

SECURITIES AND EXCHANGE COMMISSION

FORM 8-K

Current report filing

Filing Date: **2006-01-05** | Period of Report: **2005-12-31**
SEC Accession No. **0001193125-06-001811**

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FILER

PRUDENTIAL FINANCIAL INC

CIK: **1137774** | IRS No.: **223703799** | State of Incorporation: **NJ** | Fiscal Year End: **1231**
Type: **8-K** | Act: **34** | File No.: **001-16707** | Film No.: **06513128**
SIC: **6311** Life insurance

Mailing Address
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NEWARK NJ 07102

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

FORM 8-K

CURRENT REPORT

**Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): December 31, 2005

PRUDENTIAL FINANCIAL, INC.

(Exact name of registrant as specified in its charter)

New Jersey
(State or other jurisdiction
of incorporation)

001-16707
(Commission File Number)

22-3703799
(I.R.S. Employer
Identification No.)

751 Broad Street
Newark, New Jersey 07102
(Address of principal executive offices and zip code)

(973) 802-6000
(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 1.01 Entry Into a Material Definitive Agreement.

Prudential Financial, Inc. (the “Company”) is filing as Exhibit 10.1 to this Form 8-K Amendment No. 1, dated December 31, 2005 (the “Amendment”), to the Prudential Financial, Inc. Omnibus Incentive Plan. Under the terms of the Omnibus Incentive Plan prior to the Amendment, performance share awards were payable in cash in the event of a change of control of the Company. The Amendment gives the Company discretion to pay performance share awards under certain circumstances involving a change of control of the Company in either Common Stock of the Company or cash, addressing a change in accounting rules.

Item 9.01 Financial Statements and Exhibits.**(c) Exhibits.**

10.1 Amendment No. 1, dated December 31, 2005, to the Prudential Financial, Inc. Omnibus Incentive Plan.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: January 5, 2006

PRUDENTIAL FINANCIAL, INC.

By: /s/ Kathleen M. Gibson

Name: Kathleen M. Gibson

Title: Vice President, Secretary and
Corporate Governance Officer

Exhibit Index

<u>Exhibit No.</u>	<u>Description</u>
10.1	Amendment No. 1, dated December 31, 2005, to the Prudential Financial, Inc. Omnibus Incentive Plan.

**AMENDMENT NO. 1
TO THE
THE PRUDENTIAL FINANCIAL, INC.
OMNIBUS INCENTIVE PLAN**

Pursuant to the power reserved to it in Section 11.1 of the Prudential Financial, Inc. Omnibus Incentive Plan (the "Plan"), the Plan is hereby amended, effective January 1, 2006, as follows:

1. Sections 10.1 and 10.2 of the Plan are hereby amended and restated in their entirety as follows:

"10.1 Accelerated Vesting and Payment of Awards. Unless determined otherwise by the Committee and subject to the provisions of Section 10.3, in the event of a Change of Control each Option and SAR then outstanding shall be fully exercisable regardless of the exercise schedule otherwise applicable to such Option and/or SAR, and the Restricted Period shall lapse as to each share of Restricted Stock and each Restricted Unit then outstanding. In connection with such a Change of Control, the Committee may, in its sole discretion, provide that each Option, SAR, Restricted Stock and/or Restricted Unit shall, upon the occurrence of such Change of Control, be cancelled in exchange for a payment per share/unit (the "Settlement Payment") in an amount based on the Change of Control Price. Such Settlement Payment shall be in the form of cash.

10.2 Long Term Performance Unit Awards and Performance Share Awards. Unless determined otherwise by the Committee and subject to the provisions of Section 10.3, in the event of a Change of Control, (a) any outstanding Long Term Performance Unit Awards or Performance Share Awards relating to Performance Cycles ending prior to the Change of Control which have been earned but not paid shall become immediately payable, (b) all then-in-progress Performance Cycles for Long Term Performance Unit Awards or Performance Share Awards that are outstanding shall end, and all Participants shall be deemed to have earned an award equal to the Participant's target award opportunity for the Performance Cycle in question, (c) the Company shall pay all such Long Term Performance Unit Awards as a Settlement Payment in cash within thirty (30) days of such Change of Control, based on the Change of Control Price, and (d) the Company may, in its sole discretion and on such terms and conditions as it deems appropriate, pay all such Performance Share Awards either (i) in Common Stock and/or (ii) as a Settlement Payment in cash within thirty (30) days of such Change of Control, based on the Change of Control Price."

* * *

To record the adoption of this Amendment No. 1 to the Plan, the Company has caused its officer to execute these presents this 31st day of December, 2005.

PRUDENTIAL FINANCIAL, INC.

By: /s/ Sharon C. Taylor

Sharon C. Taylor

Senior VP, Corporate HR