the Trustee shall authenticate and deliver to the Holder of such Convertible Note, without service charge, one or more new Convertible Notes in definitive form, of any authorized denomination as requested by such Holder in aggregate principal amount equal to, and in exchange for, the portion of the principal amount of the Convertible Note in definitive form so surrendered which is not repurchased.

SECTION 3.7. Covenant to Comply with Securities Laws upon Repurchase of Convertible Notes.

When complying with the provisions of Section 3.2 or 3.3 of this Third Supplemental Indenture (so long as such offer or repurchase constitutes an "issuer tender offer" for purposes of Rule 13e-4 (which term, as used herein, includes any successor provision thereto) under the

Exchange Act at the time of such offer or repurchase), the Company shall (i) comply in all material respects with Rule 13e-4 and Rule 14e-1 under the Exchange Act, (ii) file the related Schedule TO (or any successor schedule, form or report) under the Exchange Act and (iii) otherwise comply in all material respects with all federal and state securities laws so as to permit the rights and obligations under Section 3.2 or 3.3 to be exercised in the time and in the manner specified in Section 3.2 or 3.3.

SECTION 3.8. *Repayment to the Company.*

To the extent that the aggregate amount of cash deposited by the Company pursuant to Section 3.5 exceeds the aggregate Repurchase Price or Change in Control Repurchase Price, as the case may be, of the Convertible Notes or portions thereof which the Company is obligated to repurchase as of the Repurchase Date or Change in Control Repurchase Date, as the case may be, together with accrued but unpaid interest (including Liquidated Damages, if any) thereon, then, unless otherwise agreed in writing with the Company, promptly after the Business Day following the Repurchase Date or Change in Control Repurchase Date, as the case may be, the Trustee shall return any such excess to the Company together with interest, if any, thereon (subject to the provisions of Section 606 of the Base Indenture).

SECTION 3.9. *No Sinking Fund.*

The Convertible Notes are not entitled to any sinking fund payments.

ARTICLE IV

**ADDITIONAL COVENANTS; EVENTS OF DEFAULT;
MODIFICATION AND WAIVER.**

SECTION 4.1. *Delivery of Certain Information.*

At any time when the Company is not subject to Section 13 or 15(d) of the Exchange Act, upon the request of a Holder or any Beneficial Owner of Convertible Notes or holder or Beneficial Owner of Common Stock delivered upon conversion thereof, the Company will promptly furnish or cause to be furnished Rule 144A Information (as defined below) to such Holder or any Beneficial Owner of Convertible Notes or holder or Beneficial Owner of Common Stock delivered upon conversion thereof or to a prospective purchaser of any such security designated by any such holder, as the case may be, to the extent required to permit compliance by such Holder or holder with Rule 144A under the Securities Act in connection with the resale of any such security. “*Rule 144A Information*” shall be such information as is specified pursuant to Rule 144A(d)(4) under the Securities Act or any successor provisions. Whether a Person is a Beneficial Owner shall be determined by the Company to the Company’s reasonable satisfaction.

SECTION 4.2. Events of Default and Covenants.

(a) Section 501 of the Base Indenture is amended with respect to Events of Default solely relating to the Convertible Notes as follows:

(i) Section 501(1) of the Base Indenture shall be replaced in its entirety with the following: “a failure to pay interest, including Liquidated Damages, if any, on any Convertible Note when it becomes due and payable and continuation of such default for a period of 30 days, whether or not such failure shall be due to compliance with agreements with respect to any other indebtedness or any other cause; or”;

(ii) Section 501(2) of the Base Indenture shall be replaced in its entirety with the following: “a failure to pay the principal of any Convertible Note, when it becomes due and payable, at the Stated Maturity of principal, upon acceleration, upon redemption or otherwise, including the failure to make cash payments or, if applicable, to deliver shares of Common Stock due upon conversion of the Convertible Notes, or make a payment to repurchase Convertible Notes tendered pursuant to Section 3.3 or the failure to repurchase Convertible Notes pursuant to Section 3.2, whether or not such failure shall be due to compliance with agreements with respect to any other indebtedness or any other cause; or”;

(iii) Section 501(7) of the Base Indenture shall be replaced in its entirety with the following: “failure to provide a Company Change in Control Repurchase Notice on a timely basis.”

(b) Section 4.2(c) of the Second Supplemental Indenture shall not apply with respect to the Convertible Notes or the Securities of any other series created after the date hereof pursuant to the Base Indenture. Securities of any series (other than the Floating Rate Convertible Senior Notes due December 12, 2036) issued after the date of the Second Supplemental Indenture shall be entitled to the benefits of this Section 4.2(b). Section 501 of the Base Indenture is amended with respect to Events of Default relating to the Convertible Notes and the Securities of any other series created after the date hereof pursuant to the Base Indenture as follows:

(i) Section 501(4) of the Base Indenture shall be replaced in its entirety with the following: “default in the observance or performance of any other covenant or warranty contained in this Indenture (other than a covenant or warranty a default in whose performance or whose breach is elsewhere in this Section specifically dealt with or which has expressly been included in this Indenture solely for the benefit of a series of Securities other than that series) which default continues for a period of 90 days after the Company receives written notice specifying the default (and demanding that such default be remedied) from the Trustee or the Holders of at least 25% of the principal amount of the Outstanding Securities of that series (with a copy to the Trustee if given by Holders) (except in the case of a default with respect to Section 801 of the Base Indenture, which will constitute an Event of Default with such notice requirement but without such passage of time requirement); *provided*, that neither the failure to comply with the requirements of Section 314(a) of the TIA or Section 704(1) of the Base Indenture, as amended by the second supplemental indenture hereto, nor the failure to file a report with the Commission as contemplated by Section 704(1) or otherwise shall constitute an event, which with the giving of notice and the passage of time pursuant to this clause (4), would constitute an Event of Default; or”;

(c) For the avoidance of doubt, (i) the Events of Default specified in Section 501(3) of the Base Indenture shall not apply with respect to the Convertible Notes and the Securities of any other series created after the date hereof pursuant to the Base Indenture unless otherwise specified in the terms of such other Securities, (ii) the Events of Default specified in Sections 501(5) and

(6) of the Base Indenture shall apply with respect to the Convertible Notes and (iii) the Trustee shall have no right or obligation under the Indenture or otherwise to exercise any remedies on behalf of any Holders of Convertible Notes or the Holders of the Securities of any series created after the date hereof pursuant to the Base Indenture in connection with any failure referred to in the proviso to Section 501(4) of the Base Indenture, as amended hereby, unless such remedies are available under the Indenture and the Trustee is directed to exercise such remedies pursuant to and subject to the conditions of Section 512 of the Base Indenture. In connection with any such exercise of remedies the Trustee shall be entitled to the same immunities and protections and remedial rights (other than acceleration) as if such failure to file were an Event of Default.

(d) The Trustee shall not be charged with knowledge or notice of any Event of Default under Section 4.2(a)(iii) of this Third Supplemental Indenture unless a Responsible Officer of the Trustee in its Corporate Trust Office shall have actual knowledge thereof or unless the Company or any Holder shall have given the Trustee notice thereof in accordance with Section 105 of the Base Indenture, which notice states that an Event of Default has occurred.

(e) Section 502(a) of the Base Indenture is amended solely with respect to the Convertible Notes and shall be replaced in its entirety with the following: "If an Event of Default (other than an Event of Default specified in Section 501(5) or (6) of the Base Indenture) occurs and is continuing, the Trustee may, and at the written request of the Holders of at least 25% in principal amount of Outstanding Convertible Notes shall, declare the principal of and accrued but unpaid interest (including Liquidated Damages, if any) on all the Convertible Notes to be due and payable by notice in writing to the Company. Such notice shall specify the respective Event of Default and that it is a "notice of acceleration." Upon the giving of a notice of acceleration, the principal of and accrued but unpaid interest (including Liquidated Damages, if any) on all the Convertible Notes shall become immediately due and payable. If an Event of Default specified in Section 501(5) or (6) of the Base Indenture occurs and is continuing, then all unpaid principal of, and any accrued but unpaid interest (including Liquidated Damages, if any) on, all of the Outstanding Convertible Notes shall *ipso facto* become and be immediately due and payable without any declaration or other act on the part of the Trustee or any Holder."

SECTION 4.3. *Modification and Waiver.*

Section 902 of the Base Indenture is amended solely with respect to the Convertible Notes and shall be replaced in its entirety with the following (except with respect to Section 902(c) of the Base Indenture, which shall not be affected by such amendment):

"(a) The Company and the Trustee may amend or supplement the Indenture, with respect to the Convertible Notes, or the Convertible Notes without notice to any Holder but with the consent of the Holders of a majority in aggregate principal amount of the Convertible Notes at the time Outstanding by Act of said Holders delivered to the Company and the Trustee. The Holders of a majority in aggregate principal amount of the Convertible Notes at the time Outstanding may waive compliance by the Company with the provisions of the Third Supplemental Indenture hereto (the "Third Supplemental Indenture") other than as set forth in this Section 902, and waive any past or existing default or Event of Default under the Third Supplemental Indenture and its consequences, except a default in the payment of the principal of, or Redemption Price, Repurchase Price, Change in Control Repurchase Price of, or any interest on, any Convertible Note, or in respect of a provision which under this Third Supplemental Indenture cannot be modified or amended without the consent of the Holder of each Outstanding

Convertible Note affected, or an Event of Default which constitutes a failure to convert any Convertible Note in accordance with the terms of the Indenture.

(b) Without the consent of each Holder of a Convertible Note affected, however, an amendment, supplement or waiver, may not:

- (i) change the Stated Maturity of principal of, or any payment date of any installment of interest (including Liquidated Damages, if any) on, any Convertible Note;
- (ii) reduce the principal amount or Redemption Price of, or the rate of interest (including Liquidated Damages, if any) on, any Convertible Note, whether upon acceleration, redemption or otherwise, or alter the manner of calculation of interest or the rate of accrual thereof on any Convertible Note;
- (iii) change the place or currency of payment of principal of, or interest (including Liquidated Damages, if any) on, any Convertible Note;
- (iv) impair the right to institute suit for the enforcement of any payment of any amount with respect to any Convertible Note when due;
- (v) modify the provisions of the Third Supplemental Indenture requiring the Company to make an offer to repurchase Convertible Notes upon a Change in Control pursuant to Section 3.3, or to repurchase Convertible Notes at the option of the Holders pursuant to Section 3.2;
- (vi) impair the conversion rights provided in Article V;
- (vii) reduce the percentage of principal amount of the Outstanding Convertible Notes necessary to modify or amend this Indenture with respect to the Convertible Notes;
- (viii) reduce the percentage of principal amount of the Outstanding Convertible Notes necessary to waive the Company's compliance with certain provisions of this Third Supplemental Indenture or to waive certain defaults, including a default in the payment of the principal of, or Redemption Price, Repurchase Price, or Change in Control Repurchase Price of, or any interest (including Liquidated Damages, if any) on, any Convertible Note; or
- (ix) make any changes to this Section 902.

(c) After an amendment under this Section 902 becomes effective, the Company shall mail to each Holder a notice that briefly describes the amendment or includes a copy of the amendment. Failure to mail the notice or a defect in the notice shall not affect the validity of the amendment.

ARTICLE V
CONVERSION

SECTION 5.1. *Conversion Privilege.*

(a) Subject to the provisions of this Article V, a Holder of a Convertible Note may convert such Convertible Note into cash and Common Stock, if any, at the Conversion Rate on or prior to December 15, 2037.

(b) (i) If the Company has provided a Change in Control Repurchase Notice, and a Holder of Convertible Notes elects to convert its Convertible Notes in connection with a corporate transaction that occurs on or prior to June 15, 2009 and that constitutes a Change in Control (other than relating to the composition of the Company's Board of Directors as described in clause (iv) of the definition of Change in Control in Section 1.1) and 10% or more of the fair market value of the consideration for the Common Stock (as determined by the Board of Directors, whose determination shall be conclusive evidence of such fair market value) in the corporate transaction consists of (i) cash, (ii) other property or (iii) securities that are not traded or scheduled to be traded immediately following such transaction on a U.S. national securities exchange or the Nasdaq Global Market, then the Conversion Price of the Convertible Notes being converted by such Holder at that time shall be decreased by increasing the Conversion Rate by a number of additional shares of Common Stock (the "*Additional Shares*") determined in the manner set forth below; *provided* that if the Share Price in such transaction is equal to or greater than \$180.00 or less than \$98.07 (subject in each case to adjustment as described below), the number of Additional Shares shall be zero; and *provided further* that in no event will the Conversion Rate exceed approximately 10.1968 per \$1,000 principal amount of Convertible Notes, subject to adjustments in the same manner as the Conversion Price as set forth in this Third Supplemental Indenture. For the avoidance of doubt, the adjustment provided for in this Section 5.1(b) shall only be made with respect to the Convertible Notes being converted in connection with such Change in Control and shall not be effective as to any Convertible Notes not so converted (it being understood that a Holder of Convertible Notes electing to convert the Convertible Notes pursuant to this Section 5.1(b) shall provide the Conversion Agent with a notice as contemplated by Section 5.2).

(ii) The number of Additional Shares will be determined by the Company by reference to the table attached as Schedule A hereto, based on the date the corporate transaction becomes effective (the "*Effective Date*") and the share price paid per share of Common Stock in the corporate transaction (the "*Share Price*"); *provided*, that if (i) holders of shares of Common Stock receive only cash in such corporate transaction, the Share Price shall be the cash amount paid per share, and (ii) otherwise, the Share Price shall be the average of the Common Stock Price on the five Trading Days prior to but not including the Effective Date; and; *provided further* that if the Share Price is between two Share Price amounts in the table or the Effective Date is between two Effective Dates in the table, the Company shall determine the number of Additional Shares by a straight-line interpolation between the number of Additional Shares set forth for the higher and lower Share Price amounts and the two dates, as applicable, based on a 365-day year.

(iii) The Share Prices set forth in the first row of the table (i.e., column headers) in Schedule A hereto will be adjusted as of any date on which the Conversion Price of the

Convertible Notes is adjusted pursuant to this Third Supplemental Indenture. The adjusted Share Prices will equal the Share Prices applicable immediately prior to such adjustment, multiplied by a fraction, the numerator of which is the Conversion Rate immediately prior to the adjustment giving rise to the Share Price adjustment and the denominator of which is the Conversion Rate as so adjusted. The number of Additional Shares will be adjusted in the same manner as the Conversion Price as set forth in this Third Supplemental Indenture.

(iv) Conversion “in connection with a corporate transaction”, for purposes of this Section 5.1, means any conversion in respect of which the Conversion Notice is delivered at any time during the period from and including the Effective Date until, and including, the close of business on the Business Day immediately preceding the Change in Control Repurchase Date corresponding to such corporate transaction.

(c) A Holder may convert a portion of a Convertible Note equal to \$1,000 or any integral multiple thereof. Provisions of this Third Supplemental Indenture that apply to conversion of all of a Convertible Note also apply to conversion of a portion of a Convertible Note.

(d) If a Convertible Note is called for redemption pursuant to Section 3.1 hereof, in order to convert such Convertible Note, the Holder must deliver the Convertible Note to the Conversion Agent (or, if the Convertible Note is held in book-entry form, complete and deliver to the Depositary appropriate instructions in accordance with the Applicable Procedures) at any time prior to the close of business on the day that is two Business Days prior to the applicable Redemption Date for such Convertible Note (unless the Company shall default in paying the Redemption Price when due, in which case the conversion right shall terminate on the date such Default is cured and such Convertible Note is redeemed). A Convertible Note in respect of which a Holder has delivered a Repurchase Notice pursuant to Section 3.2 or a Change in Control Repurchase Notice pursuant to Section 3.3 exercising the option of such Holder to require the Company to repurchase such Convertible Note may be converted only if such Repurchase Notice or Change in Control Repurchase Notice, as the case may be, is withdrawn by a written notice of withdrawal delivered to the Paying Agent prior to the close of business on the Repurchase Date or the close of business on the Business Day preceding the Change in Control Repurchase Date, as the case may be, in accordance with Section 3.2 or Section 3.3, as applicable.

(e) A Holder of Convertible Notes is not entitled to any rights of a holder of Common Stock until such Holder has converted its Convertible Notes into Common Stock.

SECTION 5.2. *Conversion Procedure.*

(a) To convert a Convertible Note, a Holder must (i) if the Convertible Note is in definitive form, complete and manually sign the irrevocable conversion notice on the back of the Convertible Note (a “*Conversion Notice*”, which term for the avoidance of doubt, shall include the instructions referred to in clause (v) of this Section 5.2(a), if applicable) and deliver such notice to the Conversion Agent, (ii) if the Convertible Note is in definitive form, surrender the Convertible Note to the Conversion Agent, (iii) if the Convertible Note is in definitive form, furnish appropriate endorsements and transfer documents if required by the Security Registrar or the Conversion Agent, (iv) pay any transfer or other tax, if required by Section 5.3 and (v) if the Convertible Note is held in book-entry form, complete and deliver to the Depositary appropriate conversion instructions pursuant to the Applicable Procedures. The date on which the Holder satisfies all of the foregoing requirements is the “*Conversion Date*”. As promptly as practicable

after the Conversion Date and in any event, no later than the third Trading Day immediately following the last day of the related Observation Period, the Company shall deliver to the Holder through the Conversion Agent cash and shares of Common Stock in the amounts calculated in accordance with Section 5.14.

(b) The Person in whose name the Convertible Note is registered shall be deemed to be a stockholder of record on the Conversion Date; *provided* that no surrender of a Convertible Note on any date when the Security Register of the Company shall be closed shall be effective to constitute the Person or Persons entitled to receive the shares of Common Stock upon such conversion as the record holder or holders of such shares of Common Stock on such date, but such surrender shall be effective to constitute the Person or Persons entitled to receive such shares of Common Stock as the record holder or holders thereof for all purposes at the close of business on the next succeeding day on which such Security Register is open; *provided further* that such conversion shall be at the Conversion Price in effect on the date that such Convertible Note shall have been surrendered for conversion, as if the Security Register of the Company had not been closed. Upon conversion of a Convertible Note, such Person shall no longer be a Holder of such Convertible Note.

(c) No payment or adjustment will be made for accrued but unpaid interest (including Liquidated Damages, if any) on a converted Convertible Note or for dividends or distributions on shares of Common Stock issued upon conversion of a Convertible Note. The Company shall not adjust the Conversion Price to account for the accrued but unpaid interest (including Liquidated Damages, if any). Notwithstanding the foregoing, if Convertible Notes are converted after the close of business on a Regular Record Date and prior to the opening of business on the next Interest Payment Date, *provided* that such Interest Payment Date is an Interest Payment Date the interest due on which is payable to the Holder as of the preceding Regular Record Date, Holders of such Convertible Notes at the close of business on such Regular Record Date shall receive the accrued but unpaid interest (including Liquidated Damages, if any) payable on such Convertible Notes on the corresponding Interest Payment Date notwithstanding the conversion. In such event, such Convertible Note, when surrendered for conversion, must be accompanied by delivery of a check payable to the Conversion Agent in an amount equal to the accrued but unpaid interest (including Liquidated Damages, if any) payable on such Interest Payment Date on the portion so converted. If such payment does not accompany such Convertible Note, the Convertible Note shall not be converted; *provided* that no such check shall be required if such Convertible Note has been called for redemption on a Redemption Date within the period between the close of business on such Regular Record Date and the opening of business on such Interest Payment Date, or if such Convertible Note is surrendered for conversion on the Interest Payment Date or is being redeemed on such Interest Payment Date or if such Interest Payment Date is the Stated Maturity of the principal of the Convertible Notes. If the Company defaults in the payment of interest (including Liquidated Damages, if any) payable on the Interest Payment Date, the Conversion Agent shall promptly repay such funds to the Holder.

(d) Upon surrender of a Convertible Note that is converted in part, the Company shall execute, and the Trustee shall, upon receipt of a Company Order, authenticate and deliver to the Holder, a new Convertible Note equal in principal amount to the unconverted portion of the Convertible Note surrendered.

SECTION 5.3. *Taxes on Conversion.*

If a Holder converts a Convertible Note, the Company shall pay any documentary, stamp or similar issue or transfer tax due on the issue of shares of Common Stock upon such conversion. However, the Holder shall pay any tax which is due because the Holder requests the shares to be issued in a name other than the Holder's name. The Conversion Agent may refuse to deliver the certificates representing the Common Stock being issued in a name other than the Holder's name until the Conversion Agent receives a sum sufficient to pay any tax which will be due because the shares are to be issued in a name other than the Holder's name. Nothing herein shall preclude any tax withholding required by law or regulations.

SECTION 5.4. *Company to Provide Stock.*

(a) The Company shall, prior to issuance of any Convertible Notes hereunder, and from time to time as may be necessary, reserve, out of its authorized but unissued Common Stock, a sufficient number of shares of Common Stock to permit the conversion of all outstanding Convertible Notes into shares of Common Stock. The certificates representing the shares of Common Stock issued upon conversion of Transfer Restricted Securities shall bear a legend substantially in the following form:

"THIS SECURITY HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR ANY STATE OR OTHER SECURITIES LAWS. NEITHER THIS SECURITY NOR ANY INTEREST OR PARTICIPATION HEREIN MAY BE REOFFERED, SOLD, ASSIGNED, PLEDGED, OR OTHERWISE TRANSFERRED IN THE ABSENCE OF SUCH REGISTRATION OR UNLESS SUCH TRANSACTION IS EXEMPT FROM, OR NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT. BY ITS ACQUISITION HEREOF OR OF A BENEFICIAL INTEREST HEREIN, THE HOLDER (1) REPRESENTS THAT IT IS A "QUALIFIED INSTITUTIONAL BUYER" (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT ("RULE 144A")) AND IS PURCHASING IN COMPLIANCE WITH RULE 144A UNDER THE SECURITIES ACT, (2) AGREES NOT TO OFFER, SELL OR OTHERWISE TRANSFER SUCH SECURITY PRIOR TO THE DATE WHICH IS THE LATER OF (X) TWO YEARS (OR SUCH SHORTER PERIOD OF TIME AS PERMITTED BY RULE 144(K) OF THE SECURITIES ACT) AFTER THE LATER OF THE LAST DATE OF ORIGINAL ISSUANCE OF THIS SECURITY (OR ANY PREDECESSOR OF THIS SECURITY) AND THE LAST DATE ON WHICH PRUDENTIAL FINANCIAL, INC. OR ANY AFFILIATE OF PRUDENTIAL FINANCIAL, INC. WAS THE OWNER OF THIS SECURITY (OR ANY PREDECESSOR OF THIS SECURITY) AND (Y) SUCH LATER DATE, IF ANY, AS MAY BE REQUIRED BY APPLICABLE LAW (THE "RESALE RESTRICTION TERMINATION DATE") EXCEPT (A) TO PRUDENTIAL FINANCIAL, INC. OR ANY SUBSIDIARY THEREOF, (B) PURSUANT TO A REGISTRATION STATEMENT WHICH HAS BEEN DECLARED EFFECTIVE UNDER THE SECURITIES ACT AND WHICH CONTINUES TO BE EFFECTIVE AT THE TIME OF SUCH TRANSFER, (C) PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT PROVIDED BY RULE 144 UNDER THE SECURITIES ACT (IF AVAILABLE) OR (D) FOR SO LONG AS THE SECURITIES ARE ELIGIBLE FOR RESALE PURSUANT TO RULE 144A, TO A PERSON IT REASONABLY BELIEVES IS A "QUALIFIED INSTITUTIONAL BUYER" AS DEFINED IN RULE

144A THAT PURCHASES FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER TO WHOM NOTICE IS GIVEN THAT THE TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A, OR (E) TO AN INSTITUTIONAL INVESTOR THAT IS AN "ACCREDITED INVESTOR" AS DEFINED IN RULE 501 (A) (1), (2), (3) OR (7) OF REGULATION D UNDER THE SECURITIES ACT PURSUANT TO AN EXEMPTION FROM REGISTRATION THEREUNDER (IF AVAILABLE) (IN EACH CASE (A) THROUGH (E) IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES AND OTHER JURISDICTIONS) AND (3) AGREES THAT IT WILL GIVE TO EACH PERSON TO WHOM THIS SECURITY IS TRANSFERRED A NOTICE SUBSTANTIALLY TO THE EFFECT OF THIS LEGEND; AND, IN EACH OF THE FOREGOING CASES, TO REQUIRE THAT A CERTIFICATE OF TRANSFER IN THE FORM APPEARING ON THE OTHER SIDE OF THIS SECURITY IS COMPLETED AND DELIVERED BY THE TRANSFEROR TO PRUDENTIAL FINANCIAL, INC. AND THE TRANSFER AGENT. THIS LEGEND WILL BE REMOVED UPON THE REQUEST OF THE HOLDER AFTER THE RESALE RESTRICTION TERMINATION DATE."

(b) The Company covenants that all shares of Common Stock delivered upon conversion of the Convertible Notes shall be newly issued shares or treasury shares, shall be duly authorized, validly issued, fully paid and non-assessable and shall be free from preemptive rights and free of any lien or adverse claim.

(c) The Company will endeavor promptly to comply with all federal and state securities laws regulating the offer and delivery of shares of Common Stock upon conversion of Convertible Notes, if any, and will list or cause to have quoted such shares of Common Stock on each U.S. national securities exchange or in the over-the-counter market or such other market on which the Common Stock is then listed or quoted.

SECTION 5.5. *Adjustment of Conversion Price.*

The Conversion Price shall be adjusted (without duplication) from time to time by the Company as follows:

(a) In case the Company shall (i) pay a dividend or other distribution in shares of Common Stock to all holders of Common Stock, (ii) subdivide its outstanding Common Stock into a greater number of shares or (iii) combine its outstanding Common Stock into a smaller number of shares, the Conversion Price shall be adjusted so that the Holder of any Convertible Note thereafter surrendered for conversion shall be entitled to receive the number of shares of Common Stock which it would have owned or been entitled to receive had such Convertible Note been converted immediately prior to the happening of such event. For the purposes of calculating the Conversion Price adjustment pursuant to this Section 5.5(a), Holders of a Convertible Note shall be treated as if they had the right to convert the Convertible Note solely into Common Stock at the then applicable Conversion Price. An adjustment made pursuant to this Section 5.5(a) shall become effective immediately after the record date in the case of a dividend or distribution and shall become effective immediately after the Effective Date in the case of subdivision or combination.

(b) In case the Company shall issue to all holders of Common Stock rights, warrants or options entitling such holders (for a period commencing no earlier than the date of distribution

and expiring not more than 60 days after the date of distribution) to subscribe for or purchase shares of Common Stock (or securities convertible into Common Stock) at a price per share less than the average Common Stock Price for the five Trading Days ending on the earlier of the record date in respect of such distribution or the Trading Day before the Ex-Dividend Date with respect thereto the Conversion Price shall be decreased so that the Conversion Price shall equal the price determined by multiplying the Conversion Price in effect immediately prior to the Record Date for such issue by a fraction,

(i) the numerator of which shall be the number of shares of Common Stock outstanding on such date of public announcement, plus the number of shares which the aggregate subscription or purchase price for the total number of shares of Common Stock offered by the rights, warrants or options so issued (or the aggregate Conversion Price of the convertible securities offered by such rights, warrants or options) would purchase at such average Common Stock Price, and

(ii) the denominator of which shall be the number of shares of Common Stock outstanding on such date of public announcement plus the number of Additional Shares of Common Stock offered by such rights, warrants or options (or into which the convertible securities so offered by such rights, warrants or options are convertible);

provided that no adjustment will be made if Holders of the Convertible Notes are entitled to participate in the distribution on substantially the same terms as holders of the Company's Common Stock as if such Holders had converted their Convertible Notes solely into Common Stock immediately prior to such distribution at the then applicable Conversion Price. Such adjustment shall be made successively whenever any such rights, warrants or options are issued, and shall become effective immediately after such Record Date. If at the end of the period during which such rights, warrants or options are exercisable not all rights, warrants or options shall have been exercised, the adjusted Conversion Price shall be immediately readjusted to what it would have been upon application of the foregoing adjustment substituting the number of additional shares of Common Stock actually issued (or the number of shares of Common Stock issuable upon conversion of convertible securities actually issued) for the total number of shares of Common Stock offered (or convertible securities offered).

(iii) The "*Ex-Dividend Date*" for any such issuance or distribution means the date immediately prior to the commencement of "ex-dividend" trading for such issuance or distribution on The New York Stock Exchange or such other U.S. national securities exchange or the Nasdaq Global Market or similar system of automated dissemination of quotations of securities prices on which the Common Stock is then listed or quoted.

(c) (i) In case the Company shall distribute to all holders of Common Stock any shares of Capital Stock of the Company (other than Common Stock) or evidences of its indebtedness, other securities or other assets, or shall distribute to all holders of Common Stock, rights, warrants or options to subscribe for or purchase any of its securities (excluding (1) those rights, options and warrants referred to in Section 5.5(b); (2) those dividends, distributions, subdivisions and combinations referred to in Section 5.5(a); and (3) those dividends and distributions paid in cash referred to in Section 5.5(e)), then in each such case the Conversion Price shall be decreased so that the same shall equal the price determined by multiplying the Conversion Price in effect immediately prior to the date of such distribution by a fraction,

(A) the numerator of which shall be the Market Price on the Record Date for the determination of holders of Common Stock entitled to receive such distribution less the fair market value on such Record Date (as determined by the Board of Directors, whose determination shall be conclusive evidence of such fair market value) of the portion of the Capital Stock or evidences of indebtedness, securities or assets so distributed or of such rights, warrants or options, in each case applicable to one share of Common Stock, and

(B) the denominator of which shall be the Market Price on such Record Date,

such adjustment to become effective immediately after the Record Date for such distribution; *provided* that if the numerator of the foregoing fraction is less than \$1.00 (including a negative amount), then in lieu of the foregoing adjustment, adequate provision shall be made so that each Holder shall have the right to receive upon conversion, in addition to the cash and Common Stock issuable upon such conversion, the distribution such Holder would have received had such Holder converted its Convertible Note solely into Common Stock at the then applicable Conversion Price immediately prior to the Record Date for such distribution; *provided* that no adjustment will be made if Holders of the notes are entitled to participate in the distribution on substantially the same terms as holders of the Company's Common Stock as if such Holders had converted their Convertible Notes solely into Common Stock immediately prior to such distribution at the then applicable Conversion Price.

(ii) Notwithstanding the foregoing, if the distribution by the Company to all holders of its Common Stock consists of Capital Stock of, or similar equity interests in, a Subsidiary or other business unit of the Company (unless such Capital Stock or similar equity interests are distributed to holders in such distribution as if such holders had converted their Convertible Notes into Common Stock), the Conversion Price shall be decreased so that the same shall be equal to the rate determined by multiplying the Conversion Price in effect on the Record Date with respect to such distribution by a fraction:

(A) the numerator of which shall be the average Common Stock Price over the Spinoff Valuation Period; and

(B) the denominator of which shall be the sum of (x) the average Common Stock Price over the ten (10) consecutive Trading Day period (the "*Spinoff Valuation Period*") commencing on and including the Trading Day on which "ex-dividend trading" commences for such dividend or distribution on the New York Stock Exchange or such other national or regional exchange or market on which the Common Shares are then listed or quoted plus (y) the average fair market value (as determined by the Board of Directors and described in a resolution of the Board of Directors) over the Spinoff Valuation Period of the portion of the assets so distributed applicable to one share of Common Stock,

such adjustment to become effective immediately prior to the opening of business on the day following such Record Date; *provided* that the Company may in lieu of the foregoing adjustment make adequate provision so that each Holder shall have the right to receive upon conversion the amount of the distribution such holder would have received had such

holder converted each Note on the Record Date with respect to such distribution. If any dividend or distribution of the type described in this Section 5.5(c) is declared but not so paid or made, such adjustment to the Conversion Price shall be reversed. In any case in which this paragraph is applicable, Section 5.5(a), Section 5.5(b) and the first paragraph of this Section 5.5(c) shall not be applicable.

