



LIFE AND ACCIDENT AND HEALTH COMPANIES - ASSOCIATION EDITION

ANNUAL STATEMENT

FOR THE YEAR ENDED DECEMBER 31, 2012
OF THE CONDITION AND AFFAIRS OF THE

THE PAUL REVERE VARIABLE ANNUITY INSURANCE COMPANY

NAIC Group Code 0565 0565 NAIC Company Code 67601 Employer's ID Number 04-2381280
(Current) (Prior)

Organized under the Laws of MASSACHUSETTS, State of Domicile or Port of Entry MASSACHUSETTS

Country of Domicile United States of America

Incorporated/Organized 08/06/1965 Commenced Business 02/18/1966

Statutory Home Office 1 MERCANTILE STREET WORCESTER, MA, US 01608
(Street and Number) (City or Town, State, Country and Zip Code)

Main Administrative Office 1 FOUNTAIN SQUARE CHATTANOOGA, TN, US 37402-1330
(Street and Number) (City or Town, State, Country and Zip Code)
423-294-1011 (Area Code) (Telephone Number)

Mail Address 1 FOUNTAIN SQUARE CHATTANOOGA, TN, US 37402-1330
(Street and Number or P.O. Box) (City or Town, State, Country and Zip Code)

Primary Location of Books and Records 1 MERCANTILE STREET WORCESTER, MA, US 01608
(Street and Number) (City or Town, State, Country and Zip Code)
508-799-4441 (Area Code) (Telephone Number)

Internet Website Address www.unum.com

Statutory Statement Contact WALTER LYNN RICE, JR. 423-294-1882
(Name) (Area Code) (Telephone Number)
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(E-mail Address) (FAX Number)

OFFICERS

Chairman THOMAS ROS WATJEN President and Chief Executive Officer KEVIN PAUL MCCARTHY
Executive Vice President, Finance RICHARD PAUL MCKENNEY Executive Vice President and General Counsel ELMER LISTON BISHOP III
Senior Vice President and Chief Operating Officer, Unum US MICHAEL QUINN SIMONDS # Senior Vice President and Chief Marketing Officer JOSEPH RICHARD FOLEY
Senior Vice President and Treasurer KEVIN AMBROSE MCMAHON Senior Vice President and Chief Financial Officer ROGER LUC MARTIN
Senior Vice President and Controller VICKI WRIGHT CORBETT Vice President, Transactions, SEC and Corporate Secretary SUSAN NANCE ROTH
Senior Vice President, Chief Actuary and Appointed Actuary ALBERT ANGELO RIGGIERI, JR Senior Vice President, Global Services CHRISTOPHER JOSEPH JEROME #

DIRECTORS OR TRUSTEES

ELMER LISTON BISHOP III CHRISTOPHER JOSEPH JEROME #
KEVIN PAUL MCCARTHY RICHARD PAUL MCKENNEY THOMAS ROS WATJEN

State of Tennessee
County of Hamilton SS:

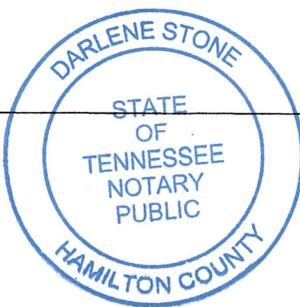
The officers of this reporting entity being duly sworn, each depose and say that they are the described officers of said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to, is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC Annual Statement Instructions and Accounting Practices and Procedures manual except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively. Furthermore, the scope of this attestation by the described officers also includes the related corresponding electronic filing with the NAIC, when required, that is an exact copy (except for formatting differences due to electronic filing) of the enclosed statement. The electronic filing may be requested by various regulators in lieu of or in addition to the enclosed statement.

Signatures of Kevin Paul McCarthy, Susan Nance Roth, and Kevin Ambrose McMahon with titles: President and Chief Executive Officer, Vice President, Transactions, SEC and Corporate Secretary, Senior Vice President and Treasurer.

Subscribed and sworn to before me this 21st day of February, 2013

- a. Is this an original filing? Yes [X] No []
b. If no,
1. State the amendment number.....
2. Date filed
3. Number of pages attached

Darlene Stone
Darlene Stone



My commission expires September 10, 2016.

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE PAUL REVERE VARIABLE ANNUITY INSURANCE COMPANY

ASSETS

	Current Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 Net Admitted Assets
1. Bonds (Schedule D)	44,613,456		44,613,456	41,428,192
2. Stocks (Schedule D):				
2.1 Preferred stocks				
2.2 Common stocks				
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens				
3.2 Other than first liens				
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$				
encumbrances)				
4.2 Properties held for the production of income (less				
\$				
encumbrances)				
4.3 Properties held for sale (less \$				
encumbrances)				
5. Cash (\$499,281 , Schedule E - Part 1), cash equivalents				
(\$2,946,403 , Schedule E - Part 2) and short-term				
investments (\$0 , Schedule DA)	3,445,684		3,445,684	5,805,677
6. Contract loans (including \$ premium notes)				
7. Derivatives (Schedule DB)				
8. Other invested assets (Schedule BA)	1,402,767		1,402,767	1,414,826
9. Receivables for securities	35		35	155
10. Securities lending reinvested collateral assets (Schedule DL)			0	3,260,665
11. Aggregate write-ins for invested assets				
12. Subtotals, cash and invested assets (Lines 1 to 11)	49,461,943		49,461,943	51,909,515
13. Title plants less \$ charged off (for Title insurers				
only)				
14. Investment income due and accrued	477,369		477,369	427,681
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection				
15.2 Deferred premiums and agents' balances and installments booked but				
deferred and not yet due (including \$				
earned but unbilled premiums)				
15.3 Accrued retrospective premiums				
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers				
16.2 Funds held by or deposited with reinsured companies				
16.3 Other amounts receivable under reinsurance contracts	90,234		90,234	173,918
17. Amounts receivable relating to uninsured plans				
18.1 Current federal and foreign income tax recoverable and interest thereon				
18.2 Net deferred tax asset	1,196,615	169,676	1,026,939	1,089,054
19. Guaranty funds receivable or on deposit	168,181		168,181	233,499
20. Electronic data processing equipment and software				
21. Furniture and equipment, including health care delivery assets				
(\$)				
22. Net adjustment in assets and liabilities due to foreign exchange rates				
23. Receivables from parent, subsidiaries and affiliates	235,994		235,994	23,686
24. Health care (\$) and other amounts receivable				
25. Aggregate write-ins for other than invested assets	18,128		18,128	0
26. Total assets excluding Separate Accounts, Segregated Accounts and				
Protected Cell Accounts (Lines 12 to 25)	51,648,464	169,676	51,478,788	53,857,352
27. From Separate Accounts, Segregated Accounts and Protected Cell				
Accounts	2,073,994		2,073,994	1,979,145
28. Total (Lines 26 and 27)	53,722,458	169,676	53,552,782	55,836,497
DETAILS OF WRITE-INS				
1101.				
1102.				
1103.				
1198. Summary of remaining write-ins for Line 11 from overflow page				
1199. Totals (Lines 1101 thru 1103 plus 1198)(Line 11 above)				
2501. Receivable for investment income	18,128		18,128	0
2502.				
2503.				
2598. Summary of remaining write-ins for Line 25 from overflow page				
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	18,128		18,128	0

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE PAUL REVERE VARIABLE ANNUITY INSURANCE COMPANY

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Year	2 Prior Year
1. Aggregate reserve for life contracts \$ (Exh. 5, Line 999999) less \$ included in Line 6.3 (including \$ Modco Reserve)		
2. Aggregate reserve for accident and health contracts (including \$ Modco Reserve)		
3. Liability for deposit-type contracts (Exhibit 7, Line 14, Col. 1) (including \$ 0 Modco Reserve)	5,454,225	5,685,577
4. Contract claims:		
4.1 Life (Exhibit 8, Part 1, Line 4.4, Col. 1 less sum of Cols. 9, 10 and 11)		
4.2 Accident and health (Exhibit 8, Part 1, Line 4.4, sum of Cols. 9, 10 and 11)		
5. Policyholders' dividends \$ and coupons \$ due and unpaid (Exhibit 4, Line 10)		
6. Provision for policyholders' dividends and coupons payable in following calendar year - estimated amounts:		
6.1 Dividends apportioned for payment (including \$ Modco)		
6.2 Dividends not yet apportioned (including \$ Modco)		
6.3 Coupons and similar benefits (including \$ Modco)		
7. Amount provisionally held for deferred dividend policies not included in Line 6		
8. Premiums and annuity considerations for life and accident and health contracts received in advance less \$ discount; including \$ accident and health premiums (Exhibit 1, Part 1, Col. 1, sum of lines 4 and 14)		
9. Contract liabilities not included elsewhere:		
9.1 Surrender values on canceled contracts		
9.2 Provision for experience rating refunds, including the liability of \$ accident and health experience rating refunds of which \$ is for medical loss ratio rebate per the Public Health Service Act		
9.3 Other amounts payable on reinsurance including \$ 0 assumed and \$ 221,855 ceded	221,855	138,278
9.4 Interest maintenance reserve (IMR, Line 6)	5,845,371	6,383,834
10. Commissions to agents due or accrued-life and annuity contracts \$ 43,094 accident and health \$ 0 and deposit-type contract funds \$ 0	43,094	42,467
11. Commissions and expense allowances payable on reinsurance assumed		
12. General expenses due or accrued (Exhibit 2, Line 12, Col. 6)		
13. Transfers to Separate Accounts due or accrued (net) (including \$ accrued for expense allowances recognized in reserves, net of reinsured allowances)		
14. Taxes, licenses and fees due or accrued, excluding federal income taxes (Exhibit 3, Line 9, Col. 5)	699,998	768,615
15.1 Current federal and foreign income taxes including \$ 49,207 on realized capital gains (losses)	17,885	13,135
15.2 Net deferred tax liability		
16. Unearned investment income		
17. Amounts withheld or retained by company as agent or trustee		
18. Amounts held for agents' account, including \$ agents' credit balances		
19. Remittances and items not allocated		
20. Net adjustment in assets and liabilities due to foreign exchange rates		
21. Liability for benefits for employees and agents if not included above		
22. Borrowed money \$ and interest thereon \$		
23. Dividends to stockholders declared and unpaid		
24. Miscellaneous liabilities:		
24.01 Asset valuation reserve (AVR, Line 16, Col. 7)	573,641	570,705
24.02 Reinsurance in unauthorized and certified (\$) companies		
24.03 Funds held under reinsurance treaties with unauthorized and certified (\$) reinsurers		
24.04 Payable to parent, subsidiaries and affiliates	0	13,379
24.05 Drafts outstanding		
24.06 Liability for amounts held under uninsured plans		
24.07 Funds held under coinsurance		
24.08 Derivatives		
24.09 Payable for securities		
24.10 Payable for securities lending	0	3,260,665
24.11 Capital notes \$ and interest thereon \$		
25. Aggregate write-ins for liabilities	139,645	79,121
26. Total Liabilities excluding Separate Accounts business (Lines 1 to 25)	12,995,714	16,955,775
27. From Separate Accounts Statement	2,073,994	1,979,145
28. Total Liabilities (Lines 26 and 27)	15,069,707	18,934,920
29. Common capital stock	2,500,000	2,500,000
30. Preferred capital stock		
31. Aggregate write-ins for other than special surplus funds	3,237,123	3,889,264
32. Surplus notes		
33. Gross paid in and contributed surplus (Page 3, Line 33, Col. 2 plus Page 4, Line 51.1, Col. 1)	48,800,000	48,800,000
34. Aggregate write-ins for special surplus funds	0	673,353
35. Unassigned funds (surplus)	(16,054,049)	(18,961,040)
36. Less treasury stock, at cost:		
36.1 shares common (value included in Line 29 \$)		
36.2 shares preferred (value included in Line 30 \$)		
37. Surplus (Total Lines 31+32+33+34+35-36) (including \$ in Separate Accounts Statement)	35,983,075	34,401,577
38. Totals of Lines 29, 30 and 37 (Page 4, Line 55)	38,483,075	36,901,577
39. Totals of Lines 28 and 38 (Page 2, Line 28, Col. 3)	53,552,782	55,836,497
DETAILS OF WRITE-INS		
2501. Other amounts payable to reinsurers	139,645	79,121
2502.		
2503.		
2598. Summary of remaining write-ins for Line 25 from overflow page		
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	139,645	79,121
3101. Deferred gain on reinsurance transactions	3,237,123	3,889,264
3102.		
3103.		
3198. Summary of remaining write-ins for Line 31 from overflow page		
3199. Totals (Lines 3101 thru 3103 plus 3198)(Line 31 above)	3,237,123	3,889,264
3401. Admitted deferred tax asset - SSAP 10R	0	673,353
3402.		
3403.		
3498. Summary of remaining write-ins for Line 34 from overflow page		
3499. Totals (Lines 3401 thru 3403 plus 3498)(Line 34 above)	0	673,353

SUMMARY OF OPERATIONS

	1 Current Year	2 Prior Year
1. Premiums and annuity considerations for life and accident and health contracts (Exhibit 1, Part 1, Line 20.4, Col. 1, less Col. 11)		
2. Considerations for supplementary contracts with life contingencies		
3. Net investment income (Exhibit of Net Investment Income, Line 17)	2,647,375	2,537,065
4. Amortization of interest maintenance reserve (IMR, Line 5)	538,463	630,308
5. Separate Accounts net gain from operations excluding unrealized gains or losses		
6. Commissions and expense allowances on reinsurance ceded (Exhibit 1, Part 2, Line 26.1, Col. 1)	1,924,282	1,647,742
7. Reserve adjustments on reinsurance ceded		
8. Miscellaneous Income:		
8.1 Income from fees associated with investment management, administration and contract guarantees from Separate Accounts	30,989	31,126
8.2 Charges and fees for deposit-type contracts		
8.3 Aggregate write-ins for miscellaneous income	4,721	0
9. Total (Lines 1 to 8.3)	5,145,830	4,846,241
10. Death benefits		
11. Matured endowments (excluding guaranteed annual pure endowments)		
12. Annuity benefits (Exhibit 8, Part 2, Line 6.4, Cols. 4 + 8)		
13. Disability benefits and benefits under accident and health contracts		
14. Coupons, guaranteed annual pure endowments and similar benefits		
15. Surrender benefits and withdrawals for life contracts		
16. Group conversions		
17. Interest and adjustments on contract or deposit-type contract funds	286,828	290,153
18. Payments on supplementary contracts with life contingencies		
19. Increase in aggregate reserves for life and accident and health contracts		
20. Totals (Lines 10 to 19)	286,828	290,153
21. Commissions on premiums, annuity considerations, and deposit-type contract funds (direct business only) (Exhibit 1, Part 2, Line 31, Col. 1)	1,277,678	872,856
22. Commissions and expense allowances on reinsurance assumed (Exhibit 1, Part 2, Line 26.2, Col. 1)		
23. General insurance expenses (Exhibit 2, Line 10, Cols. 1, 2, 3 and 4)	14,543	14,409
24. Insurance taxes, licenses and fees, excluding federal income taxes (Exhibit 3, Line 7, Cols. 1 + 2 + 3)	528,844	387,317
25. Increase in loading on deferred and uncollected premiums		
26. Net transfers to or (from) Separate Accounts net of reinsurance		
27. Aggregate write-ins for deductions	1,000	9,273
28. Totals (Lines 20 to 27)	2,108,893	1,574,008
29. Net gain from operations before dividends to policyholders and federal income taxes (Line 9 minus Line 28)	3,036,937	3,272,233
30. Dividends to policyholders		
31. Net gain from operations after dividends to policyholders and before federal income taxes (Line 29 minus Line 30)	3,036,937	3,272,233
32. Federal and foreign income taxes incurred (excluding tax on capital gains)	746,685	791,192
33. Net gain from operations after dividends to policyholders and federal income taxes and before realized capital gains or (losses) (Line 31 minus Line 32)	2,290,252	2,481,041
34. Net realized capital gains (losses) (excluding gains (losses) transferred to the IMR) less capital gains tax of \$ 5,266 (excluding taxes of \$ 0 transferred to the IMR)	2,371	59,624
35. Net income (Line 33 plus Line 34)	2,292,623	2,540,665
CAPITAL AND SURPLUS ACCOUNT		
36. Capital and surplus, December 31, prior year (Page 3, Line 38, Col. 2)	36,901,577	35,079,989
37. Net income (Line 35)	2,292,623	2,540,665
38. Change in net unrealized capital gains (losses) less capital gains tax of \$ (4,220)	(7,839)	5,992
39. Change in net unrealized foreign exchange capital gain (loss)		
40. Change in net deferred income tax	103,341	87,680
41. Change in nonadmitted assets	(151,551)	(97,534)
42. Change in liability for reinsurance in unauthorized and certified companies		
43. Change in reserve on account of change in valuation basis, (increase) or decrease (Exh. 5A, Line 9999999, Col. 4)		
44. Change in asset valuation reserve	(2,936)	(32,208)
45. Change in treasury stock (Page 3, Lines 36.1 and 36.2, Col. 2 minus Col. 1)		
46. Surplus (contributed to) withdrawn from Separate Accounts during period		
47. Other changes in surplus in Separate Accounts Statement		
48. Change in surplus notes		
49. Cumulative effect of changes in accounting principles		
50. Capital changes:		
50.1 Paid in		
50.2 Transferred from surplus (Stock Dividend)		
50.3 Transferred to surplus		
51. Surplus adjustment:		
51.1 Paid in		
51.2 Transferred to capital (Stock Dividend)		
51.3 Transferred from capital		
51.4 Change in surplus as a result of reinsurance	(652,141)	(780,540)
52. Dividends to stockholders		
53. Aggregate write-ins for gains and losses in surplus	0	97,534
54. Net change in capital and surplus for the year (Lines 37 through 53)	1,581,497	1,821,589
55. Capital and surplus, December 31, current year (Lines 36 + 54) (Page 3, Line 38)	38,483,075	36,901,577
DETAILS OF WRITE-INS		
08.301. Miscellaneous income	4,721	0
08.302.		
08.303.		
08.398. Summary of remaining write-ins for Line 8.3 from overflow page		
08.399. Totals (Lines 08.301 thru 08.303 plus 08.398)(Line 8.3 above)	4,721	0
2701. Miscellaneous loss	0	9,273
2702. Fines and penalties paid to regulatory authorities	1,000	0
2703.		
2798. Summary of remaining write-ins for Line 27 from overflow page		
2799. Totals (Lines 2701 thru 2703 plus 2798)(Line 27 above)	1,000	9,273
5301. Change in admitted deferred tax asset - SSAP 10R	0	97,534
5302.		
5303.		
5398. Summary of remaining write-ins for Line 53 from overflow page		
5399. Totals (Lines 5301 thru 5303 plus 5398)(Line 53 above)	0	97,534

