

FOR FURTHER INFORMATION CONTACT:

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SUPPLEMENTARY INFORMATION: The following is a summary of the application. The complete application is available for a fee from the Commission's Public Reference Branch, 450 Fifth Street, NW., Washington, DC 20549-0102 (tel. (202) 942-8090).

Applicants' Representations

1. Prudential Life is a stock life insurance company founded in 1875 under the laws of New Jersey. It is licensed to sell life insurance and annuities in the District of Columbia, Guam, the U.S. Virgin Islands and in all states. Pruco Life is a stock life insurance company organized in 1971 under the laws of the State of Arizona and is licensed to sell life insurance and annuities in the District of Columbia, Guam, and in all states except New York. PLNJ is a stock life insurance company organized in 1982 under the Laws of the State of New Jersey and is licensed to sell life insurance and annuities in the states of New Jersey and New York. PLNJ is a wholly-owned subsidiary of Pruco Life, which is a wholly-owned subsidiary of Prudential Life. PIMS is registered with the Commission as a broker-dealer under the Securities Exchange Act of 1934 and is a member of the National Association of Securities Dealers, Inc. PIMS is the principal underwriter for the Old Contracts and the New Contracts and for certain other of Prudential Life's variable insurance products, including the Strategic Partners FlexElite variable annuity. PIMS is an affiliate of Prudential Life.

2. Each Old Prudential Account was established on October 12, 1982, in accordance with authorization by the Board of Directors of Prudential Life and registered under the Act as a unit investment trust (File Nos. 811-03622 and 811-03625). The Prudential Individual Variable Contract Account is the separate account through which Prudential Life issues the Discovery Plus individual variable annuity contracts ("Discovery Plus Contracts") and the Variable Investment Plan Contracts. The Prudential Qualified Individual Variable Contract Account is the separate account through which Prudential Life issues the Qualified Variable Investment Plan Contracts (collectively with the Variable Investment Plan Contracts, the "VIP Contracts").

3. The New Pruco Life Account was established on June 16, 1995, in accordance with authorization by the Board of Directors of Pruco Life and registered under the Act as a unit investment trust (File No. 811-07325). It is the separate account in which Pruco Life will set aside and invest assets attributable to the New Contracts.

4. The New PLNJ Account was established on May 20, 1996, in accordance with authorization by the Board of Directors of PLNJ and registered under the Act as a unit investment trust (File No. 811-07975). It is the separate account in which PLNJ will set aside and invest assets attributable to PLNJ's version of the New Contracts.

The Exchange Offer

5. The Exchange Offer proposed by the Applicants will be made only to owners of the Old Contracts whose current account value equals or exceeds \$20,000, whose Old Contract is no longer subject to a withdrawal charge, and who are aged 80 or younger on the date of the exchange.

6. The New Contracts will be registered with the SEC and will be offered as individual tax-deferred flexible premium variable annuity contracts. They will permit contract values to be accumulated on a variable, fixed, or combination of variable and fixed basis. They require a minimum initial premium payment of \$20,000. Subsequent purchase payments generally must be at least \$500.

7. On the day the exchange is effected (the "Exchange Date") eligible owners would receive a bonus based on the contract value of each Old Contract surrendered in exchange for an enhanced New Contract (the "New Credit"). The New Credit would be equal to 1.5%, 2%, 2.5%, or 3%, depending on the amount exchanged and the age of the owner. Specifically, the New Credit percentage is 2% for purchase payments less than \$250,000, 2.5% for purchase payments of \$250,000 or more (but less than \$1 million), and 3% with respect to a purchase payment of \$1 million or more if the contract owner is age 80 or younger (for jointly-owned contracts, if the older owner is 80 or younger). The New Credit percentage is 1.5% for contract owners aged 81 or older (for jointly-owned contracts, if the older owner is 81 or older), regardless of the amount of the purchase payment. Under the New Contracts, the New Credit will vest upon the expiration of the free look period (except for New Credits applied within 12 months of death where the death benefit amount is equal to

contract value). Specifically, if a New Credit is applied to a purchase payment within one year of death and the death benefit amount is equal to contract value, then any Credit attributable to that purchase payment will be recaptured in calculating the death benefit.

8. The New Contracts will provide for a base death benefit equal to the greater of (a) contract value or (b) total purchase payments (less withdrawals). The guaranteed minimum death benefit option ("GMDB") guarantees that the death benefit will be no lower than a certain "protected value" equal to the "step-up value" or the "roll-up value" or the greater of the "step-up value" or the "roll-up value". The step-up value equals the highest value of the contract on any contract anniversary date (on each contract anniversary, the new step-up value becomes the higher of the previous step-up value and the current contract value). Between anniversary dates, the step-up value is only increased by additional purchase payments and reduced proportionally by withdrawals. The roll-up value equals the total of all invested purchase payments compounded daily at an effective annual rate of 5.0%. The New Contract will offer a minimum of three annuity payment options, including annuity payments for a fixed period, life income annuity option, and an interest payment settlement option.

9. Contract values under the New Contracts may be invested in several different investment company portfolios ("Underlying Funds"). New Underlying Funds may be added in the future. All but one of the Underlying Funds are portfolios of The Prudential Series Fund ("Series Fund Portfolios"). The other Underlying Fund is a portfolio of Janus Aspen Series. In addition, contract values under the New Contracts may be allocated to certain companion fixed options and market value adjustment options.

10. Contract values may be transferred among the subaccounts funding the New Contracts without charge for the first twelve such transfers per contract year. After the twelfth, a charge of up to \$30 for each additional transfer will be imposed. New Contract owners may enroll in a dollar-cost averaging transfer program (the "DCA Program"). Contract owners who enroll under the DCA Program may then systematically transfer either a fixed dollar amount or a percentage out of any variable investment option and into any other variable investment option. The New Contracts also will offer an auto-rebalancing feature. The contract owner may choose an allocation among the