(d) In case the Company or any Subsidiary of the Company makes a payment in respect of a tender or exchange offer, other than an odd-lot offer, to holders of the Company's Common Stock to the extent that the cash and the value of any other consideration included in the payment per share of Common Stock exceeds the Common Stock Price on the Trading Day next succeeding the last day on which tenders or exchanges may be made pursuant to such tender or exchange offer, the Conversion Price shall be decreased so that the same shall equal the price determined by multiplying the Conversion Price in effect immediately prior to the Offer Expiration Time by a fraction,

(i) the numerator of which shall be the number of shares of Common Stock outstanding (including any tendered or exchanged shares) at the last time (the "*Offer Expiration Time*") tenders or exchanges may be made pursuant to such tender or exchange offer (as it may be amended) multiplied by the Common Stock Price on the Trading Day next succeeding the Offer Expiration Time, and

(ii) the denominator of which shall be the sum of (x) the fair market value (determined as aforesaid) of the aggregate consideration payable to holders of Common Stock based on the acceptance (up to any maximum specified in the terms of the tender or exchange offer) of all shares of Common Stock validly tendered or exchanged and not withdrawn as of the Offer Expiration Time (the shares deemed so accepted up to any such maximum being referred to as the "*Purchased Shares*") and (y) the product of the number of shares of Common Stock outstanding (less any Purchased Shares) at the Offer Expiration Time and the Common Stock Price on the Trading Day next succeeding the Offer Expiration Time,

such adjustment to become effective immediately prior to the opening of business on the day following the Expiration Time. If the Company is obligated to purchase shares pursuant to any such tender or exchange offer, but the Company is permanently prevented by applicable law from effecting any such purchases or all such purchases are rescinded, the Conversion Price shall again be adjusted to be the Conversion Price that would then be in effect if such tender or exchange offer had not been made.

(e) In case the Company shall declare a cash dividend or cash distribution to all of the holders of Common Stock such that the aggregate cash dividends or cash distributions per share of Common Stock in any fiscal year exceeds \$1.15 (the "*Dividend Threshold Amount*"), the Conversion Price shall be decreased to equal the price determined by multiplying the Conversion Price in effect immediately prior to the Record Date for such dividend or distribution by a fraction,

(i) the numerator of which shall be the average of the Common Stock Price for the three consecutive Trading Days ending on the Trading Day immediately preceding the Record Date for such dividend or distribution (the "*Pre-Dividend Sale Price*"), minus the difference between the full amount of the dividend or distribution to the extent

payable in cash applicable to one share of the Company's Common Stock and the Dividend Threshold Amount, and

(ii) the denominator of which shall be the Pre-Dividend Sale Price,

such adjustment to become effective immediately after the Record Date for such dividend or distribution; *provided* that if the numerator of the foregoing fraction is less than \$1.00 (including a negative amount), then in lieu of the foregoing adjustment, the Company shall make adequate provision so that each Holder shall have the right to receive upon conversion, in addition to the cash and shares of Common Stock issuable upon such conversion, the amount of cash such Holder would have received had such Holder converted its Convertible Notes solely into Common Stock at the then applicable Conversion Price immediately prior to the Record Date for such cash dividend or cash distribution. If such cash dividend or cash distribution is not so paid or made, the Conversion Price shall again be adjusted to be the Conversion Price that would then be in effect if such dividend or distribution had not been declared.

(f) In case of a tender or exchange offer made by a Person other than the Company or any Subsidiary of the Company for an amount that increases the offeror's ownership of Common Stock to more than twenty-five percent (25%) of the Common Stock outstanding and shall involve the payment by such Person of consideration per share of Common Stock having a fair market value (as determined by the Board of Directors, whose determination shall be conclusive, and described in a resolution of the Board of Directors) that as of the Offer Expiration Time exceeds the Common Stock Price on the Trading Day next succeeding the Offer Expiration Time, and in which, as of the Offer Expiration Time, the Board of Directors is not recommending rejection of the offer, the Conversion Price shall be decreased so that the same shall equal the price determined by multiplying the Conversion Price in effect immediately prior to the Offer Expiration Time by a fraction,

(i) the numerator of which shall be the number of shares of Common Stock outstanding (including any tendered or exchanged shares) at the Offer Expiration Time multiplied by the Common Stock Price on the Trading Day next succeeding the Offer Expiration Time, and

(ii) the denominator of which shall be the sum of (x) the fair market value (determined as aforesaid) of the aggregate consideration payable to holders of Common Stock based on the acceptance (up to any maximum specified in the terms of the tender or exchange offer) of all shares validly tendered or exchanged and not withdrawn as of the Offer Expiration Time (the shares deemed so accepted up to any such maximum being referred to as the "*Accepted Purchased Shares*") and (y) the product of the number of shares of Common Stock outstanding (less any Accepted Purchased Shares) at the Offer Expiration Time and the Common Stock Price on the Trading Day next succeeding the Offer Expiration Time,

such adjustment to become effective immediately prior to the opening of business on the day following the Offer Expiration Time. If such Person is obligated to purchase shares pursuant to any such tender or exchange offer, but such Person is permanently prevented by applicable law from effecting any such purchases or all such purchases are rescinded, the Conversion Price shall again be adjusted to be the Conversion Price that would then be in effect if such tender or exchange offer had not been made. Notwithstanding the foregoing, the adjustment described in

this Section 5.5(f) shall not be made if, as of the Offer Expiration Time, the offering documents with respect to such offer disclose a plan or intention to cause the Company to engage in a consolidation, merger or sale of all or substantially all of the properties and assets of the Company.

(g) In any case in which this Section 5.5 shall require that an adjustment be made immediately following a record date established for purposes of this Section 5.5, the Company may elect to defer (but only until five Business Days following the filing by the Company with the Trustee of the certificate described in Section 5.9) issuing to the holder of any Convertible Note converted after such record date the cash, shares of Common Stock and other Capital Stock of the Company issuable upon such conversion over and above the cash, shares of Common Stock and other Capital Stock of the Company issuable upon such conversion only on the basis of the Conversion Price prior to adjustment; and, in lieu of the cash and shares the issuance of which is so deferred, the Company shall issue or cause its transfer agents to issue due bills or other appropriate evidence of the right to receive such shares.

(h) Before taking any action which would cause an adjustment decreasing the Conversion Price so that the shares of Common Stock issuable upon conversion of the Convertible Notes would be issued for less than the par value of such Common Stock, the Company will take all corporate action which may be necessary in order that the Company may validly and legally issue fully paid and non-assessable shares of such Common Stock at such adjusted Conversion Price.

SECTION 5.6. *No Adjustment.*

(a) No adjustment in the Conversion Price shall be required unless the adjustment would require an increase or decrease of at least 1% in the Conversion Price as last adjusted; *provided* that any adjustments which by reason of this Section 5.6 are not required to be made shall be carried forward and taken into account in any subsequent adjustment. All calculations under this Article V shall be made to the nearest cent, with one-half cent rounded up, or to the nearest ten thousandth (0.0001) of a share, with each five hundred-thousandth (0.00005) of a share being rounded up, as the case may be.

(b) No adjustment need be made upon the issuance of Common Stock under any present or future employee benefits plan or program of the Company.

(c) No adjustment need be made upon the issuance of Common Stock pursuant to (i) the exercise of any options, warrants or rights to purchase such Common Stock, (ii) the exchange of any exchangeable securities for such Common Stock or (iii) the conversion of any convertible securities into such Common Stock, in each case so long as such options, warrants, rights to purchase, exchangeable securities or convertible securities are outstanding as of the date on which the Convertible Notes are first issued.

(d) No adjustment need be made for a change in the par value or a change to no par value of the Common Stock.

(e) To the extent that the Convertible Notes become convertible into cash, no adjustment need be made thereafter as to the cash. Interest will not accrue on the cash.

(f) To the extent that any rights plan adopted by the Company is in effect upon conversion of the Convertible Notes pursuant to the terms of this Third Supplemental Indenture, a Holder shall receive, in addition to cash or shares of Common Stock to be received upon conversion, the rights under such rights plan, only if the rights have not separated from the Common Stock at the time of conversion, and no adjustment of the Conversion Price shall be made in connection with any distribution of rights thereunder in such circumstances; *provided, however*, that if such rights have separated from the Common Stock, a Holder shall not receive such rights, but an adjustment to the Conversion Price shall be made in accordance with Section 5.5(c) above.

SECTION 5.7. Equivalent Adjustments.

If, as a result of an adjustment made pursuant to Section 5.5 above, the Holder of any Convertible Note thereafter surrendered for conversion shall become entitled to receive any shares of Capital Stock of the Company other than shares of Common Stock, thereafter the Conversion Price of such other shares so receivable upon conversion of any Convertible Notes shall be subject to adjustment from time to time in a manner and on terms as nearly equivalent as practicable to the provisions with respect to Common Stock contained in this Article V.

SECTION 5.8. Adjustment for Tax Purposes.

The Company shall be entitled to make such reductions in the Conversion Price, in addition to those required by Section 5.5, as the Board of Directors in its discretion shall determine to be advisable in order that any stock dividends, subdivisions of shares, distributions of rights to purchase stock or other securities, or distributions of securities convertible into or exchangeable for stock hereafter made by the Company to its holders of Common Stock shall not be taxable to such holders.

SECTION 5.9. Notice of Adjustment.

Whenever a Change in Control occurs, or the Conversion Price is adjusted (whether pursuant to Section 5.1(b), 5.5 or 5.11) or Holders become entitled to other securities or due bills, the Company shall promptly mail to Holders a notice of such occurrence or the adjustment and file with the Trustee and the Conversion Agent, an Officers' Certificate briefly stating the facts of such occurrence or the facts requiring the adjustment and the manner of computing it. In the case of an adjustment, the certificate shall be conclusive evidence of the correctness of such adjustment, absent manifest error, and the Trustee and the Conversion Agent may conclusively assume that, unless and until such certificate is received by it, no such adjustment is required.

SECTION 5.10. Notice of Certain Transactions.

In case:

- (a) the Company shall declare a dividend (or any other distribution) on the Common Stock; or
- (b) the Company shall authorize the granting to the holders of Common Stock of rights, warrants or options to subscribe for or purchase any share of any class or any other rights, warrants or options; or

(c) of any reclassification of the Common Stock of the Company (other than a subdivision or combination of its outstanding Common Stock, or a change in par value, or from par value to no par value, or from no par value to par value), or of any consolidation, merger, or share exchange to which the Company is a party and for which approval of any holders of Common Stock is required, or of the sale or transfer of all or substantially all of the properties and assets of the Company; or

(d) of the voluntary or involuntary dissolution, liquidation or winding-up of the Company;

the Company shall cause to be filed with the Trustee and the Conversion Agent and to be mailed to each Holder of Convertible Notes at its address appearing in the Security Register provided for in Section 305 of the Base Indenture, as promptly as possible but in any event at least ten days prior to the applicable date hereinafter specified, a notice stating (x) the date on which a record is to be taken for the purpose of such dividend, distribution or rights, warrants or options, or, if a record is not to be taken, the date as of which the holders of Common Stock of record to be entitled to such dividend, distribution or rights are to be determined, or (y) the date on which such reclassification, consolidation, merger, share exchange, sale, transfer, dissolution, liquidation or winding-up is expected to become effective or occur, and the date as of which it is expected that holders of Common Stock of record shall be entitled to exchange their Common Stock for securities or other property deliverable upon such reclassification, consolidation, merger, share exchange, sale, transfer, dissolution, liquidation or winding-up. Failure to give such notice, or any defect therein, shall not affect the legality or validity of such dividend, distribution, reclassification, consolidation, merger, sale, share exchange, transfer, dissolution, liquidation or winding-up.

SECTION 5.11. Effect of Reclassification, Consolidation, Merger, Share Exchange or Sale on Conversion Privilege.

(a) If any of the following shall occur, namely: (i) any reclassification or change of outstanding shares of Common Stock (other than a change in par value, or from par value to no par value, or from no par value to par value, or as a result of a subdivision or combination); (ii) any consolidation, combination, merger or share exchange to which the Company is a party other than a merger in which the Company is the resulting or surviving corporation and which does not result in any reclassification of, or change (other than a change in name, or par value, or from par value to no par value, or from no par value to par value, or as a result of a subdivision or combination) in, outstanding shares of Common Stock; or (iii) any sale or conveyance of all or substantially all of the properties and assets of the Company, then the Company, or such successor or purchasing corporation, as the case may be, shall, as a condition precedent to such reclassification, change, consolidation, merger, share exchange, sale or conveyance, execute and deliver to the Trustee a supplemental indenture providing that the Holder of each Convertible Note then outstanding shall have the right to convert such Convertible Note into the kind and amount of cash, securities or other property receivable upon such reclassification, change, consolidation, merger, share exchange, sale or conveyance by a holder of the number of shares of Common Stock deliverable upon conversion of such Convertible Note solely into Common Stock at the then applicable Conversion Price immediately prior to such reclassification, change, consolidation, merger, share exchange, sale or conveyance. Such supplemental indenture shall provide for adjustments of the Conversion Price which shall be as nearly equivalent as may be practicable to the adjustments of the Conversion Price provided for in this Article V. If, in the case of any such consolidation, merger, share exchange, sale or conveyance, the stock or other

securities and property (including cash) receivable thereupon by a holder of Common Stock includes shares of Capital Stock or other securities and property of a corporation other than the successor or purchasing corporation, as the case may be, in such consolidation, merger, share exchange, sale or conveyance, then such supplemental indenture shall also be executed by such other corporation and shall contain such additional provisions to protect the interests of the Holders of the Convertible Notes as the Board of Directors shall reasonably consider necessary by reason of the foregoing. The provisions of this Section 5.11 shall similarly apply to successive consolidations, mergers, share exchanges, sales or conveyances. Notwithstanding the foregoing, a distribution by the Company to all or substantially all holders of Common Stock for which an adjustment to the Conversion Price or provision for conversion of the Convertible Notes may be made pursuant to Section 5.5 shall not be deemed to be a sale or conveyance of all or substantially all of the properties and assets of the Company for purposes of this Section 5.11.

(b) In the event the Company shall execute a supplemental indenture pursuant to this Section 5.11, the Company shall promptly file with the Trustee an Opinion of Counsel stating that such supplemental indenture is authorized or permitted by this Third Supplemental Indenture and an Officers' Certificate briefly stating the reasons therefor, the kind or amount of cash, securities or other property receivable by Holders of the Convertible Notes upon the conversion of their Convertible Notes after any such reclassification, change, consolidation, merger, share exchange, sale or conveyance, any adjustment to be made with respect thereto and that all conditions precedent have been complied with.

(c) For purposes of this Section 5.11, the type and amount of consideration that a Holder of Convertible Notes would have been entitled to receive as a holder of the Company's Common Stock in the case of a transaction described in Article V that causes the Common Stock to be converted into the right to receive more than a single type of consideration, determined based in part upon any form of stockholder election, will be deemed to be the weighted average of the types and amounts of consideration received by the holders of Common Stock that affirmatively make such an election.

SECTION 5.12. *Trustee's and Agent's Disclaimer.*

(a) The Trustee has no duty to determine when an adjustment under this Article V (whether pursuant to Section 5.1(b), 5.5 or 5.11) should be made, how it should be made or what such adjustment should be, but may accept as conclusive evidence of the correctness of any such adjustment, and shall be fully protected in relying upon, the Officers' Certificate with respect thereto which the Company is obligated to file with the Trustee pursuant to Section 5.9. The Trustee shall not be accountable for and makes no representation as to the validity or value of any securities or assets issued upon conversion of Convertible Notes, and the Trustee shall not be responsible for the Company's failure to comply with any provisions of this Article V. Each Conversion Agent (other than the Company or an Affiliate of the Company) shall have the same protection under this Section 5.12 as the Trustee.

(b) The Trustee shall not be under any responsibility to determine the correctness of any provisions contained in any supplemental indenture executed pursuant to Section 5.11, but may accept as conclusive evidence of the correctness thereof, and shall be protected in relying upon, the Officers' Certificate with respect thereto which the Company is obligated to file with the Trustee pursuant to Section 5.11.

SECTION 5.13. *Voluntary Reduction.*

The Company from time to time may reduce the Conversion Price by any amount for any period of time if such period is at least 20 Trading Days or such longer period as may be required by law and if the reduction is irrevocable during such period; if the Board of Directors determines, in good faith, that such decrease would be in the best interests of the Company; *provided* that in no event may the Conversion Price be less than the par value of a share of Common Stock. Any such determination by the Board of Directors shall be conclusive.

SECTION 5.14. *Payment Upon Conversion; Daily Conversion Value of Convertible Notes Tendered.*

(a) Holders tendering the Convertible Notes for conversion shall be entitled to receive upon conversion of each \$1,000 principal amount of Convertible Notes, no later than the third Trading Day immediately following the last day of the related Observation Period, cash and shares of Common Stock, if any, equal to the sum of the Daily Settlement Amounts for each of the 10 Trading Days during the related Observation Period. Cash will be delivered in lieu of fractional shares of Common Stock issuable in connection with payment of the foregoing amounts (based on the Common Stock Price on the last day of the applicable Observation Period).

(b) Neither the Trustee nor the Conversion Agent has any duty to determine or calculate the Conversion Rate, the Daily Conversion Value, the cash amounts payable upon conversion or the number of shares, if any, of Common Stock issuable upon conversion, or any other computation required under this Article V, all of which shall be determined by the Company in accordance with the provisions of this Third Supplemental Indenture, and the Trustee and Conversion Agent shall not be under any responsibility to determine the correctness of any such determinations and/or calculations and may conclusively rely on the correctness thereof.

SECTION 5.15. *Simultaneous Adjustments.*

In the event that this Article V requires adjustments to the Conversion Price under more than one of Sections 5.5(a) and (c), and the Record Dates for the distributions giving rise to such adjustments shall occur on the same date, then such adjustments shall be made by applying, first, the provisions of Section 5.5(c), as applicable, and, second, the provisions of Section 5.5(a). If more than one event requiring adjustment pursuant to Section 5.5 shall occur before completing the determination of the Conversion Price for the first event requiring such adjustment, then the Board of Directors (whose determination shall, if made in good faith, be conclusive) shall make such adjustments to the Conversion Price (and the calculation thereof) after giving effect to all such events as shall preserve for Holders the Conversion Price protection provided in Section 5.5.

SECTION 5.16. *Conversion Agent.*

The Company shall maintain an office or agency where Convertible Notes may be presented for conversion (the “*Conversion Agent*”). If the Company fails to maintain a Conversion Agent, the Trustee shall act as such and shall be entitled to appropriate compensation therefor pursuant to Section 607 of the Base Indenture. The Company or any of its Subsidiaries or an Affiliate of the Company or any of its Subsidiaries may act as Conversion Agent. The Company initially appoints the Trustee as Conversion Agent in connection with the Convertible Notes.

ARTICLE VI
MISCELLANEOUS

SECTION 6.1. *Ratification of Base Indenture; Conflicts.*

(a) The Base Indenture, as supplemented by this Third Supplemental Indenture, is in all respects ratified and confirmed, and this Third Supplemental Indenture shall be deemed part of the Base Indenture in the manner and to the extent herein and therein provided.

(b) In the event of any conflict, inconsistency or ambiguity between the Base Indenture and this Third Supplemental Indenture, the provisions of this Third Supplemental Indenture shall control.

SECTION 6.2. *Governing Law.*

THIS THIRD SUPPLEMENTAL INDENTURE AND EACH SECURITY SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, WITHOUT REGARD TO ITS PRINCIPLES OF CONFLICTS OF LAWS.

SECTION 6.3. *Counterparts.*

This Third Supplemental Indenture may be executed in any number of counterparts each of which shall be an original; but such counterparts shall together constitute but one and the same instrument.

SECTION 6.4. *Trustee Not Responsible for Recitals.*

The recitals herein contained are made by the Company and not by the Trustee, and the Trustee assumes no responsibility for the correctness thereof. The Trustee shall not be responsible in any manner whatsoever for or in respect of the validity or sufficiency of this Third Supplemental Indenture.

SECTION 6.5. *Trust Indenture Act Controls.*

If any provision of this Third Supplemental Indenture limits, qualifies, or conflicts with another provision which is required to be included in this Third Supplemental Indenture by the TIA, the required provision shall control.

IN WITNESS WHEREOF, the parties hereto have caused this Third Supplemental Indenture to be duly executed by their respective officers thereunto duly authorized, as of the day and year first above written.

PRUDENTIAL FINANCIAL, INC.,
as Issuer

By: /s/ Jonathan P. Hunt
Name: JONATHAN P. HUNT
Title: Vice President and Assistant Treasurer

THE BANK OF NEW YORK,
as Trustee

By: /s/ Ignazio Tamburello
Name: IGNAZIO TAMBURELLO
Title: Assistant Vice President

FORM OF CONVERTIBLE NOTE

[FORM OF FACE OF NOTE]

[Transfer Restricted Securities Legend – Include only
on Transfer Restricted Securities]

[THIS SECURITY AND ANY COMMON STOCK ISSUABLE UPON THE CONVERSION OF THIS SECURITY HAVE NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE “*SECURITIES ACT*”), AND MAY NOT BE SOLD OR OTHERWISE TRANSFERRED IN THE ABSENCE OF SUCH REGISTRATION OR AN APPLICABLE EXEMPTION THEREFROM. EACH PURCHASER OF THIS SECURITY IS HEREBY NOTIFIED THAT THE SELLER OF THIS SECURITY MAY BE RELYING ON THE EXEMPTION FROM THE PROVISIONS OF SECTION 5 OF THE SECURITIES ACT PROVIDED BY RULE 144A THEREUNDER.

THIS SECURITY AND ANY COMMON STOCK ISSUABLE UPON THE CONVERSION OF THIS SECURITY MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT (A)(1) TO A PERSON WHO THE TRANSFEROR REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A UNDER THE SECURITIES ACT ACQUIRING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A, (2) PURSUANT TO AN EXEMPTION FROM THE REGISTRATION UNDER THE SECURITIES ACT PROVIDED BY RULE 144A THEREUNDER (IF AVAILABLE), (3) SUBJECT TO THE REQUIREMENTS OF THE INDENTURE, TO AN INSTITUTIONAL INVESTOR THAT IS AN ACCREDITED INVESTOR WITHIN THE MEANING OF RULE 501(a)(1), (2), (3) OR (7) OF REGULATION D UNDER THE SECURITIES ACT PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT (IF AVAILABLE) OR (4) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT, AND (B) IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF THE STATES OF THE UNITED STATES AND OTHER JURISDICTIONS.

THIS SECURITY, ANY SHARES OF COMMON STOCK ISSUABLE UPON ITS CONVERSION AND ANY RELATED DOCUMENTATION MAY BE AMENDED OR SUPPLEMENTED FROM TIME TO TIME TO MODIFY THE RESTRICTIONS ON REALES AND OTHER TRANSFERS OF THIS SECURITY AND ANY SUCH SHARES TO REFLECT ANY CHANGE IN APPLICABLE LAW OR REGULATION (OR THE INTERPRETATION THEREOF) OR IN PRACTICES RELATING TO THE RESALE OR TRANSFER OF RESTRICTED SECURITIES GENERALLY THE HOLDER OF THIS SECURITY AND SUCH SHARES SHALL BE DEEMED BY THE ACCEPTANCE OF THIS NOTE AND ANY SUCH SHARES TO HAVE AGREED TO ANY SUCH AMENDMENT OR SUPPLEMENT.]

[Global Securities Legend – Include only on Global Securities]

[THIS SECURITY IS A GLOBAL SECURITY WITHIN THE MEANING OF THE INDENTURE HEREINAFTER REFERRED TO AND IS REGISTERED IN THE NAME OF A DEPOSITORY OR A NOMINEE THEREOF. UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY TO THE COMPANY OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY

TRUST COMPANY (AND ANY PAYMENT HEREON IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL SINCE THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN. TRANSFERS OF THIS GLOBAL SECURITY SHALL BE LIMITED TO TRANSFERS TO THE DEPOSITORY TRUST COMPANY, TO NOMINEES OF THE DEPOSITORY TRUST COMPANY OR TO A SUCCESSOR THEREOF OR SUCH SUCCESSOR'S NOMINEE AND TRANSFERS OF PORTIONS OF THIS GLOBAL SECURITY SHALL BE LIMITED TO TRANSFERS MADE IN ACCORDANCE WITH THE RESTRICTIONS SET FORTH IN THE INDENTURE REFERRED TO ON THE REVERSE HEREOF.]

THIS NOTE HAS BEEN ISSUED WITH ORIGINAL ISSUE DISCOUNT ("OID") WITHIN THE MEANING OF SECTION 1273 OF THE INTERNAL REVENUE CODE OF 1986. THIS NOTE WAS ISSUED ON DECEMBER 12, 2007 AT A PRICE OF \$988.75. THE AMOUNT OF OID ON THE NOTE IS \$11.25. THE YIELD TO MATURITY ON THE NOTE IS 4.29%.

PRUDENTIAL FINANCIAL, INC.

Floating Rate Convertible Senior Note due December 15, 2037

No.: RA -

CUSIP NUMBER: 744320 AH5
ISIN NUMBER: US744320AH56

Principal Amount: \$

Prudential Financial, Inc., a New Jersey corporation, promises to pay to [Cede & Co.]* or registered assigns, [the principal amount of \$] [the principal amount as set forth on Schedule I hereto]*, on December 15, 2037, subject to the further provisions of this Convertible Note set forth on the reverse hereof, which further provisions shall for all purposes have the same effect as if set forth at this place. This Convertible Note is convertible as specified on the other side of this Convertible Note.

Interest Payment Dates: March 15, June 15, September 15, and December 15, commencing March 15, 2008.

Record Dates: March 1, June 1, September 1 and December 1 (whether or not a Business Day), commencing March 1, 2008.

Prudential Financial, Inc.

By: _____
Name:
Title:

* Include only on Global Security

TRUSTEE'S CERTIFICATE OF AUTHENTICATION

This is one of the Securities of the series designated therein referred to in the within-mentioned Indenture.

THE BANK OF NEW YORK,
as Trustee

By: _____
Authorized Signatory

Dated:

[FORM OF REVERSE SIDE OF NOTE]

PRUDENTIAL FINANCIAL, INC.

Floating Rate Convertible Senior Note due December 15, 2037

(1) Interest.

The Company will pay interest on any overdue principal amount at the interest rate borne by the Convertible Notes at the time such interest on the overdue principal amount accrues, compounded quarterly.

This Convertible Note will bear interest at an annual rate equal to 3-month LIBOR, reset quarterly, *minus* 1.63%, and will initially bear interest at a rate of 3.51625%; *provided* that such rate shall never be less than zero. Interest will be payable quarterly in arrears on March 15, June 15, September 15 and December 15 of each year (each, an “*Interest Payment Date*”), subject to Section 2.5 of the Third Supplemental Indenture, commencing March 15, 2008. The Company will pay interest on any overdue principal amount at the interest rate borne by the Convertible Notes at the time such interest on the overdue principal amount accrues, compounded quarterly, and it shall pay interest on overdue installments of interest (without regard to any applicable grace period), at the same interest rate, compounded quarterly. Interest (including Liquidated Damages, if any) on the Convertible Notes will be computed using the actual number of days elapsed between the LIBOR Rate Reset Dates divided by 360.

The Holders of the Convertible Notes shall be entitled to the benefits of the Registration Rights Agreement, including the right to receive Liquidated Damages in the event of Registration Defaults (as defined in the Registration Rights Agreement under Section 7 thereof), such Liquidated Damages to be payable at the same times and to the same Persons as regular interest is payable with respect to the Convertible Notes, it being understood that any reference in this Convertible Note to “interest” shall be deemed to include “Liquidated Damages” if then owing in accordance with the terms of the Registration Rights Agreement.

(2) Method of Payment.

Subject to the terms and conditions of the Indenture, the Company will pay interest (including Liquidated Damages, if any) on this Convertible Note to the Person who is the registered Holder of this Convertible Note at the close of business on March 1, June 1, September 1 and December 1, whether or not a Business Day (each, a “*Record Date*”), as the case may be, immediately preceding the related Interest Payment Date (*provided* that interest payable upon repurchase or redemption of this Convertible Note or at the Stated Maturity of principal (including any such date that is an Interest Payment Date) shall be paid to the Person to whom principal is payable). Subject to the terms and conditions of the Indenture, the Company will make all payments in respect of the Redemption Price, Repurchase Price, Change in Control Repurchase Price and the principal amount at Stated Maturity (including interest payable on the date such amounts are due), as the case may be, to the Holder who surrenders a Convertible Note to a Paying Agent to collect such payments in respect of the Convertible Note. The Company will pay cash amounts in money of the United States that at the time of payment is legal tender for payment of public and private debts. Notwithstanding the foregoing, if a Holder is holding Convertible Notes in definitive form, the Company shall pay interest (including Liquidated Damages, if any), other than interest payable at the Stated Maturity of principal or on a Redemption Date, Repurchase Date or Change in Control Repurchase Date, by check mailed to such Holder. If a Holder is holding at least \$1,000,000 principal amount of Convertible Notes in definitive form, the Company may pay such interest by wire transfer provided that such Holder has notified the Trustee in writing at the Trustee’s Corporate Trust Office, on

or before the Record Date before the applicable Interest Payment Date, other than an Interest Payment Date at the Stated Maturity of principal or on a Redemption Date, Repurchase Date or Change in Control Repurchase Date, that such Holder chooses to have interest on such Holder's Convertible Notes payable on such Interest Payment Date and all subsequent Interest Payment Dates paid by wire transfer of immediately available funds to an account at a bank (that has facilities to receive wire transfers) in The City of New York, or in another city designated by such Holder and agreed to by the Company and the Trustee. Such payment method will apply until such Holder provides the Trustee written notice to the contrary. The Company shall pay the principal of and interest (including Liquidated Damages, if any) on any Convertible Note in definitive form that is due at the Stated Maturity of principal, the Redemption Date or Repurchase Date or Change in Control Repurchase Date in immediately available funds against presentation of such Convertible Note in definitive form at the Corporate Trust Office of the Trustee in The City of New York or at any other office or agency of the Trustee in The City of New York that the Trustee may designate to such Holder in writing; *provided* if any such payment is to be made by wire transfer, the Trustee must have received appropriate wire transfer instructions in writing from any Holder being so paid at least two Business Days prior to the relevant date.

(3) Paying Agent, Conversion Agent and Registrar.