CASH FLOW

	1	2
	Current Year	Prior Year
Cash from Operations		
1. Premiums collected net of reinsurance		
2. Net investment income	2,537,445	2,493,117
3. Miscellaneous income	1,391,535	905,185
4. Total (Lines 1 through 3)	3,928,980	3,398,302
5. Benefit and loss related payments	(83,577)	(94,843)
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts		
7. Commissions, expenses paid and aggregate write-ins for deductions	1,824,736	1,304,534
8. Dividends paid to policyholders		
9. Federal and foreign income taxes paid (recovered) net of \$(31,275) tax on capital gains (losses)	747,201	583,351
10. Total (Lines 5 through 9)	2,488,361	1,793,041
11. Net cash from operations (Line 4 minus Line 10)	1,440,619	1,605,261
Cash from Investments		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds	14,831	3,191
12.2 Stocks		
12.3 Mortgage loans		
12.4 Real estate		
12.5 Other invested assets		
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments		
12.7 Miscellaneous proceeds	3,286,547	0
12.8 Total investment proceeds (Lines 12.1 to 12.7)	3,301,378	3,191
13. Cost of investments acquired (long-term only):		
13.1 Bonds	3,157,980	0
13.2 Stocks		
13.3 Mortgage loans		
13.4 Real estate		
13.5 Other invested assets		
13.6 Miscellaneous applications	0	3,260,782
13.7 Total investments acquired (Lines 13.1 to 13.6)	3,157,980	3,260,782
14. Net increase (decrease) in contract loans and premium notes		
15. Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14)	143,398	(3,257,591)
Cash from Financing and Miscellaneous Sources		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes		
16.2 Capital and paid in surplus, less treasury stock		
16.3 Borrowed funds		
16.4 Net deposits on deposit-type contracts and other insurance liabilities	(518,180)	(421,966)
16.5 Dividends to stockholders		
16.6 Other cash provided (applied)	(3,425,829)	3,196,853
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6)	(3,944,009)	2,774,887
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS		
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	(2,359,992)	1,122,557
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year	5,805,677	4,683,120
19.2 End of year (Line 18 plus Line 19.1)	3,445,684	5,805,677

Note: Supplemental disclosures of cash flow information for non-cash transactions:

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ANNUAL STATEMENT FOR THE YEAR 2012 OF THE PAUL REVERE VARIABLE ANNUITY INSURANCE COMPANY
ANALYSIS OF OPERATIONS BY LINES OF BUSINESS

	1 Total	2 Industrial Life	Ordinary			6 Credit Life (Group and Individual)	Group		Accident and Health			12 Aggregate of All Other Lines of Business
			3 Life Insurance	4 Individual Annuities	5 Supplementary Contracts		7 Life Insurance (a)	8 Annuities	9 Group	10 Credit (Group and Individual)	11 Other	
1. Premiums and annuity considerations for life and accident and health contracts												
2. Considerations for supplementary contracts with life contingencies												
3. Net investment income	2,647,375			601,719	7,047			2,038,609				
4. Amortization of Interest Maintenance Reserve (IMR)	538,463			122,387	1,433			414,643				
5. Separate Accounts net gain from operations excluding unrealized gains or losses												
6. Commissions and expense allowances on reinsurance ceded	1,924,282		696,552	1,224,167				3,563				
7. Reserve adjustments on reinsurance ceded												
8. Miscellaneous Income:												
8.1 Fees associated with income from investment management, administration and contract guarantees from Separate Accounts	30,989			30,989								
8.2 Charges and fees for deposit-type contracts												
8.3 Aggregate write-ins for miscellaneous income	4,721			4,721								
9. Totals (Lines 1 to 8.3)	5,145,830		696,552	1,983,983	8,480			2,456,815				
10. Death benefits												
11. Matured endowments (excluding guaranteed annual pure endowments)												
12. Annuity benefits												
13. Disability benefits and benefits under accident and health contracts												
14. Coupons, guaranteed annual pure endowments and similar benefits												
15. Surrender benefits and withdrawals for life contracts												
16. Group conversions												
17. Interest and adjustments on contract or deposit-type contract funds	286,828			62,851	125			223,852				
18. Payments on supplementary contracts with life contingencies												
19. Increase in aggregate reserves for life and accident and health contracts												
20. Totals (Lines 10 to 19)	286,828			62,851	125			223,852				
21. Commissions on premiums, annuity considerations and deposit-type contract funds (direct business only)	1,277,678		44,360	1,229,755				3,563				
22. Commissions and expense allowances on reinsurance assumed												
23. General insurance expenses	14,543		49	14,494								
24. Insurance taxes, licenses and fees, excluding federal income taxes	528,844		432,998	92,806				3,040				
25. Increase in loading on deferred and uncollected premiums												
26. Net transfers to or (from) Separate Accounts net of reinsurance												
27. Aggregate write-ins for deductions	1,000		267	709				23				
28. Totals (Lines 20 to 27)	2,108,893		477,674	1,400,616	125			230,478				
29. Net gain from operations before dividends to policyholders and federal income taxes (Line 9 minus Line 28)	3,036,937		218,878	583,367	8,356			2,226,337				
30. Dividends to policyholders												
31. Net gain from operations after dividends to policyholders and before federal income taxes (Line 29 minus Line 30)	3,036,937		218,878	583,367	8,356			2,226,337				
32. Federal income taxes incurred (excluding tax on capital gains)	746,685		(243,165)	126,520	3,204			860,126				
33. Net gain from operations after dividends to policyholders and federal income taxes and before realized capital gains or (losses) (Line 31 minus Line 32)	2,290,252		462,043	456,847	5,152			1,366,211				
DETAILS OF WRITE-INS												
08.301. Miscellaneous income	4,721			4,721								
08.302.												
08.303.												
08.398. Summary of remaining write-ins for Line 8.3 from overflow page												
08.399. Totals (Lines 08.301 thru 08.303 plus 08.398) (Line 8.3 above)	4,721			4,721								
2701. Fines and penalties paid to regulatory authorities	1,000		267	709				23				
2702.												
2703.												
2798. Summary of remaining write-ins for Line 27 from overflow page												
2799. Totals (Lines 2701 thru 2703 plus 2798) (Line 27 above)	1,000		267	709				23				

(a) Includes the following amounts for FEGLI/SGLI: Line 1 _____, Line 10 _____, Line 16 _____, Line 23 _____, Line 24 _____

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE PAUL REVERE VARIABLE ANNUITY INSURANCE COMPANY

ANALYSIS OF INCREASE IN RESERVES DURING THE YEAR

	1 Total	2 Industrial Life	Ordinary			6 Credit Life (Group and Individual)	Group	
			3 Life Insurance	4 Individual Annuities	5 Supplementary Contracts		7 Life Insurance	8 Annuities
Involving Life or Disability Contingencies (Reserves)								
(Net of Reinsurance Ceded)								
1. Reserve December 31, prior year								
2. Tabular net premiums or considerations								
3. Present value of disability claims incurred					XXX			
4. Tabular interest								
5. Tabular less actual reserve released								
6. Increase in reserve on account of change in valuation basis								
7. Other increases (net)								
8. Totals (Lines 1 to 7)								
9. Tabular cost					XXX			
10. Reserves released by death				XXX	XXX			XXX
11. Reserves released by other terminations (net)								
12. Annuity, supplementary contract and disability payments involving life contingencies								
13. Net transfers to or (from) Separate Accounts								
14. Total Deductions (Lines 9 to 13)								
15. Reserve December 31, current year								

NONE

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE PAUL REVERE VARIABLE ANNUITY INSURANCE COMPANY

EXHIBIT OF NET INVESTMENT INCOME

	1 Collected During Year	2 Earned During Year
1. U.S. Government bonds	(a) 183,425	225,900
1.1 Bonds exempt from U.S. tax	(a)	
1.2 Other bonds (unaffiliated)	(a) 2,446,228	2,451,967
1.3 Bonds of affiliates	(a)	
2.1 Preferred stocks (unaffiliated)	(b)	
2.11 Preferred stocks of affiliates	(b)	
2.2 Common stocks (unaffiliated)		
2.21 Common stocks of affiliates		
3. Mortgage loans	(c)	
4. Real estate	(d)	
5. Contract loans		
6. Cash, cash equivalents and short-term investments	(e) 13,034	14,507
7. Derivative instruments	(f)	
8. Other invested assets	36,308	36,308
9. Aggregate write-ins for investment income	9,391	9,391
10. Total gross investment income	2,688,386	2,738,073
11. Investment expenses		(g) 88,238
12. Investment taxes, licenses and fees, excluding federal income taxes		(g) 2,361
13. Interest expense		(h)
14. Depreciation on real estate and other invested assets		(i)
15. Aggregate write-ins for deductions from investment income		99
16. Total deductions (Lines 11 through 15)		90,698
17. Net investment income (Line 10 minus Line 16)		2,647,375
DETAILS OF WRITE-INS		
0901. Securities Lending	497	497
0902. Miscellaneous	174	174
0903. Bond Consent Fees	8,720	8,720
0998. Summary of remaining write-ins for Line 9 from overflow page		
0999. Totals (Lines 0901 thru 0903 plus 0998) (Line 9, above)	9,391	9,391
1501. Interest Paid on Securities Lending		99
1502.		
1503.		
1598. Summary of remaining write-ins for Line 15 from overflow page		
1599. Totals (Lines 1501 thru 1503 plus 1598) (Line 15, above)		99

- (a) Includes \$ 50,323 accrual of discount less \$ 8,208 amortization of premium and less \$ 36,721 paid for accrued interest on purchases.
- (b) Includes \$ accrual of discount less \$ amortization of premium and less \$ paid for accrued dividends on purchases.
- (c) Includes \$ accrual of discount less \$ amortization of premium and less \$ paid for accrued interest on purchases.
- (d) Includes \$ for company's occupancy of its own buildings; and excludes \$ interest on encumbrances.
- (e) Includes \$ accrual of discount less \$ amortization of premium and less \$ paid for accrued interest on purchases.
- (f) Includes \$ accrual of discount less \$ amortization of premium.
- (g) Includes \$ investment expenses and \$ investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
- (h) Includes \$ interest on surplus notes and \$ interest on capital notes.
- (i) Includes \$ depreciation on real estate and \$ depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

	1 Realized Gain (Loss) On Sales or Maturity	2 Other Realized Adjustments	3 Total Realized Capital Gain (Loss) (Columns 1 + 2)	4 Change in Unrealized Capital Gain (Loss)	5 Change in Unrealized Foreign Exchange Capital Gain (Loss)
1. U.S. Government bonds					
1.1 Bonds exempt from U.S. tax					
1.2 Other bonds (unaffiliated)					
1.3 Bonds of affiliates					
2.1 Preferred stocks (unaffiliated)					
2.11 Preferred stocks of affiliates					
2.2 Common stocks (unaffiliated)					
2.21 Common stocks of affiliates					
3. Mortgage loans					
4. Real estate					
5. Contract loans					
6. Cash, cash equivalents and short-term investments					
7. Derivative instruments					
8. Other invested assets				(12,059)	
9. Aggregate write-ins for capital gains (losses)		7,637	7,637		
10. Total capital gains (losses)		7,637	7,637	(12,059)	
DETAILS OF WRITE-INS					
0901. Reorganization Distribution		7,637	7,637		
0902.					
0903.					
0998. Summary of remaining write-ins for Line 9 from overflow page					
0999. Totals (Lines 0901 thru 0903 plus 0998) (Line 9, above)		7,637	7,637		

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE PAUL REVERE VARIABLE ANNUITY INSURANCE COMPANY
EXHIBIT - 1 PART 1 - PREMIUMS AND ANNUITY CONSIDERATIONS FOR LIFE AND ACCIDENT AND HEALTH CONTRACTS

	1 Total	2 Industrial Life	Ordinary		5 Credit Life (Group and Individual)	Group		Accident and Health			11 Aggregate of All Other Lines of Business
			3 Life Insurance	4 Individual Annuities		6 Life Insurance	7 Annuities	8 Group	9 Credit (Group and Individual)	10 Other	
FIRST YEAR (other than single)											
1. Uncollected											
2. Deferred and accrued											
3. Deferred, accrued and uncollected:											
3.1 Direct											
3.2 Reinsurance assumed											
3.3 Reinsurance ceded											
3.4 Net (Line 1 + Line 2)											
4. Advance											
5. Line 3.4 - Line 4											
6. Collected during year:											
6.1 Direct											
6.2 Reinsurance assumed											
6.3 Reinsurance ceded											
6.4 Net											
7. Line 5 + Line 6.4											
8. Prior year (uncollected + deferred and accrued - advance)											
9. First year premiums and considerations:											
9.1 Direct											
9.2 Reinsurance assumed											
9.3 Reinsurance ceded											
9.4 Net (Line 7 - Line 8)											
SINGLE											
10. Single premiums and considerations:											
10.1 Direct											
10.2 Reinsurance assumed											
10.3 Reinsurance ceded											
10.4 Net											
RENEWAL											
11. Uncollected											
12. Deferred and accrued											
13. Deferred, accrued and uncollected:											
13.1 Direct	190,955		190,955								
13.2 Reinsurance assumed											
13.3 Reinsurance ceded	190,955		190,955								
13.4 Net (Line 11 + Line 12)											
14. Advance											
15. Line 13.4 - Line 14											
16. Collected during year:											
16.1 Direct	3,723,879		3,723,879								
16.2 Reinsurance assumed											
16.3 Reinsurance ceded	3,723,879		3,723,879								
16.4 Net											
17. Line 15 + Line 16.4											
18. Prior year (uncollected + deferred and accrued - advance)											
19. Renewal premiums and considerations:											
19.1 Direct	3,726,829		3,726,829								
19.2 Reinsurance assumed											
19.3 Reinsurance ceded	3,726,829		3,726,829								
19.4 Net (Line 17 - Line 18)											
TOTAL											
20. Total premiums and annuity considerations:											
20.1 Direct	3,726,829		3,726,829								
20.2 Reinsurance assumed											
20.3 Reinsurance ceded	3,726,829		3,726,829								
20.4 Net (Lines 9.4 + 10.4 + 19.4)											

EXHIBIT - 1 PART 2 - DIVIDENDS AND COUPONS APPLIED, REINSURANCE COMMISSIONS AND EXPENSE ALLOWANCES AND COMMISSIONS INCURRED (Direct Business Only)

	1 Total	2 Industrial Life	Ordinary		5 Credit Life (Group and Individual)	Group		Accident and Health			11 Aggregate of All Other Lines of Business
			3 Life Insurance	4 Individual Annuities		6 Life Insurance	7 Annuities	8 Group	9 Credit (Group and Individual)	10 Other	
DIVIDENDS AND COUPONS APPLIED (included in Part 1)											
21. To pay renewal premiums											
22. All other											
REINSURANCE COMMISSIONS AND EXPENSE ALLOWANCES INCURRED											
23. First year (other than single):											
23.1 Reinsurance ceded											
23.2 Reinsurance assumed											
23.3 Net ceded less assumed											
24. Single:											
24.1 Reinsurance ceded											
24.2 Reinsurance assumed											
24.3 Net ceded less assumed											
25. Renewal:											
25.1 Reinsurance ceded	1,924,282		696,552	1,224,167			3,563				
25.2 Reinsurance assumed											
25.3 Net ceded less assumed	1,924,282		696,552	1,224,167			3,563				
26. Totals:											
26.1 Reinsurance ceded (Page 6, Line 6)	1,924,282		696,552	1,224,167			3,563				
26.2 Reinsurance assumed (Page 6, Line 22)											
26.3 Net ceded less assumed	1,924,282		696,552	1,224,167			3,563				
COMMISSIONS INCURRED (direct business only)											
27. First year (other than single)											
28. Single											
29. Renewal	44,360		44,360								
30. Deposit-type contract funds	1,233,318			1,229,755			3,563				
31. Totals (to agree with Page 6, Line 21)	1,277,678		44,360	1,229,755			3,563				

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE PAUL REVERE VARIABLE ANNUITY INSURANCE COMPANY

EXHIBIT 2 - GENERAL EXPENSES

	Insurance				5 Investment	6 Total
	1 Life	2 Accident and Health		4 All Other Lines of Business		
		2 Cost Containment	3 All Other			
1. Rent	853				2,111	2,965
2. Salaries and wages	8,627				54,312	62,939
3.11 Contributions for benefit plans for employees	1,766				6,609	8,375
3.12 Contributions for benefit plans for agents						
3.21 Payments to employees under non-funded benefit plans						
3.22 Payments to agents under non-funded benefit plans						
3.31 Other employee welfare					57	57
3.32 Other agent welfare						
4.1 Legal fees and expenses	20				1,494	1,514
4.2 Medical examination fees						
4.3 Inspection report fees						
4.4 Fees of public accountants and consulting actuaries	109				608	718
4.5 Expense of investigation and settlement of policy claims	257					257
5.1 Traveling expenses	295				1,540	1,835
5.2 Advertising	59				34	93
5.3 Postage, express, telegraph and telephone	254				445	699
5.4 Printing and stationery	101				124	225
5.5 Cost or depreciation of furniture and equipment	145				655	800
5.6 Rental of equipment	210				712	922
5.7 Cost or depreciation of EDP equipment and software	463				1,563	2,026
6.1 Books and periodicals	22				5,669	5,691
6.2 Bureau and association fees	29				341	370
6.3 Insurance, except on real estate	100					100
6.4 Miscellaneous losses						
6.5 Collection and bank service charges	113				1,627	1,741
6.6 Sundry general expenses	156				487	643
6.7 Group service and administration fees						
6.8 Reimbursements by uninsured plans						
7.1 Agency expense allowance						
7.2 Agents' balances charged off (less \$ recovered)						
7.3 Agency conferences other than local meetings	13				516	529
9.1 Real estate expenses						
9.2 Investment expenses not included elsewhere						
9.3 Aggregate write-ins for expenses	952				9,332	10,284
10. General expenses incurred	14,543				88,238	(a) 102,781
11. General expenses unpaid December 31, prior year						
12. General expenses unpaid December 31, current year						
13. Amounts receivable relating to uninsured plans, prior year						
14. Amounts receivable relating to uninsured plans, current year						
15. General expenses paid during year (Lines 10+11-12-13+14)	14,543				88,238	102,781
DETAILS OF WRITE-INS						
09.301. Repairs and maintenance	415				6,345	6,760
09.302. Fees for outsourcing services	537				2,986	3,524
09.303.						
09.398. Summary of remaining write-ins for Line 9.3 from overflow page						
09.399. Totals (Lines 09.301 thru 09.303 plus 09.398) (Line 9.3 above)	952				9,332	10,284

(a) Includes management fees of \$ 87,288 to affiliates and \$ 15,064 to non-affiliates.

