

MERRILL LYNCH LIFE VARIABLE ANNUITY SEPARATE ACCOUNT C

Form 497

April 30, 2013

TRANSAMERICA ADVISORS LIFE INSURANCE  
COMPANY

TRANSAMERICA ADVISORS LIFE INSURANCE  
COMPANY OF NEW YORK

Merrill Lynch Life Variable Annuity

ML of New York Variable Annuity

Separate Account C

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Supplement Dated May 1, 2013

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to the

to the

Prospectus For

Prospectus For

MERRILL LYNCH CONSULTS ANNUITY®

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(Dated May 1, 2008)

(Dated May 1, 2008)

*The following hereby amends and supplements your prospectus:*

**Abandoned or Unclaimed Property**

Every state has unclaimed property laws that generally provide for escheatment to the state of unclaimed property (including proceeds of annuity, life and other insurance policies) under various circumstances. In addition to the state unclaimed property laws, we may be required to escheat property pursuant to regulatory demand, finding, agreement or settlement. To help prevent such escheatment, it is important that you keep your contact and other information on file with us up to date, including the names, contact information and identifying information for owners, insureds, annuitants, beneficiaries and other payees. Such updates should be communicated in a form and manner satisfactory to us.

**Legal Proceedings**

We, like other life insurance companies, are subject to regulatory and legal proceedings, including class action lawsuits, in the ordinary course of our business. Such legal and regulatory matters include proceedings specific to us and other proceedings generally applicable to business practices in the industry in which we operate. In some lawsuits and regulatory proceedings involving insurers, substantial damages have been sought and/or material settlement payments have been made. Although the outcome of any litigation or regulatory proceeding cannot be predicted with certainty, at the present time, we believe that there are no pending or threatened proceedings or lawsuits that are likely to have a material adverse impact on the separate account, on TCI's ability to perform under its principal underwriting agreement, or on our ability to meet our obligations under the policy.

We are currently being audited on behalf of multiple states' treasury and controllers' offices for compliance with laws and regulations concerning the identification, reporting and escheatment of unclaimed benefits or abandoned funds. The audits focus on insurance company processes and procedures for identifying unreported death claims, and their use of the Social Security Master Death File to identify deceased policy and contract holders. In addition, we are the subject of multiple state Insurance Department inquiries and market conduct examinations with a similar focus on the handling of unreported claims and abandoned property. The audits and related examination activity may result in additional payments to beneficiaries, escheatment of funds deemed abandoned, administrative penalties and changes in our procedures for the identification of unreported claims and handling of escheatable property. We do not believe that any regulatory actions or agreements that result from these examinations will have a material adverse impact on the separate account, on TCI's ability to perform under its principal underwriting agreement, or on our ability to meet our obligations under the policy.

**This Prospectus Supplement must be accompanied or preceded**

**by the Prospectus for the**

**Merrill Lynch Consults Annuity® dated May 1, 2008**