Initially, The Bank of New York (as successor to JPMorgan Chase Bank, N.A.) (the "*Trustee*") will act as Paying Agent, Conversion Agent and Security Registrar. The Company may appoint and change any Paying Agent, Conversion Agent or Security Registrar without notice, other than notice to the Trustee; *provided* that the Company will maintain at least one Paying Agent having an office or agency in the State of New York, City of New York, Borough of Manhattan, which shall initially be an office or agency of the Trustee. The Company or any of its Subsidiaries or any of their Affiliates may act as Paying Agent, Conversion Agent or Security Registrar.

(4) Indenture.

The Company issued the Convertible Notes under an Indenture dated as of April 25, 2003, as supplemented by a First Supplemental Indenture dated as of November 16, 2005, a Second Supplemental Indenture dated as of December 12, 2006 and a Third Supplemental Indenture dated as of December 12, 2007 (collectively, the "*Indenture*") between the Company and the Trustee. The terms of the Convertible Notes include those stated in the Indenture and those made part of the Indenture by reference to the Trust Indenture Act of 1939, as in effect from time to time (the "*TIA*"). Capitalized terms used herein and not defined herein have the meanings ascribed thereto in the Indenture. The Convertible Notes are subject to all such terms, and Holders are referred to the Indenture and the TIA for a statement of those terms.

The Convertible Notes are direct, unsubordinated, unsecured debt obligations of the Company. The Indenture does not limit other indebtedness of the Company, secured or unsecured.

(5) Redemption at the Option of the Company.

No sinking fund is provided for the Convertible Notes. Beginning on June 16, 2009 and during the periods thereafter to maturity, the Convertible Notes are redeemable as a whole at any time, or in part from time to time, in any integral multiple of \$1,000, at the option of the Company for cash at a Redemption Price equal to 100% of the principal amount, together with accrued but unpaid interest (including Liquidated Damages, if any) thereon, up to but not including the Redemption Date.

Notice of redemption pursuant to paragraph 5 of this Convertible Note will be mailed at least 30 days but not more than 60 days before the Redemption Date to each Holder of Convertible Notes to be

redeemed at the Holder's address appearing in the Security Register. If money sufficient to pay the Redemption Price of all Convertible Notes (or portions thereof) to be redeemed on the Redemption Date is deposited with the Paying Agent prior to 10:00 a.m., New York City time, on the Redemption Date, on and after such Redemption Date, interest (including Liquidated Damages, if any) shall cease to accrue on such Convertible Notes or portions thereof. Convertible Notes in denominations larger than \$1,000 of principal amount may be redeemed in part but only in integral multiples of \$1,000 of principal amount.

(6) Repurchase By the Company at the Option of the Holder on Specified Dates; Repurchase at the Option of the Holder Upon a Change in Control.

Subject to the terms and conditions of the Indenture, the Company shall become obligated to repurchase, at the option of the Holder, on June 15, 2009 and December 15, 2009, 2010, 2011, 2012, 2017, 2022, 2027 and 2032 (each, a "*Repurchase Date*"), all or a portion of the Convertible Notes held by such Holder, in any integral multiple of \$1,000, for cash at a price per Convertible Note equal to 100% of the aggregate principal amount of the Convertible Note (the "*Repurchase Price*"), together with accrued but unpaid interest (including Liquidated Damages, if any) thereon, up to but not including the Repurchase Date upon delivery of a Repurchase Notice containing the information set forth in the Indenture, together with the Convertible Notes subject thereto and upon delivery of the Convertible Notes to the Paying Agent by the Holder as set forth in the Indenture.

At the option of the Holder and subject to the terms and conditions of the Indenture, the Company shall become obligated to repurchase the Convertible Notes held by such Holder after the occurrence of a Change in Control of the Company for a Change in Control Repurchase Price equal to 100% of the principal amount thereof plus accrued but unpaid interest (including Liquidated Damages, if any) thereon, up to but not including the Change in Control Repurchase Date which Change in Control Repurchase Price shall be paid in cash. Holders have the right to withdraw any Repurchase Notice or Change in Control Repurchase Notice, as the case may be, by delivering to the Paying Agent a written notice of withdrawal in accordance with the provisions of the Indenture.

If cash sufficient to pay the Repurchase Price or Change in Control Repurchase Price, as the case may be, and accrued but unpaid interest (including Liquidated Damages, if any) on all Convertible Notes or portions thereof to be repurchased as of the Repurchase Date or the Change in Control Repurchase Date, as the case may be, is held by the Paying Agent by 10:00 a.m., New York City time, on the Business Day immediately following the Repurchase Date or on or prior to the Change in Control Repurchase Date, interest (including Liquidated Damages, if any) shall cease to accrue on such Convertible Notes (or portions thereof) as of such Repurchase Date or Change in Control Repurchase Date, and the Holder thereof shall have no other rights as such, other than the right to receive the Repurchase Price or Change in Control Repurchase Price, as the case may be, and interest (including Liquidated Damages, if any) upon surrender of such Convertible Note.

(7) Conversion.

A Holder of a Convertible Note may convert any portion of the principal amount of any Convertible Note that is an integral multiple of \$1,000 into cash and fully paid and non-assessable shares (calculated as to each conversion to the nearest 1/10000th of a share) of Common Stock in accordance with the provisions of Section 5.14 of the Third Supplemental Indenture referred to above; *provided* that if such Convertible Note is called for redemption, the conversion right will terminate at the close of business on the second Business Day immediately preceding the Redemption Date of such Convertible Note (unless the Company shall default in making the redemption payment when due, in which case the conversion right shall terminate at the close of business on the date such Default is cured and such Convertible Note is redeemed). Such conversion right shall commence on the initial issuance date of the

Convertible Notes and expire at the close of business on the date of maturity, subject, in the case of conversion of any Global Security, to any Applicable Procedures. The Conversion Price shall, as of the date of the Indenture, initially be \$132.394 per share of Common Stock. The Conversion Rate shall, as of the date of the Third Supplemental Indenture referred to above, initially be 7.5532 shares of the Company's Common Stock for each \$1,000 principal amount of Convertible Notes. The Conversion Price and Conversion Rate will be adjusted under the circumstances specified in the Indenture. Upon conversion, no adjustment for interest (including Liquidated Damages, if any) or dividends will be made. No fractional shares will be issued upon conversion; in lieu thereof, an amount will be paid in cash based upon the Common Stock Price on the last day of the applicable Observation Period. Delivery of the shares of Common Stock and cash (including cash in lieu of fractional shares) shall be deemed to satisfy the Company's obligation to pay the principal amount of a converted Convertible Note and accrued but unpaid interest (including Liquidated Damages, if any) thereon. Any accrued interest (including Liquidated Damages, if any) payable on a converted Convertible Note will be deemed paid in full, rather than canceled, extinguished or forfeited.

In addition, following certain corporate transactions that occur on or prior to June 15, 2009 and that constitute a Change in Control (other than relating to the composition of the Board of Directors as described in clause (d) of the definition of Change in Control in Section 1.1) and for which 10% or more of the fair market value of the consideration for the Common Stock (as determined by the Board of Directors) in the corporate transaction consists of (i) cash, (ii) other property or (iii) securities that are not traded or scheduled to be traded immediately following such transaction on a U.S. national securities exchange or the Nasdaq Global Market, a Holder who elects to convert its Convertible Notes in connection with such corporate transaction will be entitled to receive Additional Shares of Common Stock upon conversion in certain circumstances (it being understood that a Holder of Convertible Notes electing to convert its Convertible Notes pursuant to Section 5.1(b) of the Third Supplemental Indenture referred to above shall provide the Conversion Agent with a notice as contemplated by Section 5.2 of the Third Supplemental Indenture).

As provided in the Indenture, to convert a Convertible Note, a Holder must (a) complete and manually sign the conversion notice set forth below and deliver such notice to the Conversion Agent, (b) surrender the Convertible Note to the Conversion Agent, (c) furnish appropriate endorsements and transfer documents if required by the Registrar or the Conversion Agent, (d) pay any transfer or other tax, if required and (e) if the Convertible Note is held in book-entry form, complete and deliver to the Depository appropriate instructions pursuant to the Applicable Procedures. If a Holder surrenders a Convertible Note for conversion between the close of business on the Record Date and the opening of business on the related Interest Payment Date, *provided* that such Interest Payment Date is an Interest Payment Date the interest due on which is payable to the Holder as of the preceding Regular Record Date, the Convertible Note must be accompanied by payment of an amount equal to the interest (including Liquidated Damages, if any) payable on such Interest Payment Date on the principal amount of the Convertible Note or portion thereof then converted; *provided* that no such payment shall be required if such Convertible Note has been called for redemption on a Redemption Date within the period between the close of business on such Record Date and the opening of business on such Interest Payment Date, or if such Convertible Note is surrendered for conversion on the Interest Payment Date or is being redeemed on such Interest Payment Date or if such Interest Payment Date is the Stated Maturity of the principal of the Convertible Notes. A Holder may convert a portion of a Convertible Note equal to \$1,000 or any integral multiple thereof.

A Convertible Note in respect of which a Holder has delivered a Repurchase Notice or a Change of Control Repurchase Notice exercising the option of such Holder to require the Company to repurchase such Convertible Note as provided in Section 3.2 or Section 3.3, respectively, of the Indenture may be converted only if such notice of exercise is withdrawn in accordance with the terms of the Indenture.

(8) Denominations; Transfer; Exchange.

The Convertible Notes are in fully registered form, without coupons, in denominations of \$1,000 of principal amount and integral multiples of \$1,000. A Holder may transfer or exchange Convertible Notes in accordance with the Indenture. The Security Registrar may require a Holder, among other things, to furnish appropriate endorsements and transfer documents and to pay any taxes and fees required by law or permitted by the Indenture. The Security Registrar need not transfer or exchange any Convertible Notes selected for redemption (except, in the case of a Convertible Note to be redeemed in part, the portion of the Convertible Note not to be redeemed), or any Convertible Notes in respect of which a Repurchase Notice or a Change in Control Repurchase Notice has been given and not withdrawn (except, in the case of a Convertible Note to be repurchased in part, the portion of the Convertible Note not to be repurchased), or any Convertible Notes for a period of 15 days before the mailing of a Notice of Redemption of Convertible Notes to be redeemed.

(9) Persons Deemed Owners.

The registered Holder of this Convertible Note may be treated as the owner of this Convertible Note for all purposes.

(10) Amendment; Waiver.

Subject to certain exceptions set forth in the Indenture, (i) the Indenture or the Convertible Notes may be amended with the written consent of the Holders of at least a majority in aggregate principal amount of the Convertible Notes at the time outstanding and (ii) certain Defaults may be waived with the written consent of the Holders of a majority in aggregate principal amount of the Convertible Notes at the time outstanding. Subject to certain exceptions set forth in the Indenture, without the consent of any Holder, the Company and the Trustee may amend the Indenture or the Convertible Notes, among other things, (i) to cure any ambiguity, omission, defect or inconsistency, or make any other change that does not adversely affect the rights of any Holder of Convertible Notes in any material respect, (ii) to evidence and provide for the acceptance of appointment under the Indenture by a successor Trustee, or (iii) to comply with the provisions of the TIA or any requirement of the Commission in connection with the qualification of the Indenture under the TIA, in each case as set forth in the Indenture.

(11) Defaults and Remedies.

As set forth in the Indenture, if an Event of Default occurs and is continuing, the Trustee may, and at the written request of the Holders of not less than 25% in principal amount of Convertible Notes then Outstanding shall, declare the principal of and accrued but unpaid interest (including Liquidated Damages, if any) of all the Convertible Notes to be due and payable in the manner, at the time and with the effect provided in the Indenture. Holders of Convertible Notes may not enforce the Indenture or the Convertible Notes except as provided in the Indenture. The Trustee is not obligated to enforce the Indenture or the Convertible Notes unless it has received security or indemnity reasonably satisfactory to it. The Indenture permits, subject to certain limitations therein provided, Holders of a majority in aggregate principal amount of the Convertible Notes at the time outstanding to direct the Trustee in its exercise of any trust or power. The Trustee may withhold from Holders of Convertible Notes notice of any continuing Default or Event of Default (except a default in payment of principal or interest when due, for any reason) if it determines in good faith that withholding notice is in the interests of Holders.

(12) Trustee Dealings with the Company.

Subject to certain limitations imposed by the TIA, the Trustee under the Indenture, in its individual or any other capacity, may become the owner or pledgee of Convertible Notes and may otherwise deal with and collect obligations owed to it by the Company or its Affiliates and may otherwise deal with the Company or its Affiliates with the same rights it would have if it were not Trustee.

(13) No Recourse Against Others.

A director, officer, employee or shareholder, as such, of the Company shall not have any liability for any obligations of the Company under the Convertible Notes or the Indenture or for any claim based on, in respect of or by reason of such obligations or their creation. By accepting a Convertible Note, each Holder waives and releases all such liability. The waiver and release are part of the consideration for the issue of the Convertible Notes.

(14) Ranking.

The Convertible Notes shall be direct, unsubordinated, unsecured debt obligations of the Company and shall rank equally in right of payment with any other existing and direct, unsubordinated, unsecured debt of the Company and senior to any future subordinated indebtedness of the Company.

(15) Authentication.

This Convertible Note shall not be valid until an authorized signatory of the Trustee manually signs the Trustee's Certificate of Authentication on the other side of this Convertible Note.

(16) Abbreviations.

Customary abbreviations may be used in the name of a Holder or an assignee, such as TEN COM ("*Tenants In Common*"), TEN ENT ("*Tenants By The Entireties*"), JT TEN ("*Joint Tenants With Right Of Survivorship And Not As Tenants In Common*"), CUST ("*Custodian*") and U/G/M/A ("*Uniform Gift To Minors Act*").

(17) Governing Law.

THIS SECURITY AND THE INDENTURE SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK, WITHOUT REGARD TO ITS PRINCIPLES OF CONFLICTS OF LAWS.

(18) CUSIP Numbers.

Pursuant to a recommendation promulgated by the Committee on Uniform Security Identification Procedures, the Company has caused CUSIP numbers to be printed on the Convertible Notes as a convenience to the Holders of the Convertible Notes. No representation is made as to the accuracy of such numbers as printed on the Convertible Notes and reliance may be placed only on the other identification numbers printed hereon.

(19) Conflicts with Indenture.

In the event of any conflict, inconsistency or ambiguity between any provision set forth in this Convertible Note and any provision of the Indenture, the Indenture shall control.

ASSIGNMENT FORM

To assign this Convertible Note, fill in the form below:

I or we assign and transfer this Convertible Note to

(Insert assignee's soc. sec. or tax ID no.)

(Print or type assignee's name, address and zip code)

and irrevocably appoint _____ agent to transfer this Convertible Note on the books of the Company. The agent may substitute another to act for him.

Date: _____

Signature Guaranteed

Participant in a Recognized Signature Guarantee Medallion Program

By: _____
Authorized Signatory

CONVERSION NOTICE

To convert this Convertible Note into Cash and Common Stock of the Company, check the box "

To convert only part of this Convertible Note, state the principal amount to be converted (which must be \$1,000 or an integral multiple of \$1,000):

If you want the stock certificate made out in another person's name fill in the form below:

(Insert the other person's soc. sec. or tax ID no.)

(Print or type other person's name, address and zip code)

Your Signature: _____

(Sign exactly as your name appears on the other side of this Convertible Note)

FORM OF REPURCHASE NOTICE

To: Prudential Financial, Inc.

The undersigned registered holder of this Convertible Note requests and instructs the Company to repurchase this Convertible Note, or the portion hereof (which is \$1,000 principal amount or a multiple thereof) designated below, on the date specified below, in accordance with the terms and conditions referred to in this Convertible Note and the Indenture referred to in this Convertible Note and directs that the check in payment for this Convertible Note or the portion thereof and any Securities representing the portion of principal amount hereof not to be so repurchased, be issued and delivered to the registered holder hereof unless a different name has been indicated below. If any portion of this Convertible Note not repurchased is to be issued in the name of a Person other than the undersigned, the undersigned shall pay all transfer taxes payable with respect thereto.

Dated:

Signature(s)

Fill in for registration of Securities not repurchased if to be issued other than to and in the name of registered holder:

(Name)

(Street Address)

(City, state and zip code)

Please print name and address

principal amount to be repurchased (if less than all): \$____,000

date of requested repurchase: _____, 20____

(specify either 2009, 2010, 2011, 2012, 2017, 2022, 2027 or 2032)

**FORM OF OPTION TO ELECT REPURCHASE
UPON A CHANGE IN CONTROL**

To: Prudential Financial, Inc.

The undersigned registered holder of this Convertible Note hereby acknowledges receipt of a notice from Prudential Financial, Inc. (the “*Company*”) as to the occurrence of a Change in Control with respect to the Company and requests and instructs the Company to repurchase this Convertible Note, or the portion hereof (which is \$1,000 principal amount or a multiple thereof) designated below, in accordance with the terms of this Convertible Note and the Indenture referred to in this Convertible Note and directs that the payment for this Convertible Note or the portion thereof and any Securities representing any unrepurchased principal amount hereof, be issued and delivered to the registered holder hereof unless a different name has been indicated below. If any portion of this Convertible Note not repurchased is to be issued in the name of a Person other than the undersigned, the undersigned shall pay all transfer taxes payable with respect thereto.

Dated:

Signature(s)

Fill in for registration of Securities not repurchased if to be issued other than to and in the name of registered holder:

(Name)

(Street Address)

(City, state and zip code)

Please print name and address

principal amount to be repurchased (if less than all): \$ __,000

SCHEDULE I*

PRUDENTIAL FINANCIAL, INC.
Floating Rate Convertible Senior Notes due December 15, 2037

No.:

Date

Principal Amount

Notation

* Include only on Global Security

TRANSFER CERTIFICATE

In connection with any transfer of any of the Securities within the period prior to the expiration of the holding period applicable to the sales thereof under Rule 144(k) under the Securities Act of 1933, as amended (the “*Securities Act*”) (or any successor provision), the undersigned registered owner of this Convertible Note hereby certifies with respect to \$ _____ principal amount of the above-captioned Securities presented or surrendered on the date hereof (the “*Surrendered Securities*”) for registration of transfer, or for exchange or conversion where the securities deliverable upon such exchange or conversion are to be registered in a name other than that of the undersigned registered owner (each such transaction being a “*transfer*”), that such transfer complies with the restrictive legend set forth on the face of the Surrendered Securities for the reason checked below:

- “ The transfer of the Surrendered Securities complies with Rule 144A under the U.S. Securities Act of 1933, as amended (the “*Securities Act*”); or
- “ The transfer of the Surrendered Securities is pursuant to an exemption from the registration requirement of the Securities Act provided by Rule 144 thereunder; or
- “ The transfer of the Surrendered Securities is to an institutional investor that is an “accredited investor” within the meaning of Rule 501(a)(1), (2), (3) or (7) of Regulation D under the Securities Act; or
- “ The transfer of the Surrendered Securities is pursuant to an effective registration statement under the Securities Act; or
- “ A transfer of the Surrendered Securities is made to the Company or any of its subsidiaries.

The undersigned confirms that, to the undersigned’s knowledge, such Securities are not being transferred to an “affiliate” of the Company as defined in Rule 144 under the Securities Act (an “*Affiliate*”).

Date:

Signature(s)

(If the registered owner is a corporation, partnership or fiduciary, the title of the Person signing on behalf of such registered owner must be stated.)

Signature Guaranteed

Participant in a Recognized Signature
Guarantee Medallion Program

By: _____
Authorized Signatory

[INTENTIONALLY OMITTED]

C-1

FORM OF ACCREDITED INVESTOR CERTIFICATE

[DATE]

Prudential Financial, Inc.
Attn: Investor Relations
751 Broad Street
Newark, New Jersey 07102

Ladies and Gentlemen:

We are delivering this letter in connection with the proposed transfer of \$_____ of Floating Rate Convertible Senior Notes due December 15, 2037 (the "*Convertible Notes*") of Prudential Financial, Inc. (the "*Issuer*"), as described in the Offering Circular dated December 6, 2007 (the "*Offering Circular*") relating to the Convertible Notes.

We hereby confirm that:

1. We are an institutional "accredited investor" (as defined in Rule 501(a) (1), (2), (3) or (7) of Regulation D under the Securities Act of 1933, as amended (the "*Securities Act*")), or an entity in which all of the equity owners are institutional "accredited investors" within the meaning of Rule 501(a)(1), (2), (3) or (7) of Regulation D under the Securities Act ("*Institutional Accredited Investors*"), and have such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of our investment in the Convertible Notes, and we and any accounts for which we are acting are each able to bear the economic risks of our or their investment. We will acquire Convertible Notes having a minimum principal amount of not less than \$100,000 for our own account or for any accounts for which we are acting.
2. We are acquiring the Convertible Notes for our own account or for one or more accounts (each of which is an Institutional Accredited Investor) as to each of which we exercise sole investment discretion.
3. We are not acquiring the Convertible Notes with a view to distribution thereof or with any present intention of offering or selling the Convertible Notes or the shares of Common Stock of the Company issuable upon conversion thereof (the "*Underlying Shares*"), except as permitted below, *provided* that the disposition of our property and the property of any accounts for which we are acting as fiduciary shall remain at all times within our control.
4. We understand that any subsequent transfer of the Convertible Notes and the Underlying Shares is subject to certain restrictions and conditions set forth in the indenture relating to the Convertible Notes and the undersigned agrees to be bound by, and not to resell, pledge or otherwise transfer the Convertible Notes or the Underlying Shares except in compliance with such restrictions and conditions and the Securities Act.
5. We understand that the offer and sale of neither the Convertible Notes nor the Underlying Shares have been or will be registered under the Securities Act, and that neither the Convertible Notes nor the Underlying Shares may be offered or sold except as permitted in the following sentence. We agree, on our own behalf and on behalf of any accounts for which we are acting as

hereinafter stated, that if we should sell any Convertible Notes or Underlying Shares, we will do so only (i) to a person whom we reasonably believe is a qualified institutional buyer, as such term is defined in Rule 144A (a “QIB”), acquiring for its own account or for the account of a QIB in a transaction meeting the requirements of Rule 144A, (ii) subject to the requirements of the indenture relating to the Convertible Notes, pursuant to an exemption from registration under the Securities Act provided by Rule 144 thereunder (if available), (iii) to an institutional investor that is an “accredited investor” as such term is defined in Rule 501(a)(1), (2), (3) or (7) of Regulation D under the Securities Act pursuant to an exemption from registration under the Securities Act (if available), (iv) pursuant to an effective registration statement under the Securities Act or (v) to the Issuer or any of its subsidiaries, in each of cases (i) through (v) in accordance with any applicable securities laws of any state of the United States and other jurisdictions, and we further agree to provide to any person purchasing any of the Convertible Notes or Underlying Shares from us a notice advising such purchaser that resales of the Convertible Notes and Underlying Shares are restricted as stated herein.

6. We understand that, on any proposed transfer of any Convertible Notes or Underlying Shares, we will be required to furnish to the Issuer and the trustee for the Convertible Notes (the “Trustee”) such certificates, legal opinions and other information as the Issuer or the Trustee may reasonably require to confirm that the proposed transfer complies with the foregoing restrictions. We further understand that the Convertible Notes and Underlying Shares purchased by us will be in certificated form and will bear a legend to the foregoing effect.

Each of the Issuer, the Trustee and the initial purchaser of the Convertible Notes is entitled to rely upon this letter and is irrevocably authorized to produce this letter or a copy hereof to any interested party in any administrative or legal proceeding or official inquiry with respect to the matters covered hereby.

Very truly yours,

(Name of Purchaser)

By: _____
Name:
Title:

Address:

SCHEDULE A

The following table sets forth the hypothetical Share Price and the number of Additional Shares to be received per \$1,000 principal amount of Convertible Notes:

Effective Date	Stock Price													
Change in Control	\$98.07	\$105.00	\$110.00	\$115.00	\$120.00	\$125.00	\$130.00	\$135.00	\$140.00	\$145.00	\$150.00	\$160.00	\$170.00	\$180.00
December 12, 2007	2.6436	2.1168	1.8027	1.5340	1.3049	1.1100	0.9446	0.8046	0.6864	0.5868	0.5029	0.3732	0.2819	0.2176
March 15, 2008	2.6436	2.0772	1.7535	1.4773	1.2427	1.0442	0.8769	0.7366	0.6192	0.5213	0.4400	0.3168	0.2327	0.1756
June 15, 2008	2.6436	2.0360	1.7003	1.4145	1.1728	0.9696	0.8000	0.6593	0.5431	0.4478	0.3700	0.2554	0.1807	0.1324
September 15, 2008	2.6436	1.9946	1.6431	1.3442	1.0927	0.8831	0.7102	0.5691	0.4550	0.3635	0.2908	0.1885	0.1263	0.0892
December 15, 2008	2.6436	1.9706	1.5833	1.2650	0.9982	0.7784	0.6005	0.4590	0.3485	0.2635	0.1992	0.1159	0.0715	0.0487
June 15, 2009	2.6436	1.9706	1.5377	1.1425	0.7801	0.4468	0.1391	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000

The Share Prices and additional share amounts set forth above are based upon a common stock price of \$98.07 at December 6, 2007 and an initial Conversion Price of approximately \$132.394.

Schedule A-1

**CERTIFICATE OF AMENDMENT
TO
CERTIFICATE OF TRUST
OF
PRUDENTIAL FINANCIAL CAPITAL TRUST II**

This Certificate of Amendment to the Certificate of Trust of Prudential Financial Capital Trust II (the "Trust"), is being duly executed and filed by the undersigned trustee to amend the Certificate of Trust of a statutory trust formed under the Delaware Statutory Trust Act (the "Act").

1. Name. The name of the Trust is Prudential Financial Capital Trust II.

2. Amendment. Article 2 of the Certificate of Trust of the Trust is hereby amended to read in its entirety as follows:

2. Delaware Trustee. The name and business address of the trustee of the Trust with its principal place of business in the State of Delaware are BNY Mellon Trust of Delaware, White Clay Center, Route 273, Newark, Delaware 19711.

3. Effective Date. This Certificate of Amendment shall be effective upon filing.

IN WITNESS WHEREOF, the undersigned trustee of the Trust has executed this Certificate of Amendment in accordance with Section 3811(a)(2) of the Act.

BNY MELLON TRUST OF DELAWARE,
not in its individual capacity but solely as trustee

By: /s/ Kristine K. Gullo
Name: KRISTINE K. GULLO
Title: Vice President

**CERTIFICATE OF AMENDMENT
TO
CERTIFICATE OF TRUST
OF
PRUDENTIAL FINANCIAL CAPITAL TRUST III**

This Certificate of Amendment to the Certificate of Trust of Prudential Financial Capital Trust III (the "Trust"), is being duly executed and filed by the undersigned trustee to amend the Certificate of Trust of a statutory trust formed under the Delaware Statutory Trust Act (the "Act").

1. Name. The name of the Trust is Prudential Financial Capital Trust III.
2. Amendment. Article 2 of the Certificate of Trust of the Trust is hereby amended to read in its entirety as follows:
 2. Delaware Trustee. The name and business address of the trustee of the Trust with its principal place of business in the State of Delaware are BNY Mellon Trust of Delaware, White Clay Center, Route 273, Newark, Delaware 19711.
3. Effective Date. This Certificate of Amendment shall be effective upon filing.

IN WITNESS WHEREOF, the undersigned trustee of the Trust has executed this Certificate of Amendment in accordance with Section 3811(a)(2) of the Act.

BNY MELLON TRUST OF DELAWARE,
not in its individual capacity but solely as trustee

By: /s/ Kristine K. Gullo
Name: KRISTINE K. GULLO
Title: Vice President

SUPPLEMENTAL DECLARATION OF TRUST

This Supplemental Declaration of Trust (this "Agreement"), dated as of February 20, 2009, is made by and among Prudential Financial, Inc., as Sponsor (the "Sponsor"), The Bank of New York Mellon, as property trustee (the "Property Trustee"), BNY Mellon Trust of Delaware, as Delaware trustee (the "Delaware Trustee"), and Yanela C. Frias, Kathleen C. Hoffman and Ajay Sawhney, as administrative trustees (the "Administrative Trustees" and collectively with the Property Trustee and the Delaware Trustee, the "Trustees").

WITNESSETH

WHEREAS, Prudential Financial Capital Trust II, a Delaware statutory trust (the "Trust"), was formed on April 2, 2003, pursuant to a Declaration of Trust, dated as of April 2, 2003 (the "Declaration of Trust") among the Sponsor, JPMorgan Chase Bank (now known as JPMorgan Chase Bank, N.A.), as property trustee (the "Removed Property Trustee"), Chase Manhattan Bank USA, National Association (now known as Chase Bank USA, National Association), as Delaware trustee (the "Removed Delaware Trustee"), and Richard Vaccaro, Scott D. Kaplan, and Jonathan P. Hunt, as administrative trustees (the "Removed Administrative Trustees" and collectively with the Removed Property Trustee and the Removed Delaware Trustee, the "Removed Trustees"); and

WHEREAS, each of the Removed Trustees is no longer able or willing to serve as a trustee of the Trust;

WHEREAS, each of the Trustees is willing to accept appointment as a trustee of the Trust on the terms and conditions set forth in the Declaration of Trust; and

WHEREAS, Section 6 of The Declaration of Trust entitles the Sponsor to appoint or remove any trustee without cause at any time.

Capitalized terms used herein and not otherwise defined shall have the meanings ascribed to them in the Declaration of Trust.

NOW, THEREFORE, the parties hereto hereby agree as follows:

1. Pursuant to Section 6 of the Declaration of Trust, the Sponsor hereby removes the Removed Trustees as trustees of the Trust and appoints The Bank of New York Mellon, as Property Trustee of the Trust, BNY Mellon Trust of Delaware, as Delaware Trustee of the Trust, and Yanela C. Frias, Kathleen C. Hoffman and Ajay Sawhney, as Administrative Trustees of the Trust.

2. By execution hereof, each of the Trustees accepts the respective trust created herein and in the Declaration of Trust.

3. Each of the Trustees shall be subject to all of the same duties and responsibilities and entitled to all of the same rights, benefits, protections and indemnities provided to the respective Removed Trustee in the Declaration of Trust.

4. The Delaware Trustee is hereby authorized and directed to execute and file, or cause to be filed, a Certificate of Amendment to Certificate of Trust in the form of Exhibit A attached hereto with the Delaware Secretary of State.

5. This Agreement may be executed in one or more counterparts, each of which shall be an original and all of which taken together shall constitute one and the same instrument.

6. This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware, without reference to its conflict of law provisions, and the obligations, rights and remedies of the parties hereunder shall be determined in accordance with such laws.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

PRUDENTIAL FINANCIAL, INC., as Sponsor

By: /s/ Yanela C. Frias
Name: YANELA C. FRIAS
Title: Vice President and Assistant Treasurer

THE BANK OF NEW YORK MELLON, as Property Trustee

By: /s/ Kimberly Davidson
Name: KIMBERLY DAVIDSON
Title: Vice President

BNY MELLON TRUST OF DELAWARE,
as Delaware Trustee

By: /s/ Kristine K. Gullo
Name: KRISTINE K. GULLO
Title: Vice President

YANELA C. FRIAS, as Administrative Trustee

/s/ Yanela C. Frias

KATHLEEN C. HOFFMAN, as Administrative Trustee

/s/ Kathleen C. Hoffman

AJAY SAWHNEY, as Administrative Trustee

/s/ Ajay Sawhney

Exhibit A

**CERTIFICATE OF AMENDMENT
TO
CERTIFICATE OF TRUST
OF
PRUDENTIAL FINANCIAL CAPITAL TRUST II**

This Certificate of Amendment to the Certificate of Trust of Prudential Financial Capital Trust II (the "Trust"), is being duly executed and filed by the undersigned trustee to amend the Certificate of Trust of a statutory trust formed under the Delaware Statutory Trust Act (the "Act").