EXHIBIT 3 - TAXES, LICENSES AND FEES (EXCLUDING FEDERAL INCOME TAXES)

	Insurance			4 Investment	5 Total
	1 Life	2 Accident and Health	3 All Other Lines of Business		
1. Real estate taxes					
2. State insurance department licenses and fees	124,884				124,884
3. State taxes on premiums	393,059				393,059
4. Other state taxes, including \$ for employee benefits	(2,928)				(2,928)
5. U.S. Social Security taxes	573			2,361	2,934
6. All other taxes	13,256				13,256
7. Taxes, licenses and fees incurred	528,844			2,361	531,205
8. Taxes, licenses and fees unpaid December 31, prior year	768,615				768,615
9. Taxes, licenses and fees unpaid December 31, current year	699,998				699,998
10. Taxes, licenses and fees paid during year (Lines 7 + 8 - 9)	597,462			2,361	599,823

EXHIBIT 4 - DIVIDENDS OR REFUNDS

	1 Life	2 Accident and Health
	1. Applied to pay renewal premiums	
2. Applied to shorten the endowment or premium-paying period		
3. Applied to provide paid-up additions		
4. Applied to provide paid-up annuities		
5. Total Lines 1 through 4		
6. Paid in cash		
7. Left on deposit		
8. Aggregate write-ins for dividend or refund options		
9. Total Lines 5 through 8		
10. Amount due and unpaid		
11. Provision for dividends or refunds payable in the following calendar year		
12. Terminal dividends		
13. Provision for deferred dividend contracts		
14. Amount provisionally held for deferred dividend contracts not included in Line 13		
15. Total Lines 10 through 14		
16. Total from prior year		
17. Total dividends or refunds (Lines 9 + 15 - 16)		
DETAILS OF WRITE-INS		
0801.		
0802.		
0803.		
0898. Summary of remaining write-ins for Line 8 from overflow page		
0899. Totals (Lines 0801 thru 0803 plus 0898) (Line 8 above)		

NONE

EXHIBIT 5 - AGGREGATE RESERVE FOR LIFE CONTRACTS

1 Valuation Standard	2 Total	3 Industrial	4 Ordinary	5 Credit (Group and Individual)	6 Group
LIFE INSURANCE:					
LIFE INSURANCE:					
0100001. 1958 CSO 2.25% NLP ANB IPC (1983 - 1984)	63,138		63,138		
0100002. 1958 CSO 3.00% CRVM ANB IPC (1981 - 1988)	9,143		9,143		
0100003. 1958 CSO 3.00% MCRVM ANB IPC (1979 - 1983)	597,542		597,542		
0100004. 1958 CSO 4.00% MCRVM ANB IPC (1978 - 1980)	544,935		544,935		
0100005. 1958 CSO 4.50%/3.00% MCRVM ANB IPC (1981 - 1986)	418,888		418,888		
0100006. 1958 CSO 4.50% MCRVM ANB IPC (1981 - 1988)	1,806,253		1,806,253		
0100007. 1958 CET 4.50% NLP ANB IPC (1981 - 1984)	3,056		3,056		
0100008. 1958 CSO 5.50% CRVM ALB (1984 - 1987)	5,087,304		5,087,304		
0100009. 1980 CSO 4.50% CRVM ALB (1996 - 1998)	18,750,896		18,750,896		
0100010. 1980 CSO 4.50% MCRVM ANB IPC (1993 - 1997)	576,484		576,484		
0100011. 1980 CET 4.50% NLP ANB IPC (1993 - 1997)	781,087		781,087		
0100012. 1980 CSO 5.00% CRVM ALB (1987 - 1997)	21,088,653		21,088,653		
0100013. 1980 CET 5.00% NLP ANB IPC (1983 - 1992)	1,668,694		1,668,694		
0100014. 1980 CSO 5.50% CRVM ALB (1987 - 1997)	20,588,058		20,588,058		
0100015. 1980 CSO 5.50% MCRVM ANB IPC (1983 - 1992)	1,003,134		1,003,134		
0100016. 1980 CET 5.50% NLP ANB IPC (1983 - 1992)	1,365,711		1,365,711		
0100017. Unearned Premium	703		703		
0199997. Totals (Gross)	74,353,679		74,353,679		
0199998. Reinsurance ceded	74,353,679		74,353,679		
0199999. Life Insurance: Totals (Net)					
ANNUITIES (excluding supplementary contracts with life contingencies):					
0200001.		XXX		XXX	
0299997. Totals (Gross)		XXX		XXX	
0299998. Reinsurance ceded		XXX		XXX	
0299999. Annuities: Totals (Net)		XXX		XXX	
SUPPLEMENTARY CONTRACTS WITH LIFE CONTINGENCIES:					
0300001. 71 IAM @ 6.00% Imm	11,027		8,460		2,567
0300002. 71 IAM @ 7.50% Imm	67,850		54,420		13,430
0300003. 71 IAM @ 9.25% Imm	466,421		358,453		107,968
0300004. 71 IAM @ 11.00% Imm	209,470		161,580		47,890
0300005. 71 IAM @ 11.25% Imm	226,920		176,555		50,365
0300006. 71 IAM @ 13.25% Imm	131,041		108,358		22,683
0300007. 83'a @ 6.25% Imm	765,216		587,074		178,142
0300008. 83'a @ 6.50% Imm	644,759		494,659		150,100
0300009. 83'a @ 6.75% Imm	1,037,519		795,985		241,534
0300010. 83'a @ 7.00% Imm	1,085,527		832,816		252,711
0300011. 83'a @ 7.25% Imm	446,711		342,717		103,994
0300012. 83'a @ 7.75% Imm	1,015,203		778,864		236,339
0300013. 83'a @ 8.00% Imm	601,652		467,756		133,896
0300014. 83'a @ 8.25% Imm	1,388,913		1,065,574		323,339
0300015. 83'a @ 8.75% Imm	1,131,082		870,236		260,846
0300016. Annuity 2000 @ 5.00% Imm	543,739		417,157		126,582
0300017. Annuity 2000 @ 5.25% Imm	107,232		82,268		24,964
0300018. Annuity 2000 @ 5.50% Imm	417,302		320,154		97,148
0300019. Annuity 2000 @ 6.00% Imm	70,017		53,717		16,300
0300020. Annuity 2000 @ 6.50% Imm	12,770		9,797		2,973
0300021. Annuity 2000 @ 6.75% Imm	127,097		97,509		29,588
0300022. Annuity 2000 @ 7.00% Imm	319,325		244,986		74,339
0399997. Totals (Gross)	10,826,793		8,329,095		2,497,698
0399998. Reinsurance ceded	10,826,793		8,329,095		2,497,698
0399999. SCWLC: Totals (Net)					
ACCIDENTAL DEATH BENEFITS:					
0400001. 59 ADB 58 CSO 3%	2,804		2,804		
0499997. Totals (Gross)	2,804		2,804		
0499998. Reinsurance ceded	2,804		2,804		
0499999. Accidental Death Benefits: Totals (Net)					
DISABILITY-ACTIVE LIVES:					
0500001. 52 INTERCO DISA (Period 2) 58 CSO 3%	42,292		42,292		
0599997. Totals (Gross)	42,292		42,292		
0599998. Reinsurance ceded	42,292		42,292		
0599999. Disability-Active Lives: Totals (Net)					
DISABILITY-DISABLED LIVES:					
0600001. 52 INTERCO DISA 3-1/2%	1,521,708		1,521,708		
0699997. Totals (Gross)	1,521,708		1,521,708		
0699998. Reinsurance ceded	1,521,708		1,521,708		
0699999. Disability-Disabled Lives: Totals (Net)					
MISCELLANEOUS RESERVES:					
0700001. For excess of valuation net premiums over corresponding gross premiums on respective policies computed according to the standard of valuation required	1,161,260		1,161,260		
0700002. For non-deduction of deferred fractional premiums or return of premiums at the death of the insured	37,799		37,799		
0700003. For surrender values in excess of reserves otherwise required and carried in this schedule	1,689,271		1,689,271		
0799997. Totals (Gross)	2,888,330		2,888,330		
0799998. Reinsurance ceded	2,888,330		2,888,330		
0799999. Miscellaneous Reserves: Totals (Net)					
9999999. Totals (Net) - Page 3, Line 1					

EXHIBIT 5 - INTERROGATORIES

- 1.1 Has the reporting entity ever issued both participating and non-participating contracts?..... Yes [] No [X]
- 1.2 If not, state which kind is issued.
 Non-participating
- 2.1 Does the reporting entity at present issue both participating and non-participating contracts?..... Yes [] No [X]
- 2.2 If not, state which kind is issued.
 Non-participating
- 3. Does the reporting entity at present issue or have in force contracts that contain non-guaranteed elements?..... Yes [X] No []
 If so, attach a statement that contains the determination procedures, answers to the interrogatories and an actuarial opinion as described in the instructions.
- 4. Has the reporting entity any assessment or stipulated premium contracts in force? Yes [] No [X]
 If so, state:
 4.1 Amount of insurance? \$
 4.2 Amount of reserve? \$
 4.3 Basis of reserve:
- 4.4 Basis of regular assessments:
- 4.5 Basis of special assessments:
- 4.6 Assessments collected during the year \$
- 5. If the contract loan interest rate guaranteed in any one or more of its currently issued contracts is less than 5%, not in advance, state the contract loan rate guarantees on any such contracts.
- 6. Does the reporting entity hold reserves for any annuity contracts that are less than the reserves that would be held on a standard basis? Yes [] No [X]
 6.1 If so, state the amount of reserve on such contracts on the basis actually held: \$
 6.2 That would have been held (on an exact or approximate basis) using the actual ages of the annuitants; the interest rate(s) used in 6.1; and the same mortality basis used by the reporting entity for the valuation of comparable annuity benefits issued to standard lives. If the reporting entity has no comparable annuity benefits for standard lives to be valued, the mortality basis shall be the table most recently approved by the state of domicile for valuing individual annuity benefits: \$
 Attach statement of methods employed in their valuation.
- 7. Does the reporting entity have any Synthetic GIC contracts or agreements in effect as of December 31 of the current year? Yes [] No [X]
 7.1 If yes, state the total dollar amount of assets covered by these contracts or agreements \$
 7.2 Specify the basis (fair value, amortized cost, etc.) for determining the amount:
- 7.3 State the amount of reserves established for this business: \$
 7.4 Identify where the reserves are reported in the blank:
- 8. Does the reporting entity have any Contingent Deferred Annuity contracts or agreements in effect as of December 31 of the current year? Yes [] No [X]
 8.1 If yes, state the total dollar amount of account value covered by these contracts or agreements: \$
 8.2 State the amount of reserves established for this business: \$
 8.3 Identify where the reserves are reported in the blank:
- 9. Does the reporting entity have any Guaranteed Lifetime Income Benefit contracts, agreements or riders in effect as of December 31 of the current year? Yes [] No [X]
 9.1 If yes, state the total dollar amount of any account value associated with these contracts, agreements or riders: \$
 9.2 State the amount of reserves established for this business: \$
 9.3 Identify where the reserves are reported in the blank:

EXHIBIT 5A - CHANGES IN BASES OF VALUATION DURING THE YEAR

1	Valuation Basis		4
Description of Valuation Class	2 Changed From	3 Changed To	Increase in Actuarial Reserve Due to Change
NONE			
9999999 - Total (Column 4, only)			

Exhibit 6 - Aggregate Reserves for Accident and Health Contracts

N O N E

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE PAUL REVERE VARIABLE ANNUITY INSURANCE COMPANY

EXHIBIT 7 - DEPOSIT TYPE CONTRACTS

	1	2	3	4	5	6
	Total	Guaranteed Interest Contracts	Annuities Certain	Supplemental Contracts	Dividend Accumulations or Refunds	Premium and Other Deposit Funds
1. Balance at the beginning of the year before reinsurance	472,298,224			2,818,024		469,480,200
2. Deposits received during the year	21,458,676					21,458,676
3. Investment earnings credited to the account	16,751,642			108,429		16,643,213
4. Other net change in reserves	219,536			219,536		
5. Fees and other charges assessed						
6. Surrender charges						
7. Net surrender or withdrawal payments	34,020,507			863,311		33,157,196
8. Other net transfers to or (from) Separate Accounts						
9. Balance at the end of current year before reinsurance (Lines 1+2+3+4-5-6-7-8)	476,707,571			2,282,678		474,424,894
10. Reinsurance balance at the beginning of the year	(466,612,647)			(2,803,260)		(463,809,386)
11. Net change in reinsurance assumed						
12. Net change in reinsurance ceded	4,640,700			(535,471)		5,176,171
13. Reinsurance balance at the end of the year (Lines 10+11-12)	(471,253,346)			(2,267,789)		(468,985,557)
14. Net balance at the end of current year after reinsurance (Lines 9 + 13)	5,454,225			14,889		5,439,337

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE PAUL REVERE VARIABLE ANNUITY INSURANCE COMPANY

EXHIBIT 8 - CLAIMS FOR LIFE AND ACCIDENT AND HEALTH CONTRACTS

PART 1 - Liability End of Current Year

	1 Total	2 Industrial Life	Ordinary			6 Credit Life (Group and Individual)	Group		Accident and Health		
			3 Life Insurance	4 Individual Annuities	5 Supplementary Contracts		7 Life Insurance	8 Annuities	9 Group	10 Credit (Group and Individual)	11 Other
1. Due and unpaid:											
1.1 Direct											
1.2 Reinsurance assumed											
1.3 Reinsurance ceded											
1.4 Net											
2. In course of settlement:											
2.1 Resisted											
2.11 Direct											
2.12 Reinsurance assumed											
2.13 Reinsurance ceded											
2.14 Net			(b)	(b)		(b)	(b)				
2.2 Other											
2.21 Direct	347,586		347,586								
2.22 Reinsurance assumed											
2.23 Reinsurance ceded	347,586		347,586								
2.24 Net			(b)	(b)		(b)	(b)		(b)	(b)	(b)
3. Incurred but unreported:											
3.1 Direct	523,200		523,200								
3.2 Reinsurance assumed											
3.3 Reinsurance ceded	523,200		523,200								
3.4 Net			(b)	(b)		(b)	(b)		(b)	(b)	(b)
4. TOTALS											
4.1 Direct	870,786		870,786								
4.2 Reinsurance assumed											
4.3 Reinsurance ceded	870,786		870,786								
4.4 Net		(a)	(a)				(a)				

(a) Including matured endowments (but not guaranteed annual pure endowments) unpaid amounting to \$ _____ in Column 2, \$ _____ in Column 3 and \$ _____ in Column 7.

(b) Include only portion of disability and accident and health claim liabilities applicable to assumed "accrued" benefits. Reserves (including reinsurance assumed and net of reinsurance ceded) for unaccrued benefits for Ordinary Life Insurance \$ _____, Individual Annuities \$ _____, Credit Life (Group and Individual) \$ _____, and Group Life \$ _____, are included in Page 3, Line 1, (See Exhibit 5, Section on Disability Disabled Lives); and for Group Accident and Health \$ _____, Credit (Group and Individual) Accident and Health \$ _____, and Other Accident and Health \$ _____ are included in Page 3, Line 2 (See Exhibit 6, Claim Reserve).

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE PAUL REVERE VARIABLE ANNUITY INSURANCE COMPANY

EXHIBIT 8 - CLAIMS FOR LIFE AND ACCIDENT AND HEALTH CONTRACTS

PART 2 - Incurred During the Year

	1 Total	2 Industrial Life (a)	Ordinary			6 Credit Life (Group and Individual)	Group		Accident and Health		
			3 Life Insurance (b)	4 Individual Annuities	5 Supplementary Contracts		7 Life Insurance (c)	8 Annuities	9 Group	10 Credit (Group and Individual)	11 Other
1. Settlements During the Year:											
1.1 Direct	3,500,238		3,500,238								
1.2 Reinsurance assumed											
1.3 Reinsurance ceded	3,500,238		3,500,238								
1.4 Net	(d)										
2. Liability December 31, current year from Part 1:											
2.1 Direct	870,786		870,786								
2.2 Reinsurance assumed											
2.3 Reinsurance ceded	870,786		870,786								
2.4 Net											
3. Amounts recoverable from reinsurers December 31, current year											
4. Liability December 31, prior year:											
4.1 Direct	794,233		794,233								
4.2 Reinsurance assumed											
4.3 Reinsurance ceded	794,233		794,233								
4.4 Net											
5. Amounts recoverable from reinsurers December 31, prior year											
6. Incurred Benefits											
6.1 Direct	3,576,791		3,576,791								
6.2 Reinsurance assumed											
6.3 Reinsurance ceded	3,576,791		3,576,791								
6.4 Net											

- (a) Including matured endowments (but not guaranteed annual pure endowments) amounting to \$ in Line 1.1, \$ in Line 1.4.
\$ in Line 6.1, and \$ in Line 6.4.
- (b) Including matured endowments (but not guaranteed annual pure endowments) amounting to \$ in Line 1.1, \$ in Line 1.4.
\$ in Line 6.1, and \$ in Line 6.4.
- (c) Including matured endowments (but not guaranteed annual pure endowments) amounting to \$ in Line 1.1, \$ in Line 1.4.
\$ in Line 6.1, and \$ in Line 6.4.
- (d) Includes \$ premiums waived under total and permanent disability benefits.

