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**REQUEST TO TESTIFY AT JOINT DEPARTMENT OF LABOR/SECURITIES AND  
EXCHANGE COMMISSION HEARING ON TARGET DATE FUNDS AND SIMILAR  
INVESTMENT OPTIONS**

June 4, 2009

**Submitted Electronically**

Office of Regulations and Interpretations  
Employee Benefits Security Administration  
Room N-5655  
U.S Department of Labor  
200 Constitution Ave., N.W.  
Washington, D.C. 20210

Attn: Target Date Fund Joint Hearing  
e-ORI@dol.gov

Ladies and Gentleman:

This request and proposed presentation outline is submitted on behalf of Prudential Retirement Insurance and Annuity Company (Prudential), a wholly-owned subsidiary of The Prudential Insurance Company of America. Prudential and its affiliates currently provide retirement services to over 6900 plans covering over 3.7 million participants. In connection with those plans, Prudential offers institutionally priced target date funds designed to support its guaranteed lifetime income insurance product called Prudential IncomeFlex® Target (SM). Prudential requests to be selected to publicly testify and make comments at the joint hearings of the DOL and SEC on June 18, 2009. We expect that if we are selected to testify, Mark Foley, Vice President in our Retirement Income Management unit will be delivering our testimony.

We believe that the subject matter that we propose to address is unique and highly relevant, particularly in the context of defined contribution retirement plans. If selected to testify, we would provide details regarding the combination of target date funds with insurance guarantees. The presence of these insurance guarantees enable retirement plan participants to protect their retirement income against market downturns while allowing continued measured exposure to equity investments.

The following is an outline of our proposed testimony and topics:

Registered Principal  
Prudential Investment Management Services, LLC  
A Prudential Financial company  
Three Gateway Center, 14<sup>th</sup> Floor  
Newark, NJ 07102-4077  
Tel 973 802-8624

- I. Target Date Funds Combined with Income Guarantees: What They Are and How They Work – 3 minutes
  - a. Target date funds as we otherwise know them
  - b. Add a guarantee of lifetime income in the periods approaching retirement and in retirement
    - Guaranteed basis for income before retirement
    - Guaranteed income in the form of withdrawals after retirement; insurer pays after target date fund exhausted
  - c. Qualify for QDIA treatment (as noted in 29 CFR 2550.404c-5(e)(4)(vi))
- II. How Target Date Funds Combined with Income Guarantees Differ From Other Target Date Funds – 2 minutes
  - a. Potential for more optimal asset allocations
  - b. Additional, fully disclosed guarantee fee to pay for income protections
  - c. Additional regulatory oversight (from state insurance departments); while retaining existing TDF oversight
  - d. Additional protection for participants, as noted in the DC annuity regulation, in the form of state guaranty funds
- III. How Do Target Date Funds Combined with Income Guarantees Benefit Retirement Plan Participants – 5 minutes
  - a. Simple, automatic source of guaranteed retirement income
  - b. Facilitates transition from “investment framing” to “income framing”
  - c. Flexibility to meet unforeseen emergencies
  - d. Incentive to remain under the watchful eye of plan fiduciaries (and, by extension, DOL regulators)

If we are selected to testify at the June 18th hearings, we expect to submit more expansive written comments/testimony and provide supplemental written material to augment our oral presentation.

Thank you for your consideration. If you have any questions or would like us to provide additional information, please contact the undersigned.

Sincerely,



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