1. Name. The name of the Trust is Prudential Financial Capital Trust II.

2. Amendment. Article 2 of the Certificate of Trust of the Trust is hereby amended to read in its entirety as follows:

2. Delaware Trustee. The name and business address of the trustee of the Trust with its principal place of business in the State of Delaware are BNY Mellon Trust of Delaware, White Clay Center, Route 273, Newark, Delaware 19711.

3. Effective Date. This Certificate of Amendment shall be effective upon filing.

IN WITNESS WHEREOF, the undersigned trustee of the Trust has executed this Certificate of Amendment in accordance with Section 3811(a)(2) of the Act.

BNY MELLON TRUST OF DELAWARE,
not in its individual capacity but solely as trustee

By: _____
Name:
Title:

SUPPLEMENTAL DECLARATION OF TRUST

This Supplemental Declaration of Trust (this "Agreement"), dated as of February 20, 2009, is made by and among Prudential Financial, Inc., as Sponsor (the "Sponsor"), The Bank of New York Mellon, as property trustee (the "Property Trustee"), BNY Mellon Trust of Delaware, as Delaware trustee (the "Delaware Trustee"), and Yanela C. Frias, Kathleen C. Hoffman and Ajay Sawhney, as administrative trustees (the "Administrative Trustees" and collectively with the Property Trustee and the Delaware Trustee, the "Trustees").

WITNESSETH

WHEREAS, Prudential Financial Capital Trust III, a Delaware statutory trust (the "Trust"), was formed on April 2, 2003, pursuant to a Declaration of Trust, dated as of April 2, 2003 (the "Declaration of Trust") among the Sponsor, JPMorgan Chase Bank (now known as JPMorgan Chase Bank, N.A.), as property trustee (the "Removed Property Trustee"), Chase Manhattan Bank USA, National Association (now known as Chase Bank USA, National Association), as Delaware trustee (the "Removed Delaware Trustee"), and Richard Vaccaro, Scott D. Kaplan, and Jonathan P. Hunt, as administrative trustees (the "Removed Administrative Trustees" and collectively with the Removed Property Trustee and the Removed Delaware Trustee, the "Removed Trustees"); and

WHEREAS, each of the Removed Trustees is no longer able or willing to serve as a trustee of the Trust;

WHEREAS, each of the Trustees is willing to accept appointment as a trustee of the Trust on the terms and conditions set forth in the Declaration of Trust; and

WHEREAS, Section 6 of The Declaration of Trust entitles the Sponsor to appoint or remove any trustee without cause at any time.

Capitalized terms used herein and not otherwise defined shall have the meanings ascribed to them in the Declaration of Trust.

NOW, THEREFORE, the parties hereto hereby agree as follows:

1. Pursuant to Section 6 of the Declaration of Trust, the Sponsor hereby removes the Removed Trustees as trustees of the Trust and appoints The Bank of New York Mellon, as Property Trustee of the Trust, BNY Mellon Trust of Delaware, as Delaware Trustee of the Trust, and Yanela C. Frias, Kathleen C. Hoffman and Ajay Sawhney, as Administrative Trustees of the Trust.

2. By execution hereof, each of the Trustees accepts the respective trust created herein and in the Declaration of Trust.

3. Each of the Trustees shall be subject to all of the same duties and responsibilities and entitled to all of the same rights, benefits, protections and indemnities provided to the respective Removed Trustee in the Declaration of Trust.

4. The Delaware Trustee is hereby authorized and directed to execute and file, or cause to be filed, a Certificate of Amendment to Certificate of Trust in the form of Exhibit A attached hereto with the Delaware Secretary of State.

5. This Agreement may be executed in one or more counterparts, each of which shall be an original and all of which taken together shall constitute one and the same instrument.

6. This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware, without reference to its conflict of law provisions, and the obligations, rights and remedies of the parties hereunder shall be determined in accordance with such laws.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

PRUDENTIAL FINANCIAL, INC., as Sponsor

By: /s/ Yanela C. Frias
Name: YANELA C. FRIAS
Title: Vice President and Assistant Treasurer

THE BANK OF NEW YORK MELLON, as Property Trustee

By: /s/ Kimberly Davidson
Name: KIMBERLY DAVIDSON
Title: Vice President

BNY MELLON TRUST OF DELAWARE,
as Delaware Trustee

By: /s/ Kristine K. Gullo
Name: KRISTINE K. GULLO
Title: Vice President

YANELA C. FRIAS, as Administrative Trustee

/s/ Yanela C. Frias

KATHLEEN C. HOFFMAN, as Administrative Trustee

/s/ Kathleen C. Hoffman

AJAY SAWHNEY, as Administrative Trustee

/s/ Ajay Sawhney

Exhibit A

**CERTIFICATE OF AMENDMENT
TO
CERTIFICATE OF TRUST
OF
PRUDENTIAL FINANCIAL CAPITAL TRUST III**

This Certificate of Amendment to the Certificate of Trust of Prudential Financial Capital Trust III (the "Trust"), is being duly executed and filed by the undersigned trustee to amend the Certificate of Trust of a statutory trust formed under the Delaware Statutory Trust Act (the "Act").

1. Name. The name of the Trust is Prudential Financial Capital Trust III.

2. Amendment. Article 2 of the Certificate of Trust of the Trust is hereby amended to read in its entirety as follows:

2. Delaware Trustee. The name and business address of the trustee of the Trust with its principal place of business in the State of Delaware are BNY Mellon Trust of Delaware, White Clay Center, Route 273, Newark, Delaware 19711.

3. Effective Date. This Certificate of Amendment shall be effective upon filing.

IN WITNESS WHEREOF, the undersigned trustee of the Trust has executed this Certificate of Amendment in accordance with Section 3811(a)(2) of the Act.

BNY MELLON TRUST OF DELAWARE,
not in its individual capacity but solely as trustee

By: _____
Name:
Title:

[FORM OF FIXED RATE MEDIUM-TERM NOTE]

[FACE OF NOTE]

PRUDENTIAL FINANCIAL, INC.

MEDIUM-TERM NOTE, SERIES D
DUE ONE YEAR OR MORE FROM DATE OF ISSUE

(Fixed Rate)

[If this Note is to be a Global Security, insert — THIS NOTE IS A GLOBAL SECURITY WITHIN THE MEANING OF THE INDENTURE HEREINAFTER REFERRED TO AND IS REGISTERED IN THE NAME OF A DEPOSITARY OR A NOMINEE THEREOF. THIS NOTE MAY NOT BE EXCHANGED IN WHOLE OR IN PART FOR A NOTE REGISTERED, AND NO TRANSFER OF THIS NOTE IN WHOLE OR IN PART MAY BE REGISTERED IN THE NAME OF ANY PERSON OTHER THAN SUCH DEPOSITARY OR A NOMINEE THEREOF, EXCEPT IN THE LIMITED CIRCUMSTANCES DESCRIBED IN THE INDENTURE.

UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION (“DTC”), TO PRUDENTIAL FINANCIAL, INC. OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.]

REGISTERED NO. FXR -	CUSIP No.	PRINCIPAL AMOUNT:
SPECIFIED CURRENCY:	AUTHORIZED DENOMINATIONS: (only applicable if different from U.S.\$1,000 and integral multiples of U.S.\$1,000 or the Specified Currency is other than U.S. dollars)	EXCHANGE RATE AGENT:
ORIGINAL ISSUE DATE:	STATED MATURITY DATE:	INTEREST RATE PER ANNUM:
INTEREST PAYMENT DATES: (only applicable if other than March 15 or September 15)		REGULAR RECORD DATES: (only applicable if other than March 1 or September 1)
REDEMPTION DATE(S) OR PERIOD(S):		INITIAL REDEMPTION DATE, IF ANY:
ANNUAL REDEMPTION PERCENTAGE REDUCTION, IF ANY:		INITIAL REDEMPTION PERCENTAGE:
REPAYMENT DATE(S) OR PERIOD(S):		DEFAULT RATE: (only applicable if Note is issued at original issue discount):
OTHER PROVISIONS:		OID DEFAULT AMOUNT: (only applicable if Note is issued at original issue discount)

PRUDENTIAL FINANCIAL, INC., a New Jersey corporation (the “Company,” which term includes any successor entity), for value received, hereby promises to pay to **[if the Note is to be a Global Security, insert – CEDE & Co., as nominee for The Depository Trust Company (“DTC”)] [_____]**, or registered assigns, the principal sum of _____ (any such currency, currency unit or composite currency being hereinafter referred to as a “Specified Currency”) on the Stated Maturity Date specified above (except, if applicable, to the extent redeemed or repaid prior to the Stated Maturity Date) **[if the Note is to bear interest prior to Maturity, insert —**, and to pay interest thereon from the Original Issue Date shown above or from the most recent Interest Payment Date to which interest has been paid or duly provided for, semi-annually on March 15 and September 15 of each year, commencing on the Interest Payment Date immediately after the Original Issue Date (*provided, however*, that if the Original Issue Date is after a Regular Record Date and before the Interest Payment Date immediately following such Regular Record Date, interest payments will commence on the second Interest Payment Date following the Original Issue Date), at the Interest Rate Per Annum set forth above, until the principal hereof is paid or made available for payment **[if applicable insert —**, *provided* that any principal and premium, and any such installment of interest, which is overdue shall bear interest at the rate of _____ % per annum (to the extent that the payment of such interest shall be legally enforceable), from the dates such amounts are due until they are paid or made available for payment, and such interest shall be payable on demand.]

[If the Note is to bear interest prior to Maturity, insert — The interest so payable, and punctually paid or duly provided for, on any Interest Payment Date will, as provided in such Indenture, be paid to the Person in whose name this Note (or one or more Predecessor Securities) is registered at the close of business on the Regular Record Date for such interest, which shall be March 1 or September 1 (whether or not a Business Day, as such term is defined below), as the case may be, immediately preceding the March 15 and September 15 Interest Payment Dates, *provided, however*, that interest payable on the Stated Maturity Date (or upon any earlier date of redemption or repayment) (each such date is referred to herein as the “Maturity Date” with respect to the principal payable on such date) will be payable to the Person to whom principal shall be payable on such Maturity Date. Any such interest not so punctually paid or duly provided for will forthwith cease to be payable to the Holder on such Regular Record Date and may either be paid to the Person in whose name this Note (or one or more Predecessor Securities) is registered at the close of business on a Special Record Date for the payment of such Defaulted Interest to be fixed by the Trustee, notice whereof shall be given to Holders of Securities of this series not less than 10 days prior to such Special Record Date, or be paid at any time in any other lawful manner.]

[If the Note is not to bear interest prior to Maturity, insert — . The principal of this Note shall not bear interest except in the case of a default in payment of principal upon acceleration, upon redemption or at Stated Maturity and in such case the overdue principal and any overdue premium shall bear interest at the Default Rate per annum specified above (to the extent that the payment of such interest shall be legally enforceable), from the dates such amounts are due until they are paid or made available

for payment. Interest on any overdue principal or premium shall be payable on demand. **[If applicable, insert** — Any such interest on overdue principal or premium which is not paid on demand shall bear interest at the Default Rate specified above (to the extent that the payment of such interest on interest shall be legally enforceable) from the date of such demand until the amount so demanded is paid or made available for payment. Interest on any overdue interest shall be payable upon demand.]

Payment of principal of (and premium, if any) and interest on this Note will be made in the Specified Currency shown above, except as hereinafter provided. The Holder of a Note denominated in a Specified Currency other than U.S. dollars may elect to receive all such payments in U.S. dollars by delivery of a written request to The Bank of New York Mellon (formerly known as The Bank of New York), as successor to JPMorgan Chase Bank, N.A. (formerly known as JPMorgan Chase Bank), as the Paying Agent, at 101 Barclay Street, 8W, New York, New York 10286, Attn.: Corporate Trust Services, in the case of any interest payment due on an Interest Payment Date, on or prior to the applicable Record Date, or, in the case of any other interest payment, on or prior to the Special Record Date, if one has been established, or in the case of any other payment, at least fifteen calendar days prior to such payment due date. Such written request may be in writing (mailed or hand delivered) or by cable, telex or other form of facsimile transmission. Such election shall remain in effect unless such request is revoked on or prior to the applicable Record Date or the date fifteen days prior to such payment due date.

[If the Note is to be a Global Security, insert — Notwithstanding the foregoing, any nominee of DTC, as Holder, will be deemed to have elected to receive all payments on a Note denominated other than in U.S. dollars, in U.S. dollars, except to the extent that such Holder requests, in accordance with the then current policies of DTC, that such payments be made in the Specified Currency, and to such extent payments on such Note will be made in the Specified Currency.]

If the Holder of a Note denominated in a Specified Currency other than U.S. dollars has elected to receive payments in U.S. dollars, payment in respect of such Note will be based upon the exchange rate as determined by the Exchange Rate Agent named on the face of this Note based on the highest firm bid quotation for U.S. dollars received by such Exchange Rate Agent as of 11:00 A.M., New York City time, on the second Business Day next preceding the applicable payment date from three recognized foreign exchange dealers in The City of New York, one of which may be the Exchange Rate Agent, for purchase by the quoting dealer of the Specified Currency for U.S. dollars for settlement on such payment date of the aggregate amount of the Specified Currency payable to all Holders of Notes electing to receive U.S. dollar payments and at which the applicable dealer commits to execute a contract. All currency exchange costs will be borne by the Holders of such Notes by deductions from such payments. If three such bid quotations are not available on the second Business Day preceding the payment of principal (and premium, if any) or interest with respect to any Note, such payment will be made in the Specified Currency. The term “Business Day” means (i) any day that is neither a Saturday or Sunday, nor a day on which banking institutions in The City of New

York generally are authorized or obligated by law, regulation or executive order to close (ii) if this Note is denominated in a Specified Currency other than U.S. dollars or euros, a day that is not a day on which banking institutions are authorized or obligated by law, regulation or executive order to close in the Principal Financial Center of the country issuing the Specified Currency; and (iii) if the Specified Currency is euro, any day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET2) System, or any successor system is open for business.

“Principal Financial Center” means the capital city of the country issuing the Specified Currency, except that with respect to United States dollars, Australian dollars, Canadian dollars, South African rand and Swiss francs, the “Principal Financial Center” means The City of New York, Sydney, Toronto, Johannesburg and Zurich, respectively, and with respect to Euros, the Principal Financial Center means London.

If this Note is denominated in U.S. dollars, payments of interest on this Note on any Interest Payment Date other than the Maturity Date will be made by check mailed to the Holder hereof entitled thereto. Notwithstanding the foregoing, a Holder of not less than U.S.\$10,000,000 aggregate principal amount of Notes (whether having identical or different terms and provisions) may, by written notice to the Trustee at its office referred to in the following paragraph on or before the Regular Record Date immediately preceding the related Interest Payment Date (other than the Maturity Date), elect to have the interest payable on all Notes held by such Holder on such Interest Payment Date, and all such subsequent Interest Payment Dates until written notice to the contrary is given to the Trustee as aforesaid, made by wire transfer of immediately available funds to an account at a bank in The City of New York (or bank in such other city in the United States consented to by the Company and the Paying Agent) as such Holder shall have designated (not later than such Regular Record Date or the subsequent related Regular Record Dates), *provided* that such bank has appropriate facilities therefor.

If this Note is denominated in U.S. dollars, payment of the principal of and premium, if any, and interest on this Note which is due on the Maturity Date will be made in immediately available funds against presentation and surrender of this Note at the office of the Trustee in The City of New York, currently at 101 Barclay Street, 8W, New York, New York 10286, Attention: Corporate Trust Services, or at such other office or agency of the Trustee in The City of New York as the Trustee shall designate in writing sent by mail to the Holders of the Notes at their registered addresses; *provided, however*, that if such payment is to be made by wire transfer, the Trustee shall have received at least two Business Days prior to such Maturity Date, appropriate wire transfer instructions in writing from the holder of this Note.

If this Note is denominated in a Specified Currency other than U.S. dollars, unless otherwise specified above, payments of interest on, and principal and premium, if any, of this Note to be made in a Specified Currency other than U.S. dollars will be made by wire transfer in immediately available funds to an account with a bank located in the country issuing the Specified Currency or in another jurisdiction acceptable to the Company and the Paying Agent as shall have been designated at least 5 business

days prior to the Interest Payment Date or Maturity Date, as the case may be, by the registered Holder of this Note on the relevant Regular Record Date or Maturity Date; *provided, however*, that, in the case of payment of principal of (and premium, if any) and any interest due on the Maturity Date, this Note is presented to the Paying Agent in time for the Paying Agent to make such payments in such funds in accordance with its normal procedures. Such designation shall be made by filing the appropriate information with the Paying Agent, and, unless revoked, or in the case of a Note registered to a nominee of DTC, not later than the time required by then-current policies of DTC, any such designation made with respect to any Note by a registered Holder will remain in effect with respect to any further payments with respect to this Note payable to such Holder. If a payment with respect to this Note cannot be made by wire transfer because the required designation has not been received by the Paying Agent on or before the requisite date or for any other reason, a notice will be mailed to the Holder at its registered address requesting a designation pursuant to which such wire transfer can be made and, upon the Paying Agent's receipt of such a designation, such payment will be made within 5 business days of such receipt. The Company will pay any administrative costs imposed by banks in connection with making payments by wire transfer, but any tax, assessment or governmental charge imposed upon payment will be borne by the Holder hereof in respect of which payments are made. Any late payments made in these circumstances will be treated under the Indenture as if made on the due date, and no interest will accrue on late payments from the due date to the date paid.

[If the Note is to be a Global Security, insert — Payment of principal of (and premium, if any) and interest due on this Note will be made to DTC or its nominee, as the case may be, as the sole registered owner and the sole Holder of this Note for all purposes under the Indenture.**]**

If this Note is denominated in other than U.S. dollars and the Specified Currency is not available due to the imposition of exchange controls or other circumstances beyond the Company's control or is no longer used by the government of the relevant country (unless otherwise replaced by the euro), then the Company will be entitled to satisfy its obligations to Holders by making payments in U.S. dollars on the basis of the most recently available Exchange Rate. The "Exchange Rate" means the noon buying rate in The City of New York for cable transfers for such Specified Currency. Any payment made under the circumstances and in a manner described above will not constitute an Event of Default under the Indenture.

If the Specified Currency shown above is converted into or replaced by another currency pursuant to law having general and direct applicability in the jurisdiction which issued that Specified Currency (which may include European Community law), any payments in respect of this Note otherwise required to be made in such Specified Currency shall be made in the currency into or by which such Specified Currency has been so converted or replaced, based on the conversion or equivalency rate prescribed by law having general and direct applicability in such jurisdiction (which may include European Community law), and such Specified Currency shall not be deemed to be unavailable to the Company solely by reason of any such conversion or replacement.

If any currency is introduced in the jurisdiction issuing the Specified Currency on the basis of legally enforceable equivalency to such Specified Currency pursuant to law having general and direct applicability in such jurisdiction (which may include European Community law) in preparation for conversion of such Specified Currency into, or replacement of such Specified Currency by, such other currency, the Company shall be entitled, at its option, to make any payments in respect of this Note otherwise required to be made in such Specified Currency in such other currency based on the equivalency rate prescribed by law having general and direct applicability in such jurisdiction (which may include European Community law). Making payments in accordance with this or the preceding paragraph shall not, by itself, constitute a default in the Company's obligations to make such payments. No occurrence of a currency conversion, replacement or introduction of a type described in this paragraph or the preceding paragraph involving the Specified Currency shall, by itself, entitle the Company to avoid its obligations under this Note or entitle the Company or any Holder of this Note to rescission of the purchase and sale of this Note or to reformation of any of the terms hereof on the grounds of impossibility or impracticability of performance, frustration of purpose or otherwise.

Reference is hereby made to the further provisions of this Note set forth on the reverse hereof, which further provisions shall for all purposes have the same effect as if set forth at this place.

Unless the Certificate of Authentication hereon has been executed by or on behalf of the Trustee, by the manual signature of one of its authorized signatories, this Note shall not be valid or obligatory for any purpose.

Reference herein to "this Note", "hereof", "herein" and comparable terms shall include the terms specified on the face and reverse hereof as well as an Addendum hereto (if an Addendum is specified above).

IN WITNESS WHEREOF, the Company has caused this instrument to be duly executed, manually or in facsimile.

PRUDENTIAL FINANCIAL, INC.

By: _____

Name:

Title:

CERTIFICATE OF AUTHENTICATION:

This is one of the Securities of the series designated therein referred to in the within-mentioned Indenture.

THE BANK OF NEW YORK MELLON,
as Trustee

By: _____
Authorized Signatory

Dated: _____

[REVERSE OF NOTE]

PRUDENTIAL FINANCIAL, INC.

MEDIUM-TERM NOTE, SERIES D
DUE ONE YEAR OR MORE FROM DATE OF ISSUE
(Fixed Rate)

This Note is one of a duly authorized issue of securities of the Company (herein called the “Securities”), issued and to be issued in one or more series under a Senior Debt Securities Indenture, dated as of April 25, 2003 (herein called the “Indenture”, which term shall have the meaning assigned to it in such instrument), between the Company and The Bank of New York Mellon (formerly known as The Bank of New York), as successor to JPMorgan Chase Bank, N.A. (formerly known as JPMorgan Chase Bank), as Trustee (herein called the “Trustee”, which term includes any successor trustee under the Indenture), and reference is hereby made to the Indenture for a statement of the respective rights, limitations of rights, duties and immunities thereunder of the Company, the Trustee and the Holders of the Securities and of the terms upon which the Securities are, and are to be, authenticated and delivered. The Securities of this series have been designated as the Medium-Term Notes, Series D, Due One Year or More from Date of Issue (herein called the “Notes”) and may be issued from time to time in an aggregate principal amount of up to U.S.\$10,000,000,000 or its equivalent in other currencies, currency units, or composite currencies, may mature at different times, bear interest, if any, at different rates, be redeemable at different times or not at all, be issued at an original issue discount, and be denominated in different currencies; *provided, however*, that the foregoing limit may be increased or decreased by the Company, if in the future it determines that it may want to sell additional Securities of this series or other securities.

This Note will not be convertible or subject to any sinking fund and, except as set forth in the following two paragraphs, will not be subject to redemption at the option of the Company or subject to repayment at the option of the Holder hereof prior to the Stated Maturity Date.

If one or more Redemption Dates (or range of Redemption Dates) is specified on the face hereof, this Note will be subject to redemption, in whole or in part, on any such Redemption Date (or during any such range of Redemption Dates) on or after the Initial Redemption Date specified on the face hereof at the option of the Company upon not less than 30 days’ nor more than 60 days’ prior written notice, at the Redemption Price (as defined below), together with interest accrued to the date fixed for redemption. The “Redemption Price” shall initially be the Initial Redemption Percentage specified on the face hereof of the principal amount of this Note to be redeemed and, if greater than 100%, shall decline at each anniversary of the Initial Redemption Date, if any, specified on the face hereof, by the Annual Redemption Percentage Reduction, if any, specified on the face hereof of the principal amount to be redeemed until the Redemption Price is 100% of such principal amount. If fewer than all of the Notes

subject to redemption are to be redeemed, the Notes to be redeemed shall be selected by the Trustee by such method as the Trustee shall deem fair and reasonable.

If one or more Repayment Dates (or range of Repayment Dates) is specified on the face hereof, this Note will be subject to repayment, in whole or in part, on any such Repayment Date (or during any such range of Repayment Dates) at the option of the Holder hereof upon not less than 30 days' nor more than 60 days' prior written notice, at a price equal to 100% of the principal amount to be repaid, together with interest accrued to the date fixed for repayment. Unless otherwise specified on the face hereof, notice of the Holder's option to elect repayment hereof shall consist of the delivery to the Trustee of either (i) this Note with the form on the reverse hereof entitled "Option to Elect Repayment" duly completed (with signature guaranteed), or (ii) a telegram, facsimile transmission or a letter from a member of a national securities exchange, or of the Financial Industry Regulatory Authority, Inc., or a commercial bank or trust company in the United States, setting forth the name of the Holder hereof, the principal amount hereof, the principal amount to be repaid, the certificate number or a description of the tenor and terms hereof and a statement that the option to elect repayment is being exercised thereby and a guarantee that this Note to be repaid, together with the duly completed form (with signature guaranteed) entitled "Option to Elect Repayment" on the reverse of this Note will be received by the Trustee, in each case, not later than the fifth Business Day after the date of such telegram, facsimile transmission or letter; *provided, however*, that such telegram, facsimile transmission or letter shall only be effective if this Note and such form, duly completed, are received by the Trustee by such fifth Business Day. Such option may be exercised with respect to less than the entire principal amount of this Note, *provided* that the portion remaining Outstanding after such repayment shall be in an authorized denomination. Exercise of a repayment option by the Holder of this Note will be irrevocable unless otherwise specified on the face hereof.

In the event of redemption or repayment of this Note in part only, a new Note or Notes of this series and of a like tenor for the unredeemed portion hereof will be issued in the name of the Holder hereof upon the cancellation hereof.

If so specified on the face of this Note, the Maturity Date will be automatically extended for such periods and at such times as are set forth herein unless the Holder of the Note elects to terminate the automatic extension of the Note. The periods and times for which the maturity of the Note is to be automatically renewed, the date beyond which the maturity may not be so renewed, the procedures for the Holder of the Note to elect repayment of the Note in the event of such renewal and other details must be set forth on the face hereof.

Interest payable on this Note on any Interest Payment Date or the Maturity Date shall be the amount of interest accrued from and including the immediately preceding Interest Payment Date in respect of which interest has been paid or duly provided for (or from and including the Original Issue Date specified on the face hereof, if no interest has been paid or duly provided for) to but excluding the applicable Interest

Payment Date or the Maturity Date, as the case may be (each, an “Interest Period”). Interest for any Interest Period will be computed on the basis of a 360-day year consisting of twelve 30-day months.

If any Interest Payment Date or the Maturity Date of this Note falls on a day that is not a Business Day, the related payment of principal, premium, if any, and/or interest will be made on the next succeeding Business Day as if it were made on the date such payment was due, and no interest will accrue on the amount so payable for the period from and after such Interest Payment Date or the Maturity Date, as the case may be, to the date of such payment on such next succeeding Business Day.

The Indenture contains provisions for defeasance at any time of the entire indebtedness of this Note or certain restrictive covenants and Events of Default with respect to this Note, in each case upon compliance with certain conditions set forth therein.

[If the Note is not an Original Issue Discount Security, insert — If an Event of Default with respect to the Securities of this series shall occur and be continuing, an amount of principal of the Securities of this series may be declared due and payable in the manner and with the effect provided in the Indenture.]

[If the Note is an Original Issue Discount Security, insert — (i) If an Event of Default with respect to the Securities of this series shall have occurred and be continuing, the amount of principal of this Note which may be declared due and payable in the manner and with the effect provided in the Indenture, shall be determined in the manner set forth under “OID Default Amount” on the face hereof, and (ii) in the case of a default of payment in principal upon acceleration, redemption or at maturity hereof, in lieu of any interest otherwise payable, the overdue principal of this Note shall bear interest at a rate of interest per annum equal to the Default Rate stated on the face hereof (to the extent that the payment of such interest shall be legally enforceable), which shall accrue from the date of such acceleration, redemption or maturity, as the case may be, to the date payment has been made or duly provided for or such default has been waived in accordance with the terms of the Indenture. Upon payment (i) of the amount of principal so declared due and payable and (ii) of interest on any overdue principal, premium and overdue interest (in each case to the extent that the payment of such interest shall be legally enforceable) all of the Company’s obligations in respect of the payment of the principal of and premium and interest, if any, on the Securities of this series shall terminate.]

The Indenture permits, with certain exceptions as therein provided, the amendment thereof and the modification of the rights and obligations of the Company and the rights of the Holders of the Securities of each series to be affected under the Indenture at any time by the Company and the Trustee with the consent of the majority of the Holders in principal amount of the Securities at the time Outstanding of each series to be affected. The Indenture also contains provisions permitting the Holders of specified percentages in principal amount of the Securities of each series at the time Outstanding,

on behalf of the Holders of all Securities of such series, to waive compliance by the Company with certain provisions of the Indenture and certain past defaults under the Indenture and their consequences. Any such consent or waiver by the Holder of this Note shall be conclusive and binding upon such Holder and upon all future Holders of this Note and of any Note issued upon the registration of transfer hereof or in exchange herefor or in lieu hereof, whether or not notation of such consent or waiver is made upon this Note.

As provided in and subject to the provisions of the Indenture, the Holder of this Note shall not have the right to institute any proceeding with respect to the Indenture or for the appointment of a receiver or trustee or for any other remedy thereunder, unless such Holder shall have previously given the Trustee written notice of a continuing Event of Default with respect to the Securities of this series, the Holders of not less than 25% in principal amount of the Securities of this series at the time Outstanding shall have made written request to the Trustee to institute proceedings in respect of such Event of Default as Trustee and offered the Trustee reasonable indemnity, and the Trustee shall not have received from the Holders of a majority in principal amount of Securities of this series at the time Outstanding a direction inconsistent with such request, and shall have failed to institute any such proceeding, for 60 days after receipt of such notice, request and offer of indemnity. The foregoing shall not apply to any suit instituted by the Holder of this Note for the enforcement of any payment of principal hereof or any premium or interest hereon on or after the respective due dates expressed herein.

No reference herein to the Indenture and no provision of this Note or of the Indenture shall alter or impair the obligation of the Company, which is absolute and unconditional, to pay the principal of and any premium, and interest on this Note at the times, place and rate, and in the coin or currency, herein prescribed.

As provided in the Indenture and subject to certain limitations therein set forth (including, in the case of a Global Note, certain additional limitations), the transfer of this Note is registrable in the Security Register, upon surrender of this Note for registration of transfer at the office or agency of the Company in any place where the principal of and any premium and interest on this Note are payable, duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Company and the Security Registrar duly executed by, the Holder hereof or his attorney duly authorized in writing, and thereupon one or more new Securities of this series and of like tenor, of authorized denominations and for the same aggregate principal amount, will be issued to the designated transferee or transferees.

The Securities of this series are issuable only in registered form, without coupons, in denominations of (i) if denominated in U.S. dollars, U.S.\$1,000 and any integral multiple of U.S.\$1,000 in excess thereof or (ii) if this Note is denominated in a Specified Currency other than U.S. dollars, in the denominations indicated on the face hereof, equivalent to U.S.\$1,000 and integral multiples of U.S.\$1,000 in excess thereof, using an exchange rate equal to the noon buying rate in The City of New York for cable

transfers for such Specified Currency on the first Business Day immediately preceding the date on which the Company accepts the offer to buy such Note, unless otherwise specified above. The Notes of this series may be issued, in whole or in part, in the form of one or more Global Notes bearing the legend specified in the Indenture regarding certain restrictions on registration of transfer and exchange and issued to DTC or its nominee and registered in the name of DTC or such nominee. As provided in the Indenture and subject to certain limitations (including, in the case of any Global Note, certain additional limitations, which limitations may be subject to the procedures of DTC) therein set forth, Notes of this series are exchangeable for a like aggregate principal amount of Securities of this series and of like tenor of a different authorized denomination, as requested by the Holder surrendering the same.