EXHIBIT OF NON-ADMITTED ASSETS

	1	2	3
	Current Year Total Nonadmitted Assets	Prior Year Total Nonadmitted Assets	Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D)			
2. Stocks (Schedule D):			
2.1 Preferred stocks			
2.2 Common stocks			
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens			
3.2 Other than first liens			
4. Real estate (Schedule A):			
4.1 Properties occupied by the company			
4.2 Properties held for the production of income			
4.3 Properties held for sale			
5. Cash (Schedule E - Part 1), cash equivalents (Schedule E - Part 2) and short-term investments (Schedule DA)			
6. Contract loans			
7. Derivatives (Schedule DB)			
8. Other invested assets (Schedule BA)			
9. Receivables for securities			
10. Securities lending reinvested collateral assets (Schedule DL)			
11. Aggregate write-ins for invested assets			
12. Subtotals, cash and invested assets (Lines 1 to 11)			
13. Title plants (for Title insurers only)			
14. Investment income due and accrued			
15. Premiums and considerations:			
15.1 Uncollected premiums and agents' balances in the course of collection			
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due			
15.3 Accrued retrospective premiums			
16. Reinsurance:			
16.1 Amounts recoverable from reinsurers			
16.2 Funds held by or deposited with reinsured companies			
16.3 Other amounts receivable under reinsurance contracts			
17. Amounts receivable relating to uninsured plans			
18.1 Current federal and foreign income tax recoverable and interest thereon			
18.2 Net deferred tax asset	169,676	0	(169,676)
19. Guaranty funds receivable or on deposit			
20. Electronic data processing equipment and software			
21. Furniture and equipment, including health care delivery assets			
22. Net adjustment in assets and liabilities due to foreign exchange rates			
23. Receivables from parent, subsidiaries and affiliates			
24. Health care and other amounts receivable			
25. Aggregate write-ins for other than invested assets	0	18,125	18,125
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	169,676	18,125	(151,551)
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			
28. Total (Lines 26 and 27)	169,676	18,125	(151,551)
DETAILS OF WRITE-INS			
1101.			
1102.			
1103.			
1198. Summary of remaining write-ins for Line 11 from overflow page			
1199. Totals (Lines 1101 thru 1103 plus 1198)(Line 11 above)			
2501. Receivables for securities	0	18,125	18,125
2502.			
2503.			
2598. Summary of remaining write-ins for Line 25 from overflow page			
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	0	18,125	18,125

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

A. Accounting Practices

The financial statements of The Paul Revere Variable Annuity Insurance Company (the Company) have been completed in accordance with Statutory Accounting Principles (SAP) prescribed in the National Association of Insurance Commissioners' (NAIC) *Accounting Practices and Procedures* manual. The Massachusetts Division of Insurance (the Division) has adopted no accounting practices that differ materially from SAP.

B. Use of Estimates in the Preparation of the Financial Statements

The preparation of financial statements in conformity with SAP requires management to make estimates and assumptions that affect amounts reported in the financial statements and accompanying notes. Such estimates and assumptions could change in the future as more information becomes known, which could impact the amounts reported and disclosed herein.

C. Accounting Policy

The Company uses the following accounting policies:

- (1) Short-term investments and cash equivalents are carried at cost.
- (2) Long-term bonds classified as issuer obligations are generally carried at amortized cost unless they have a NAIC rating of 6, in which case they are stated at the lower of amortized cost or fair value. Issuer obligations are amortized using the interest method.
- (3) Not applicable
- (4) Not applicable
- (5) Not applicable
- (6) Loan-backed and structured securities are stated at either amortized cost or the lower of amortized cost or fair value in accordance with the provisions of SSAP 43R, *Loan-Backed and Structured Securities*. Amortization of mortgage-backed and asset-backed securities considers the estimated timing and amount of prepayments of the underlying loans at the date of purchase. Actual prepayment experience is periodically reviewed with significant changes in estimated cash flows from the original purchase assumptions accounted for using the retrospective method.
- (7) Not applicable
- (8) Investments in joint ventures, partnerships, and limited liability entities are accounted for using the equity method and are carried at values based on the underlying audited GAAP equity of the investee.
- (9) Not applicable
- (10) Not applicable
- (11) Not applicable
- (12) Not applicable
- (13) Not applicable

2. Accounting Changes and Corrections of Errors

Effective January 1, 2012, the Company adopted the provisions of Statement of Statutory Accounting Principles No. 101 (SAP 101), *Income Taxes, a Replacement of SSAP No. 10R and SSAP No. 10*. SSAP 101 establishes statutory accounting principles for current and deferred federal and foreign income taxes and current state income taxes. In addition, SSAP 101 revises guidance related to uncertain tax positions and deferred tax asset admissibility calculations. The adoption of SSAP 101 had no material impact on the Company's financial statements at January 1, 2012.

3. Business Combinations and Goodwill

Not applicable

4. Discontinued Operations

Not applicable

5. Investments

A. Not applicable

B. Not applicable

NOTES TO FINANCIAL STATEMENTS

C. Not applicable

D. Loan-Backed Securities

- (1) Prepayment assumptions for mortgage-backed/loan-backed securities were obtained from broker dealer survey values and internal estimates.
- (2) Not applicable
- (3) Not applicable
- (4) As of December 31, 2012, the Company had no impaired securities (fair value is less than cost or amortized cost) for which an other-than-temporary impairment had not been recognized in earnings as a realized loss (including securities with a recognized other-than-temporary impairment for non-interest related declines when a non-recognized interest related impairment remains).
- (5) In determining when a decline in fair value below amortized cost of a security is other than temporary, the Company evaluates the following factors:
 - Whether the Company expects to recover the entire amortized cost basis of the security.
 - Whether the Company intends to sell the security or will be required to sell the security before the recovery of its amortized cost basis.
 - Whether the security is current as to principal and interest payments.
 - The significance of the decline in value.
 - The time period during which there has been a significant decline in value.
 - Current and future business prospects and trends of earnings.
 - The valuation of the security's underlying collateral.
 - Relevant industry conditions and trends relative to their historical cycles.
 - Market conditions.
 - Rating agency and governmental actions.
 - Bid and offering prices and the level of trading activity.
 - Adverse changes in estimated cash flows for securitized investments.
 - Changes in fair value subsequent to the balance sheet date.
 - Any other key measures for the related security.

The Company evaluates available information, including the factors noted above, both positive and negative, in reaching its conclusions. In particular, the Company also considers the strength of the issuer's balance sheet, its debt obligations and near term funding requirements, cash flow and liquidity, the profitability of its core businesses, the availability of marketable assets which could be sold to increase liquidity, its industry fundamentals and regulatory environment, and its access to capital markets. Although all available and applicable factors are considered in the analysis, the expectation of recovering the entire amortized cost basis of the security, whether the Company intends to sell the security, whether it is more likely than not the Company will be required to sell the security before recovery of its amortized cost, and whether the security is current on principal and interest payments are the most critical factors in determining whether impairments are other than temporary. The significance of the decline in value and the length of time during which there has been a significant decline are also important factors, but the Company does not record an impairment loss based solely on these two factors, since often other factors will impact the evaluation of a security.

While determining other-than-temporary impairments is a judgmental area, the Company utilizes a formal, well-defined, and disciplined process to monitor and evaluate its investments, supported by issuer specific research and documentation as of the end of each period. The process results in a thorough evaluation of problem investments and the recording of realized losses on a timely basis for investments determined to have an other-than-temporary impairment.

E. Repurchase Agreements and/or Securities Lending Agreements

- (1) The Company posts collateral through its repurchase agreement transactions whereby the counterparty commits to purchase securities with the agreement to resell them to the Company at a later, specified date. The fair value of collateral posted is generally 102% of the cash received. For securities lending agreements, the Company requires a minimum collateral amount of 102% of the fair value of the securities loaned. Cash collateral received is invested in cash equivalents, and the offsetting collateral liability is reported as a miscellaneous liability. In the event securities are received as collateral, the Company is not permitted to sell or re-pledge them.
- (2) Not applicable
- (3) Not applicable
- (4) Not applicable
- (5) Not applicable

F. Not applicable

G. Not applicable

NOTES TO FINANCIAL STATEMENTS

6. Joint Ventures, Partnerships and Limited Liability Companies

- A. The Company has no investments in joint ventures, partnerships or limited liability companies that exceed 10% of its admitted assets.
- B. The Company did not recognize any impairment write down for its investments in joint ventures, partnerships, and limited liability companies during the statement periods.

7. Investment Income

- A. The Company does not accrue investment income on bonds where collection of interest is uncertain.
- B. The Company did not exclude any amounts from investment income due and accrued as of December 31, 2012.

8. Derivative Instruments

Not applicable

9. Income Taxes

- A. The Company calculated its deferred tax assets pursuant to SSAP 101 for the year ended December 31, 2012 (see Note 2) and pursuant to SSAP 10R for the year ended December 31, 2011. The December 31, 2011 balances conform to the current year presentation. The Company did not use tax planning strategies in 2012 or 2011 to admit existing deferred tax assets.

The components of the net deferred tax assets/(liabilities) and change from the prior year are comprised of the following:

1.

	12/31/2012			12/31/2011			Change		
	1 Ordinary	2 Capital	3 (Col 1 + 2) Total	4 Ordinary	5 Capital	6 (Col 4 + 5) Total	7 (Col 1 - 4) Ordinary	8 (Col 2 - 5) Capital	9 (Col 7 + 8) Total
(a) Gross Deferred Tax Assets	1,988,323		1,988,323	2,231,853		2,231,853	(243,530)		(243,530)
(b) Statutory Valuation Allowance Adjustment									
(c) Adjusted Gross Deferred Tax Assets (1a - 1b)	1,988,323		1,988,323	2,231,853		2,231,853	(243,530)		(243,530)
(d) Deferred Tax Assets Nonadmitted	169,676		169,676				169,676		169,676
(e) Subtotal Net Admitted Deferred Tax Assets (1c - 1d)	1,818,647		1,818,647	2,231,853		2,231,853	(413,206)		(413,206)
(f) Deferred Tax Liabilities	88,436	703,272	791,708	77,093	1,065,706	1,142,799	11,343	(362,434)	(351,091)
(g) Net Admitted Deferred Tax Assets (1e - 1f)	1,730,211	(703,272)	1,026,939	2,154,760	(1,065,706)	1,089,054	(424,549)	362,434	(62,115)

The deferred tax asset admitted under each component of SSAP 101 is shown below, with corresponding amounts under SSAP 10R for December 31, 2011.

2.

	12/31/2012			12/31/2011			Change		
	1 Ordinary	2 Capital	3 (Col 1 + 2) Total	4 Ordinary	5 Capital	6 (Col 4 + 5) Total	7 (Col 1 - 4) Ordinary	8 (Col 2 - 5) Capital	9 (Col 7 + 8) Total
Admission Calculation Components									
SSAP No. 101									
(a) Federal Income Taxes Paid in Prior Years Recoverable through Loss Carrybacks	1,026,939		1,026,939	1,089,054		1,089,054	(62,115)		(62,115)
(b) Adjusted Gross Deferred Tax Assets Expected to be Realized (Excluding the Amount of Deferred Tax Assets from 2(a) Above) After Application of the Threshold Limitation (the lesser of 2(b)1 and 2(b)2 below)									
1. Adjusted Gross Deferred Tax Assets Expected to be Realized Following the Balance Sheet Date									
2. Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold	XXX	XXX	5,704,467	XXX	XXX	5,307,795	XXX	XXX	396,672
(c) Adjusted Gross Deferred Tax Assets (Excluding the Amount of Deferred Tax Assets from 2(a) and 2(b) Above) Offset by Gross Deferred Tax Liabilities	791,708		791,708	77,093	1,065,706	1,142,799	714,615	(1,065,706)	(351,091)
(d) Deferred Tax Assets Admitted as the Result of Application of SSAP No. 101 Total (2(a) + 2(b) + 2(c))	1,818,647		1,818,647	1,166,147	1,065,706	2,231,853	652,500	(1,065,706)	(413,206)

NOTES TO FINANCIAL STATEMENTS

	2012	2011
3.		
(a) Ratio Percentage Used to Determine Recovery Period and Threshold Limitation Amount.....	15.0%	15.0%
(b) Amount of Admitted Capital and Surplus Used to Determine Recovery Period and Threshold Limitation in 2(b)2 Above.....	38,029,777	35,385,298

4. Impact of Tax Planning Strategies

- (a) Not applicable
- (b) Not applicable
- (c) Does the Company's tax-planning strategies include the use of reinsurance? Yes [] No []

B. Not applicable

C. The components of income tax incurred and net deferred tax assets (liabilities) are shown below. Prior year amounts have been reclassified to conform to the present year presentation.

	Year Ended December 31		
	2012	2011	Change
1. Current Income Tax			
(a) Federal	\$ 746,685	\$ 791,192	\$ (44,507)
(b) Foreign	-	-	-
(c) Subtotal	746,685	791,192	(44,507)
(d) Federal Income Tax (Benefit) on Net Capital Gains	5,266	(59,624)	64,890
(e) Utilization of Capital Loss Carryforwards	-	-	-
(f) Other	-	-	-
(g) Federal Income Tax Incurred	<u>\$ 751,951</u>	<u>\$ 731,568</u>	<u>\$ 20,383</u>

NOTES TO FINANCIAL STATEMENTS

	December 31		
	2012	2011	Change
2. Deferred Tax Assets			
(a) Ordinary			
(1) Discounting of Unpaid Losses	\$ -	\$ -	\$ -
(2) Unearned Premium Reserve	-	-	-
(3) Policyholder Reserves	-	-	-
(4) Investments	-	-	-
(5) Deferred Acquisition Costs	1,854,312	2,019,609	(165,297)
(6) Policyholder Dividends Accrual	-	-	-
(7) Fixed Assets	-	-	-
(8) Compensation and Benefits Accrual	-	-	-
(9) Pension Accrual	-	-	-
(10) Receivables - Nonadmitted	-	-	-
(11) Net Operating Loss Carryforward	-	-	-
(12) Tax Credit Carryforward	-	-	-
(13) Other	134,011	212,244	(78,233)
(99) Subtotal	<u>1,988,323</u>	<u>2,231,853</u>	<u>(243,530)</u>
(b) Statutory Valuation Allowance Adjustment	-	-	-
(c) Nonadmitted	169,676	-	169,676
(d) Admitted Ordinary Deferred Tax Assets (2a - 2b - 2c)	<u>1,818,647</u>	<u>2,231,853</u>	<u>(413,206)</u>
(e) Capital			
(1) Investments	-	-	-
(2) Net Capital Loss Carryforward	-	-	-
(3) Real Estate	-	-	-
(4) Other	-	-	-
(99) Subtotal	<u>-</u>	<u>-</u>	<u>-</u>
(f) Statutory Valuation Allowance Adjustment	-	-	-
(g) Nonadmitted	-	-	-
(h) Admitted Capital Deferred Tax Assets (2e - 2f - 2g)	<u>-</u>	<u>-</u>	<u>-</u>
(i) Admitted Deferred Tax Assets (2d + 2h)	<u>1,818,647</u>	<u>2,231,853</u>	<u>(413,206)</u>
3. Deferred Tax Liabilities			
(a) Ordinary			
(1) Investments	88,436	77,093	11,343
(2) Fixed Assets	-	-	-
(3) Deferred and Uncollected Premium	-	-	-
(4) Policyholder Reserves	-	-	-
(5) Other	-	-	-
(99) Subtotal	<u>88,436</u>	<u>77,093</u>	<u>11,343</u>
(b) Capital			
Investments	703,272	1,065,706	(362,434)
Real Estate	-	-	-
Other	-	-	-
(99) Subtotal	<u>703,272</u>	<u>1,065,706</u>	<u>(362,434)</u>
(c) Deferred Tax Liabilities (3a99 + 3b99)	<u>791,708</u>	<u>1,142,799</u>	<u>(351,091)</u>
4. Net Deferred Tax Assets/Liabilities (2i - 3c)	<u>\$ 1,026,939</u>	<u>\$ 1,089,054</u>	<u>\$ (62,115)</u>

Included above in other ordinary assets (line 2(a)(13)) are balances of \$134,011 and \$205,900 for the years ended December 31, 2012 and 2011, respectively, relating to guaranty fund assessments.

NOTES TO FINANCIAL STATEMENTS

- D. The for federal income tax incurred differs from the amount obtained by applying the federal statutory rate of 35% to pre-tax net income, as shown below.

	Year Ended December 31			
	2012		2011	
Provision Computed at Statutory Rate				
From Operations	\$ 1,062,928		\$ 1,145,282	
From Capital Gains before IMR	2,673		-	
Total Tax at Statutory Rate	<u>1,065,601</u>	35.0 %	<u>1,145,282</u>	35.0 %
Amortization of Reinsurance Gains	(228,249)	(7.5)	(273,189)	(8.4)
Interest Maintenance Reserve	(188,462)	(6.2)	(220,608)	(6.7)
Other	(4,500)	(0.1)	(4,370)	(0.1)
Total	<u>\$ 644,390</u>	<u>21.2 %</u>	<u>\$ 647,115</u>	<u>19.8 %</u>
Federal Income Tax Incurred	\$ 751,951	24.7 %	\$ 731,568	22.4 %
Tax Effect of Unrealized Gains (Losses)	(4,220)	(0.1)	3,227	0.1
Change in Net Deferred Income Tax	(103,341)	(3.4)	(87,680)	(2.7)
Total Statutory Income Tax	<u>\$ 644,390</u>	<u>21.2 %</u>	<u>\$ 647,115</u>	<u>19.8 %</u>

- E. As of December 31, 2012 and 2011, the tax related balances due to Unum Group were \$17,885 and \$58,901, respectively. The amounts of federal income tax incurred in 2012, 2011, and 2010 that are available for recoupment in the event of future net losses are \$818,438, \$805,593, and \$863,402, respectively.

- F. The Company's federal income tax return is consolidated with the following entities:

Unum Group (ultimate parent company), Unum Life Insurance Company of America, First Unum Life Insurance Company, Colonial Life & Accident Insurance Company, Tailwind Reinsurance Company, Northwind Reinsurance Company, Provident Life and Accident Insurance Company, Provident Life and Casualty Insurance Company, The Paul Revere Life Insurance Company, Duncanson & Holt, Inc., Duncanson & Holt Services, Inc., and UnumProvident International, Ltd.

The Company is party to a written tax sharing agreement with the consolidated group members listed above. The agreement provides that the portion of the consolidated tax liability allocated to the Company is based on its separate return tax liability. Under the agreement, additional tax benefits are allocated to the Company for its portion of net operating losses and tax credit carryforwards in the year they are used by the consolidated group.

The Internal Revenue Service (IRS) opened its examination of the Company's 2009 and 2010 tax years during 2012. No adjustments have yet been proposed. During 2012, the Company finalized all issues related to the 2007 and 2008 tax years with the IRS and recognized no change to its federal income tax expense. Tax years subsequent to 2008 remain subject to examination by U.S. tax authorities.

- G. The Company does not anticipate a significant increase to the SSAP 5R loss contingency for income taxes in the next 12 months.

10. Information Concerning Parent, Subsidiaries and Affiliates

- A. Nature of the Relationship: The Paul Revere Variable Annuity Insurance Company, a wholly-owned subsidiary of The Paul Revere Life Insurance Company, a wholly-owned subsidiary of Unum Group. See Schedule Y - Part 1 for a complete listing of affiliates.
- B. Not applicable
- C. Not applicable
- D. Amounts reported on pages 2 and 3 herein as receivables from or payables to parent, subsidiaries, and affiliates result from normal, ongoing business processes and are settled in full on a monthly basis.
- E. Not applicable
- F. The Company receives from its affiliates certain administrative, investment, and actuarial services, the cost of which was negotiated in an arm's-length transaction.
- G. All outstanding shares of the Company are owned by The Paul Revere Life Insurance Company. The Paul Revere Life Insurance Company, incorporated in Massachusetts, is a wholly-owned subsidiary of Unum Group, a non-insurance holding company incorporated in Delaware. Various other affiliates are under the ownership of Unum Group, but all transactions between affiliates are arm's-length in nature and do not result in the operating results or financial position of the Company being significantly different from those that would have been obtained if the enterprises were autonomous.
- H. Not applicable
- I. Not applicable

NOTES TO FINANCIAL STATEMENTS

J. Not applicable

K. Not applicable

L. Not applicable

11. Debt

Not applicable

12. Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plans

The Company purchases services from its affiliates in accordance with an intercompany cost sharing arrangement. There is no material obligation on the part of the Company beyond the amounts paid as part of the cost of services purchased.

13. Capital and Surplus, Shareholders' Dividend Restrictions and Quasi-Reorganizations

- (1) The Company has 500,000 shares authorized, issued and outstanding. Par value is \$5.00 per share.
- (2) The Company has no preferred stock outstanding.
- (3) The maximum amount of dividends which can be paid to shareholders by Massachusetts domiciled insurance companies without prior approval by the Division is subject to restrictions relating to the greater of ten percent of an insurer's surplus as regards policyholders as of the preceding year end or the net gain from operations, excluding realized capital gains and losses, of the preceding year.
- (4) During 2012 and 2011, the Company paid no dividends.
- (5) The portion of the Company's profits that may be payable as ordinary dividends to its stockholders is a function of the dividend restriction noted previously.
- (6) Not applicable
- (7) Not applicable
- (8) Not applicable
- (9) Not applicable
- (10) The portion of unassigned funds (surplus) represented by cumulative unrealized gains was \$12,337 as of December 31, 2012.
- (11) Not applicable
- (12) Not applicable
- (13) Not applicable

14. Contingencies

A. Not applicable

B. Assessments

- (1) The Company accrues in its financial statements estimates of guaranty fund assessments based on known insolvencies and historical Company state participation levels. A corresponding receivable is recorded for amounts estimated to be recoverable through future state premium tax offsets. Based on notifications the Company has received regarding the insolvency of various external companies, the Company recognized a liability in previous years, the balance of which is \$538,050 at December 31, 2012. The Company cannot determine the periods over which the assessments are expected to be paid.
- (2) The change in the guaranty asset balance summarized below reflects estimated premium tax offsets of new insolvencies accrued for during 2012, revised estimated premium tax offsets for existing insolvencies based on revised estimated cost information provided by the National Organization of Life and Health Guaranty Associations and an adjustment for premium tax offsets used.

NOTES TO FINANCIAL STATEMENTS

Rollforward of Related Asset	<u>December 31, 2012</u>
a. Assets recognized from paid and accrued premium tax offsets and policy surcharges prior year-end	\$ 233,499
b. Decreases current year:	
Premium tax offset applied	10,354
Change in accrued estimated cost	56,773
c. Increases current year:	
Premium tax offset applied	1,809
d. Assets recognized from paid and accrued premium tax offsets and policy surcharges current year-end	<u>\$ 168,181</u>

C. Not applicable

D. The Company had no claims related extra contractual obligation losses or bad faith losses stemming from lawsuits.

E. In March 2011, Unum Group received a request for information from an independent third party as part of an examination on behalf of 32 states and the District of Columbia to evaluate the Company's compliance with the unclaimed property laws of the participating states. Industry-wide practices are currently under review concerning the identification and handling of unclaimed property by insurers, and numerous other insurers are under similar examination. Unum Group is cooperating fully with this examination. It is possible that the audits and related activity may result in additional payments to beneficiaries, the payment of abandoned funds under state law, and/or administrative penalties. Unum Group is currently unable to estimate the reasonably possible amount of any additional payments.

Various lawsuits against Unum Group have arisen in the normal course of its business. Further, state insurance regulatory authorities and other federal and state authorities regularly make inquiries and conduct investigations concerning Unum Group's compliance with applicable insurance and other laws and regulations. Contingent liabilities that might arise from such litigation incurred in the normal course of business are not deemed likely to materially adversely affect the Company's financial position or results of operations in a period, depending on its results of operations for the particular period.

Given the complexity and scope of Unum Group's litigation and regulatory matters, it is not possible to predict the ultimate outcome of all pending investigations or legal proceedings or provide reasonable estimates of potential losses, except where noted in connection with specific matters. It is possible that the Company's results of operations or cash flows in a particular period could be materially affected by an ultimate unfavorable outcome of pending litigation or regulatory matters depending, in part, on the Company's results of operations or cash flows for the particular period. Unum Group believes, however, that the ultimate outcome of all pending litigation and regulatory matters, after consideration of applicable reserves and rights to indemnification, should not have a material adverse effect on the Company's financial position.

15. Leases

The Company is not involved in any material lease agreements.

16. Information About Financial Instruments With Off-Balance Sheet Risk and Financial Instruments With Concentrations of Credit Risk

Not applicable

17. Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities

Not applicable

18. Gain or Loss to the Reporting Entity from Uninsured Plans and the Uninsured Portion of Partially Insured Plans

Not applicable

19. Direct Premium Written/Produced by Managing General Agents/Third Party Administrators

There were no direct premiums written through managing general agents and third party administrators for the year ending December 31, 2012.

20. Fair Value Measurements

The fair values of the Company's financial instruments are categorized into a three-level classification. The lowest level input that is significant to the fair value measurement of a financial instrument is used to categorize the instrument and reflects the judgment of management. The valuation criterion for each level is summarized as follows:

- Level 1 – Inputs are unadjusted and represent quoted prices in active markets for identical assets or liabilities at the measurement date.
- Level 2 – Inputs (other than quoted prices included in Level 1) are either directly or indirectly observable for the asset or liability through correlation with market data at the measurement date and for the duration of the instrument's anticipated life. Level 2 inputs include, for example, indicative prices obtained from brokers or pricing services validated to other observable market data and quoted prices for similar assets or liabilities.

NOTES TO FINANCIAL STATEMENTS

- Level 3 – Inputs reflect the Company’s best estimate of what market participants would use in pricing the asset or liability at the measurement date. Financial assets and liabilities categorized as Level 3 are generally based on prices or valuation techniques that require inputs that are both unobservable and significant to the overall fair value measurement. The inputs reflect the Company’s estimates about the assumptions that market participants would use in pricing the instrument in a current period transaction.

See section C for further discussion of the Company’s valuation methods and techniques.

- A. (1) Fair value measurements for assets carried at fair value at December 31, 2012:

Description for each class of asset	(Level 1)	(Level 2)	(Level 3)	Total
Separate Account Assets	\$ 2,073,994	\$ -	\$ -	\$ 2,073,994

There were no transfers between levels during the year ended December 31, 2012.

- (2) Not applicable
- (3) For fair value measurements of financial instruments that are transferred between levels, the Company reflects the transfers using the fair value at the beginning of the reporting period.
- (4) Not applicable
- (5) Not applicable

- B. Not applicable

- C. Presented as follows are the statement values and fair values of financial instruments. The statement values of financial instruments such as short-term investments, cash and cash equivalents, accounts and premiums receivable, accrued investment income, and short-term payables approximate fair value due to the short-term nature of the instruments. As such, these financial instruments are not included in the following charts:

December 31, 2012						
Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)	Not Practicable (Carrying Value)
Admitted Assets						
Bonds	\$ 52,369,297	\$ 44,613,456	\$ -	\$ 52,369,297	\$ -	\$ -
Other Invested Assets	1,402,767	1,402,767	-	-	1,402,767	-
Separate Accounts	2,073,994	2,073,994	2,073,994	-	-	-
Liabilities						
Deposit-Type Contracts	\$ 5,454,225	\$ 5,454,225	\$ -	\$ -	\$ 5,454,225	\$ -

December 31, 2011						
Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	Level 1	Level 2	Level 3	Not Practicable (Carrying Value)
Admitted Assets						
Bonds	\$ 47,297,985	\$ 41,428,192	\$ 15,685,530	\$ 31,612,455	\$ -	\$ -
Other Invested Assets	1,414,826	1,414,826	-	-	1,414,826	-
Separate Accounts	1,979,145	1,979,145	1,979,145	-	-	-
Liabilities						
Deposit-Type Contracts	\$ 5,685,577	\$ 5,685,577	\$ -	\$ -	\$ 5,685,577	\$ -

Bonds: Fair values are based on quoted market prices where available. For bonds not actively traded, fair values are estimated using values obtained from independent pricing services. For private placements, fair values are estimated using internally prepared valuations combining matrix pricing with vendor purchased software programs, including valuations based on estimates of future profitability. Additionally, the Company obtains prices from independent third-party brokers to establish valuations for certain of these securities.

Other Invested Assets: Fair values for private equity partnerships are primarily derived from valuations provided in the financial statements of the partnerships.

Separate Accounts: The Company’s separate account investments consist of publicly traded common stocks with fair values determined by a national stock exchange.

NOTES TO FINANCIAL STATEMENTS

Deposit-Type Contracts: Deposit-type contracts represent customer deposits plus interest credited at contract rates. Deposits and withdrawals are recorded using deposit accounting and are credited directly to an appropriate policy reserve account. Statement values approximate fair values.

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date and, therefore, represents an exit price, not an entry price. The exit price objective applies regardless of a reporting entity's intent and/or ability to sell the asset or transfer the liability at the measurement date.

The degree of judgment utilized in measuring the fair value of financial instruments generally correlates to the level of pricing observability. Financial instruments with readily available active quoted prices or for which fair value can be measured from actively quoted prices in active markets generally have more pricing observability and less judgment utilized in measuring fair value. An active market for a financial instrument is a market in which transactions for an asset or a similar asset occur with sufficient frequency and volume to provide pricing information on an ongoing basis. A quoted price in an active market provides the most reliable evidence of fair value and should be used to measure fair value whenever available. Conversely, financial instruments rarely traded or not quoted have less observability and are measured at fair value using valuation techniques that require more judgment. Pricing observability is generally impacted by a number of factors, including the type of financial instrument, whether the financial instrument is new to the market and not yet established, the characteristics specific to the transaction, and overall market conditions.

Valuation techniques used for assets and liabilities accounted for at fair value are generally categorized into three types. The market approach uses prices and other relevant information from market transactions involving identical or comparable assets or liabilities. The income approach converts future amounts, such as cash flows or earnings, to a single present amount, or a discounted amount. The cost approach is based upon the amount that currently would be required to replace the service capacity of an asset, or the current replacement cost.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available that can be obtained without undue cost and effort. In some cases, a single valuation technique will be appropriate (for example, when valuing an asset or liability using quoted prices in an active market for identical assets or liabilities). In other cases, multiple valuation techniques will be appropriate. If the Company uses multiple valuation techniques to measure fair value, it evaluates and weighs the results, as appropriate, considering the reasonableness of the range indicated by those results. A fair value measurement is the point within that range that is most representative of fair value in the circumstances.

The selection of the valuation method(s) to apply considers the definition of an exit price and depends on the nature of the asset or liability being valued. For assets and liabilities, the Company generally uses valuation techniques consistent with the market approach, and to a lesser extent, the income approach. The Company believes the market approach valuation technique provides more observable data than the income approach, considering the type of investments the Company holds. The Company's fair value measurements could differ significantly based on the valuation technique and available inputs. When using a pricing service, the Company obtains the vendor's pricing documentation to ensure the Company understands their methodologies. The Company periodically reviews and approves the selection of its pricing vendors to ensure the Company is in agreement with their current methodologies. When markets are less active, brokers may rely more on models with inputs based on the information available only to the broker. The Company's internal investment management professionals, which include portfolio managers and analysts, monitor securities priced by brokers and evaluate their prices for reasonableness based on benchmarking to available primary and secondary market information. In weighing a broker quote as an input to fair value, the Company places less reliance on quotes that do not reflect the result of market transactions. The Company also considers the nature of the quote, particularly whether the quote is a binding offer. If prices in an inactive market do not reflect current prices for the same or similar assets, adjustments may be necessary to arrive at fair value. When relevant market data is unavailable, which may be the case during periods of market uncertainty, the income approach can, in suitable circumstances, provide a more appropriate fair value. During 2012, the Company has applied valuation techniques on a consistent basis to similar assets and liabilities and consistent with those techniques used at year end 2011.

The Company uses observable and unobservable inputs in measuring the fair value of its financial instruments. Inputs that may be used include the following:

- Broker market maker prices and price levels
- Trade Reporting and Compliance Engine (TRACE) pricing
- Prices obtained from external pricing services
- Benchmark yields (Treasury and interest rate swap curves)
- Transactional data for new issuance and secondary trades
- Security cash flows and structures
- Recent issuance/supply
- Sector and issuer level spreads
- Security credit ratings/maturity/capital structure/optionality
- Corporate actions
- Underlying collateral
- Prepayment speeds/loan performance/delinquencies/weighted average life/seasoning
- Public covenants
- Comparative bond analysis
- Relevant reports issued by analysts and rating agencies
- Audited financial statements

The management of the Company's investment portfolio includes establishing pricing policy and reviewing the reasonableness of sources and inputs used in developing pricing. The Company reviews all prices obtained to ensure they are consistent with a variety of observable market inputs and to verify the validity of a security. In the event the Company receives a vendor's market price that does not appear reasonable based on its market analysis, the Company may challenge the price and request further information about

NOTES TO FINANCIAL STATEMENTS

the assumptions and methodologies used by the vendor to price the security. The Company may change the vendor price based on a better data source such as an actual trade. The Company also reviews all price changes from the prior month which fall outside a predetermined corridor. The overall valuation process for determining fair values may include adjustments to valuations obtained from the Company's pricing sources when they do not represent a valid exit price. These adjustments may be made when, in the Company's judgment and considering its knowledge of the financial conditions and industry in which the issuer operates, certain features of the financial instrument require that an adjustment be made to the value originally obtained from the Company's pricing sources. These features may include the complexity of the financial instrument, the market in which the financial instrument is traded, credit structure, concentration, or liquidity. Additionally, an adjustment to the price derived from a model typically reflects the Company's judgment of the inputs that other participants in the market for the financial instrument being measured at fair value would consider in pricing that same financial instrument. In the event an asset is sold, the Company tests the validity of the fair value determined by its valuation techniques by comparing the selling price to the fair value determined for the asset in the immediately preceding month end reporting period closest to the transaction date.

The parameters and inputs used to validate a price on a security may be adjusted for assumptions about risk and current market conditions on a quarter to quarter basis, as certain features may be more significant drivers of valuation at the time of pricing. Changes to inputs in valuations are not changes to valuation methodologies; rather, the inputs are modified to reflect direct or indirect impacts on asset classes from changes in market conditions.

Certain of the Company's investments do not have readily determinable market prices and/or observable inputs or may at times be affected by the lack of market liquidity. For these securities, the Company uses internally prepared valuations combining matrix pricing with vendor purchased software programs, including valuations based on estimates of future profitability, to estimate the fair value. Additionally, the Company may obtain prices from independent third-party brokers to aid in establishing valuations for certain of these securities. Key assumptions used to determine fair value for these securities include risk free interest rates, risk premiums, performance of underlying collateral (if any), and other factors involving significant assumptions which may or may not reflect those of an active market.

The Company considers transactions in inactive or disorderly markets to be less representative of fair value. The Company uses all available observable inputs when measuring fair value, but when significant other unobservable inputs and adjustments are necessary, it classifies these assets or liabilities as Level 3.

D. Not applicable

21. Other Items

A. Not applicable

B. Not applicable

C. Assets in the amount of \$2,719,862 and \$2,712,424 at December 31, 2012 and 2011, respectively, were on deposit with government authorities or trustees as required by law.

D. Not applicable

E. Not applicable

F. Not applicable

G. Subprime Mortgage Related Risk Exposure

(1) At December 31, 2012, the Company held no investments with subprime mortgage risk exposure. The Company's definition of subprime mortgages is based primarily on the underlying credit scores of the loans, specifically the FICO score. To ensure proper mitigation of subprime mortgage risk, the Company's investment strategy is to avoid purchasing any investments with subprime exposure. Risk assessment is performed and analyzed prior to the purchase of any mortgage-backed securities to ensure the transaction is in compliance with the Company's policy to avoid subprime mortgage risk exposure.

(2) Not applicable

(3) Not applicable

(4) Not applicable

H. Retained Assets

(1) The number and amount of retained asset accounts described below represent payments of life insurance proceeds which are retained by the Company within the general account. These accounts are reported in the annual statement as cash and supplemental contracts without life contingencies. The account holder has the full and unfettered right to withdraw funds in whole or in part at whatever time he or she wishes, except that, in the event that the amount in the account falls below \$250, a payment is made to the account holder for the current balance in the account, and the account is closed. During 2012, account holders were credited interest equal to 1% annual interest compounded on a monthly basis from the date on which the account was created. The retained asset account is not the Company's default method of settling life claims unless the beneficiary has not reached the age of majority at the time the benefit is settled.

NOTES TO FINANCIAL STATEMENTS

(2) Aging of retained asset accounts is as follows:

Rollforward of Related Asset	December 31, 2012
a. Assets recognized from paid and accrued premium tax offsets and policy surcharges prior year-end	\$ 233,499
b. Decreases current year:	
Premium tax offset applied	10,354
Change in accrued estimated cost	56,773
c. Increases current year:	
Premium tax offset applied	1,809
d. Assets recognized from paid and accrued premium tax offsets and policy surcharges current year-end	\$ 168,181

(3) Changes in the retained asset accounts for the year ended December 31, 2012 are as follows:

	Individual		Group	
	Number	Balance/Amount	Number	Balance/Amount
a. Number/balance of retained asset accounts at the beginning of the year	1	\$ 10,810	-	\$ -
b. Number/amount of retained asset accounts issued/added during the year	-	-	-	-
c. Investment earnings credited to retained asset accounts during the year	NA	109	NA	-
d. Fees and other charges assessed to retained asset accounts during the year	NA	-	NA	-
e. Number/amount of retained asset accounts transferred to state unclaimed property funds	-	-	-	-
f. Number/amount of retained asset accounts closed/withdrawn during the year	-	-	-	-
g. Number/balance of retained asset accounts at the end of the year	1	\$ 10,919	-	\$ -

22. Events Subsequent

Subsequent events were evaluated through the time at which the financial statements were issued on February 21, 2013. The Company is not aware of any events subsequent to December 31, 2012 that could have a material effect on its financial condition.

23. Reinsurance

A. Ceded Reinsurance Report

Section 1 – General Interrogatories

1. Are any of the reinsurers, listed in Schedule S as non-affiliated, owned in excess of 10% or controlled, either directly or indirectly, by the company or by any representative, officer, trustee, or director of the company?

Yes () No (X)

If yes, give full details.

2. Have any policies issued by the company been reinsured with a company chartered in a country other than the United States (excluding U.S. Branches of such companies) that is owned in excess of 10% or controlled directly or indirectly by an insured, a beneficiary, a creditor or an insured or any other person not primarily engaged in the insurance business?