No service charge shall be made for any such registration of transfer or exchange, but the Company may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

Prior to due presentment of this Note for registration of transfer, the Company, the Trustee and any agent of the Company or the Trustee may treat the Person in whose name this Note is registered as the owner hereof for all purposes, whether or not this Note be overdue, and neither the Company, the Trustee nor any such agent shall be affected by notice to the contrary.

All notices to the Company under this Note shall be in writing and addressed to the Company at Prudential Financial, Inc., 751 Broad Street, Newark, New Jersey, 07102, Attention: Assistant Treasurer – Capital Markets, Phone: (973) 802-6000, Fax: (973) 802-5267, or to such other address of the Company as the Company may notify the holder hereof.

All terms used in this Note which are defined in the Indenture shall have the meanings assigned to them in the Indenture.

OPTION TO ELECT REPAYMENT

The undersigned hereby irrevocably request(s) and instruct(s) the Company to repay this Note (or the portion hereof specified below) pursuant to its terms at a price equal to 100% of the principal amount to be repaid, together with interest to the date fixed for repayment, to the undersigned, at

(Please print or typewrite name and address of the undersigned)

For this Note to be repaid, the Trustee must receive at its Corporate Trust Office, or at such other place or places of which the Company shall from time to time notify the holder of this Note, not more than 60 nor less than 30 days prior to the date fixed for repayment, this Note with this "Option to Elect Repayment" form duly completed.

If less than the entire principal amount of this Note is to be repaid, specify the portion hereof (which shall be increments of U.S.\$1,000 *[or its equivalent in any Specified Currency other than U.S. dollars]* provided that any remaining principal hereof shall be at least U.S.\$1,000 *[or its equivalent in any Specified Currency other than U.S. dollars]*) which the holder elects to have repaid and specify the denomination or denominations (which shall be at least U.S.\$1,000 or an integral multiple of U.S.\$1,000 *[or their equivalents in any Specified Currency other than U.S. dollars]* in excess thereof) of the Notes to be issued to the Holder for the portion of this Note not being repaid (in the absence of any such specification, this Note will be issued for the portion not being repaid).

[Currency Symbol] _____

Date _____

NOTICE: The signature on this Option to Elect Repayment must correspond with the name as written upon the face of this Note in every particular, without alteration or enlargement or any change whatever.

ASSIGNMENT FORM

FOR VALUE RECEIVED the undersigned holder hereby sell(s), assign(s) and transfer(s) unto (insert Taxpayer Identification No.)

((Please print or typewrite name and address including postal zip code of assignee)

the within Note and all rights thereunder, hereby irrevocably constituting and appointing

attorney to transfer said Note on the books of the Company with full power of
substitution in the premises.

Dated: _____

NOTICE: The signature of the Holder to this assignment must correspond with the
name as written upon the face of the within instrument in every particular, without
alteration or enlargement or any change whatsoever.

ABBREVIATIONS

The following abbreviations, when used in the inscription on the face of this instrument, shall be construed as though they were written out in full according to applicable laws or regulations.

TEN COM — as tenants in common

UNIF GIFT MIN ACT — _____ Custodian _____
(Cust) (Minor)

Under Uniform Gifts to Minors Act

(State)

TEN ENT — as tenants by the entireties

JT TEN — as joint tenants with right of survivorship and not as tenants in common

Additional abbreviations may also be used though not in the above list.

[FORM OF FLOATING RATE MEDIUM-TERM NOTE]

[FACE OF NOTE]

PRUDENTIAL FINANCIAL, INC.

MEDIUM-TERM NOTE, SERIES D
DUE ONE YEAR OR MORE FROM DATE OF ISSUE

(Floating Rate)

[If this Note is to be a Global Security, insert — THIS NOTE IS A GLOBAL SECURITY WITHIN THE MEANING OF THE INDENTURE HEREINAFTER REFERRED TO AND IS REGISTERED IN THE NAME OF A DEPOSITARY OR A NOMINEE THEREOF. THIS NOTE MAY NOT BE EXCHANGED IN WHOLE OR IN PART FOR A NOTE REGISTERED, AND NO TRANSFER OF THIS NOTE IN WHOLE OR IN PART MAY BE REGISTERED IN THE NAME OF ANY PERSON OTHER THAN SUCH DEPOSITARY OR A NOMINEE THEREOF, EXCEPT IN THE LIMITED CIRCUMSTANCES DESCRIBED IN THE INDENTURE.

UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION (“DTC”), TO PRUDENTIAL FINANCIAL, INC. OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.]

REGISTERED No. FLR-SPECIFIED CURRENCY:	CUSIP No. AUTHORIZED DENOMINATIONS: (only applicable if different from U.S.\$1,000 and integral multiples of U.S.\$1,000 or the Specified Currency is other than U.S. dollars)	PRINCIPAL AMOUNT: EXCHANGE RATE AGENT:
BASE RATE OR RATES:	ORIGINAL ISSUE DATE:	STATED MATURITY DATE:
IF LIBOR: [] LIBOR Reuters	IF CMT RATE: Designated CMT Reuters Page: [] Weekly Average [] Monthly Average Designated CMT Maturity Index:	
DESIGNATED LIBOR CURRENCY (IF OTHER THAN U.S. DOLLARS):	INTEREST PAYMENT DATES:	REDEMPTION DATE(S) OR PERIOD(S):
DESIGNATED LIBOR PAGE:	INITIAL INTEREST RATE:	INITIAL REDEMPTION DATE, IF ANY:
INDEX MATURITY:	INITIAL INTEREST RESET DATE:	INITIAL REDEMPTION PERCENTAGE:
SPREAD (PLUS OR MINUS):	INTEREST RESET PERIOD:	ANNUAL REDEMPTION PERCENTAGE REDUCTION, IF ANY:
SPREAD MULTIPLIER:	INTEREST RESET DATES:	REPAYMENT DATE(S) OR PERIOD(S):
MAXIMUM INTEREST RATE:	DAY COUNT CONVENTION: [] 30/360 for the period from to	
MINIMUM INTEREST RATE:	[] Actual/360 for the period from to [] Actual/Actual for the period from to	
CALCULATION AGENT (if other than Prudential Financial Inc.):		ADDENDUM ATTACHED: [] Yes [] No
OTHER PROVISIONS:		

PRUDENTIAL FINANCIAL, INC., a New Jersey corporation (the "Company," which term includes any successor entity), for value received, hereby promises to pay to [if the Note is to be a Global Security, insert – CEDE & Co., as nominee for The Depository Trust Company ("DTC")] [____], or registered assigns, the principal sum of _____ (any such currency, currency unit or composite currency being hereinafter referred to as a "Specified Currency") on the Stated Maturity Date specified above (except, if applicable, to the extent redeemed or repaid prior to the Stated Maturity Date), and to pay interest thereon from the Original Issue Date shown above or from the most recent Interest Payment Date to which interest has been paid or duly provided for, on the Interest Payment Dates set forth above, commencing on the Interest Payment Date immediately after the Original Issue Date (*provided, however*, that if the Original Issue Date is after a Regular Record Date and before the Interest Payment Date immediately following such Regular Record Date, interest payments will commence on the second Interest Payment Date following the Original Issue Date), at a rate per annum equal to the Initial Interest Rate specified above until the Initial Interest Reset Date specified above, and thereafter at a rate per annum determined in accordance with the provisions of this Note and any Addendum relating hereto depending upon the Base Rate or Base Rates, if any, and such other terms set forth above, until the principal hereof is paid or made available for payment.

The interest so payable, and punctually paid or duly provided for, on any Interest Payment Date will, as provided in such Indenture, be paid to the Person in whose name this Note (or one or more Predecessor Securities) is registered at the close of business on the Regular Record Date for such interest, which shall be the fifteenth calendar day (whether or not a Business Day, as such term is defined below), as the case may be, immediately preceding each Interest Payment Date, *provided, however*, that interest payable on the Stated Maturity Date (or upon any earlier date of redemption or repayment) (each such date is referred to herein as the "Maturity Date" with respect to the principal payable on such date) will be payable to the Person to whom principal shall be payable on such Maturity Date. Any such interest not so punctually paid or duly provided for will forthwith cease to be payable to the Holder on such Regular Record Date and may either be paid to the Person in whose name this Note (or one or more Predecessor Securities) is registered at the close of business on a Special Record Date for the payment of such Defaulted Interest to be fixed by the Trustee, notice whereof shall be given to Holders of Securities of this series not less than 10 days prior to such Special Record Date, or be paid at any time in any other lawful manner.

Payment of principal of (and premium, if any) and interest on this Note will be made in the Specified Currency shown above, except as hereinafter provided. The Holder of a Note denominated in a Specified Currency other than U.S. dollars may elect to receive all such payments in U.S. dollars by delivery of a written request to The Bank of New York Mellon (formerly known as The Bank of New York), as successor to JPMorgan Chase Bank, N.A. (formerly known as JPMorgan Chase Bank), as the Paying Agent, at 101 Barclay Street, 8W, New York, New York 10286, Attn.: Corporate Trust Services, in the case of any interest payment due on an Interest Payment Date, on or prior

to the applicable Record Date, or, in the case of any other interest payment, on or prior to the Special Record Date, if one has been established, or in the case of any other payment, at least fifteen calendar days prior to such payment due date. Such written request may be in writing (mailed or hand delivered) or by cable, telex or other form of facsimile transmission. Such election shall remain in effect unless such request is revoked on or prior to the applicable Record Date or the date fifteen days prior to such payment due date.

[If the Note is to be a Global Security, insert — Notwithstanding the foregoing, any nominee of DTC, as Holder, will be deemed to have elected to receive all payments on a Note denominated other than in U.S. dollars, in U.S. dollars, except to the extent that such Holder requests, in accordance with the then current policies of DTC, that such payments be made in the Specified Currency, and to such extent payments on such Note will be made in the Specified Currency.]

If the Holder of a Note denominated in a Specified Currency other than U.S. dollars has elected to receive payments in U.S. dollars, payment in respect of such Note will be based upon the exchange rate as determined by the Exchange Rate Agent named on the face of this Note based on the highest firm bid quotation for U.S. dollars received by such Exchange Rate Agent as of 11:00 A.M., New York City time, on the second Business Day next preceding the applicable payment date from three recognized foreign exchange dealers in The City of New York, one of which may be the Exchange Rate Agent, for purchase by the quoting dealer of the Specified Currency for U.S. dollars for settlement on such payment date of the aggregate amount of the Specified Currency payable to all Holders of Notes electing to receive U.S. dollar payments and at which the applicable dealer commits to execute a contract. All currency exchange costs will be borne by the Holders of such Notes by deductions from such payments. If three such bid quotations are not available on the second Business Day preceding the payment of principal (and premium, if any) or interest with respect to any Note, such payment will be made in the Specified Currency.

If this Note is denominated in U.S. dollars, payments of interest on this Note on any Interest Payment Date other than the Maturity Date will be made by check mailed to the Holder hereof entitled thereto. Notwithstanding the foregoing, a Holder of not less than U.S.\$10,000,000 aggregate principal amount of Notes (whether having identical or different terms and provisions) may, by written notice to the Trustee at its office referred to in the following paragraph on or before the Regular Record Date immediately preceding the related Interest Payment Date (other than the Maturity Date), elect to have the interest payable on all Notes held by such Holder on such Interest Payment Date, and all such subsequent Interest Payment Dates until written notice to the contrary is given to the Trustee as aforesaid, made by wire transfer of immediately available funds to an account at a bank in The City of New York (or bank in such other city in the United States consented to by the Company and the Paying Agent) as such Holder shall have designated (not later than such Regular Record Date or the subsequent related Regular Record Dates), *provided* that such bank has appropriate facilities therefor.

If this Note is denominated in U.S. dollars, payment of the principal of and premium, if any, and interest on this Note which is due on the Maturity Date will be made in immediately available funds against presentation and surrender of this Note at the office of the Trustee in The City of New York, currently at 101 Barclay Street, 8W, New York, New York 10286, Attention: Corporate Trust Services, or at such other office or agency of the Trustee in The City of New York as the Trustee shall designate in writing sent by mail to the Holders of the Notes at their registered addresses; *provided, however*, that if such payment is to be made by wire transfer, the Trustee shall have received at least two Business Days prior to such Maturity Date, appropriate wire transfer instructions in writing from the Holder of this Note.

If this Note is denominated in a Specified Currency other than U.S. dollars, unless otherwise specified above, payments of interest on, and principal and premium, if any, of this Note to be made in a Specified Currency other than U.S. dollars will be made by wire transfer in immediately available funds to an account with a bank located in the country issuing the Specified Currency or in another jurisdiction acceptable to the Company and the Paying Agent as shall have been designated at least 5 business days prior to the Interest Payment Date or Maturity Date, as the case may be, by the registered Holder of this Note on the relevant Regular Record Date or Maturity Date, *provided, however*, that, in the case of payment of principal of (and premium, if any) and any interest due on the Maturity Date, this Note is presented to the Paying Agent in time for the Paying Agent to make such payments in such funds in accordance with its normal procedures. Such designation shall be made by filing the appropriate information with the Paying Agent, and, unless revoked, or in the case of a Note registered to a nominee of DTC, not later than the time required by then current policies of DTC, any such designation made with respect to any Note by a registered Holder will remain in effect with respect to any further payments with respect to this Note payable to such Holder. If a payment with respect to this Note cannot be made by wire transfer because the required designation has not been received by the Paying Agent on or before the requisite date or for any other reason, a notice will be mailed to the Holder at its registered address requesting a designation pursuant to which such wire transfer can be made and, upon the Paying Agent's receipt of such a designation, such payment will be made within 5 business days of such receipt. The Company will pay any administrative costs imposed by banks in connection with making payments by wire transfer, but any tax, assessment or governmental charge imposed upon payment will be borne by the Holder hereof in respect of which payments are made. Any late payments made in these circumstances will be treated under the Indenture as if made on the due date, and no interest will accrue on late payments from the due date to the date paid.

[If the Note is to be a Global Security, insert — Payment of principal of (and premium, if any) and interest due on this Note will be made to DTC or its nominee, as the case may be, as the sole registered owner and the sole Holder of this Note for all purposes under the Indenture.]

If this Note is denominated in other than U.S. dollars and the Specified Currency is not available due to the imposition of exchange controls or other circumstances beyond the Company's control or is no longer used by the government of the relevant country (unless otherwise replaced by the euro), then the Company will be entitled to satisfy its obligations to Holders by making payments in U.S. dollars on the basis of the most recently available Exchange Rate. The "Exchange Rate" means the noon buying rate in The City of New York for cable transfers for such Specified Currency. Any payment made under the circumstances and in a manner described above will not constitute an Event of Default under the Indenture.

If the Specified Currency shown above is converted into or replaced by another currency pursuant to law having general and direct applicability in the jurisdiction which issued that Specified Currency (which may include European Community law), any payments in respect of this Note otherwise required to be made in such Specified Currency shall be made in the currency into or by which such Specified Currency has been so converted or replaced, based on the conversion or equivalency rate prescribed by law having general and direct applicability in such jurisdiction (which may include European Community law), and such Specified Currency shall not be deemed to be unavailable to the Company solely by reason of any such conversion or replacement.

If any currency is introduced in the jurisdiction issuing the Specified Currency on the basis of legally enforceable equivalency to such Specified Currency pursuant to law having general and direct applicability in such jurisdiction (which may include European Community law) in preparation for conversion of such Specified Currency into, or replacement of such Specified Currency by, such other currency, the Company shall be entitled, at its option, to make any payments in respect of this Note otherwise required to be made in such Specified Currency in such other currency based on the equivalency rate prescribed by law having general and direct applicability in such jurisdiction (which may include European Community law). Making payments in accordance with this or the preceding paragraph shall not, by itself, constitute a default in the Company's obligations to make such payments. No occurrence of a currency conversion, replacement or introduction of a type described in this paragraph or the preceding paragraph involving the Specified Currency shall, by itself, entitle the Company to avoid its obligations under this Note or entitle the Company or any Holder of this Note to rescission of the purchase and sale of this Note or to reformation of any of the terms hereof on the grounds of impossibility or impracticality of performance, frustration of purpose or otherwise.

Reference is hereby made to the further provisions of this Note set forth on the reverse hereof, which further provisions shall for all purposes have the same effect as if set forth at this place.

Unless the Certificate of Authentication hereon has been executed by or on behalf of the Trustee, by the manual signature of one of its authorized signatories, this Note shall not be valid or obligatory for any purpose.

Reference herein to “this Note”, “hereof”, “herein” and comparable terms shall include the terms specified on the face and reverse hereof as well as an Addendum hereto (if an Addendum is specified above).

IN WITNESS WHEREOF, the Company has caused this instrument to be duly executed, manually or in facsimile.

PRUDENTIAL FINANCIAL, INC.

By: _____

Name:

Title:

CERTIFICATE OF AUTHENTICATION:

This is one of the Securities of the series designated therein referred to
in the within-mentioned Indenture.

THE BANK OF NEW YORK MELLON,
as Trustee

By: _____
Authorized Signatory

Dated: _____

[REVERSE OF NOTE]

PRUDENTIAL FINANCIAL, INC.

MEDIUM-TERM NOTE, SERIES D
DUE ONE YEAR OR MORE FROM DATE OF ISSUE
(Floating Rate)

This Note is one of a duly authorized issue of Securities of the Company (herein called the “Securities”), issued and to be issued in one or more series under a Senior Debt Securities Indenture, dated as of April 25, 2003 (herein called the “Indenture”, which term shall have the meaning assigned to it in such instrument), between the Company and The Bank of New York Mellon (formerly known as The Bank of New York), as successor to JPMorgan Chase Bank, N.A. (formerly known as JPMorgan Chase Bank), as Trustee (herein called the “Trustee”, which term includes any successor trustee under the Indenture), and reference is hereby made to the Indenture for a statement of the respective rights, limitations of rights, duties and immunities thereunder of the Company, the Trustee and the Holders of the Securities and of the terms upon which the Securities are, and are to be, authenticated and delivered. The Securities of this series have been designated as the Medium-Term Notes, Series D, Due One Year or More from Date of Issue (herein called the “Notes”) and may be issued from time to time in an aggregate principal amount of up to U.S.\$10,000,000,000 or its equivalent in other currencies, currency units, or composite currencies, may mature at different times, bear interest, if any, at different rates, be redeemable at different times or not at all, be issued at an original issue discount, and be denominated in different currencies; *provided, however*, that the foregoing limit may be increased or decreased by the Company, if in the future it determines that it may want to sell additional Securities of this series or other securities.

This Note will not be convertible or subject to any sinking fund and, except as set forth in the following two paragraphs, will not be subject to redemption at the option of the Company or subject to repayment at the option of the Holder hereof prior to the Stated Maturity Date.

If one or more Redemption Dates (or range of Redemption Dates) is specified on the face hereof, this Note will be subject to redemption, in whole or in part, on any such Redemption Date (or during any such range of Redemption Dates) on or after the Initial Redemption Date specified on the face hereof at the option of the Company upon not less than 30 days’ nor more than 60 days’ prior written notice, at the Redemption Price (as defined below), together with interest accrued to the date fixed for redemption. The “Redemption Price” shall initially be the Initial Redemption Percentage specified on the face hereof of the principal amount of this Note to be redeemed and, if greater than 100%, shall decline at each anniversary of the Initial Redemption Date, if any, specified on the face hereof, by the Annual Redemption Percentage Reduction, if any, specified on the face hereof of the principal amount to be redeemed until the

Redemption Price is 100% of such principal amount. If fewer than all of the Notes subject to redemption are to be redeemed, the Notes to be redeemed shall be selected by the Trustee by such method as the Trustee shall deem fair and reasonable.

If one or more Repayment Dates (or range of Repayment Dates) is specified on the face hereof, this Note will be subject to repayment, in whole or in part, on any such Repayment Date (or during any such range of Repayment Dates) at the option of the Holder hereof upon not less than 30 days' nor more than 60 days' prior written notice, at a price equal to 100% of the principal amount to be repaid, together with interest accrued to the date fixed for repayment. Unless otherwise specified on the face hereof, notice of the Holder's option to elect repayment hereof shall consist of the delivery to the Trustee of either (i) this Note with the form on the reverse hereof entitled "Option to Elect Repayment" duly completed (with signature guaranteed), or (ii) a telegram, facsimile transmission or a letter from a member of a national securities exchange, or of the Financial Industry Regulatory Authority, Inc., or a commercial bank or trust company in the United States, setting forth the name of the Holder hereof, the principal amount hereof, the principal amount to be repaid, the certificate number or a description of the tenor and terms hereof and a statement that the option to elect repayment is being exercised thereby and a guarantee that this Note to be repaid, together with the duly completed form (with signature guaranteed) entitled "Option to Elect Repayment" on the reverse of this Note will be received by the Trustee, in each case, not later than the fifth Business Day after the date of such telegram, facsimile transmission or letter; *provided, however*, that such telegram, facsimile transmission or letter shall only be effective if this Note and such form, duly completed, are received by the Trustee by such fifth Business Day. Such option may be exercised with respect to less than the entire principal amount of this Note, *provided* that the portion remaining Outstanding after such repayment shall be in an authorized denomination. Exercise of a repayment option by the Holder of this Note will be irrevocable unless otherwise specified on the face hereof.

In the event of redemption or repayment of this Note in part only, a new Note or Notes of this series and of a like tenor for the unredeemed portion hereof will be issued in the name of the Holder hereof upon the cancellation hereof.

If so specified on the face of this Note, the Maturity Date will be automatically extended for such periods and at such times as are set forth herein unless the Holder of the Note elects to terminate the automatic extension of the Note. The periods and times for which the maturity of the Note is to be automatically renewed, the date beyond which the maturity may not be so renewed, the procedures for the Holder of the Note to elect repayment of the Note in the event of such renewal and other details must be set forth on the face hereof.

Except as otherwise specified herein, this Note shall bear interest at the rate determined by reference to the applicable Base Rate or Rates specified on the face hereof (i) plus or minus the applicable Spread, if any, and/or (ii) multiplied by the

applicable Spread Multiplier, if any, specified on the face hereof and applied in the manner described below. Commencing on the Initial Interest Reset Date, the rate at which interest on this Note is payable shall reset as of each Interest Reset Date specified on the face hereof; *provided, however*; that the interest rate in effect for the period from the Original Issue Date to the Initial Interest Reset Date will be the Initial Interest Rate. Notwithstanding the foregoing, if this Note is designated above as having an Addendum hereto or if the “Other Provisions” specified on the face hereof apply, this Note shall bear interest in accordance with the terms specified in such Addendum or “Other Provisions”.

The interest rate applicable to each Interest Reset Period specified on the face hereof commencing on the Interest Reset Date with respect to such Interest Reset Period will be the rate determined as of the applicable Interest Determination Date (as defined below) on or prior to the Calculation Date (as defined below, if any). Unless otherwise specified on the face hereof, the “Interest Determination Date” with respect to an Interest Reset Date will be (a) the second Business Day immediately preceding such Interest Reset Date if the CD Rate, the Commercial Paper Rate, the CMT Rate, the Prime Rate and the Federal Funds Rate (each as defined below) is an applicable Base Rate, (b) the last working day of the month immediately preceding each Interest Reset Date on which the Federal Home Loan Bank of San Francisco (the “FHLB of San Francisco”) publishes the Index (as defined below) if the Eleventh District Cost of Funds Rate (as defined below) is an applicable Base Rate, (c) the second London Business Day (as defined below) immediately preceding such Interest Reset Date if LIBOR (as defined below) is an applicable Base Rate, unless the Designated LIBOR Currency is British pounds sterling, in which case the Interest Determination Date will be the applicable Interest Reset Date and (d) the day of the week in which the Interest Reset Date falls on which Treasury Bills (as defined below) are normally auctioned (Treasury Bills are normally sold at auction on Monday of each week, unless that day is a legal holiday, in which case the auction is normally held on the following Tuesday, except that such auction may be held on the preceding Friday), if the Treasury Rate (as defined below) is an applicable Base Rate; *provided, however*; that if as a result of a legal holiday an auction is held on the Friday of the week preceding an Interest Reset Date, the related Interest Determination Date shall be such preceding Friday; and *provided, further*; that if an auction shall fall on any Interest Reset Date, then the Interest Reset Date shall instead be the first Business Day following such auction. If the interest rate pertaining to this Note is determined with reference to two or more Base Rates, the “Interest Determination Date” will be the first Business Day which is at least two Business Days prior to such Interest Reset Date on which each Base Rate shall be determinable. Each Base Rate will be determined on such date, and the applicable interest rate will take effect on the related Interest Reset Date.

If any Interest Payment Date other than the Maturity Date for this Note falls on a day that is not a Business Day, such Interest Payment Date will be postponed to the next succeeding day that is a Business Day, except that, in case LIBOR is an applicable Base Rate, if such Business Day falls in the next succeeding calendar month, such Interest Payment Date will be the immediately preceding Business Day. If the

Maturity Date of this Note falls on a day that is not a Business Day, the related payment of principal, premium, if any, and interest will be made on the next succeeding Business Day as if it were made on the date such payment was due, and no interest will accrue on the amount so payable for the period from and after the Maturity Date to the date of payment on such next succeeding Business Day. The term “Business Day” means (i) any day that is (A) neither a Saturday or Sunday, nor a day on which banking institutions in The City of New York are authorized or obligated by law, regulation or executive order to close and, (B) with respect to any floating rate Note, for which LIBOR is an applicable Base Rate, a London Business Day; (ii) if this Note is denominated in a Specified Currency other than U.S. dollars or euros, a day that is not a day on which banking institutions are authorized or obligated by law, regulation or executive order to close in the Principal Financial Center of the country issuing the Specified Currency; and (iii) if the Specified Currency is euro, any day on which the Trans-European Automated Real-Time Gross Settlement Express Transfer (TARGET2) System, or any successor system is open for business. A London Business Day means a day on which commercial banks are open for business (including dealings in the Designated LIBOR Currency (as defined below)) in London.

Unless otherwise specified herein, interest payable on this Note on any Interest Payment Date or the Maturity Date shall be the amount of interest accrued from and including the immediately preceding Interest Payment Date in respect of which interest has been paid or duly provided for (or from and including the Original Issue Date specified on the face hereof, if no interest has been paid or duly provided for) to but excluding the applicable Interest Payment Date or the Maturity Date, as the case may be (each, an “Interest Period”).

With respect to this Note, accrued interest for any Interest Period will be calculated by multiplying the principal amount of this Note by an accrued interest factor. Such accrued interest factor is computed by adding the interest factor calculated for each day in such Interest Period. The interest factor for each such day is computed by dividing the interest rate applicable to such day by 360 (or, in the case of CMT Rate Notes, Treasury Rate Notes or a Note for which the CMT Rate or the Treasury Rate is an applicable Base Rate, by the actual number of days in the year).

All percentages resulting from any calculation on this Note will be rounded, if necessary, to the nearest one-hundred-thousandth of a percentage point, with five one-millionths of a percentage point rounded upward (*e.g.*, 9.876545% (or 0.09876545) will be rounded upward to 9.87655% (or 0.0987655)), and all dollar amounts used in or resulting from such calculation on this Note will be rounded to the nearest cent (with one-half cent being rounded upward).

Unless otherwise specified on the face hereof, the Company shall be the Calculation Agent (the “Calculation Agent”) with respect to Notes (including this Note) bearing interest at floating rates. The Calculation Agent will calculate the interest rate applicable to this Note on or before the Calculation Date, if any. Upon the request of the

Holder hereof, the Calculation Agent will provide the interest rate then in effect and, if determined, the interest rate which will become effective on the next Interest Reset Date with respect to this Note.

The “Calculation Date”, where applicable, pertaining to any Interest Determination Date will be the earlier of (i) the tenth calendar day after such Interest Determination Date or, if such day is not a Business Day, the next succeeding Business Day or (ii) the Business Day immediately preceding the applicable Interest Payment Date or the Maturity Date, as the case may be.

Determination of CD Rate.

If the Base Rate for this Note is the CD Rate, as specified on the face hereof, the CD Rate shall be determined as of the applicable Interest Determination Date (a “CD Rate Interest Determination Date”) as the rate on such day for negotiable United States dollar certificates of deposit having the Index Maturity specified on the face hereof as published in H.15(519) (as defined below) under the heading “CDs (secondary market)” or, if not so published by 3:00 p.m., New York City time, on the relevant Calculation Date, then the CD Rate will be the rate on such CD Rate Interest Determination Date for negotiable United States dollar certificates of deposit of the specified Index Maturity as published in H.15 Daily Update (as defined below), or such other recognized electronic source used for the purpose of displaying such rate, under the caption “CDs (secondary market).” If such rate is not published in either H.15(519), H.15 Daily Update or another recognized electronic source by 3:00 p.m., New York City time, on such Calculation Date, then the CD Rate on such CD Rate Interest Determination Date will be calculated by the Calculation Agent and will be the arithmetic mean of the secondary market offered rates as of 10:00 a.m., New York City time, on such CD Rate Interest Determination Date, of three leading nonbank dealers in negotiable United States dollar certificates of deposit in The City of New York selected by the Calculation Agent (after consultation with the Company) for negotiable United States dollar certificates of deposit of major United States money center banks of the highest credit standing, in the market for negotiable certificates of deposit with a remaining maturity closest to the Index Maturity specified on the face hereof in an amount that is representative for a single transaction in that market at that time; *provided, however*, that if the dealers selected as aforesaid by the Calculation Agent are not quoting as set forth above, the CD Rate with respect to such CD Interest Rate Determination Date will remain the CD Rate for the immediately preceding Interest Reset Period or if there was no Interest Reset Period, the rate of interest payable will be the Initial Interest Rate.

“H.15(519)” means the weekly statistical publication designated as such, or any successor publication, published by the Board of Governors of the Federal Reserve System.

“H.15 Daily Update” means the daily update of H.15(519), available through the worldwide-web site of the Board of Governors of the Federal Reserve System at <http://www.federalreserve.gov/releases/h15/update>, or any successor site or publication.

Determination of Commercial Paper Rate.

If the Base Rate for this Note is the Commercial Paper Rate, as specified on the face hereof, the Commercial Paper Rate shall be determined as of the applicable Interest Determination Date (a "Commercial Paper Rate Interest Determination Date") as the Money Market Yield (as defined below) on such date of the rate for commercial paper having the Index Maturity specified on the face hereof as published in H.15 (519) under the heading "Commercial Paper — Nonfinancial" or, if not so published by 3:00 p.m., New York City time, on the related Calculation Date, then the Commercial Paper Rate shall be the Money Market Yield of the rate on such Commercial Paper Rate Interest Determination Date for commercial paper of the specified Index Maturity as published in H.15 Daily Update, or such other recognized electronic source used for the purpose of displaying such rate, under the caption "Commercial Paper — Nonfinancial". If such rate is not yet published in H.15(519), H.15 Daily Update or another electronic source by 3:00 p.m., New York City time, on such Calculation Date, then the Commercial Paper Rate for such Commercial Paper Rate Interest Determination Date shall be calculated by the Calculation Agent and shall be the Money Market Yield of the arithmetic mean of the offered rates, as of 11:00 a.m., New York City time, on such Commercial Paper Rate Interest Determination Date of three leading dealers of United States dollar commercial paper in The City of New York selected by the Calculation Agent (after consultation with the Company) for commercial paper having the Index Maturity specified on the face hereof placed for industrial issuers whose bond rating is "Aa", or the equivalent, from a nationally recognized statistical rating organization; *provided, however*, that if the dealers selected as aforesaid by the Calculation Agent are not quoting as set forth above, the Commercial Paper Rate with respect to such Commercial Paper Rate Interest Determination Date will remain the Commercial Paper Rate for the immediately preceding Interest Reset Period, or if there was no Interest Reset Period, the rate of interest payable will be the Initial Interest Rate.