Yes () No (X)

If yes, give full details.

Section 2 – Ceded Reinsurance Report – Part A

1. Does the company have any reinsurance agreements in effect under which the reinsurer may unilaterally cancel any reinsurance for reasons other than for nonpayment of premium or other similar credits?

Yes () No (X)

- a. If yes, what is the estimated amount of the aggregate reduction in surplus of a unilateral cancellation by the reinsurer as of the date of this statement, for those agreements in which cancellation results in a net obligation of the company to the reinsurer, and for which such obligation is not presently accrued? Where necessary, the company may consider the current or anticipated experience of the business reinsured in making this estimate. \$ _____

NOTES TO FINANCIAL STATEMENTS

- b. What is the total amount of reinsurance credits taken, whether as an asset or as a reduction of liability, for these agreements in this statement? \$ _____
2. Does the company have any reinsurance agreements in effect such that the amount of losses paid or accrued through the statement date may result in a payment to the reinsurer of amounts that, in aggregate and allowing for offset of mutual credits from other reinsurance agreements with the same reinsurer, exceed the total direct premium collected under the reinsured policies?
- Yes () No (X)

If yes, give full details.

Section 3 – Ceded Reinsurance Report – Part B

1. What is the estimated amount of the aggregate reduction in surplus, (for agreements other than those under which the reinsurer may unilaterally cancel for reasons other than for nonpayment of premium or other similar credits that are reflected in Section 2 above) of termination of ALL reinsurance agreements, by either party, as of the date of this statement? Where necessary, the company may consider the current or anticipated experience of the business reinsured in making this estimate.

\$ None

2. Have any new agreements been executed or existing agreements amended, since January 1 of the year of this statement, to include policies or contracts that were in force or which had existing reserves established by the company as of the effective date of the agreement?

Yes () No (X)

If yes, what is the amount of reinsurance credits, whether an asset or a reduction of liability, taken for such new agreements or amendments?

- B. Uncollectible Reinsurance

Not applicable

- C. Commutation of Ceded Reinsurance

Not applicable

- 24. Retrospectively Rated Contracts & Contracts Subject to Redetermination**

Not applicable

- 25. Change in Incurred Losses and Loss Adjustment Expenses**

Not applicable

- 26. Intercompany Pooling Arrangements**

Not applicable

- 27. Structured Settlements**

Not applicable

- 28. Health Care Receivables**

Not applicable

- 29. Participating Policies**

Not applicable

- 30. Premium Deficiency Reserves**

The Company does not have any accident and health contracts.

- 31. Reserves for Life Contracts and Annuity Contracts**

- (1) Principally, the Company waives deduction of deferred fractional premiums upon death of the insured and returns any portion of the final premium beyond the date of death. Surrender values are not promised in excess of legally computed reserves.
- (2) The extra reserve on annual premium policies subject to an extra premium is one-half the extra annual gross premium. The extra reserve for single premium policies subject to an extra premium is one-half the extra gross single premium. The rating-up in age method and liens are not used by the Company.

NOTES TO FINANCIAL STATEMENTS

- (3) As of December 31, 2012, the Company had no insurance in force for which the gross premiums are less than the net premiums according to the standard valuation required by the Commonwealth of Massachusetts.
- (4) The tabular interest, tabular less actual reserve released, and tabular cost have each been determined by formula as described in the instructions.
- (5) For the determination of tabular interest on supplemental contracts and dividend accumulations not involving life contingencies, the tabular interest is determined by formula 3 as described in the instructions. Tabular interest on deposit funds other than supplemental contracts and dividend accumulations is determined using actual interest credited and/or accrued to the funds.
- (6) There were no other material reserve changes.

32. Analysis of Annuity Actuarial Reserves and Deposit Liabilities by Withdrawal Characteristics

	General Account	Separate Account with Guarantees	Separate Account Nonguaranteed	Total	Percent of Total
A. Subject to discretionary withdrawal:					
(1) With fair value adjustment	\$ -	\$ -	\$ -	\$ -	- %
(2) At book value less current surrender charge of 5% or more	-	-	-	-	-
(3) At fair value	-	-	732,057	732,057	0.2
(4) Total with adjustment or at market value	-	-	732,057	732,057	-
(5) At book value without adjustment (minimal or no charge or adjustment)	474,424,893	-	-	474,424,893	96.9
B. Not subject to discretionary withdrawal	13,109,471	-	1,327,500	14,436,971	2.9
C. Total (gross)	487,534,364	-	2,059,557	489,593,921	100.0 %
D. Reinsurance ceded	482,080,139	-	-	482,080,139	
E. Total (net) * (C) – (D)	\$ 5,454,225	\$ -	\$ 2,059,557	\$ 7,513,782	

*Reconciliation of total annuity reserves and deposit fund liabilities

F. Life & Accident & Health Annual Statement :	Amount
1. Exhibit 5, Annuities Section, Total (net)	\$ -
2. Exhibit 5, Supplementary Contracts with Life Contingencies Section, Total (net)	-
3. Exhibit 7, Deposit-Type Contracts, Line 14, Column 1	5,454,225
4. Subtotal	5,454,225

Separate Accounts Annual Statement:

5. Exhibit 3, Line 0299999, Column 2	1,327,500
6. Exhibit 3, Line 0399999, Column 2	-
7. Policyholder Dividend and Coupon Accumulations	-
8. Policyholder Premiums	-
9. Guaranteed Interest Contracts	-
10. Other Contract Deposit Funds	732,057
11. Subtotal	2,059,557
12. Combined Total	\$ 7,513,782

G. Not applicable

33. Premium & Annuity Considerations Deferred and Uncollected

Not applicable

34. Separate Accounts

A. Separate Account Activity:

- (1) Separate accounts held by the Company represent variable annuity contract funds which the Company invests in pooled investment securities on behalf of the accounts' contractholders.

NOTES TO FINANCIAL STATEMENTS

In accordance with the domiciliary state procedures for approving items within the separate account, the separate account classification of the variable annuity contract funds are supported by Massachusetts Insurance Law Chapter 175 Section 132 G.

- (2) All assets within the separate account are legally insulated from the general account. The legal insulation of the separate account assets prevents such assets from being generally available to satisfy claims resulting from the general account.
- (3) As discussed in section B below, there are certain guarantees associated with the separate account. As of December 31, 2012, the general account of the Company had a maximum guarantee for separate account liabilities of \$29,229. To compensate the general account for the risk taken, the separate account paid risk charges as follows for the past three (3) years:

a. 2012	<u>\$ 20,652</u> ;
b. 2011	<u>\$ 20,751</u> ;
c. 2010	<u>\$ 20,471</u> ;

The general account of the Company did not pay any amounts to contractholders due to separate account guarantees during the years ended December 31, 2012 and 2010. The general account of the Company paid \$24,746 to contractholders due to separate account guarantees during the year ended December 31, 2011.

- (4) Not applicable

B. General Nature and Characteristics of Separate Accounts Business:

The variable annuity contract funds held in the separate accounts are of a nonguaranteed return nature. The net investment experience of the separate accounts is credited directly to the contractholder and can be positive or negative. These variable annuities generally provide an incidental death benefit of the greater of account value or premium paid. The separate account also provides a mortality guarantee, such that contractholders that have annuitized are guaranteed they will continue to receive annuity benefits if they live longer than actuarially projected.

NOTES TO FINANCIAL STATEMENTS

Information regarding the separate accounts of the Company is as follows:

	<u>Indexed</u>	<u>Non-indexed Guarantee Less than/equal to 4 percent</u>	<u>Non-indexed Guarantee more than 4 percent</u>	<u>Non- guaranteed Separate Accounts</u>	<u>Total</u>
(1) Premiums, Considerations or deposits for the year ended 12/31/12				\$ -	\$ -
Reserves at 12/31/12					
(2) For accounts with assets at:					
a. Fair value				\$ 2,059,557	\$ 2,059,557
b. Amortized cost				-	-
c. Total Reserves				<u>\$ 2,059,557</u>	<u>\$ 2,059,557</u>
(3) By withdrawal characteristics:					
a. Subject to discretionary withdrawal:					
b. With MV adjustments					
c. At book value without MV adjustments and with current surrender charge of 5% or more					
d. At fair value				\$ 2,059,557	\$ 2,059,557
e. At book value without MV adjustment and with current surrender charge less than 5%				-	-
f. Subtotal				<u>2,059,557</u>	<u>2,059,557</u>
g. Not subject to discretionary withdrawal				-	-
h. Total				<u>\$ 2,059,557</u>	<u>\$ 2,059,557</u>
(4) Reserves for Asset Default Risk in Lieu of AVR:				-	-
C. Reconciliation of Net Transfers to or (from) Separate Accounts:					
(1) Transfers as reported in the Summary of Operations of the Separate Accounts Statement:					
a. Transfers to Separate Accounts (Page 4, Line 1.4)				\$ -	
b. Transfers from Separate Accounts (Page 4, Line 10)					197,721
c. Net transfers to or (from) Separate Accounts (a) – (b)					<u>(197,721)</u>
(2) Reconciling Adjustments:					
a. Net Contractholder distributions					<u>197,721</u>
(3) Transfers as Reported in the Summary of Operations of the Life, Accident & Health Annual Statement (1c) + (2) = (Page 4, Line 26)					<u>\$ -</u>

35. Loss/Claim Adjustment Expenses

Not applicable

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES GENERAL

- 1.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? Yes [] No []
- 1.2 If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent, or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations? Yes [] No [] N/A []
- 1.3 State Regulating? MA
- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? Yes [] No []
- 2.2 If yes, date of change:
- 3.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2008
- 3.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. 12/31/2008
- 3.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). 07/22/2010
- 3.4 By what department or departments?
Massachusetts
- 3.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments? Yes [] No [] N/A []
- 3.6 Have all of the recommendations within the latest financial examination report been complied with? Yes [] No [] N/A []
- 4.1 During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity), receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
4.11 sales of new business? Yes [] No []
4.12 renewals? Yes [] No []
- 4.2 During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
4.21 sales of new business? Yes [] No []
4.22 renewals? Yes [] No []
- 5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes [] No []
- 5.2 If yes, provide the name of the entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.
- | 1 | 2 | 3 |
|----------------|-------------------|-------------------|
| Name of Entity | NAIC Company Code | State of Domicile |
| | | |
- 6.1 Has the reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? Yes [] No []
- 6.2 If yes, give full information:
.....
- 7.1 Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity? Yes [] No []
- 7.2 If yes,
7.21 State the percentage of foreign control; %
7.22 State the nationality(s) of the foreign person(s) or entity(s) or if the entity is a mutual or reciprocal, the nationality of its manager or attorney-in-fact; and identify the type of entity(s) (e.g., individual, corporation or government, manager or attorney in fact).

1	2
Nationality	Type of Entity

GENERAL INTERROGATORIES

- 8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board? Yes [] No [X]
- 8.2 If response to 8.1 is yes, please identify the name of the bank holding company.
.....
- 8.3 Is the company affiliated with one or more banks, thrifts or securities firms? Yes [] No [X]
- 8.4 If response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.

1 Affiliate Name	2 Location (City, State)	3 FRB	4 OCC	5 FDIC	6 SEC

9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?
Ernst & Young LLP
Republic Centre, Suite 1500
633 Chestnut Street
Chattanooga, TN 37450-1501
- 10.1 Has the insurer been granted any exemptions to the prohibited non-audit services provided by the certified independent public accountant requirements as allowed in Section 7H of the Annual Financial Reporting Model Regulation (Model Audit Rule), or substantially similar state law or regulation? Yes [] No [X]
- 10.2 If the response to 10.1 is yes, provide information related to this exemption:
.....
- 10.3 Has the insurer been granted any exemptions related to the other requirements of the Annual Financial Reporting Model Regulation as allowed for in Section 17A of the Model Regulation, or substantially similar state law or regulation? Yes [] No [X]
- 10.4 If the response to 10.3 is yes, provide information related to this exemption:
.....
- 10.5 Has the reporting entity established an Audit Committee in compliance with the domiciliary state insurance laws? Yes [X] No [] N/A []
- 10.6 If the response to 10.5 is no or n/a, please explain
.....
11. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?
Albert A. Riggieri, FSA, MAAA
SVP, Corporate Actuary
1 Fountain Square
Chattanooga, TN 37402
- 12.1 Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly? Yes [] No [X]
- 12.11 Name of real estate holding company
- 12.12 Number of parcels involved
- 12.13 Total book/adjusted carrying value \$
- 12.2 If, yes provide explanation:
.....
- 13. FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:**
- 13.1 What changes have been made during the year in the United States manager or the United States trustees of the reporting entity?
.....
- 13.2 Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located? Yes [] No []
- 13.3 Have there been any changes made to any of the trust indentures during the year? Yes [] No []
- 13.4 If answer to (13.3) is yes, has the domiciliary or entry state approved the changes? Yes [] No [] N/A []
- 14.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? Yes [X] No []
- (a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- (b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
- (c) Compliance with applicable governmental laws, rules and regulations;
- (d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
- (e) Accountability for adherence to the code.
- 14.11 If the response to 14.1 is No, please explain:
.....
- 14.2 Has the code of ethics for senior managers been amended? Yes [] No [X]
- 14.21 If the response to 14.2 is yes, provide information related to amendment(s).
.....
- 14.3 Have any provisions of the code of ethics been waived for any of the specified officers? Yes [] No [X]
- 14.31 If the response to 14.3 is yes, provide the nature of any waiver(s).
.....

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE PAUL REVERE VARIABLE ANNUITY INSURANCE COMPANY
GENERAL INTERROGATORIES

- 15.1 Is the reporting entity the beneficiary of a Letter of Credit that is unrelated to reinsurance where the issuing or confirming bank is not on the SVO Bank List? Yes [] No [X]
- 15.2 If the response to 15.1 is yes, indicate the American Bankers Association (ABA) Routing Number and the name of the issuing or confirming bank of the Letter of Credit and describe the circumstances in which the Letter of Credit is triggered.

1 American Bankers Association (ABA) Routing Number	2 Issuing or Confirming Bank Name	3 Circumstances That Can Trigger the Letter of Credit	4 Amount

BOARD OF DIRECTORS

16. Is the purchase or sale of all investments of the reporting entity passed upon either by the board of directors or a subordinate committee thereof? Yes [X] No []
17. Does the reporting entity keep a complete permanent record of the proceedings of its board of directors and all subordinate committees thereof? Yes [X] No []
18. Has the reporting entity an established procedure for disclosure to its board of directors or trustees of any material interest or affiliation on the part of any of its officers, directors, trustees or responsible employees that is in conflict with the official duties of such person? Yes [X] No []

FINANCIAL

19. Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)? Yes [] No [X]
- 20.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):
- | | | |
|---|----|--|
| 20.11 To directors or other officers | \$ | |
| 20.12 To stockholders not officers | \$ | |
| 20.13 Trustees, supreme or grand (Fraternal Only) | \$ | |
- 20.2 Total amount of loans outstanding at the end of year (inclusive of Separate Accounts, exclusive of policy loans):
- | | | |
|---|----|--|
| 20.21 To directors or other officers | \$ | |
| 20.22 To stockholders not officers | \$ | |
| 20.23 Trustees, supreme or grand (Fraternal Only) | \$ | |
- 21.1 Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in the statement? Yes [] No [X]
- 21.2 If yes, state the amount thereof at December 31 of the current year:
- | | | |
|----------------------------|----|--|
| 21.21 Rented from others | \$ | |
| 21.22 Borrowed from others | \$ | |
| 21.23 Leased from others | \$ | |
| 21.24 Other | \$ | |
- 22.1 Does this statement include payments for assessments as described in the Annual Statement Instructions other than guaranty fund or guaranty association assessments? Yes [X] No []
- 22.2 If answer is yes:
- | | | |
|--|----|-------|
| 22.21 Amount paid as losses or risk adjustment | \$ | 4,331 |
| 22.22 Amount paid as expenses | \$ | |
| 22.23 Other amounts paid | \$ | |
- 23.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes [X] No []
- 23.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: \$ 0

INVESTMENT

- 24.01 Were all the stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date? (other than securities lending programs addressed in 24.03) Yes [] No [X]
- 24.02 If no, give full and complete information relating thereto
 All other stocks and bonds are held in the Company's custodial accounts at JPMorgan Chase Bank, New York, NY.
- 24.03 For security lending programs, provide a description of the program including value for collateral and amount of loaned securities, and whether collateral is carried on or off-balance sheet. (an alternative is to reference Note 17 where this information is also provided) See Note 17 for a discussion of the Company's Securities Lending Program.
- 24.04 Does the Company's security lending program meet the requirements for a conforming program as outlined in the Risk-Based Capital Instructions? Yes [X] No [] N/A []
- 24.05 If answer to 24.04 is yes, report amount of collateral for conforming programs. \$ 0
- 24.06 If answer to 24.04 is no, report amount of collateral for other programs. \$
- 24.07 Does your securities lending program require 102% (domestic securities) and 105% (foreign securities) from the counterparty at the outset of the contract? Yes [X] No [] N/A []
- 24.08 Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%? Yes [X] No [] N/A []
- 24.09 Does the reporting entity or the reporting entity's securities lending agent utilize the Master Securities lending Agreement (MSLA) to conduct securities lending? Yes [X] No [] N/A []

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE PAUL REVERE VARIABLE ANNUITY INSURANCE COMPANY
GENERAL INTERROGATORIES

24.10 For the reporting entity's security lending program state the amount of the following as December 31 of the current year:

24.101 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2	\$	0
24.102 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2	\$	0
24.103 Total payable for securities lending reported on the liability page	\$	0

25.1 Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity, or has the reporting entity sold or transferred any assets subject to a put option contract that is currently in force? (Exclude securities subject to Interrogatory 21.1 and 24.03). Yes [] No []

25.2 If yes, state the amount thereof at December 31 of the current year:

25.21 Subject to repurchase agreements	\$
25.22 Subject to reverse repurchase agreements	\$
25.23 Subject to dollar repurchase agreements	\$
25.24 Subject to reverse dollar repurchase agreements	\$
25.25 Pledged as collateral	\$
25.26 Placed under option agreements	\$
25.27 Letter stock or other securities restricted as to sale	\$
25.28 On deposit with state or other regulatory body	\$ 2,719,862
25.29 Other	\$

25.3 For category (25.27) provide the following:

1 Nature of Restriction	2 Description	3 Amount

26.1 Does the reporting entity have any hedging transactions reported on Schedule DB? Yes [] No []

26.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes [] No [] N/A []
 If no, attach a description with this statement.

27.1 Were any preferred stocks or bonds owned as of December 31 of the current year mandatorily convertible into equity, or, at the option of the issuer, convertible into equity? Yes [] No []

27.2 If yes, state the amount thereof at December 31 of the current year. \$

28. Excluding items in Schedule E - Part 3 - Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 1, III - General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook? Yes [] No []

28.01 For agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook, complete the following:

1 Name of Custodian(s)	2 Custodian's Address
JPMorgan Chase Bank, N.A.	New York, NY

28.02 For all agreements that do not comply with the requirements of the NAIC Financial Condition Examiners Handbook, provide the name, location and a complete explanation:

1 Name(s)	2 Location(s)	3 Complete Explanation(s)

28.03 Have there been any changes, including name changes, in the custodian(s) identified in 28.01 during the current year? Yes [] No []

28.04 If yes, give full and complete information relating thereto:

1 Old Custodian	2 New Custodian	3 Date of Change	4 Reason

28.05 Identify all investment advisors, brokers/dealers or individuals acting on behalf of brokers/dealers that have access to the investment accounts, handle securities and have authority to make investments on behalf of the reporting entity:

1 Central Registration Depository Number(s)	2 Name	3 Address
	Provident Investment Management, LLC	Chattanooga, TN
	JPMorgan Chase Bank, N.A.	New York, NY

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE PAUL REVERE VARIABLE ANNUITY INSURANCE COMPANY
GENERAL INTERROGATORIES

- 29.1 Does the reporting entity have any diversified mutual funds reported in Schedule D, Part 2 (diversified according to the Securities and Exchange Commission (SEC) in the Investment Company Act of 1940 [Section 5(b)(1)])? Yes [] No [X]
- 29.2 If yes, complete the following schedule:

1 CUSIP #	2 Name of Mutual Fund	3 Book/Adjusted Carrying Value
29.2999 - Total		

- 29.3 For each mutual fund listed in the table above, complete the following schedule:

1 Name of Mutual Fund (from above table)	2 Name of Significant Holding of the Mutual Fund	3 Amount of Mutual Fund's Book/Adjusted Carrying Value Attributable to the Holding	4 Date of Valuation
.....

30. Provide the following information for all short-term and long-term bonds and all preferred stocks. Do not substitute amortized value or statement value for fair value.

	1 Statement (Admitted) Value	2 Fair Value	3 Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
30.1 Bonds	47,559,859	55,315,700	7,755,841
30.2 Preferred stocks			
30.3 Totals	47,559,859	55,315,700	7,755,841

- 30.4 Describe the sources or methods utilized in determining the fair values:
 Bonds: Sources utilized in determining fair value are Barclays Capital Pricing, Interactive Data Pricing, and Lighthouse Pricing.

- 31.1 Was the rate used to calculate fair value determined by a broker or custodian for any of the securities in Schedule D? Yes [] No [X]

- 31.2 If the answer to 31.1 is yes, does the reporting entity have a copy of the broker's or custodian's pricing policy (hard copy or electronic copy) for all brokers or custodians used as a pricing source? Yes [] No []

- 31.3 If the answer to 31.2 is no, describe the reporting entity's process for determining a reliable pricing source for purposes of disclosure of fair value for Schedule D:

- 32.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Securities Valuation Office been followed? Yes [X] No []

- 32.2 If no, list exceptions:

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE PAUL REVERE VARIABLE ANNUITY INSURANCE COMPANY
GENERAL INTERROGATORIES

OTHER

33.1 Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any?\$249

33.2 List the name of the organization and the amount paid if any such payment represented 25% or more of the total payments to trade associations, service organizations and statistical or rating bureaus during the period covered by this statement.

1 Name	2 Amount Paid
None
.....

34.1 Amount of payments for legal expenses, if any?\$764

34.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payments for legal expenses during the period covered by this statement.

1 Name	2 Amount Paid
None
.....

35.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or departments of government, if any?\$8

35.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payment expenditures in connection with matters before legislative bodies, officers or departments of government during the period covered by this statement.

1 Name	2 Amount Paid
Life Insurance Council of New York .....	.....5
.....

GENERAL INTERROGATORIES

PART 2 - LIFE INTERROGATORIES

1.1 Does the reporting entity have any direct Medicare Supplement Insurance in force? Yes [] No [X]

1.2 If yes, indicate premium earned on U.S. business only \$

1.3 What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit? \$

1.31 Reason for excluding:
.....

1.4 Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above. \$

1.5 Indicate total incurred claims on all Medicare Supplement insurance. \$

1.6 Individual policies:

Most current three years:

1.61 Total premium earned \$

1.62 Total incurred claims \$

1.63 Number of covered lives

All years prior to most current three years

1.64 Total premium earned \$

1.65 Total incurred claims \$

1.66 Number of covered lives

1.7 Group policies:

Most current three years:

1.71 Total premium earned \$

1.72 Total incurred claims \$

1.73 Number of covered lives

All years prior to most current three years

1.74 Total premium earned \$

1.75 Total incurred claims \$

1.76 Number of covered lives

2. Health Test:

	1 Current Year	2 Prior Year
2.1 Premium Numerator		
2.2 Premium Denominator		
2.3 Premium Ratio (2.1/2.2)	0.000	0.000
2.4 Reserve Numerator		
2.5 Reserve Denominator		
2.6 Reserve Ratio (2.4/2.5)	0.000	0.000

3.1 Does this reporting entity have Separate Accounts? Yes [X] No []

3.2 If yes, has a Separate Accounts Statement been filed with this Department? Yes [X] No [] N/A []

3.3 What portion of capital and surplus funds of the reporting entity covered by assets in the Separate Accounts statement, is not currently distributable from the Separate Accounts to the general account for use by the general account? \$ 0

3.4 State the authority under which Separate Accounts are maintained:
Massachusetts Law

3.5 Was any of the reporting entity's Separate Accounts business reinsured as of December 31? Yes [] No [X]

3.6 Has the reporting entity assumed by reinsurance any Separate Accounts business as of December 31? Yes [] No [X]

3.7 If the reporting entity has assumed Separate Accounts business, how much, if any, reinsurance assumed receivable for reinsurance of Separate Accounts reserve expense allowances is included as a negative amount in the liability for "Transfers to Separate Accounts due or accrued (net)"?

4.1 Are personnel or facilities of this reporting entity used by another entity or entities or are personnel or facilities of another entity or entities used by this reporting entity (except for activities such as administration of jointly underwritten group contracts and joint mortality or morbidity studies)? Yes [X] No []

4.2 Net reimbursement of such expenses between reporting entities:

4.21 Paid \$ 87,288

4.22 Received \$

5.1 Does the reporting entity write any guaranteed interest contracts? Yes [] No [X]

5.2 If yes, what amount pertaining to these lines is included in:

5.21 Page 3, Line 1 \$

5.22 Page 4, Line 1 \$

6. FOR STOCK REPORTING ENTITIES ONLY:

6.1 Total amount paid in by stockholders as surplus funds since organization of the reporting entity: \$ 48,800,000

7. Total dividends paid stockholders since organization of the reporting entity:

7.11 Cash \$ 281,100,000

7.12 Stock \$

**ANNUAL STATEMENT FOR THE YEAR 2012 OF THE PAUL REVERE VARIABLE ANNUITY INSURANCE COMPANY
GENERAL INTERROGATORIES**

8.1 Does the company reinsure any Workers' Compensation Carve-Out business defined as: Yes [] No [X]
 Reinsurance (including retrocessional reinsurance) assumed by life and health insurers of medical, wage loss and death benefits of the occupational illness and accident exposures, but not the employers liability exposures, of business originally written as workers' compensation insurance.

8.2 If yes, has the reporting entity completed the Workers' Compensation Carve-Out Supplement to the Annual Statement? Yes [] No []

8.3 If 8.1 is yes, the amounts of earned premiums and claims incurred in this statement are:

	1 Reinsurance Assumed	2 Reinsurance Ceded	3 Net Retained
8.31 Earned premium
8.32 Paid claims
8.33 Claim liability and reserve (beginning of year)
8.34 Claim liability and reserve (end of year)
8.35 Incurred claims

8.4 If reinsurance assumed included amounts with attachment points below \$1,000,000, the distribution of the amounts reported in Lines 8.31 and 8.34 for Column (1) are:

	Attachment Point	1 Earned Premium	2 Claim Liability and Reserve
8.41	<\$25,000	.....	.....
8.42	\$25,000 - 99,999	.....	.....
8.43	\$100,000 - 249,999	.....	.....
8.44	\$250,000 - 999,999	.....	.....
8.45	\$1,000,000 or more	.....	.....

8.5 What portion of earned premium reported in 8.31, Column 1 was assumed from pools? \$

9.1 Does the company have variable annuities with guaranteed benefits? Yes [X] No []

9.2 If 9.1 is yes, complete the following table for each type of guaranteed benefit.

Type		3	4	5	6	7	8	9
1 Guaranteed Death Benefit	2 Guaranteed Living Benefit	Waiting Period Remaining	Account Value Related to Col. 3	Total Related Account Values	Gross Amount of Reserve	Location of Reserve	Portion Reinsured	Reinsurance Reserve Credit
Return of Premium	None	N/A	N/A	5,452,265	0	N/A	N/A	0

10. For reporting entities having sold annuities to another insurer where the insurer purchasing the annuities has obtained a release of liability from the claimant (payee) as the result of the purchase of an annuity from the reporting entity only:

10.1 Amount of loss reserves established by these annuities during the current year: \$ 0

10.2 List the name and location of the insurance company purchasing the annuities and the statement value on the purchase date of the annuities.

1	2
P&C Insurance Company And Location	Statement Value on Purchase Date of Annuities (i.e., Present Value)

11.1 Do you act as a custodian for health savings accounts? Yes [] No [X]

11.2 If yes, please provide the amount of custodial funds held as of the reporting date. \$

11.3 Do you act as an administrator for health savings accounts? Yes [] No [X]

11.4 If yes, please provide the balance of funds administered as of the reporting date. \$

FIVE-YEAR HISTORICAL DATA

Show amounts in whole dollars only, no cents; show percentages to one decimal place, i.e. 17.6.
 Show amounts of life insurance in this exhibit in thousands (OMIT \$000)

	1 2012	2 2011	3 2010	4 2009	5 2008
Life Insurance in Force (Exhibit of Life Insurance)					
1. Ordinary - whole life and endowment (Line 34, Col. 4)	259,590	279,208	298,917	325,030	398,293
2. Ordinary - term (Line 21, Col. 4, less Line 34, Col. 4)	79,753	88,830	101,279	114,224	128,375
3. Credit life (Line 21, Col. 6)					
4. Group, excluding FEGLI/SGLI (Line 21, Col. 9 less Lines 43 & 44, Col. 4)					
5. Industrial (Line 21, Col. 2)					
6. FEGLI/SGLI (Lines 43 & 44, Col. 4)					
7. Total (Line 21, Col. 10)	339,343	368,038	400,196	439,254	526,668
New Business Issued (Exhibit of Life Insurance)					
8. Ordinary - whole life and endowment (Line 34, Col. 2)					
9. Ordinary - term (Line 2, Col. 4, less Line 34, Col. 2)					
10. Credit life (Line 2, Col. 6)					
11. Group (Line 2, Col. 9)					
12. Industrial (Line 2, Col. 2)					
13. Total (Line 2, Col. 10)					
Premium Income - Lines of Business (Exhibit 1 - Part 1)					
14. Industrial life (Line 20.4, Col. 2)					
15.1 Ordinary-life insurance (Line 20.4, Col. 3)					
15.2 Ordinary-individual annuities (Line 20.4, Col. 4)					
16. Credit life (group and individual) (Line 20.4, Col. 5)					
17.1 Group life insurance (Line 20.4, Col. 6)					
17.2 Group annuities (Line 20.4, Col. 7)					
18.1 A & H-group (Line 20.4, Col. 8)					
18.2 A & H-credit (group and individual) (Line 20.4, Col. 9)					
18.3 A & H-other (Line 20.4, Col. 10)					
19. Aggregate of all other lines of business (Line 20.4, Col. 11)					
20. Total					
Balance Sheet (Pages 2 & 3)					
21. Total admitted assets excluding Separate Accounts business (Page 2, Line 26, Col. 3)	51,478,788	53,857,352	49,506,806	46,992,501	107,788,789
22. Total liabilities excluding Separate Accounts business (Page 3, Line 26)	12,995,714	16,955,775	14,426,818	15,216,724	13,063,164
23. Aggregate life reserves (Page 3, Line 1)					
24. Aggregate A & H reserves (Page 3, Line 2)					
25. Deposit-type contract funds (Page 3, Line 3)	5,454,225	5,685,577	5,817,390	5,975,557	5,821,137
26. Asset valuation reserve (Page 3, Line 24.01)	573,641	570,705	538,497	399,421	224,841
27. Capital (Page 3, Lines 29 and 30)	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000
28. Surplus (Page 3, Line 37)	35,983,075	34,401,577	32,579,989	29,275,777	92,225,625
Cash Flow (Page 5)					
29. Net Cash from Operations (Line 11)	1,440,619	1,605,261	2,764,593	7,558,874	5,452,719
Risk-Based Capital Analysis					
30. Total adjusted capital	39,056,716	37,472,282	35,618,486	32,175,198	94,950,466
31. Authorized control level risk - based capital	2,184,451	2,181,546	2,148,483	2,705,513	3,995,128
Percentage Distribution of Cash, Cash Equivalents and Invested Assets (Page 2, Col. 3) (Line No. /Page 2, Line 12, Col. 3) x 100.0					
32. Bonds (Line 1)	90.2	79.8	87.1	93.4	96.4
33. Stocks (Lines 2.1 and 2.2)					
34. Mortgage loans on real estate(Lines 3.1 and 3.2)					
35. Real estate (Lines 4.1, 4.2 and 4.3)					
36. Cash, cash equivalents and short-term investments (Line 5)	7.0	11.2	9.9	3.5	2.3
37. Contract loans (Line 6)					
38. Derivatives (Page 2, Line 7)				XXX	XXX
39. Other invested assets (Line 8)	2.8	2.7	3.0	3.1	1.4
40. Receivables for securities (Line 9)					
41. Securities lending reinvested collateral assets (Line 10)		6.3		XXX	XXX
42. Aggregate write-ins for invested assets (Line 11)					
43. Cash, cash equivalents and invested assets (Line 12)	100.0	100.0	100.0	100.0	100.0

FIVE-YEAR HISTORICAL DATA

(Continued)

	1 2012	2 2011	3 2010	4 2009	5 2008
Investments in Parent, Subsidiaries and Affiliates					
44. Affiliated bonds (Schedule D Summary, Line 12, Col. 1)					
45. Affiliated preferred stocks (Schedule D Summary, Line 18, Col. 1)					
46. Affiliated common stocks (Schedule D Summary Line 24, Col. 1),					
47. Affiliated short-term investments (subtotal included in Schedule DA Verification, Col. 5, Line 10)					
48. Affiliated mortgage loans on real estate					
49. All other affiliated					
50. Total of above Lines 44 to 49					
51. Total Investment in Parent included in Lines 44 to 49 above					
Total Nonadmitted and Admitted Assets					
52. Total nonadmitted assets (Page 2, Line 28, Col. 2)	169,676	18,125	18,125	1,231,231	4,060,953
53. Total admitted assets (Page 2, Line 28, Col. 3)	53,552,782	55,836,497	51,632,397	49,141,733	110,191,120
Investment Data					
54. Net investment income (Exhibit of Net Investment Income)	2,647,375	2,537,065	2,536,540	6,497,674	7,215,935
55. Realized capital gains (losses) (Page 4, Line 34, Column 1)	2,371	59,624	1,822,782	1,145,165	(3,812,945)
56. Unrealized capital gains (losses) (Page 4, Line 38, Column 1)	(7,839)	5,992	(1,791)	2,018	13,957
57. Total of above Lines 54, 55 and 56	2,641,907	2,602,681	4,357,531	7,644,857	3,416,947
Benefits and Reserve Increases (Page 6)					
58. Total contract benefits - life (Lines 10, 11, 12, 13, 14 and 15 Col. 1, minus Lines 10, 11, 12, 13, 14 and 15 Cols. 9, 10 and 11)					
59. Total contract benefits - A & H (Lines 13 & 14, Cols. 9, 10 & 11)					
60. Increase in life reserves - other than group and annuities (Line 19, Cols. 2 and 3)					
61. Increase in A & H reserves (Line 19, Cols. 9, 10 & 11)					
62. Dividends to policyholders (Line 30, Col. 1)					
Operating Percentages					
63. Insurance expense percent (Page 6, Col. 1, Lines 21, 22 & 23, less Line 6)/(Page 6, Col. 1, Line 1 plus Exhibit 7, Col. 2, Line 2) x 100.0					
64. Lapse percent (ordinary only) [(Exhibit of Life Insurance, Col. 4, Lines 14 & 15) / 1/2 (Exhibit of Life Insurance, Col. 4, Lines 1 & 21)] x 100.0	6.6	6.1	7.1	14.5	7.5
65. A & H loss percent (Schedule H, Part 1, Lines 5 and 6, Col. 2)					
66. A & H cost containment percent (Schedule H, Pt. 1, Line 4, Col. 2)					
67. A & H expense percent excluding cost containment expenses (Schedule H, Pt. 1, Line 10, Col. 2)					
A & H Claim Reserve Adequacy					
68. Incurred losses on prior years' claims - group health (Schedule H, Part 3, Line 3.1 Col. 2)					
69. Prior years' claim liability and reserve - group health (Schedule H, Part 3, Line 3.2 Col. 2)					
70. Incurred losses on prior years' claims-health other than group (Schedule H, Part 3, Line 3.1 Col. 1 less Col. 2)					
71. Prior years' claim liability and reserve-health other than group (Schedule H, Part 3, Line 3.2 Col. 1 less Col. 2)					
Net Gains From Operations After Federal Income Taxes by Lines of Business (Page 6, Line 33)					
72. Industrial life (Col. 2)					
73. Ordinary - life (Col. 3)	462,043	613,396	838,611	748,792	638,455
74. Ordinary - individual annuities (Col. 4)	456,847	497,022	529,796	1,905,389	1,455,884
75. Ordinary-supplementary contracts (Col. 5)	5,152	4,913	6,359	19,565	20,173
76. Credit life (Col. 6)					
77. Group life (Col. 7)					
78. Group annuities (Col. 8)	1,366,211	1,365,710	1,310,522	3,265,804	3,458,177
79. A & H-group (Col. 9)					
80. A & H-credit (Col. 10)					
81. A & H-other (Col. 11)					
82. Aggregate of all other lines of business (Col. 12)					
83. Total (Col. 1)	2,290,252	2,481,041	2,685,287	5,939,548	5,572,689

NOTE: If a party to a merger, have the two most recent years of this exhibit been restated due to a merger in compliance with the disclosure requirements of SSAP No. 3, Accounting Changes and Correction of Errors? Yes [] No []
 If no, please explain:

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE PAUL REVERE VARIABLE ANNUITY INSURANCE COMPANY

EXHIBIT OF LIFE INSURANCE

	Industrial		Ordinary		Credit Life (Group and Individual)		Group			10 Total Amount of Insurance (a)
	1	2	3	4	5	6	Number of		9	
	Number of Policies	Amount of Insurance (a)	Number of Policies	Amount of Insurance (a)	Number of Individual Policies and Group Certificates	Amount of Insurance (a)	7 Policies	8 Certificates	Amount of Insurance (a)	
1. In force end of prior year			4,426	368,038						368,038
2. Issued during year										
3. Reinsurance assumed										
4. Revived during year			1	300						300
5. Increased during year (net)										
6. Subtotals, Lines 2 to 5			1	300						300
7. Additions by dividends during year	XXX		XXX		XXX		XXX	XXX		
8. Aggregate write-ins for increases										
9. Totals (Lines 1 and 6 to 8)			4,427	368,338						368,338
Deductions during year:										
10. Death			57	3,478			XXX			3,478
11. Maturity							XXX			
12. Disability							XXX			
13. Expiry			30	1,911						1,911
14. Surrender			145	17,540						17,540
15. Lapse			33	5,827						5,827
16. Conversion							XXX	XXX	XXX	
17. Decreased (net)				238						238
18. Reinsurance										
19. Aggregate write-ins for decreases										
20. Totals (Lines 10 to 19)			265	28,995						28,995
21. In force end of year (Line 9 minus Line 20)			4,162	339,343						339,343
22. Reinsurance ceded end of year	XXX		XXX	339,343	XXX		XXX	XXX		339,343
23. Line 21 minus Line 22	XXX		XXX		XXX	(b)	XXX	XXX		
DETAILS OF WRITE-INS										
0801.										
0802.										
0803.										
0898. Summary of remaining write-ins for Line 8 from overflow page										
0899. TOTALS (Lines 0801 thru 0803 plus 0898) (Line 8 above)										
1901.										
1902.										
1903.										
1998. Summary of remaining write-ins for Line 19 from overflow page										
1999. TOTALS (Lines 1901 thru 1903 plus 1998) (Line 19 above)										

(a) Amounts of life insurance in this exhibit shall be shown in thousands (omit 000)

(b) Group \$; Individual \$

EXHIBIT OF LIFE INSURANCE (Continued)

ADDITIONAL INFORMATION ON INSURANCE IN FORCE END OF YEAR

	Industrial		Ordinary	
	1 Number of Policies	2 Amount of Insurance (a)	3 Number of Policies	4 Amount of Insurance (a)
24. Additions by dividends	XXX		XXX	
25. Other paid-up insurance			191	5,865
26. Debit ordinary insurance	XXX	XXX		

ADDITIONAL INFORMATION ON ORDINARY INSURANCE

Term Insurance Excluding Extended Term Insurance	Issued During Year (Included in Line 2)		In Force End of Year (Included in Line 21)	
	1 Number of Policies	2 Amount of Insurance (a)	3 Number of Policies	4 Amount of Insurance (a)
27. Term policies - decreasing				
28. Term policies - other			254	32,164
29. Other term insurance - decreasing	XXX		XXX	
30. Other term insurance	XXX		XXX	22,329
31. Totals (Lines 27 to 30)			254	54,493
Reconciliation to Lines 2 and 21:				
32. Term additions	XXX		XXX	
33. Totals, extended term insurance	XXX	XXX	333	25,260
34. Totals, whole life and endowment			3,575	259,590
35. Totals (Lines 31 to 34)			4,162	339,343

CLASSIFICATION OF AMOUNT OF INSURANCE (a) BY PARTICIPATING STATUS

	Issued During Year (Included in Line 2)		In Force End of Year (Included in Line 21)	
	1	2	3	4
	Non-Participating	Participating	Non-Participating	Participating
36. Industrial				
37. Ordinary			339,343	
38. Credit Life (Group and Individual)				
39. Group				
40. Totals (Lines 36 to 39)			339,343	

ADDITIONAL INFORMATION ON CREDIT LIFE AND GROUP INSURANCE

	Credit Life		Group	
	1 Number of Individual Policies and Group Certificates	2 Amount of Insurance (a)	3 Number of Certificates	4 Amount of Insurance (a)
41. Amount of insurance included in Line 2 ceded to other companies	XXX		XXX	
42. Number in force end of year if the number under shared groups is counted on a pro-rata basis		XXX		XXX
43. Federal Employees' Group Life Insurance included in Line 21				
44. Servicemen's Group Life Insurance included in Line 21				
45. Group Permanent Insurance included in Line 21				

ADDITIONAL ACCIDENTAL DEATH BENEFITS

46. Amount of additional accidental death benefits in force end of year under ordinary policies (a)	2,215
---	-------

BASIS OF CALCULATION OF ORDINARY TERM INSURANCE

47. State basis of calculation of (47.1) decreasing term insurance contained in Family Income, Mortgage Protection, etc., policies and riders and of (47.2) term insurance on wife and children under Family, Parent and Children, etc., policies and riders included above.	
47.1 Not applicable	
47.2 Stated face amount	

POLICIES WITH DISABILITY PROVISIONS

Disability Provisions	Industrial		Ordinary		Credit		Group	
	1 Number of Policies	2 Amount of Insurance (a)	3 Number of Policies	4 Amount of Insurance (a)	5 Number of Policies	6 Amount of Insurance (a)	7 Number of Certificates	8 Amount of Insurance (a)
48. Waiver of Premium			1,328	105,405				
49. Disability Income								
50. Extended Benefits			XXX	XXX				
51. Other								
52. Total		(b)	1,328	(b) 105,405		(b)		(b)

(a) Amounts of life insurance in this exhibit shall be shown in thousands (omit 000)

(b) See Paragraph 9 of the Annual Audited Financial Reports in the General section of the annual statement instructions

EXHIBIT OF NUMBER OF POLICIES, CONTRACTS, CERTIFICATES, INCOME PAYABLE AND ACCOUNT VALUES IN FORCE FOR SUPPLEMENTARY CONTRACTS, ANNUITIES, ACCIDENT & HEALTH AND OTHER POLICIES

SUPPLEMENTARY CONTRACTS

	Ordinary		Group	
	1 Involving Life Contingencies	2 Not Involving Life Contingencies	3 Involving Life Contingencies	4 Not Involving Life Contingencies
1. In force end of prior year	468	101	142	
2. Issued during year				
3. Reinsurance assumed				
4. Increased during year (net)				
5. Total (Lines 1 to 4)	468	101	142	
Deductions during year:				
6. Decreased (net)	32	14	10	
7. Reinsurance ceded	436	85	132	
8. Totals (Lines 6 and 7)	468	99	142	
9. In force end of year		2		
10. Amount on deposit		(a) 14,889		(a)
11. Income now payable				
12. Amount of income payable	(a)	(a)	(a)	(a)

ANNUITIES

	Ordinary		Group	
	1 Immediate	2 Deferred	3 Contracts	4 Certificates
1. In force end of prior year				
2. Issued during year				
3. Reinsurance assumed				
4. Increased during year (net)				
5. Totals (Lines 1 to 4)				
Deductions during year:				
6. Decreased (net)				
7. Reinsurance ceded				
8. Totals (Lines 6 and 7)				
9. In force end of year				
Income now payable:				
10. Amount of income payable	(a)	XXX	XXX	(a)
Deferred fully paid:				
11. Account balance	XXX	(a)	XXX	(a)
Deferred not fully paid:				
12. Account balance	XXX	(a)	XXX	(a)

NONE

ACCIDENT AND HEALTH INSURANCE

	Group		Credit		Other	
	1 Certificates	2 Premiums in Force	3 Policies	4 Premiums in Force	5 Policies	6 Premiums in Force
1. In force end of prior year						
2. Issued during year						
3. Reinsurance assumed						
4. Increased during year (net)		XXX		XXX		XXX
5. Totals (Lines 1 to 4)		XXX		XXX		XXX
Deductions during year:						
6. Conversions		XXX	XXX	XXX	XXX	XXX
7. Decreased (net)		XXX		XXX		XXX
8. Reinsurance ceded		XXX		XXX		XXX
9. Totals (Lines 6 to 8)		XXX		XXX		XXX
10. In force end of year		(a)		(a)		(a)

NONE

DEPOSIT FUNDS AND DIVIDEND ACCUMULATIONS

	1	2
	Deposit Funds Contracts	Dividend Accumulations Contracts
1. In force end of prior year	11,091	
2. Issued during year		
3. Reinsurance assumed		
4. Increased during year (net)		
5. Total (Lines 1 to 4)	11,091	
Deductions During Year:		
6. Decreased (net)	574	
7. Reinsurance ceded	9,924	
8. Totals (Lines 6 and 7)	10,498	
9. In force end of year	593	
10. Amount of account balance	(a) 5,439,337	(a)

(a) See Paragraph 9 of the Annual Audited Financial Reports in the General section of the annual statement instructions.

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE PAUL REVERE VARIABLE ANNUITY INSURANCE COMPANY
SCHEDULE T - PREMIUMS AND ANNUITY CONSIDERATIONS

Allocated by States and Territories

States, Etc.	1	Life Contracts		Direct Business Only			7
		2	3	4	5	6	
	Active Status	Life Insurance Premiums	Annuity Considerations	Accident and Health Insurance Premiums, Including Policy, Membership and Other Fees	Other Considerations	Total Columns 2 through 5	Deposit-Type Contracts
1. Alabama	AL	L	54,439			54,439	605
2. Alaska	AK	N					
3. Arizona	AZ	L	46,584			46,584	1,048,799
4. Arkansas	AR	L	25,521			25,521	3,442
5. California	CA	L	225,854			225,854	17,716,856
6. Colorado	CO	L	3,994			3,994	213,920
7. Connecticut	CT	L	79,710			79,710	72,574
8. Delaware	DE	L	2,837			2,837	
9. District of Columbia	DC	L	1,146			1,146	
10. Florida	FL	L	191,525			191,525	27,428
11. Georgia	GA	L	25,132			25,132	3,370
12. Hawaii	HI	L	1,586			1,586	
13. Idaho	ID	L	1,917			1,917	
14. Illinois	IL	L	40,413			40,413	8,995
15. Indiana	IN	L	38,013			38,013	12,485
16. Iowa	IA	L	75,744			75,744	7,719
17. Kansas	KS	L	18,564			18,564	3,527
18. Kentucky	KY	L	51,010			51,010	5,965
19. Louisiana	LA	L	89,523			89,523	99,303
20. Maine	ME	L	239,124			239,124	18,840
21. Maryland	MD	L	63,589			63,589	3,149
22. Massachusetts	MA	L	178,896			178,896	75,046
23. Michigan	MI	L	11,523			11,523	
24. Minnesota	MN	L	12,445			12,445	
25. Mississippi	MS	L	112,608			112,608	7,230
26. Missouri	MO	L	86,272			86,272	
27. Montana	MT	L	921			921	79,074
28. Nebraska	NE	L	6,438			6,438	25,191
29. Nevada	NV	L	31,192			31,192	3,073
30. New Hampshire	NH	L	37,858			37,858	
31. New Jersey	NJ	L	276,917			276,917	92,897
32. New Mexico	NM	L	2,945			2,945	6,046
33. New York	NY	N	82,732			82,732	49,384
34. North Carolina	NC	L	220,874			220,874	671,987
35. North Dakota	ND	L	1,212			1,212	
36. Ohio	OH	L	553,935			553,935	94,405
37. Oklahoma	OK	L	36,865			36,865	23,013
38. Oregon	OR	L	1,140			1,140	152,399
39. Pennsylvania	PA	L	95,718			95,718	198,928
40. Rhode Island	RI	L	15,336			15,336	3,411
41. South Carolina	SC	L	33,386			33,386	
42. South Dakota	SD	L	219			219	
43. Tennessee	TN	L	141,959			141,959	81,167
44. Texas	TX	L	59,934			59,934	143,402
45. Utah	UT	L	5,199			5,199	
46. Vermont	VT	L	104,796			104,796	130,467
47. Virginia	VA	L	65,358			65,358	62,769
48. Washington	WA	L	23,448			23,448	124,948
49. West Virginia	WV	L	34,361			34,361	12,420
50. Wisconsin	WI	L	10,350			10,350	174,439
51. Wyoming	WY	L					
52. American Samoa	AS	N					
53. Guam	GU	N					
54. Puerto Rico	PR	N					
55. U.S. Virgin Islands	VI	N					
56. Northern Mariana Islands	MP	N					
57. Canada	CAN	N	2,288			2,288	
58. Aggregate Other Alien	OT	XXX	2,086			2,086	
59. Subtotal	(a) 49		3,525,436			3,525,436	21,458,676
90. Reporting entity contributions for employee benefits plans	XXX						
91. Dividends or refunds applied to purchase paid-up additions and annuities	XXX						
92. Dividends or refunds applied to shorten endowment or premium paying period	XXX						
93. Premium or annuity considerations waived under disability or other contract provisions	XXX		198,443			198,443	
94. Aggregate or other amounts not allocable by State	XXX						
95. Totals (Direct Business)	XXX		3,723,879			3,723,879	21,458,676
96. Plus reinsurance assumed	XXX						
97. Totals (All Business)	XXX		3,723,879			3,723,879	21,458,676
98. Less reinsurance ceded	XXX		3,723,879			3,723,879	21,433,275
99. Totals (All Business) less Reinsurance Ceded	XXX			(b)			25,401
DETAILS OF WRITE-INS							
58001. MILITARY (APO, FPO)	XXX		238			238	
58002. NEW ZEALAND	XXX		234			234	
58003. UNITED KINGDOM	XXX		1,615			1,615	
58998. Summary of remaining write-ins for Line 58 from overflow page	XXX						
58999. Totals (Lines 58001 through 58003 plus 58998)(Line 58 above)	XXX		2,086			2,086	
9401.	XXX						
9402.	XXX						
9403.	XXX						
9498. Summary of remaining write-ins for Line 94 from overflow page	XXX						
9499. Totals (Lines 9401 through 9403 plus 9498)(Line 94 above)	XXX						

(L) Licensed or Chartered - Licensed Insurance Carrier or Domiciled RRG; (R) Registered - Non-domiciled RRGs; (Q) Qualified - Qualified or Accredited Reinsurer; (E) Eligible - Reporting Entities eligible or approved to write Surplus Lines in the state; (N) None of the above - Not allowed to write business in the state.

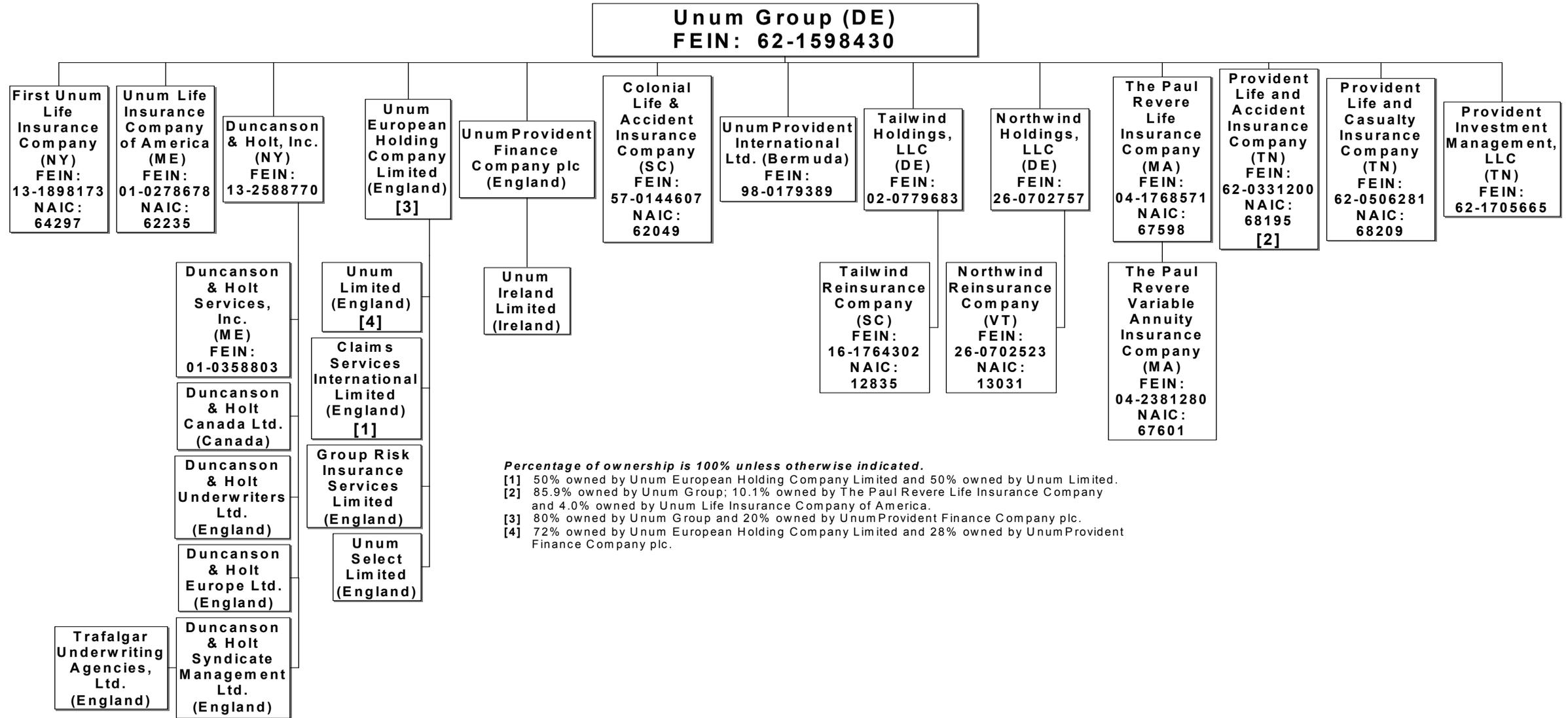
Explanation of basis of allocation by states, etc., of premiums and annuity considerations

Individual premiums are allocated according to the policyholder's state of residence based on the mailing address used for billing. Deposit-type funds are allocated based on the account holder's state of residence.

(a) Insert the number of L responses except for Canada and Other Alien.

(b) Column 4 should balance with Exhibit 1, Lines 6.4, 10.4, and 16.4, Cols. 8, 9, 10, or with Schedule H, Part 1, Line 1, indicate which: Exhibit 1, Lines 6.4, 10.4, and 16.4, Cols. 8, 9, 10.

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP
PART 1 - ORGANIZATIONAL CHART



OVERFLOW PAGE FOR WRITE-INS

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