"Money Market Yield" shall be the yield (expressed as a percentage) calculated in accordance with the following formula:

$$\text{Money Market Yield} = \frac{D \times 360}{360 - (D \times M)} \times 100$$

where "D" refers to the per annum rate for commercial paper quoted on a bank discount basis and expressed as a decimal, and where "M" refers to the actual number of days in the applicable Interest Reset Period.

Determination of CMT Rate.

If the Base Rate for this Note is the CMT Rate, as specified on the face hereof, the CMT Rate shall be determined as of the applicable Interest Determination Date (a “CMT Rate Interest Determination Date”) as the rate displayed on the Designated CMT Reuters Page (as defined below) under the caption “...Treasury Constant Maturities...Federal Reserve Board Release H.15...Mondays Approximately 3:45 P.M.”, under the column for the Designated CMT Maturity Index (as defined below) for (i) if the Designated CMT Reuters Page is FRBCMT, the rate on such CMT Rate Interest Determination Date and (ii) if the Designated CMT Reuters Page is FEDCMT, the weekly or monthly average, as specified on the face hereof, for the week, or the month, as applicable, ended immediately preceding the week or month, as applicable, in which the related CMT Rate Interest Determination Date falls. If such rate is no longer displayed on the relevant page, or if not displayed by 3:00 p.m., New York City time, on the related Calculation Date, then the CMT Rate for such CMT Rate Interest Determination Date will be such treasury constant maturity rate for the Designated CMT Maturity Index as published in H.15(519). If such rate is no longer displayed on the relevant page, or if not published by 3:00 p.m., New York City time, on the related Calculation Date, then the CMT Rate for such CMT Rate Interest Determination Date will be such treasury constant maturity rate for the Designated CMT Maturity Index (or other United States Treasury rate for the Designated CMT Maturity Index) for the CMT Rate Interest Determination Date with respect to such Interest Reset Date as may then be published by either the Board of Governors of the Federal Reserve System or the United States Department of the Treasury that the Calculation Agent determines to be comparable to the rate formerly displayed on the Designated CMT Reuters Page and published in H.15(519). If such information is not provided by 3:00 p.m., New York City time, on the related Calculation Date, then the CMT Rate for the CMT Rate Interest Determination Date will be calculated by the Calculation Agent and will be a yield to maturity, based on the arithmetic mean of the secondary market offered rates as of approximately 3:30 p.m., New York City time, on the CMT Rate Interest Determination Date reported, according to their written records, by three leading primary United States government securities dealers in The City of New York (each, a “Reference Dealer”) selected by the Calculation Agent (after consultation with the Company) (from five such Reference Dealers so selected by the Calculation Agent and eliminating the highest quotation (or, in the event of equality, one of the highest) and the lowest quotation (or, in the event of equality, one of the lowest)), for the most recently issued direct noncallable fixed rate obligations of the United States (“Treasury Notes”) with an original maturity of approximately the Designated CMT Maturity Index and a remaining term to maturity of not less than such Designated CMT Maturity Index minus one year. If the Calculation Agent is unable to obtain three such Treasury Note quotations, the CMT Rate for such CMT Rate Interest Determination Date will be calculated by the Calculation Agent and will be a yield to maturity based on the arithmetic mean of the secondary market offered rates as of approximately 3:30 p.m., New York City time, on the CMT Rate Interest Determination Date of three Reference Dealers in The City of New York (from five such Reference Dealers so selected by the Calculation Agent and eliminating the highest

quotation (or, in the event of equality, one of the highest) and the lowest quotation (or, in the event of equality, one of the lowest)), for Treasury Notes with an original maturity of the number of years that is the next highest to the Designated CMT Maturity Index and a remaining term to maturity closest to the Designated CMT Maturity Index and in an amount of at least U.S.\$100 million. If three or four (and not five) of such Reference Dealers are quoting as set forth above, then the CMT Rate will be based on the arithmetic mean of the offered rates obtained and neither the highest nor lowest of such quotes will be eliminated; *provided, however*, that if fewer than three Reference Dealers selected by the Calculation Agent are quoting as set forth above, the CMT Rate with respect to such CMT Rate Interest Determination Date will remain the CMT Rate for the immediately preceding Interest Reset Period, or if there was no Interest Reset Period, the rate of interest payable will be the Initial Interest Rate. If two Treasury Notes with an original maturity as described in the second preceding sentence have remaining terms to maturity equally close to the Designated CMT Maturity Index, then the quotes for the Treasury Note with the shorter remaining term to maturity will be used.

“Designated CMT Maturity Index” means the original period to maturity of the U.S. Treasury securities (either 1, 2, 3, 5, 7, 10, 20 or 30 years) specified on the face hereof with respect to which the CMT Rate will be calculated. If no such maturity is specified herein, the Designated CMT Maturity Index shall be 2 years.

“Designated CMT Reuters Page” means the display on Reuters 3000 Xtra Service, or “Reuters” (or any successor service) on the page specified on the face hereof (or any other page as may replace such page on that service) for the purpose of displaying Treasury Constant Maturities as reported in H.15(519). If no such page is specified herein, the Designated CMT Reuters Page shall be page FEDCMT.

Determination of LIBOR.

“LIBOR” means the rate determined by the Calculation Agent in accordance with the following provisions:

(i) If the Base Rate for this Note is LIBOR, as specified on the face hereof, LIBOR shall be determined as of the applicable Interest Determination Date (a “LIBOR Interest Determination Date”), as the arithmetic mean of the offered rates (unless the Designated LIBOR Page (as defined below) by its terms provides only for a single rate, in which case such single rate shall be used) for deposits in the Designated LIBOR Currency having the Index Maturity specified on the face hereof, commencing on the applicable Interest Reset Date, that appear (or, if only a single rate is required as aforesaid, appears) on the Designated LIBOR Page as of 11:00 a.m., London time, on such LIBOR Interest Determination Date.

(ii) With respect to a LIBOR Interest Determination Date on which fewer than two offered rates appear, or no rate appears, as the case may be, on the Designated LIBOR Page as specified in clause (i) above, the Calculation Agent will request the principal London offices of each of four major reference banks in the London

interbank market, as selected by the Calculation Agent (after consultation with the Company), to provide the Calculation Agent with its offered quotation for deposits in the Designated LIBOR Currency for the period of the Index Maturity specified on the face hereof, commencing on the applicable Interest Reset Date, to prime banks in the London interbank market at approximately 11:00 a.m., London time, on such LIBOR Interest Determination Date and in a principal amount that is representative for a single transaction in the Designated LIBOR Currency in such market at such time. If at least two such quotations are provided, then LIBOR on such LIBOR Interest Determination Date will be the arithmetic mean of such quotations. If fewer than two quotations are provided, then LIBOR on such LIBOR Interest Determination Date will be the arithmetic mean of the rates quoted at approximately 11:00 a.m. in the applicable Principal Financial Center (as defined below), on such LIBOR Interest Determination Date by three major banks in such Principal Financial Center selected by the Calculation Agent (after consultation with the Company) for loans in the Designated LIBOR Currency to leading European banks having the Index Maturity specified on the face hereof and in a principal amount that is representative for a single transaction in such Designated LIBOR Currency in such market at such time; *provided, however*, that if the banks selected by the Calculation Agent are not quoting as set forth above, LIBOR with respect to such LIBOR Interest Determination Date will remain LIBOR for the immediately preceding Interest Reset Period, or if there was no Interest Reset Period, the rate of interest payable will be the Initial Interest Rate.

“Designated LIBOR Currency” means the currency specified on the face hereof as to which LIBOR shall be calculated. If no such currency is specified above, the Designated LIBOR Currency shall be United States dollars.

“Designated LIBOR Page” means the display on Reuters (or any successor service) on the page specified on the face hereof (or such other page as may replace such page on that service) for the purpose of displaying the London interbank rates of major banks for the Designated LIBOR Currency.

“Principal Financial Center” means the capital city of the country of the Designated LIBOR Currency or the capital city of the country issuing the Specified Currency, as applicable, except that with respect to United States dollars, Australian dollars, Canadian dollars, South African rand and Swiss francs, the “Principal Financial Center” means The City of New York, Sydney, Toronto, Johannesburg and Zurich, respectively, and with respect to Euros, the Principal Financial Center means London.

Determination of Prime Rate.

If the Base Rate for this Note is the Prime Rate, as specified on the face hereof, the Prime Rate shall be determined as of the applicable Interest Determination Date (a “Prime Rate Interest Determination Date”) as the rate set forth on such date in H.15(519) under the caption “Bank Prime Loan” or, if not published by 3:00 p.m., New York City time, on the related Calculation Date, the rate on such Prime Rate Interest

Determination Date as published in H.15 Daily Update, or such other recognized electronic source used for the purpose of displaying such rate, under the caption “Bank Prime Loan.” In the event that such rate is not yet published in H.15(519), H.15 Daily Update or another recognized electronic source by 3:00 p.m., New York City time, on the related Calculation Date, then the Prime Rate will be determined by the Calculation Agent and will be the arithmetic mean of the rates of interest publicly announced by each bank that appears on the Reuters Screen US PRIME 1 Page (as defined below) as such bank’s prime rate or base lending rate as of 11:00 a.m., New York City time, on such Prime Rate Interest Determination Date. If fewer than four such rates appear on the Reuters Screen US PRIME 1 Page for such Prime Rate Interest Determination Date, then the Prime Rate will be determined by the Calculation Agent and will be the arithmetic mean of the prime rates or base lending rates quoted on the basis of the actual number of days in the year divided by a 360-day year as of the close of business on such Prime Rate Interest Determination Date by three major banks in New York City selected by the Calculation Agent (after consultation with the Company); *provided, however*, that if the banks selected are not quoting as set forth above, the Prime Rate with respect to such Prime Rate Interest Determination Date will remain the Prime Rate for the immediately preceding Interest Reset Period, or if there was no Interest Reset Period, the rate of interest payable will be the Initial Interest Rate.

“Reuters Screen US PRIME 1 Page” means the display on Reuters (or any successor service) on the “US PRIME 1” page (or such other page as may replace the US PRIME 1 page on that service) for the purpose of displaying prime rates or base lending rates of major United States banks.

Determination of Treasury Rate.

If the Base Rate for this Note is the Treasury Rate, as specified on the face hereof, the Treasury Rate shall be determined as of the applicable Interest Determination Date (a “Treasury Rate Interest Determination Date”) as the rate from the auction held on such Treasury Rate Interest Determination Date (the “Auction”) of direct obligations of the United States (“Treasury Bills”) having the Index Maturity specified on the face hereof under the caption “INVEST RATE” on the display on Reuters (or any successor service) on page USAUCTION10 (or any other page as may replace such page on such service) (“Reuters Page USAUCTION10”) or page USAUCTION11 (or any other page as may replace such page on such service) (“Reuters Page USAUCTION11”) or, if not so published by 3:00 p.m., New York City time, on the related Calculation Date, the Bond Equivalent Yield (as defined below) of the rate for such Treasury Bills as published in H.15 Daily Update, or such other recognized electronic source used for the purpose of displaying such rate, under the caption “U.S. Government Securities/Treasury Bills/Auction High” or, if not so published by 3:00 p.m., New York City time, on the related Calculation Date, the Bond Equivalent Yield of the auction rate of such Treasury Bills as announced by the United States Department of the Treasury. In the event that the auction rate of Treasury Bills having the Index Maturity specified in the applicable Pricing Supplement is not so announced by the United States Department of the Treasury,

or if no such Auction is held, then the Treasury Rate will be the Bond Equivalent Yield of the rate on such Treasury Rate Interest Determination Date of Treasury Bills having the Index Maturity specified in the applicable Pricing Supplement as published in H.15(519) under the caption “U.S. Government Securities/Treasury Bills/Secondary Market” or, if not yet published by 3:00 p.m., New York City time, on the related Calculation Date, the rate on such Treasury Rate Interest Determination Date of such Treasury Bills as published in H.15 Daily Update, or such other recognized electronic source used for the purpose of displaying such rate, under the caption “U.S. Government Securities/Treasury Bills/Secondary Market.” If such rate is not yet published in H.15(519), H.15 Daily Update or another recognized electronic source, then the Treasury Rate will be calculated by the Calculation Agent and will be the Bond Equivalent Yield of the arithmetic mean of the secondary market bid rates, as of approximately 3:30 p.m., New York City time, on such Treasury Rate Interest Determination Date, of three leading primary United States government securities dealers selected by the Calculation Agent (after consultation with the Company), for the issue of Treasury Bills with a remaining maturity closest to the Index Maturity specified on the face hereof; *provided, however*, that if the dealers selected as aforesaid by the Calculation Agent are not quoting as set forth above, the Treasury Rate with respect to such Treasury Rate Interest Determination Date will remain the Treasury Rate for the immediately preceding Interest Reset Period, or if there was no Interest Reset Period, the rate of interest payable will be the Initial Interest Rate.

“Bond Equivalent Yield” means a yield (expressed as a percentage) calculated in accordance with the following formula:

$$\text{Bond Equivalent Yield} = \frac{D \times N}{360 - (D \times M)} \times 100$$

where “D” refers to the applicable per annum rate for Treasury Bills quoted on a bank discount basis, “N” refers to 365 or 366, as the case may be, and “M” refers to the actual number of days in the applicable Interest Reset Period.

Determination of Eleventh District Cost of Funds Rate.

If the Base Rate for this Note is the Eleventh District Cost of Funds Rate, as specified on the face hereof, the Eleventh District Cost of Funds Rate shall be determined as of the applicable Interest Determination Date (an “Eleventh District Cost of Funds Rate Interest Determination Date”) as the rate equal to the monthly weighted average cost of funds for the calendar month immediately preceding the month in which such Eleventh District Cost of Funds Rate Interest Determination Date falls as set forth under the caption “11th Dist COFI” on the display on Reuters (or any successor service) on page COFI/ARMS (or any other page as may replace such page on such service) (“Reuters Page COFI/ARMS”) as of 11:00 a.m., San Francisco time, on such Eleventh District Cost of Funds Rate Interest Determination Date. If such rate does not appear on Reuters Page COFI/ARMS on such Eleventh District Cost of Funds Rate Interest Determination Date, then the Eleventh District Cost of Funds Rate for such Eleventh

District Cost of Funds Rate Interest Determination Date shall be the monthly weighted average cost of funds paid by member institutions of the Eleventh Federal Home Loan Bank District that was most recently announced (the “Index”) by the FHLB of San Francisco as such cost of funds for the calendar month immediately preceding such Eleventh District Cost of Funds Rate Interest Determination Date. If the FHLB of San Francisco fails to announce the Index on or prior to such Eleventh District Cost of Funds Rate Interest Determination Date for the calendar month immediately preceding such Eleventh District Cost of Funds Rate Interest Determination Date, the Eleventh District Cost of Funds Rate with respect to such Eleventh District Cost of Funds Rate Interest Determination Date will remain the Eleventh District Cost of Funds Rate for the immediately preceding Interest Reset Period, or if there was no Interest Reset Period, the rate of interest payable will be the Initial Interest Rate.

Determination of Federal Funds Rate.

If the Base Rate for this Note is the Federal Funds Rate, as specified on the face hereof, the Federal Funds Rate shall be determined as of the applicable Interest Determination Date (a “Federal Funds Rate Interest Determination Date”) as the rate on that date for United States dollar federal funds as published in H.15(519) under the heading “Federal Funds (Effective)” as such rate is displayed on Reuters (or any successor service) on page FEDFUNDS1 (or any other page as may replace such page on such service) (“Reuters Page FEDFUNDS1”), or, if such rate does not appear on Reuters Page FEDFUNDS1 or, if not so published by 3:00 p.m., New York City time, on the related Calculation Date, then the Federal Funds Rate will be the rate on such Federal Funds Rate Interest Determination Date for United States dollar federal funds as published in H.15 Daily Update, or such other recognized electronic source used for the purpose of displaying such rate, under the caption “Federal Funds (Effective).” If such rate does not appear on Reuters Page FEDFUNDS1 or is not yet published in H.15(519), H.15 Daily Update or another electronic source by 3:00 p.m., New York City time, on the related Calculation Date, then the Federal Funds Rate for such Federal Funds Rate Interest Determination Date will be calculated by the Calculation Agent and will be the arithmetic mean of the rates for the last transaction in overnight United States dollar federal funds arranged by three leading brokers of United States dollar federal funds transactions in The City of New York selected by the Calculation Agent (after consultation with the Company) prior to 9:00 a.m., New York City time, on such Federal Funds Rate Interest Determination Date; *provided, however*, that if the brokers selected as aforesaid by the Calculation Agent are not quoting as set forth above, the Federal Funds Rate with respect to such Federal Funds Rate Interest Determination Date will remain the Federal Funds Rate for the immediately preceding Interest Reset Period, or if there was no Interest Reset Period, the rate of interest payable will be the Initial Interest Rate.

Any provision contained herein, including the determination of a Base Rate, the specification of a Base Rate, calculation of the interest rate applicable to this

Note, the Interest Payment Dates or any other matter relating hereto, may be modified as specified in an Addendum hereto if so specified on the face hereof.

Notwithstanding the foregoing, the interest rate hereon shall not be greater than the Maximum Interest Rate, if any, or less than the Minimum Interest Rate, if any, specified on the face hereof. In addition to any Maximum Interest Rate applicable hereto pursuant to the above provisions, the interest rate on this Note will in no event be higher than the maximum rate permitted by New York law, as the same may be modified by United States law of general application.

Further Provisions of the Indenture

The Indenture contains provisions for defeasance at any time of the entire indebtedness of this Note or certain restrictive covenants and Events of Default with respect to this Note, in each case upon compliance with certain conditions set forth therein.

If an Event of Default with respect to the Securities of this series shall occur and be continuing, an amount of principal of the Securities of this series may be declared due and payable in the manner and with the effect provided in the Indenture.

The Indenture permits, with certain exceptions as therein provided, the amendment thereof and the modification of the rights and obligations of the Company and the rights of the Holders of the Securities of each series to be affected under the Indenture at any time by the Company and the Trustee with the consent of the majority of the Holders in principal amount of the Securities at the time Outstanding of each series to be affected. The Indenture also contains provisions permitting the Holders of specified percentages in principal amount of the Securities of each series at the time Outstanding, on behalf of the Holders of all Securities of such series, to waive compliance by the Company with certain provisions of the Indenture and certain past defaults under the Indenture and their consequences. Any such consent or waiver by the Holder of this Note shall be conclusive and binding upon such Holder and upon all future Holders of this Note and of any Note issued upon the registration of transfer hereof or in exchange herefor or in lieu hereof, whether or not notation of such consent or waiver is made upon this Note.

As provided in and subject to the provisions of the Indenture, the Holder of this Note shall not have the right to institute any proceeding with respect to the Indenture or for the appointment of a receiver or trustee or for any other remedy thereunder, unless such Holder shall have previously given the Trustee written notice of a continuing Event of Default with respect to the Securities of this series, the Holders of not less than 25% in principal amount of the Securities of this series at the time Outstanding shall have made written request to the Trustee to institute proceedings in respect of such Event of Default as Trustee and offered the Trustee reasonable indemnity, and the Trustee shall not have received from the Holders of a majority in principal amount of Securities of this series at the time Outstanding a direction inconsistent with

such request, and shall have failed to institute any such proceeding, for 60 days after receipt of such notice, request and offer of indemnity. The foregoing shall not apply to any suit instituted by the Holder of this Note for the enforcement of any payment of principal hereof or any premium or interest hereon on or after the respective due dates expressed herein.

No reference herein to the Indenture and no provision of this Note or of the Indenture shall alter or impair the obligation of the Company, which is absolute and unconditional, to pay the principal of and any premium, and interest on this Note at the times, place and rates, and in the coin or currency, herein prescribed.

As provided in the Indenture and subject to certain limitations therein set forth (including, in the case of a Global Note, certain additional limitations), the transfer of this Note is registrable in the Security Register, upon surrender of this Note for registration of transfer at the office or agency of the Company in any place where the principal of and any premium and interest on the Securities are payable, duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Company and the Security Registrar duly executed by, the Holder hereof or his attorney duly authorized in writing, and thereupon one or more new Securities of this series and of like tenor, of authorized denominations and for the same aggregate principal amount, will be issued to the designated transferee or transferees.

The Securities of this series are issuable only in registered form, without coupons, in denominations of (i) if denominated in U.S. dollars, U.S.\$1,000 and any integral multiple of U.S.\$1,000 in excess thereof or (ii) if this Note is denominated in a Specified Currency other than U.S. dollars, in the denominations indicated on the face hereof, equivalent to U.S.\$1,000 and integral multiples of U.S.\$1,000 in excess thereof, using an exchange rate equal to the noon buying rate in The City of New York for cable transfers for such Specified Currency on the first Business Day immediately preceding the date on which the Company accepts the offer to buy such Note, unless otherwise specified above. The Securities of this series may be issued, in whole or in part, in the form of one or more Global Notes bearing the legend specified in the Indenture regarding certain restrictions on registration of transfer and exchange and issued to DTC or its nominee and registered in the name of DTC or such nominee. As provided in the Indenture and subject to certain limitations (including, in the case of any Global Note, certain additional limitations, which limitations may be subject to the procedures of DTC) therein set forth, Securities of this series are exchangeable for a like aggregate principal amount of Securities of this series and of like tenor of a different authorized denomination, as requested by the Holder surrendering the same.

No service charge shall be made for any such registration of transfer or exchange, but the Company may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

Prior to due presentment of this Note for registration of transfer, the Company, the Trustee and any agent of the Company or the Trustee may treat the Person in whose name this Note is registered as the owner hereof for all purposes, whether or not this Note be overdue, and neither the Company, the Trustee nor any such agent shall be affected by notice to the contrary.

All notices to the Company under this Note shall be in writing and addressed to the Company at Prudential Financial, Inc., 751 Broad Street, Newark, New Jersey, 07102, Attention: Assistant Treasurer – Capital Markets, Phone: (973) 802-6000, Fax: (973) 802-5267, or to such other address of the Company as the Company may notify the holder hereof.

All terms used in this Note which are defined in the Indenture shall have the meanings assigned to them in the Indenture.

OPTION TO ELECT REPAYMENT

The undersigned hereby irrevocably request(s) and instruct(s) the Company to repay this Note (or the portion hereof specified below) pursuant to its terms at a price equal to 100% of the principal amount to be repaid, together with interest to the date fixed for repayment, to the undersigned, at

(Please print or typewrite name and address of the undersigned)

For this Note to be repaid, the Trustee must receive at its Corporate Trust Office, or at such other place or places of which the Company shall from time to time notify the holder of this Note, not more than 60 nor less than 30 days prior to the date fixed for repayment, this Note with this "Option to Elect Repayment" form duly completed.

If less than the entire principal amount of this Note is to be repaid, specify the portion hereof (which shall be increments of U.S.\$1,000 [*or its equivalent in any Specified Currency other than U.S. dollars*]) provided that any remaining principal hereof shall be at least U.S.\$1,000 [*or its equivalent in any Specified Currency other than U.S. dollars*]) which the holder elects to have repaid and specify the denomination or denominations (which shall be at least U.S.\$1,000 or an integral multiple of U.S.\$1,000 [*or their equivalents in any Specified Currency other than U.S. dollars*] in excess thereof) of the Notes to be issued to the Holder for the portion of this Note not being repaid (in the absence of any such specification, this Note will be issued for the portion not being repaid).

[Currency Symbol] _____

Date _____

NOTICE: The signature on this Option to Elect Repayment must correspond with the name as written upon the face of this Note in every particular, without alteration or enlargement or any change whatever.

ASSIGNMENT FORM

FOR VALUE RECEIVED the undersigned holder hereby sell(s), assign(s) and transfer(s) unto (insert Taxpayer Identification No.)

(Please print or typewrite name and address including postal zip code of assignee)

the within Note and all rights thereunder, hereby irrevocably constituting and appointing

attorney to transfer said Note on the books of the Company with full power of substitution in the premises.

Dated: _____

NOTICE: The signature of the Holder to this assignment must correspond with the name as written upon the face of the within instrument in every particular, without alteration or enlargement or any change whatsoever.

ABBREVIATIONS

The following abbreviations, when used in the inscription on the face of this instrument, shall be construed as though they were written out in full according to applicable laws or regulations.

TEN COM — as tenants in common

UNIF GIFT MIN ACT— _____ Custodian _____
(Cust) (Minor)

Under Uniform Gift to Minors Act

(State)

TEN ENT — as tenant by the entireties

JF TEN — as joint tenants with right of survivorship and not as tenants in common

Additional abbreviations may also be used though not in the above list.

Prudential Financial, Inc.,
751 Broad Street,
Newark, New Jersey 07102

Prudential Financial Capital Trust II,
Prudential Financial Capital Trust III,
c/o Prudential Financial, Inc.,
751 Broad Street,
Newark, New Jersey 07102

Ladies and Gentlemen:

In connection with the registration under the Securities Act of 1933, as amended (the “Act”), by Prudential Financial, Inc., a New Jersey corporation (the “Company”), of:

- (i) senior and subordinated debt securities of the Company;
- (ii) shares of preferred stock of the Company;
- (iii) depositary shares representing shares of preferred stock of the Company;
- (iv) shares of common stock, par value \$0.01 per share, of the Company and the shareholder protection rights related to such shares (the “Rights”) to be issued pursuant to the Shareholders’ Rights Plan, dated as of November 1, 2001, between the Company and EquiServe Trust Company, N.A. (now known as Computershare Limited), as Rights Agent;
- (v) warrants of the Company;
- (vi) stock purchase contracts of the Company;
- (vii) units;
- (viii) preferred securities (the “Preferred Securities”) representing undivided beneficial interests in the assets of Prudential Financial Capital Trust II, a Delaware statutory trust, or Prudential Financial Capital Trust III, a Delaware statutory trust (each, a “Trust”); and
- (ix) the guarantees (the “Guarantees”) of the Company relating to the Preferred Securities;

I, as Vice President and Corporate Counsel for the Company, have examined such corporate records, certificates and other documents, including the resolutions of the Company's board of directors authorizing the issuance of the securities referred to above (the "Resolutions"), and such questions of law, as I have considered necessary or appropriate for the purposes of this opinion.

Upon the basis of such examination, I advise you that, in my opinion:

(1) Senior and Subordinated Debt Securities. The indenture relating to the senior debt securities and the indenture relating to the subordinated debt securities (each, an "Indenture" and together, the "Indentures"), filed as exhibits to the registration statement of the Company and the Trusts (the "Registration Statement"), have been duly authorized, executed and delivered by the Company. When the Registration Statement has become effective under the Act, when the terms of the debt securities to be issued under an Indenture and of their issuance and sale have been duly established in conformity with the applicable Indenture so as not to violate any applicable law or result in a default under or breach of any agreement or instrument binding upon the Company and so as to comply with any requirement or restriction imposed by any court or governmental body having jurisdiction over the Company and when the debt securities have been duly executed and authenticated in accordance with the applicable Indenture and issued and sold as contemplated in the Registration Statement, and if all the foregoing actions are taken pursuant to the authority granted in the Resolutions, the debt securities will constitute valid and legally binding obligations of the Company, subject to bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and similar laws of general applicability relating to or affecting creditors' rights and to general equity principles. The senior and subordinated debt securities covered by the opinion in this paragraph include any senior or subordinated debt securities, as the case may be, that may be issued upon exercise or otherwise pursuant to the terms of any other securities covered by the Registration Statement.

(2) Preferred Stock. When the Registration Statement has become effective under the Act, when the terms of the preferred stock and of its issuance and sale have been duly established in conformity with the Company's amended and restated certificate of incorporation so as not to violate any applicable law or result in a default under or breach of any agreement or instrument binding upon the Company and so as to comply with any requirement or restriction imposed by any court or governmental body having jurisdiction over the Company, when an appropriate certificate of amendment with respect to the preferred stock has been duly filed with the Secretary of State of the State of New Jersey and when the preferred stock has been duly issued and sold as contemplated by the Registration Statement, and if all the foregoing actions are taken pursuant to the authority granted in the Resolutions, the preferred stock will be validly issued, fully paid and nonassessable. The preferred stock covered in the opinion in this paragraph includes any preferred stock that may be represented by depositary shares or may

be issued upon exercise or otherwise pursuant to the terms of any other securities covered by the Registration Statement.

(3) Depository Shares. When the Registration Statement has become effective under the Act, when the terms of the deposit agreement under which the depository shares are to be issued have been duly established and the deposit agreement has been duly executed and delivered, when the terms of the depository shares and of their issuance and sale have been duly established in conformity with the deposit agreement, when the preferred stock represented by the depository shares has been duly delivered to the depository and when the depository receipts evidencing the depository shares have been duly issued against deposit of the preferred stock in accordance with the deposit agreement and issued and sold as contemplated by the Registration Statement, and if all the foregoing actions are taken pursuant to the authority granted in the Resolutions and so as not to violate any applicable law or result in a default under or breach of any agreement or instrument binding upon the Company and so as to comply with any requirement or restriction imposed by any court or governmental body having jurisdiction over the Company, the depository receipts evidencing the depository shares will be validly issued and will entitle the holders thereof to the rights specified in the depository shares and the deposit agreement, subject to bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and similar laws of general applicability relating to or affecting creditors' rights and to general equity principles. The depository shares covered by the opinion in this paragraph include any depository shares that may be issued upon exercise or otherwise pursuant to the terms of any other securities covered by the Registration Statement.

(4) Common Stock. When the Registration Statement has become effective under the Act, when the terms of the sale of shares of common stock, or issuance upon exercise, conversion or exchange pursuant to the terms of any other security covered by the Registration Statement, have been duly established by all necessary corporate action in conformity with the Company's amended and restated certificate of incorporation so as not to violate any applicable law or result in a default under or breach of any agreement or instrument binding upon the Company and so as to comply with any requirement or restriction imposed by any court or governmental body having jurisdiction over the Company, and such shares of common stock have been duly authorized, issued and sold as contemplated by the Registration Statement, and if all the foregoing actions are taken pursuant to the authority granted in the Resolutions, such shares of common stock will be validly issued, fully paid and nonassessable. The shares of common stock covered in the opinion in this paragraph include any shares of common stock that may be issued upon exercise or otherwise pursuant to the terms of any other securities covered by the Registration Statement.

(5) Rights. Assuming that the Rights Agreement has been duly authorized, executed and delivered, when the Registration Statement has become

effective under the Act and shares of common stock have been validly issued and sold as contemplated by the Registration Statement, the Rights attributable to such shares of common stock will be validly issued.

(6) Warrants. When the Registration Statement has become effective under the Act, when the terms of the warrant agreements under which the warrants are to be issued have been duly established and the warrant agreements have been duly executed and delivered, when the terms of such warrants and of their issuance and sale have been duly established in conformity with the applicable warrant agreement and when such warrants have been duly executed and authenticated in accordance with the applicable warrant agreement and issued and sold as contemplated in the Registration Statement, and if all the foregoing actions are taken pursuant to the authority granted in the Resolutions and so as not to violate any applicable law or result in a default under or breach of any agreement or instrument binding upon the Company and so as to comply with any requirement or restriction imposed by any court or governmental body having jurisdiction over the Company, such warrants will constitute valid and legally binding obligations of the Company, subject to bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and similar laws of general applicability relating to or affecting creditors' rights and to general equity principles. The warrants covered by the opinion in this paragraph include any warrants that may be issued upon exercise or otherwise pursuant to the terms of any other securities covered by the Registration Statement.

(7) Stock Purchase Contracts. When the Registration Statement has become effective under the Act, when the terms of the governing instruments or agreements under which the stock purchase contracts are to be issued have been duly established and the governing documents have been duly executed and delivered, when the terms of such stock purchase contracts and of their issuance and sale have been duly established in conformity with the applicable governing documents and when such stock purchase contracts have been duly executed and authenticated in accordance with the applicable governing documents and issued and sold as contemplated in the Registration Statement, and if all the foregoing actions are taken pursuant to the authority granted in the Resolutions and so as not to violate any applicable law or result in a default under or breach of any agreement or instrument binding upon the Company and so as to comply with any requirement or restriction imposed by any court or governmental body having jurisdiction over the Company, such stock purchase contracts will constitute valid and legally binding obligations of the Company, subject to bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and similar laws of general applicability relating to or affecting creditors' rights and to general equity principles. The stock purchase contracts covered by the opinion in this paragraph include any stock purchase contracts that may be issued upon exercise or otherwise pursuant to the terms of any other securities covered by the Registration Statement.

(8) Units. When the Registration Statement has become effective under the Act, when the terms of the unit agreements under which the units are to be issued have been duly established and the unit agreements have been duly executed and delivered, when the terms of such units and of their issuance and sale have been duly established in conformity with the applicable unit agreements and when such units have been duly executed and authenticated in accordance with the applicable unit agreements and issued and sold as contemplated in the Registration Statement, and if all the foregoing actions are taken pursuant to the authority granted in the Resolutions and so as not to violate any applicable law or result in a default under or breach of any agreement or instrument binding upon the Company and so as to comply with any requirement or restriction imposed by any court or governmental body having jurisdiction over the Company, such units will constitute valid and legally binding obligations of the Company, subject to bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and similar laws of general applicability relating to or affecting creditors' rights and to general equity principles. The units covered by the opinion in this paragraph include any units that may be issued upon exercise or otherwise pursuant to the terms of any other securities covered by the Registration Statement.

(9) Preferred Securities. When an amended and restated declaration of trust among the Company, the property trustee, the Delaware trustee and the administrative trustees named therein (the "Declaration"), relating to Preferred Securities substantially in the form filed as an exhibit to the Registration Statement has been duly authorized, executed and delivered, the terms of the Preferred Securities and of their issuance and sale have been duly established in conformity with the Declaration so as not to violate any applicable law or result in a default under or breach of any agreement or instrument binding upon the Company and so as to comply with any requirement or restriction imposed by any court or governmental body having jurisdiction over the Company, and the Preferred Securities have been duly executed and authenticated in accordance with the Declaration and issued and sold as contemplated in the Registration Statement, such Preferred Securities will represent valid and fully paid and nonassessable undivided beneficial interests in the assets of the applicable Trust.

(10) Guarantees. When the Registration Statement has become effective under the Act, when the preferred securities guarantee agreement between the Company and the preferred securities guarantee trustee (the "Guarantee Agreement"), relating to the Guarantees with respect to the Preferred Securities substantially in the form to be filed as an exhibit to the Registration Statement has been duly authorized, executed and delivered, when the terms of the Guarantees and of their issuance and sale have been duly established in conformity with the Guarantee Agreement so as not to violate any applicable law or result in a default under or breach of any agreement or instrument binding upon the Company and so as to comply with any requirement or restriction imposed by any court or governmental body having jurisdiction over the Company and when the Preferred Securities entitled to the benefit of the Guarantee Agreement have been duly

authorized, issued and sold as contemplated in the Registration Statement, and if all the foregoing actions are taken pursuant to the authority granted in the Resolutions, the Guarantees will constitute valid and legally binding obligations of the Company, subject to bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and similar laws of general applicability relating to or affecting creditors' rights and to general equity principles.

In connection with my opinion set forth in paragraph (5) above, I note that the question whether the Board of Directors of the Company might be required to redeem the Rights at some future time will depend upon the facts and circumstances existing at that time and, accordingly, is beyond the scope of such opinion.

I note that, as of the date of this opinion, a judgment for money in an action based on a security denominated in a foreign currency or currency unit in a federal or state court in the United States ordinarily would be enforced in the United States only in United States dollars. The date used to determine the rate of conversion of the foreign currency or currency unit in which a particular security is denominated into United States dollars will depend upon various factors, including which court renders the judgment. In the case of a security denominated in a foreign currency, a state court in the State of New York rendering a judgment on such security would be required under Section 27 of the New York Judiciary Law to render such judgment in the foreign currency in which the security is denominated, and such judgment would be converted into United States dollars at the exchange rate prevailing on the date of entry of the judgment.

The foregoing opinion is limited to the federal laws of the United States, the laws of the States of Delaware, New Jersey and New York, and I am expressing no opinion as to the effect of the laws of any other jurisdiction.

With respect to all matters of Delaware law, I have relied upon the opinion, dated March 11, 2009, of Richards, Layton & Finger, P.A., and my opinion is subject to the same assumptions, qualifications and limitations with respect to such matters as are contained in such opinion of Richards, Layton & Finger, P.A.

As to certain factual matters, I have relied upon certificates of officers of the Company and its subsidiaries and certificates of public officials and other sources believed by me to be responsible; and I have assumed that the Indentures have been duly authorized, executed and delivered by the trustee, and that all other governing documents under which, if applicable, any securities covered by the Registration Statement may be issued, will have been duly authorized, executed and delivered by all parties thereto and that the signatures on all documents examined by me (or members of the Company's legal department) are genuine (assumptions that I have not independently verified). I have further assumed that the issuance or delivery by the Company of any securities other than the securities covered by the Registration Statement, or of any other property, upon exercise or otherwise pursuant to the terms of the securities, will be effected pursuant to the authority granted in the Resolutions and so as not to violate any applicable law or result in a default under or breach of any agreement or instrument binding on the Company and so as to comply with any requirement or restriction imposed by any court.

Prudential Financial, Inc.
Prudential Financial Capital Trust II
Prudential Financial Capital Trust III

or governmental body having jurisdiction over the Company. Finally, I have assumed that the authority granted in the Resolutions will remain in effect at all relevant times and that no securities will be issued or other action taken in contravention of any applicable limit established pursuant to the Resolutions from time to time.

I am expressing no opinion as to any obligations that parties other than the Company may have under or in respect of the securities covered by the Registration Statement or as to the effect that their performance of such obligations may have upon any of the matters referred to above.

I hereby consent to the filing of this opinion as an exhibit to the Registration Statement and to the reference to me under the heading "Validity of Securities" in the Prospectus. In giving such consent, I do not thereby admit that I am in the category of persons whose consent is required under Section 7 of the Act.

Very truly yours,

/s/ Brian J. Morris

March 11, 2009

Prudential Financial Capital Trust II
Prudential Financial Capital Trust III
Prudential Financial, Inc.
751 Broad Street
Newark, NJ 07102

Re: Prudential Financial Capital Trust II &
Prudential Financial Capital Trust III

Ladies and Gentlemen:

We have acted as special Delaware counsel for Prudential Financial Capital Trust II, a Delaware statutory trust ("Trust II"), and Prudential Financial Capital Trust III, a Delaware statutory trust ("Trust III", together with Trust II the "Trusts" and each sometimes hereinafter individually referred to as a "Trust"), in connection with the matters set forth herein. At your request, this opinion is being furnished to you.

We have examined and relied upon such records, documents, certificates and other instruments as in our judgment are necessary or appropriate to enable us to render the opinions expressed below, including the following documents:

- (a) The Certificate of Trust of Trust II, as filed in the office of the Secretary of State of the State of Delaware (the "Secretary of State") on April 2, 2003, as amended by the Certificate of Amendment to Certificate of Trust, as filed in the office of the Secretary of State on February 20, 2009 (as so amended, the "Trust II Certificate of Trust");
- (b) The Certificate of Trust of Trust III, as filed in the office of the Secretary of State on April 2, 2003, as amended by the Certificate of Amendment to Certificate of Trust, as filed in the office of the Secretary of State on February 20, 2009 (as so amended, the "Trust III Certificate of Trust" together with the Trust II Certificate the "Certificates of Trust");
- (c) The Declaration of Trust of Trust II, dated as of April 2, 2003, among Prudential Financial, Inc., a New Jersey corporation (the "Company"), and

the trustees of the Trust named therein, as supplemented by the Supplemental Declaration of Trust of Trust II, dated as of February 20, 2009, among the Company and the trustees of the Trust named therein (as so supplemented, "Declaration II");

- (d) The Declaration of Trust of Trust III, dated as of April 2, 2003, among the Company and the trustees of the Trust named therein, as supplemented by the Supplemental Declaration of Trust of Trust III, dated as of February 20, 2009, among the Company and the trustees of the Trust named therein (as so supplemented, "Declaration III" together with Declaration II the "Declarations of Trust");
- (e) A form of Amended and Restated Declaration of Trust of each of the Trusts (including Annex I and Exhibits A-1 and A-2 thereto) (together the "Declarations"), to be entered into among the Company, as sponsor, the trustees of the applicable Trust named therein, and the holders, from time to time, of undivided beneficial interests in the assets of the applicable Trust, incorporated by reference in the Registration Statement (as defined below);
- (f) The Registration Statement on Form S-3 (the "Registration Statement") relating, inter alia, to the preferred securities of the Trusts representing undivided beneficial interests in the assets of the Trusts (each, a "Preferred Security" and collectively, the "Preferred Securities"), as proposed to be filed by the Company and the Trusts with the Securities and Exchange Commission on or about the date hereof; and
- (g) A Certificate of Good Standing for each of the Trusts, dated March 11, 2009, obtained from the Secretary of State.

Capitalized terms used herein and not otherwise defined are used as defined in the Declarations.

As to various questions of fact material to our opinion, we have relied upon the representations made in the foregoing documents and upon certificates of officers of the Company.

With respect to all documents examined by us, we have assumed (i) the authenticity of all documents submitted to us as authentic originals, (ii) the conformity with the originals of all documents submitted to us as copies or forms, and (iii) the genuineness of all signatures.

For purposes of this opinion, we have assumed (i) that the Declarations of Trust are in full force and effect and have not been amended, (ii) except to the extent provided in paragraph 1 below, that each party to the documents examined by us has been duly created,

organized or formed, as the case may be, and is validly existing in good standing under the laws of the jurisdiction governing its creation, organization or formation, (iii) the legal capacity of natural persons who are parties to the documents examined by us, (iv) that each of the parties to the documents examined by us has the power and authority to execute and deliver, and to perform its obligations under, such documents, (v) that each party to the documents examined by us has duly authorized, executed and delivered such documents, (vi) the receipt by each Person to whom a Preferred Security is to be issued by the Trusts (collectively, the "Preferred Security Holders") of a Preferred Security Certificate for such Preferred Security and the payment for the Preferred Security acquired by it, in accordance with the Declarations and as contemplated by the Registration Statement, and (vii) that the Preferred Securities are issued and sold to the Preferred Security Holders in accordance with the Declarations and as contemplated by the Registration Statement. We have not participated in the preparation of the Registration Statement (except for providing this opinion) and assume no responsibility for its contents, other than this opinion.

This opinion is limited to the laws of the State of Delaware (excluding the securities laws of the State of Delaware), and we have not considered and express no opinion on the laws of any other jurisdiction, including federal laws and rules and regulations relating thereto. Our opinions are rendered only with respect to Delaware laws and rules, regulations and orders thereunder that are currently in effect.

Based upon the foregoing, and upon our examination of such questions of law and statutes of the State of Delaware as we have considered necessary or appropriate, and subject to the assumptions, qualifications, limitations and exceptions set forth herein, we are of the opinion that:

1. Each of the Trusts has been duly formed and is validly existing in good standing as a statutory trust under the Delaware Statutory Trust Act.
2. The Preferred Securities will represent valid and, subject to the qualifications set forth in paragraph 3 below, fully paid and nonassessable undivided beneficial interests in the assets of the applicable Trust.
3. The Preferred Security Holders, as beneficial owners of the applicable Trust, will be entitled to the same limitation of personal liability extended to stockholders of private corporations for profit organized under the General Corporation Law of the State of Delaware. We note that the Preferred Security Holders may be obligated to make payments as set forth in the Declarations.

We consent to the filing of this opinion with the Securities and Exchange Commission as an exhibit to the Registration Statement. In addition, we hereby consent to the use of our name under the heading "Validity of Securities" in the Prospectus. In giving the foregoing consents, we do not thereby admit that we come within the category of Persons whose consent is required under Section 7 of the Securities Act of 1933, as amended, or the rules and regulations of the Securities and Exchange Commission thereunder.

Very truly yours,

/s/ Richards, Layton & Finger, P.A.

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We hereby consent to the incorporation by reference in this Registration Statement on Form S-3 of our report dated February 26, 2009 relating to the financial statements, financial statement schedules and the effectiveness of internal control over financial reporting, which appears in Prudential Financial, Inc.'s Annual Report on Form 10-K for the year ended December 31, 2008. We also consent to the reference to us under the heading "Experts" in such Registration Statement.

/s/ PricewaterhouseCoopers LLP
New York, New York
March 11, 2009

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that each of the individuals whose signatures appear below constitutes and appoints Susan L. Blount, Richard J. Carbone and Bernard J. Jacob and each of them, his or her true and lawful attorney-in-fact and agent, with full and several powers of substitution, for him or her and in his or her name, place and stead, in any and all capacities, to sign this Registration Statement and any and all amendments (including post-effective amendments) to this Registration Statement, and to file the same, with all exhibits thereto, and all documents in connection therewith, with the U.S. Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully for all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or any of them, or their substitutes, may lawfully do or cause to be done.

IN WITNESS WHEREOF, I have hereunto set my hand this 10th day of February, 2009.

/s/ JOHN R. STRANGFELD

John R. Strangfeld
Chairman, Chief Executive Officer,
President and Director

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that each of the individuals whose signatures appear below constitutes and appoints Susan L. Blount, Richard J. Carbone and Bernard J. Jacob and each of them, his or her true and lawful attorney-in-fact and agent, with full and several powers of substitution, for him or her and in his or her name, place and stead, in any and all capacities, to sign this Registration Statement and any and all amendments (including post-effective amendments) to this Registration Statement, and to file the same, with all exhibits thereto, and all documents in connection therewith, with the U.S. Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully for all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or any of them, or their substitutes, may lawfully do or cause to be done.

IN WITNESS WHEREOF, I have hereunto set my hand this 20th day of February, 2009.

/s/ PETER B. SAYRE

Peter B. Sayre
Senior Vice President and Controller
(Principal Accounting Officer)

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that each of the individuals whose signatures appear below constitutes and appoints Susan L. Blount, Richard J. Carbone and Bernard J. Jacob and each of them, his or her true and lawful attorney-in-fact and agent, with full and several powers of substitution, for him or her and in his or her name, place and stead, in any and all capacities, to sign this Registration Statement and any and all amendments (including post-effective amendments) to this Registration Statement, and to file the same, with all exhibits thereto, and all documents in connection therewith, with the U.S. Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully for all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or any of them, or their substitutes, may lawfully do or cause to be done.

IN WITNESS WHEREOF, I have hereunto set my hand this 10th day of February, 2009.

/s/ THOMAS J. BALTIMORE, JR.

Thomas J. Baltimore, Jr.
Director

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that each of the individuals whose signatures appear below constitutes and appoints Susan L. Blount, Richard J. Carbone and Bernard J. Jacob and each of them, his or her true and lawful attorney-in-fact and agent, with full and several powers of substitution, for him or her and in his or her name, place and stead, in any and all capacities, to sign this Registration Statement and any and all amendments (including post-effective amendments) to this Registration Statement, and to file the same, with all exhibits thereto, and all documents in connection therewith, with the U.S. Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully for all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or any of them, or their substitutes, may lawfully do or cause to be done.

IN WITNESS WHEREOF, I have hereunto set my hand this 10th day of February, 2009.

/s/ FREDERIC K. BECKER

Frederic K. Becker
Director

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that each of the individuals whose signatures appear below constitutes and appoints Susan L. Blount, Richard J. Carbone and Bernard J. Jacob and each of them, his or her true and lawful attorney-in-fact and agent, with full and several powers of substitution, for him or her and in his or her name, place and stead, in any and all capacities, to sign this Registration Statement and any and all amendments (including post-effective amendments) to this Registration Statement, and to file the same, with all exhibits thereto, and all documents in connection therewith, with the U.S. Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully for all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or any of them, or their substitutes, may lawfully do or cause to be done.

IN WITNESS WHEREOF, I have hereunto set my hand this 10th day of February, 2009.

/s/ GORDON M. BETHUNE

Gordon M. Bethune
Director

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that each of the individuals whose signatures appear below constitutes and appoints Susan L. Blount, Richard J. Carbone and Bernard J. Jacob and each of them, his or her true and lawful attorney-in-fact and agent, with full and several powers of substitution, for him or her and in his or her name, place and stead, in any and all capacities, to sign this Registration Statement and any and all amendments (including post-effective amendments) to this Registration Statement, and to file the same, with all exhibits thereto, and all documents in connection therewith, with the U.S. Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully for all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or any of them, or their substitutes, may lawfully do or cause to be done.

IN WITNESS WHEREOF, I have hereunto set my hand this 10th day of February, 2009.

/s/ GASTON CAPERTON

Gaston Caperton
Director

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that each of the individuals whose signatures appear below constitutes and appoints Susan L. Blount, Richard J. Carbone and Bernard J. Jacob and each of them, his or her true and lawful attorney-in-fact and agent, with full and several powers of substitution, for him or her and in his or her name, place and stead, in any and all capacities, to sign this Registration Statement and any and all amendments (including post-effective amendments) to this Registration Statement, and to file the same, with all exhibits thereto, and all documents in connection therewith, with the U.S. Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully for all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or any of them, or their substitutes, may lawfully do or cause to be done.

IN WITNESS WHEREOF, I have hereunto set my hand this 10th day of February, 2009.

/s/ GILBERT F. CASELLAS

Gilbert F. Casellas

Director

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that each of the individuals whose signatures appear below constitutes and appoints Susan L. Blount, Richard J. Carbone and Bernard J. Jacob and each of them, his or her true and lawful attorney-in-fact and agent, with full and several powers of substitution, for him or her and in his or her name, place and stead, in any and all capacities, to sign this Registration Statement and any and all amendments (including post-effective amendments) to this Registration Statement, and to file the same, with all exhibits thereto, and all documents in connection therewith, with the U.S. Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully for all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or any of them, or their substitutes, may lawfully do or cause to be done.

IN WITNESS WHEREOF, I have hereunto set my hand this 10th day of February, 2009.

/s/ JAMES G. CULLEN

James G. Cullen
Director

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that each of the individuals whose signatures appear below constitutes and appoints Susan L. Blount, Richard J. Carbone and Bernard J. Jacob and each of them, his or her true and lawful attorney-in-fact and agent, with full and several powers of substitution, for him or her and in his or her name, place and stead, in any and all capacities, to sign this Registration Statement and any and all amendments (including post-effective amendments) to this Registration Statement, and to file the same, with all exhibits thereto, and all documents in connection therewith, with the U.S. Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully for all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or any of them, or their substitutes, may lawfully do or cause to be done.

IN WITNESS WHEREOF, I have hereunto set my hand this 10th day of February, 2009.

/s/ WILLIAM H. GRAY III

William H. Gray, III
Director

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that each of the individuals whose signatures appear below constitutes and appoints Susan L. Blount, Richard J. Carbone and Bernard J. Jacob and each of them, his or her true and lawful attorney-in-fact and agent, with full and several powers of substitution, for him or her and in his or her name, place and stead, in any and all capacities, to sign this Registration Statement and any and all amendments (including post-effective amendments) to this Registration Statement, and to file the same, with all exhibits thereto, and all documents in connection therewith, with the U.S. Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully for all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or any of them, or their substitutes, may lawfully do or cause to be done.

IN WITNESS WHEREOF, I have hereunto set my hand this 10th day of February, 2009.

/s/ MARK B. GRIER

Mark B. Grier
Vice Chairman and Director

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that each of the individuals whose signatures appear below constitutes and appoints Susan L. Blount, Richard J. Carbone and Bernard J. Jacob and each of them, his or her true and lawful attorney-in-fact and agent, with full and several powers of substitution, for him or her and in his or her name, place and stead, in any and all capacities, to sign this Registration Statement and any and all amendments (including post-effective amendments) to this Registration Statement, and to file the same, with all exhibits thereto, and all documents in connection therewith, with the U.S. Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully for all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or any of them, or their substitutes, may lawfully do or cause to be done.

IN WITNESS WHEREOF, I have hereunto set my hand this 10th day of February, 2009.

/s/ JON F. HANSON

Jon F. Hanson
Director

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that each of the individuals whose signatures appear below constitutes and appoints Susan L. Blount, Richard J. Carbone and Bernard J. Jacob and each of them, his or her true and lawful attorney-in-fact and agent, with full and several powers of substitution, for him or her and in his or her name, place and stead, in any and all capacities, to sign this Registration Statement and any and all amendments (including post-effective amendments) to this Registration Statement, and to file the same, with all exhibits thereto, and all documents in connection therewith, with the U.S. Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully for all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or any of them, or their substitutes, may lawfully do or cause to be done.

IN WITNESS WHEREOF, I have hereunto set my hand this 10th day of February, 2009.

/s/ CONSTANCE J. HORNER

Constance J. Horner
Director

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that each of the individuals whose signatures appear below constitutes and appoints Susan L. Blount, Richard J. Carbone and Bernard J. Jacob and each of them, his or her true and lawful attorney-in-fact and agent, with full and several powers of substitution, for him or her and in his or her name, place and stead, in any and all capacities, to sign this Registration Statement and any and all amendments (including post-effective amendments) to this Registration Statement, and to file the same, with all exhibits thereto, and all documents in connection therewith, with the U.S. Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully for all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or any of them, or their substitutes, may lawfully do or cause to be done.

IN WITNESS WHEREOF, I have hereunto set my hand this 10th day of February, 2009.

/s/ KARL J. KRAPEK

Karl J. Krapek
Director

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that each of the individuals whose signatures appear below constitutes and appoints Susan L. Blount, Richard J. Carbone and Bernard J. Jacob and each of them, his or her true and lawful attorney-in-fact and agent, with full and several powers of substitution, for him or her and in his or her name, place and stead, in any and all capacities, to sign this Registration Statement and any and all amendments (including post-effective amendments) to this Registration Statement, and to file the same, with all exhibits thereto, and all documents in connection therewith, with the U.S. Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully for all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or any of them, or their substitutes, may lawfully do or cause to be done.

IN WITNESS WHEREOF, I have hereunto set my hand this 10th day of February, 2009.

/s/ CHRISTINE A. POON

Christine A. Poon

Director

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that each of the individuals whose signatures appear below constitutes and appoints Susan L. Blount, Richard J. Carbone and Bernard J. Jacob and each of them, his or her true and lawful attorney-in-fact and agent, with full and several powers of substitution, for him or her and in his or her name, place and stead, in any and all capacities, to sign this Registration Statement and any and all amendments (including post-effective amendments) to this Registration Statement, and to file the same, with all exhibits thereto, and all documents in connection therewith, with the U.S. Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully for all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents or any of them, or their substitutes, may lawfully do or cause to be done.

IN WITNESS WHEREOF, I have hereunto set my hand this 10th day of February, 2009.

/s/ JAMES A. UNRUH

James A. Unruh
Director

FORM T-1
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

**STATEMENT OF ELIGIBILITY
UNDER THE TRUST INDENTURE ACT OF 1939 OF A
CORPORATION DESIGNATED TO ACT AS TRUSTEE**

**CHECK IF AN APPLICATION TO DETERMINE
ELIGIBILITY OF A TRUSTEE PURSUANT TO
SECTION 305(b)(2) "**

THE BANK OF NEW YORK MELLON

(Exact name of trustee as specified in its charter)

New York
(State of incorporation
if not a U.S. national bank)

13-5160382
(I.R.S. employer
identification no.)

One Wall Street, New York, N.Y.
(Address of principal executive offices)

10286
(Zip code)

PRUDENTIAL FINANCIAL, INC.

(Exact name of obligor as specified in its charter)

New Jersey
(State or other jurisdiction of
incorporation or organization)

22-3703799
(I.R.S. employer
identification no.)

751 Broad Street
Newark, New Jersey
(Address of principal executive offices)

07102
(Zip code)

Senior Debt Securities
(Title of the indenture securities)

1. General information. Furnish the following information as to the Trustee:

(a) Name and address of each examining or supervising authority to which it is subject.

Name	Address
Superintendent of Banks of the State of New York	One State Street, New York, N.Y. 10004-1417, and Albany, N.Y. 12223
Federal Reserve Bank of New York	33 Liberty Street, New York, N.Y. 10045
Federal Deposit Insurance Corporation	Washington, D.C. 20429
New York Clearing House Association	New York, New York 10005

(b) Whether it is authorized to exercise corporate trust powers.

Yes.

2. Affiliations with Obligor.

If the obligor is an affiliate of the trustee, describe each such affiliation.

None.

16. List of Exhibits.

Exhibits identified in parentheses below, on file with the Commission, are incorporated herein by reference as an exhibit hereto, pursuant to Rule 7a-29 under the Trust Indenture Act of 1939 (the “Act”) and 17 C.F.R. 229.10(d).

1. A copy of the Organization Certificate of The Bank of New York Mellon (formerly known as The Bank of New York, itself formerly Irving Trust Company) as now in effect, which contains the authority to commence business and a grant of powers to exercise corporate trust powers. (Exhibit 1 to Amendment No. 1 to Form T-1 filed with Registration Statement No. 33-6215, Exhibits 1a and 1b to Form T-1 filed with Registration Statement No. 33-21672, Exhibit 1 to Form T-1 filed with Registration Statement No. 33-29637, Exhibit 1 to Form T-1 filed with Registration Statement No. 333-121195 and Exhibit 1 to Form T-1 filed with Registration Statement No. 333-152735).

-
4. A copy of the existing By-laws of the Trustee. (Exhibit 4 to Form T-1 filed with Registration Statement No. 333-121195).
 6. The consent of the Trustee required by Section 321(b) of the Act (Exhibit 6 to Form T-1 filed with Registration Statement No. 333-152735).
 7. A copy of the latest report of condition of the Trustee published pursuant to law or to the requirements of its supervising or examining authority.

SIGNATURE

Pursuant to the requirements of the Act, the Trustee, The Bank of New York Mellon, a corporation organized and existing under the laws of the State of New York, has duly caused this statement of eligibility to be signed on its behalf by the undersigned, thereunto duly authorized, all in The City of New York, and State of New York, on the 6th day of March, 2009.

THE BANK OF NEW YORK MELLON

By: /S/ CHERYL CLARKE

Name: CHERYL CLARKE

Title: VICE PRESIDENT

Consolidated Report of Condition of
THE BANK OF NEW YORK MELLON
of One Wall Street, New York, N.Y. 10286
And Foreign and Domestic Subsidiaries,

a member of the Federal Reserve System, at the close of business December 31, 2008, published in accordance with a call made by the Federal Reserve Bank of this District pursuant to the provisions of the Federal Reserve Act.

	Dollar Amounts In Thousands
ASSETS	
Cash and balances due from depository institutions:	
Noninterest-bearing balances and currency and coin	4,440,000
Interest-bearing balances	87,807,000
Securities:	
Held-to-maturity securities	7,327,000
Available-for-sale securities	32,572,000
Federal funds sold and securities purchased under agreements to resell:	
Federal funds sold in domestic offices	373,000
Securities purchased under agreements to resell	0
Loans and lease financing receivables:	
Loans and leases held for sale	0
Loans and leases, net of unearned income	32,827,000
LESS: Allowance for loan and lease losses	357,000
Loans and leases, net of unearned income and allowance	32,470,000
Trading assets	10,665,000
Premises and fixed assets (including capitalized leases)	1,098,000
Other real estate owned	8,000
Investments in unconsolidated subsidiaries and associated companies	795,000
Not applicable	
Intangible assets:	
Goodwill	4,908,000
Other intangible assets	1,606,000
Other assets	11,095,000
Total assets	195,164,000

LIABILITIES

Deposits:	
In domestic offices	85,286,000
Noninterest-bearing	54,008,000
Interest-bearing	31,278,000
In foreign offices, Edge and Agreement subsidiaries, and IBFs	72,497,000
Noninterest-bearing	1,558,000
Interest-bearing	70,939,000
Federal funds purchased and securities sold under agreements to repurchase:	
Federal funds purchased in domestic offices	454,000
Securities sold under agreements to repurchase	75,000
Trading liabilities	8,365,000
Other borrowed money:	
(includes mortgage indebtedness and obligations under capitalized leases)	6,256,000
Not applicable	
Not applicable	
Subordinated notes and debentures	3,490,000
Other liabilities	7,018,000
Total liabilities	<u>183,441,000</u>
Minority interest in consolidated subsidiaries	350,000

EQUITY CAPITAL

Perpetual preferred stock and related surplus	0
Common stock	1,135,000
Surplus (exclude all surplus related to preferred stock)	8,276,000
Retained earnings	6,810,000
Accumulated other comprehensive income	-4,848,000
Other equity capital components	0
Total equity capital	<u>11,373,000</u>
Total liabilities, minority interest, and equity capital	<u>195,164,000</u>

I, Thomas P. Gibbons, Chief Financial Officer of the above-named bank do hereby declare that this Report of Condition is true and correct to the best of my knowledge and belief.

Thomas P. Gibbons,
Chief Financial Officer

We, the undersigned directors, attest to the correctness of this statement of resources and liabilities. We declare that it has been examined by us, and to the best of our knowledge and belief has been prepared in conformance with the instructions and is true and correct.

Gerald L. Hassell
Steven G. Elliott
Robert P. Kelly



Directors

FORM T-1
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

STATEMENT OF ELIGIBILITY
UNDER THE TRUST INDENTURE ACT OF 1939 OF A
CORPORATION DESIGNATED TO ACT AS TRUSTEE

CHECK IF AN APPLICATION TO DETERMINE
ELIGIBILITY OF A TRUSTEE PURSUANT TO
SECTION 305(b)(2) "

THE BANK OF NEW YORK MELLON

(Exact name of trustee as specified in its charter)

New York
(State of incorporation
if not a U.S. national bank)

13-5160382
(I.R.S. employer
identification no.)

One Wall Street, New York, N.Y.
(Address of principal executive offices)

10286
(Zip code)

PRUDENTIAL FINANCIAL, INC.

(Exact name of obligor as specified in its charter)

New Jersey
(State or other jurisdiction of
incorporation or organization)

22-3703799
(I.R.S. employer
identification no.)

751 Broad Street
Newark, New Jersey
(Address of principal executive offices)

07102
(Zip code)

Subordinated Debt Securities
(Title of the indenture securities)

1. General information. Furnish the following information as to the Trustee:

(a) Name and address of each examining or supervising authority to which it is subject.

Name	Address
Superintendent of Banks of the State of New York	One State Street, New York, N.Y. 10004-1417, and Albany, N.Y. 12223
Federal Reserve Bank of New York	33 Liberty Street, New York, N.Y. 10045
Federal Deposit Insurance Corporation	Washington, D.C. 20429
New York Clearing House Association	New York, New York 10005

(b) Whether it is authorized to exercise corporate trust powers.

Yes.

2. Affiliations with Obligor.

If the obligor is an affiliate of the trustee, describe each such affiliation.

None.

16. List of Exhibits.

Exhibits identified in parentheses below, on file with the Commission, are incorporated herein by reference as an exhibit hereto, pursuant to Rule 7a-29 under the Trust Indenture Act of 1939 (the “Act”) and 17 C.F.R. 229.10(d).

1. A copy of the Organization Certificate of The Bank of New York Mellon (formerly known as The Bank of New York, itself formerly Irving Trust Company) as now in effect, which contains the authority to commence business and a grant of powers to exercise corporate trust powers. (Exhibit 1 to Amendment No. 1 to Form T-1 filed with Registration Statement No. 33-6215, Exhibits 1a and 1b to Form T-1 filed with Registration Statement No. 33-21672, Exhibit 1 to Form T-1 filed with Registration Statement No. 33-29637, Exhibit 1 to Form T-1 filed with Registration Statement No. 333-121195 and Exhibit 1 to Form T-1 filed with Registration Statement No. 333-152735).

-
4. A copy of the existing By-laws of the Trustee. (Exhibit 4 to Form T-1 filed with Registration Statement No. 333-121195).
 6. The consent of the Trustee required by Section 321(b) of the Act (Exhibit 6 to Form T-1 filed with Registration Statement No. 333-152735).
 7. A copy of the latest report of condition of the Trustee published pursuant to law or to the requirements of its supervising or examining authority.

SIGNATURE

Pursuant to the requirements of the Act, the Trustee, The Bank of New York Mellon, a corporation organized and existing under the laws of the State of New York, has duly caused this statement of eligibility to be signed on its behalf by the undersigned, thereunto duly authorized, all in The City of New York, and State of New York, on the 6th day of March, 2009.

THE BANK OF NEW YORK MELLON

By: /S/ CHERYL CLARKE

Name: CHERYL CLARKE

Title: VICE PRESIDENT

Consolidated Report of Condition of
THE BANK OF NEW YORK MELLON
of One Wall Street, New York, N.Y. 10286
And Foreign and Domestic Subsidiaries,

a member of the Federal Reserve System, at the close of business December 31, 2008, published in accordance with a call made by the Federal Reserve Bank of this District pursuant to the provisions of the Federal Reserve Act.

	Dollar Amounts In Thousands
ASSETS	
Cash and balances due from depository institutions:	
Noninterest-bearing balances and currency and coin	4,440,000
Interest-bearing balances	87,807,000
Securities:	
Held-to-maturity securities	7,327,000
Available-for-sale securities	32,572,000
Federal funds sold and securities purchased under agreements to resell:	
Federal funds sold in domestic offices	373,000
Securities purchased under agreements to resell	0
Loans and lease financing receivables:	
Loans and leases held for sale	0
Loans and leases, net of unearned income	32,827,000
LESS: Allowance for loan and lease losses	357,000
Loans and leases, net of unearned income and allowance	32,470,000
Trading assets	10,665,000
Premises and fixed assets (including capitalized leases)	1,098,000
Other real estate owned	8,000
Investments in unconsolidated subsidiaries and associated companies	795,000
Not applicable	
Intangible assets:	
Goodwill	4,908,000
Other intangible assets	1,606,000
Other assets	11,095,000
Total assets	195,164,000

LIABILITIES

Deposits:	
In domestic offices	85,286,000
Noninterest-bearing	54,008,000
Interest-bearing	31,278,000
In foreign offices, Edge and Agreement subsidiaries, and IBFs	72,497,000
Noninterest-bearing	1,558,000
Interest-bearing	70,939,000
Federal funds purchased and securities sold under agreements to repurchase:	
Federal funds purchased in domestic offices	454,000
Securities sold under agreements to repurchase	75,000
Trading liabilities	8,365,000
Other borrowed money:	
(includes mortgage indebtedness and obligations under capitalized leases)	6,256,000
Not applicable	
Not applicable	
Subordinated notes and debentures	3,490,000
Other liabilities	7,018,000
Total liabilities	<u>183,441,000</u>
Minority interest in consolidated subsidiaries	350,000

EQUITY CAPITAL

Perpetual preferred stock and related surplus	0
Common stock	1,135,000
Surplus (exclude all surplus related to preferred stock)	8,276,000
Retained earnings	6,810,000
Accumulated other comprehensive income	-4,848,000
Other equity capital components	0
Total equity capital	<u>11,373,000</u>
Total liabilities, minority interest, and equity capital	<u>195,164,000</u>

I, Thomas P. Gibbons, Chief Financial Officer of the above-named bank do hereby declare that this Report of Condition is true and correct to the best of my knowledge and belief.

Thomas P. Gibbons,
Chief Financial Officer

We, the undersigned directors, attest to the correctness of this statement of resources and liabilities. We declare that it has been examined by us, and to the best of our knowledge and belief has been prepared in conformance with the instructions and is true and correct.

Gerald L. Hassell
Steven G. Elliott
Robert P. Kelly



Directors

FORM T-1
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

**STATEMENT OF ELIGIBILITY
UNDER THE TRUST INDENTURE ACT OF 1939 OF A
CORPORATION DESIGNATED TO ACT AS TRUSTEE**

**CHECK IF AN APPLICATION TO DETERMINE
ELIGIBILITY OF A TRUSTEE PURSUANT TO
SECTION 305(b)(2) "**

THE BANK OF NEW YORK MELLON

(Exact name of trustee as specified in its charter)

New York
(State of incorporation
if not a U.S. national bank)

13-5160382
(I.R.S. employer
identification no.)

One Wall Street, New York, N.Y.
(Address of principal executive offices)

10286
(Zip code)

PRUDENTIAL FINANCIAL CAPITAL TRUST II

(Exact name of obligor as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

73-6345636
(I.R.S. employer
identification no.)

751 Broad Street
Newark, New Jersey
(Address of principal executive offices)

07102
(Zip code)

Preferred Securities of Prudential Financial Capital Trust II
(Title of the indenture securities)

1. General information. Furnish the following information as to the Trustee:

(a) Name and address of each examining or supervising authority to which it is subject.

Name	Address
Superintendent of Banks of the State of New York	One State Street, New York, N.Y. 10004-1417, and Albany, N.Y. 12223
Federal Reserve Bank of New York	33 Liberty Street, New York, N.Y. 10045
Federal Deposit Insurance Corporation	Washington, D.C. 20429
New York Clearing House Association	New York, New York 10005

(b) Whether it is authorized to exercise corporate trust powers.

Yes.

2. Affiliations with Obligor.

If the obligor is an affiliate of the trustee, describe each such affiliation.

None.

16. List of Exhibits.

Exhibits identified in parentheses below, on file with the Commission, are incorporated herein by reference as an exhibit hereto, pursuant to Rule 7a-29 under the Trust Indenture Act of 1939 (the “Act”) and 17 C.F.R. 229.10(d).

1. A copy of the Organization Certificate of The Bank of New York Mellon (formerly known as The Bank of New York, itself formerly Irving Trust Company) as now in effect, which contains the authority to commence business and a grant of powers to exercise corporate trust powers. (Exhibit 1 to Amendment No. 1 to Form T-1 filed with Registration Statement No. 33-6215, Exhibits 1a and 1b to Form T-1 filed with Registration Statement No. 33-21672, Exhibit 1 to Form T-1 filed with Registration Statement No. 33-29637, Exhibit 1 to Form T-1 filed with Registration Statement No. 333-121195 and Exhibit 1 to Form T-1 filed with Registration Statement No. 333-152735).

-
4. A copy of the existing By-laws of the Trustee. (Exhibit 4 to Form T-1 filed with Registration Statement No. 333-121195).
 6. The consent of the Trustee required by Section 321(b) of the Act (Exhibit 6 to Form T-1 filed with Registration Statement No. 333-152735).
 7. A copy of the latest report of condition of the Trustee published pursuant to law or to the requirements of its supervising or examining authority.

SIGNATURE

Pursuant to the requirements of the Act, the Trustee, The Bank of New York Mellon, a corporation organized and existing under the laws of the State of New York, has duly caused this statement of eligibility to be signed on its behalf by the undersigned, thereunto duly authorized, all in The City of New York, and State of New York, on the 6th day of March, 2009.

THE BANK OF NEW YORK MELLON

By: /S/ CHERYL CLARKE

Name: CHERYL CLARKE

Title: VICE PRESIDENT

Consolidated Report of Condition of
THE BANK OF NEW YORK MELLON
of One Wall Street, New York, N.Y. 10286
And Foreign and Domestic Subsidiaries,

a member of the Federal Reserve System, at the close of business December 31, 2008, published in accordance with a call made by the Federal Reserve Bank of this District pursuant to the provisions of the Federal Reserve Act.

	Dollar Amounts In Thousands
ASSETS	
Cash and balances due from depository institutions:	
Noninterest-bearing balances and currency and coin	4,440,000
Interest-bearing balances	87,807,000
Securities:	
Held-to-maturity securities	7,327,000
Available-for-sale securities	32,572,000
Federal funds sold and securities purchased under agreements to resell:	
Federal funds sold in domestic offices	373,000
Securities purchased under agreements to resell	0
Loans and lease financing receivables:	
Loans and leases held for sale	0
Loans and leases, net of unearned income	32,827,000
LESS: Allowance for loan and lease losses	357,000
Loans and leases, net of unearned income and allowance	32,470,000
Trading assets	10,665,000
Premises and fixed assets (including capitalized leases)	1,098,000
Other real estate owned	8,000
Investments in unconsolidated subsidiaries and associated companies	795,000
Not applicable	
Intangible assets:	
Goodwill	4,908,000
Other intangible assets	1,606,000
Other assets	11,095,000
Total assets	195,164,000

LIABILITIES

Deposits:	
In domestic offices	85,286,000
Noninterest-bearing	54,008,000
Interest-bearing	31,278,000
In foreign offices, Edge and Agreement subsidiaries, and IBFs	72,497,000
Noninterest-bearing	1,558,000
Interest-bearing	70,939,000
Federal funds purchased and securities sold under agreements to repurchase:	
Federal funds purchased in domestic offices	454,000
Securities sold under agreements to repurchase	75,000
Trading liabilities	8,365,000
Other borrowed money:	
(includes mortgage indebtedness and obligations under capitalized leases)	6,256,000
Not applicable	
Not applicable	
Subordinated notes and debentures	3,490,000
Other liabilities	7,018,000
Total liabilities	<u>183,441,000</u>
Minority interest in consolidated subsidiaries	350,000

EQUITY CAPITAL

Perpetual preferred stock and related surplus	0
Common stock	1,135,000
Surplus (exclude all surplus related to preferred stock)	8,276,000
Retained earnings	6,810,000
Accumulated other comprehensive income	-4,848,000
Other equity capital components	0
Total equity capital	<u>11,373,000</u>
Total liabilities, minority interest, and equity capital	<u>195,164,000</u>

I, Thomas P. Gibbons, Chief Financial Officer of the above-named bank do hereby declare that this Report of Condition is true and correct to the best of my knowledge and belief.

Thomas P. Gibbons,
Chief Financial Officer

We, the undersigned directors, attest to the correctness of this statement of resources and liabilities. We declare that it has been examined by us, and to the best of our knowledge and belief has been prepared in conformance with the instructions and is true and correct.

Gerald L. Hassell
Steven G. Elliott
Robert P. Kelly



Directors

FORM T-1
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

**STATEMENT OF ELIGIBILITY
UNDER THE TRUST INDENTURE ACT OF 1939 OF A
CORPORATION DESIGNATED TO ACT AS TRUSTEE**

**CHECK IF AN APPLICATION TO DETERMINE
ELIGIBILITY OF A TRUSTEE PURSUANT TO
SECTION 305(b)(2) "**

THE BANK OF NEW YORK MELLON

(Exact name of trustee as specified in its charter)

New York
(State of incorporation
if not a U.S. national bank)

13-5160382
(I.R.S. employer
identification no.)

One Wall Street, New York, N.Y.
(Address of principal executive offices)

10286
(Zip code)

PRUDENTIAL FINANCIAL, INC.

(Exact name of obligor as specified in its charter)

New Jersey
(State or other jurisdiction of
incorporation or organization)

22-3703799
(I.R.S. employer
identification no.)

751 Broad Street
Newark, New Jersey
(Address of principal executive offices)

07102
(Zip code)

Guarantees of Preferred Securities of Prudential Financial Capital Trust II
(Title of the indenture securities)

1. General information. Furnish the following information as to the Trustee:

(a) Name and address of each examining or supervising authority to which it is subject.

Name	Address
Superintendent of Banks of the State of New York	One State Street, New York, N.Y. 10004-1417, and Albany, N.Y. 12223
Federal Reserve Bank of New York	33 Liberty Street, New York, N.Y. 10045
Federal Deposit Insurance Corporation	Washington, D.C. 20429
New York Clearing House Association	New York, New York 10005

(b) Whether it is authorized to exercise corporate trust powers.

Yes.

2. Affiliations with Obligor.

If the obligor is an affiliate of the trustee, describe each such affiliation.

None.

16. List of Exhibits.

Exhibits identified in parentheses below, on file with the Commission, are incorporated herein by reference as an exhibit hereto, pursuant to Rule 7a-29 under the Trust Indenture Act of 1939 (the “Act”) and 17 C.F.R. 229.10(d).

1. A copy of the Organization Certificate of The Bank of New York Mellon (formerly known as The Bank of New York, itself formerly Irving Trust Company) as now in effect, which contains the authority to commence business and a grant of powers to exercise corporate trust powers. (Exhibit 1 to Amendment No. 1 to Form T-1 filed with Registration Statement No. 33-6215, Exhibits 1a and 1b to Form T-1 filed with Registration Statement No. 33-21672, Exhibit 1 to Form T-1 filed with Registration Statement No. 33-29637, Exhibit 1 to Form T-1 filed with Registration Statement No. 333-121195 and Exhibit 1 to Form T-1 filed with Registration Statement No. 333-152735).

-
4. A copy of the existing By-laws of the Trustee. (Exhibit 4 to Form T-1 filed with Registration Statement No. 333-121195).
 6. The consent of the Trustee required by Section 321(b) of the Act (Exhibit 6 to Form T-1 filed with Registration Statement No. 333-152735).
 7. A copy of the latest report of condition of the Trustee published pursuant to law or to the requirements of its supervising or examining authority.

SIGNATURE

Pursuant to the requirements of the Act, the Trustee, The Bank of New York Mellon, a corporation organized and existing under the laws of the State of New York, has duly caused this statement of eligibility to be signed on its behalf by the undersigned, thereunto duly authorized, all in The City of New York, and State of New York, on the 6th day of March, 2009.

THE BANK OF NEW YORK MELLON

By: /S/ CHERYL CLARKE

Name: CHERYL CLARKE

Title: VICE PRESIDENT

Consolidated Report of Condition of
THE BANK OF NEW YORK MELLON
of One Wall Street, New York, N.Y. 10286
And Foreign and Domestic Subsidiaries,

a member of the Federal Reserve System, at the close of business December 31, 2008, published in accordance with a call made by the Federal Reserve Bank of this District pursuant to the provisions of the Federal Reserve Act.

	Dollar Amounts In Thousands
ASSETS	
Cash and balances due from depository institutions:	
Noninterest-bearing balances and currency and coin	4,440,000
Interest-bearing balances	87,807,000
Securities:	
Held-to-maturity securities	7,327,000
Available-for-sale securities	32,572,000
Federal funds sold and securities purchased under agreements to resell:	
Federal funds sold in domestic offices	373,000
Securities purchased under agreements to resell	0
Loans and lease financing receivables:	
Loans and leases held for sale	0
Loans and leases, net of unearned income	32,827,000
LESS: Allowance for loan and lease losses	357,000
Loans and leases, net of unearned income and allowance	32,470,000
Trading assets	10,665,000
Premises and fixed assets (including capitalized leases)	1,098,000
Other real estate owned	8,000
Investments in unconsolidated subsidiaries and associated companies	795,000
Not applicable	
Intangible assets:	
Goodwill	4,908,000
Other intangible assets	1,606,000
Other assets	11,095,000
Total assets	195,164,000

LIABILITIES

Deposits:	
In domestic offices	85,286,000
Noninterest-bearing	54,008,000
Interest-bearing	31,278,000
In foreign offices, Edge and Agreement subsidiaries, and IBFs	72,497,000
Noninterest-bearing	1,558,000
Interest-bearing	70,939,000
Federal funds purchased and securities sold under agreements to repurchase:	
Federal funds purchased in domestic offices	454,000
Securities sold under agreements to repurchase	75,000
Trading liabilities	8,365,000
Other borrowed money:	
(includes mortgage indebtedness and obligations under capitalized leases)	6,256,000
Not applicable	
Not applicable	
Subordinated notes and debentures	3,490,000
Other liabilities	7,018,000
Total liabilities	<u>183,441,000</u>
Minority interest in consolidated subsidiaries	350,000

EQUITY CAPITAL

Perpetual preferred stock and related surplus	0
Common stock	1,135,000
Surplus (exclude all surplus related to preferred stock)	8,276,000
Retained earnings	6,810,000
Accumulated other comprehensive income	-4,848,000
Other equity capital components	0
Total equity capital	<u>11,373,000</u>
Total liabilities, minority interest, and equity capital	<u>195,164,000</u>

I, Thomas P. Gibbons, Chief Financial Officer of the above-named bank do hereby declare that this Report of Condition is true and correct to the best of my knowledge and belief.

Thomas P. Gibbons,
Chief Financial Officer

We, the undersigned directors, attest to the correctness of this statement of resources and liabilities. We declare that it has been examined by us, and to the best of our knowledge and belief has been prepared in conformance with the instructions and is true and correct.

Gerald L. Hassell
Steven G. Elliott
Robert P. Kelly



Directors

FORM T-1
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

**STATEMENT OF ELIGIBILITY
UNDER THE TRUST INDENTURE ACT OF 1939 OF A
CORPORATION DESIGNATED TO ACT AS TRUSTEE**

**CHECK IF AN APPLICATION TO DETERMINE
ELIGIBILITY OF A TRUSTEE PURSUANT TO
SECTION 305(b)(2) "**

THE BANK OF NEW YORK MELLON

(Exact name of trustee as specified in its charter)

New York
(State of incorporation
if not a U.S. national bank)

13-5160382
(I.R.S. employer
identification no.)

One Wall Street, New York, N.Y.
(Address of principal executive offices)

10286
(Zip code)

PRUDENTIAL FINANCIAL CAPITAL TRUST III

(Exact name of obligor as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

73-6345639
(I.R.S. employer
identification no.)

751 Broad Street
Newark, New Jersey
(Address of principal executive offices)

07102
(Zip code)

Preferred Securities of Prudential Financial Capital Trust III
(Title of the indenture securities)

1. General information. Furnish the following information as to the Trustee:

(a) Name and address of each examining or supervising authority to which it is subject.

Name	Address
Superintendent of Banks of the State of New York	One State Street, New York, N.Y. 10004-1417, and Albany, N.Y. 12223
Federal Reserve Bank of New York	33 Liberty Street, New York, N.Y. 10045
Federal Deposit Insurance Corporation	Washington, D.C. 20429
New York Clearing House Association	New York, New York 10005

(b) Whether it is authorized to exercise corporate trust powers.

Yes.

2. Affiliations with Obligor.

If the obligor is an affiliate of the trustee, describe each such affiliation.

None.

16. List of Exhibits.

Exhibits identified in parentheses below, on file with the Commission, are incorporated herein by reference as an exhibit hereto, pursuant to Rule 7a-29 under the Trust Indenture Act of 1939 (the “Act”) and 17 C.F.R. 229.10(d).

1. A copy of the Organization Certificate of The Bank of New York Mellon (formerly known as The Bank of New York, itself formerly Irving Trust Company) as now in effect, which contains the authority to commence business and a grant of powers to exercise corporate trust powers. (Exhibit 1 to Amendment No. 1 to Form T-1 filed with Registration Statement No. 33-6215, Exhibits 1a and 1b to Form T-1 filed with Registration Statement No. 33-21672, Exhibit 1 to Form T-1 filed with Registration Statement No. 33-29637, Exhibit 1 to Form T-1 filed with Registration Statement No. 333-121195 and Exhibit 1 to Form T-1 filed with Registration Statement No. 333-152735).

-
4. A copy of the existing By-laws of the Trustee. (Exhibit 4 to Form T-1 filed with Registration Statement No. 333-121195).
 6. The consent of the Trustee required by Section 321(b) of the Act (Exhibit 6 to Form T-1 filed with Registration Statement No. 333-152735).
 7. A copy of the latest report of condition of the Trustee published pursuant to law or to the requirements of its supervising or examining authority.

SIGNATURE

Pursuant to the requirements of the Act, the Trustee, The Bank of New York Mellon, a corporation organized and existing under the laws of the State of New York, has duly caused this statement of eligibility to be signed on its behalf by the undersigned, thereunto duly authorized, all in The City of New York, and State of New York, on the 6th day of March, 2009.

THE BANK OF NEW YORK MELLON

By: /S/ CHERYL CLARKE

Name: CHERYL CLARKE

Title: VICE PRESIDENT

Consolidated Report of Condition of
THE BANK OF NEW YORK MELLON
of One Wall Street, New York, N.Y. 10286
And Foreign and Domestic Subsidiaries,

a member of the Federal Reserve System, at the close of business December 31, 2008, published in accordance with a call made by the Federal Reserve Bank of this District pursuant to the provisions of the Federal Reserve Act.

	Dollar Amounts In Thousands
ASSETS	
Cash and balances due from depository institutions:	
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Interest-bearing balances	87,807,000
Securities:	
Held-to-maturity securities	7,327,000
Available-for-sale securities	32,572,000
Federal funds sold and securities purchased under agreements to resell:	
Federal funds sold in domestic offices	373,000
Securities purchased under agreements to resell	0
Loans and lease financing receivables:	
Loans and leases held for sale	0
Loans and leases, net of unearned income	32,827,000
LESS: Allowance for loan and lease losses	357,000
Loans and leases, net of unearned income and allowance	32,470,000
Trading assets	10,665,000
Premises and fixed assets (including capitalized leases)	1,098,000
Other real estate owned	8,000
Investments in unconsolidated subsidiaries and associated companies	795,000
Not applicable	
Intangible assets:	
Goodwill	4,908,000
Other intangible assets	1,606,000
Other assets	11,095,000
Total assets	195,164,000

LIABILITIES

Deposits:	
In domestic offices	85,286,000
Noninterest-bearing	54,008,000
Interest-bearing	31,278,000
In foreign offices, Edge and Agreement subsidiaries, and IBFs	72,497,000
Noninterest-bearing	1,558,000
Interest-bearing	70,939,000
Federal funds purchased and securities sold under agreements to repurchase:	
Federal funds purchased in domestic offices	454,000
Securities sold under agreements to repurchase	75,000
Trading liabilities	8,365,000
Other borrowed money:	
(includes mortgage indebtedness and obligations under capitalized leases)	6,256,000
Not applicable	
Not applicable	
Subordinated notes and debentures	3,490,000
Other liabilities	7,018,000
Total liabilities	<u>183,441,000</u>
Minority interest in consolidated subsidiaries	350,000

EQUITY CAPITAL

Perpetual preferred stock and related surplus	0
Common stock	1,135,000
Surplus (exclude all surplus related to preferred stock)	8,276,000
Retained earnings	6,810,000
Accumulated other comprehensive income	-4,848,000
Other equity capital components	0
Total equity capital	<u>11,373,000</u>
Total liabilities, minority interest, and equity capital	<u>195,164,000</u>

I, Thomas P. Gibbons, Chief Financial Officer of the above-named bank do hereby declare that this Report of Condition is true and correct to the best of my knowledge and belief.

Thomas P. Gibbons,
Chief Financial Officer

We, the undersigned directors, attest to the correctness of this statement of resources and liabilities. We declare that it has been examined by us, and to the best of our knowledge and belief has been prepared in conformance with the instructions and is true and correct.

Gerald L. Hassell
Steven G. Elliott
Robert P. Kelly



Directors

FORM T-1
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

**STATEMENT OF ELIGIBILITY
UNDER THE TRUST INDENTURE ACT OF 1939 OF A
CORPORATION DESIGNATED TO ACT AS TRUSTEE**

**CHECK IF AN APPLICATION TO DETERMINE
ELIGIBILITY OF A TRUSTEE PURSUANT TO
SECTION 305(b)(2) "**

THE BANK OF NEW YORK MELLON

(Exact name of trustee as specified in its charter)

New York
(State of incorporation
if not a U.S. national bank)

13-5160382
(I.R.S. employer
identification no.)

One Wall Street, New York, N.Y.
(Address of principal executive offices)

10286
(Zip code)

PRUDENTIAL FINANCIAL, INC.

(Exact name of obligor as specified in its charter)

New Jersey
(State or other jurisdiction of
incorporation or organization)

22-3703799
(I.R.S. employer
identification no.)

751 Broad Street
Newark, New Jersey
(Address of principal executive offices)

07102
(Zip code)

Guarantees of Preferred Securities of Prudential Financial Capital Trust III
(Title of the indenture securities)

1. General information. Furnish the following information as to the Trustee:

(a) Name and address of each examining or supervising authority to which it is subject.

Name	Address
Superintendent of Banks of the State of New York	One State Street, New York, N.Y. 10004-1417, and Albany, N.Y. 12223
Federal Reserve Bank of New York	33 Liberty Street, New York, N.Y. 10045
Federal Deposit Insurance Corporation	Washington, D.C. 20429
New York Clearing House Association	New York, New York 10005

(b) Whether it is authorized to exercise corporate trust powers.

Yes.

2. Affiliations with Obligor.

If the obligor is an affiliate of the trustee, describe each such affiliation.

None.

16. List of Exhibits.

Exhibits identified in parentheses below, on file with the Commission, are incorporated herein by reference as an exhibit hereto, pursuant to Rule 7a-29 under the Trust Indenture Act of 1939 (the “Act”) and 17 C.F.R. 229.10(d).

1. A copy of the Organization Certificate of The Bank of New York Mellon (formerly known as The Bank of New York, itself formerly Irving Trust Company) as now in effect, which contains the authority to commence business and a grant of powers to exercise corporate trust powers. (Exhibit 1 to Amendment No. 1 to Form T-1 filed with Registration Statement No. 33-6215, Exhibits 1a and 1b to Form T-1 filed with Registration Statement No. 33-21672, Exhibit 1 to Form T-1 filed with Registration Statement No. 33-29637, Exhibit 1 to Form T-1 filed with Registration Statement No. 333-121195 and Exhibit 1 to Form T-1 filed with Registration Statement No. 333-152735).

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4. A copy of the existing By-laws of the Trustee. (Exhibit 4 to Form T-1 filed with Registration Statement No. 333-121195).
 6. The consent of the Trustee required by Section 321(b) of the Act (Exhibit 6 to Form T-1 filed with Registration Statement No. 333-152735).
 7. A copy of the latest report of condition of the Trustee published pursuant to law or to the requirements of its supervising or examining authority.

SIGNATURE

Pursuant to the requirements of the Act, the Trustee, The Bank of New York Mellon, a corporation organized and existing under the laws of the State of New York, has duly caused this statement of eligibility to be signed on its behalf by the undersigned, thereunto duly authorized, all in The City of New York, and State of New York, on the 6th day of March, 2009.

THE BANK OF NEW YORK MELLON

By: /S/ CHERYL CLARKE

Name: CHERYL CLARKE

Title: VICE PRESIDENT

Consolidated Report of Condition of
THE BANK OF NEW YORK MELLON
of One Wall Street, New York, N.Y. 10286
And Foreign and Domestic Subsidiaries,

a member of the Federal Reserve System, at the close of business December 31, 2008, published in accordance with a call made by the Federal Reserve Bank of this District pursuant to the provisions of the Federal Reserve Act.

	Dollar Amounts In Thousands
ASSETS	
Cash and balances due from depository institutions:	
Noninterest-bearing balances and currency and coin	4,440,000
Interest-bearing balances	87,807,000
Securities:	
Held-to-maturity securities	7,327,000
Available-for-sale securities	32,572,000
Federal funds sold and securities purchased under agreements to resell:	
Federal funds sold in domestic offices	373,000
Securities purchased under agreements to resell	0
Loans and lease financing receivables:	
Loans and leases held for sale	0
Loans and leases, net of unearned income	32,827,000
LESS: Allowance for loan and lease losses	357,000
Loans and leases, net of unearned income and allowance	32,470,000
Trading assets	10,665,000
Premises and fixed assets (including capitalized leases)	1,098,000
Other real estate owned	8,000
Investments in unconsolidated subsidiaries and associated companies	795,000
Not applicable	
Intangible assets:	
Goodwill	4,908,000
Other intangible assets	1,606,000
Other assets	11,095,000
Total assets	195,164,000

LIABILITIES

Deposits:	
In domestic offices	85,286,000
Noninterest-bearing	54,008,000
Interest-bearing	31,278,000
In foreign offices, Edge and Agreement subsidiaries, and IBFs	72,497,000
Noninterest-bearing	1,558,000
Interest-bearing	70,939,000
Federal funds purchased and securities sold under agreements to repurchase:	
Federal funds purchased in domestic offices	454,000
Securities sold under agreements to repurchase	75,000
Trading liabilities	8,365,000
Other borrowed money:	
(includes mortgage indebtedness and obligations under capitalized leases)	6,256,000
Not applicable	
Not applicable	
Subordinated notes and debentures	3,490,000
Other liabilities	7,018,000
Total liabilities	<u>183,441,000</u>
Minority interest in consolidated subsidiaries	350,000

EQUITY CAPITAL

Perpetual preferred stock and related surplus	0
Common stock	1,135,000
Surplus (exclude all surplus related to preferred stock)	8,276,000
Retained earnings	6,810,000
Accumulated other comprehensive income	-4,848,000
Other equity capital components	0
Total equity capital	<u>11,373,000</u>
Total liabilities, minority interest, and equity capital	<u>195,164,000</u>

I, Thomas P. Gibbons, Chief Financial Officer of the above-named bank do hereby declare that this Report of Condition is true and correct to the best of my knowledge and belief.

Thomas P. Gibbons,
Chief Financial Officer

We, the undersigned directors, attest to the correctness of this statement of resources and liabilities. We declare that it has been examined by us, and to the best of our knowledge and belief has been prepared in conformance with the instructions and is true and correct.

Gerald L. Hassell
Steven G. Elliott
Robert P. Kelly



Directors