



UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

DIVISION OF
MARKET REGULATION

February 8, 2007

William G. Farrar, Esq.
Sullivan & Cromwell LLP
125 Broad Street
New York, NY 10004-2498

Re: UnumProvident Corporation -- Regulation M
File No. TP 07-39

Dear Mr. Farrar:

In your letter dated February 2, 2007, as supplemented by conversations with the staff, you request on behalf of UnumProvident Corporation ("UnumProvident") an exemption from Rule 102 of Regulation M under the Securities Exchange Act of 1934 ("Exchange Act") to allow UnumProvident to bid for and purchase up to approximately \$200 million aggregate principal amount of senior notes while UnumProvident offers those notes in a remarketing. We have attached a copy of your letter to avoid reciting the facts that it presents. Unless otherwise noted, each defined term in this letter has the same meaning as defined in your letter.

Response:

In May 2004, UnumProvident issued and sold an aggregate of 12,000,000 8.25% Adjustable Conversion-Rate Equity Security ("ACES") units. Each ACES unit included an ownership interest in a senior note of UnumProvident ("Notes"). The Notes are not, and are not expected to be, listed on any securities exchange. There is currently no public market for the Notes. UnumProvident's senior debt is currently rated "BB+" by Standard & Poor's Rating Services, "Ba1" by Moody's Investor Services, Inc., "BBB-" by Fitch, Inc. and "bbb-" by A.M. Best Company, and UnumProvident expects that the Notes will receive the same rating.

The original terms of the Notes provide for a remarketing of the Notes that is expected to settle on February 15, 2007. Pursuant to these terms, a remarketing agent will sell the Notes of those holders who have not opted out of the remarketing and use the proceeds of the remarketing to purchase treasury securities that will be substituted for the Notes as collateral to secure participating holders' obligations under the related purchase contracts.

UnumProvident proposes to reduce the aggregate principal amount of Notes outstanding by retiring up to approximately \$200 million of Notes. The Notes do not provide for their early redemption, other than in circumstances not applicable. UnumProvident, therefore, intends to

purchase in the remarketing so as to retire the Notes purchased. As a consequence of the remarketing of the Notes, UnumProvident will be engaged in a distribution pursuant to Rule 102 of Regulation M. As a result, bids for or purchases of Notes or any reference security by UnumProvident or any affiliated purchaser of UnumProvident are prohibited during the restricted period specified in Rule 102, unless specifically excepted by or exempted from Rule 102.

Based on the facts presented and representations made in your letter, but without necessarily concurring in your analysis, the Commission hereby grants UnumProvident an exemption from Rule 102 of Regulation M to permit UnumProvident to bid for and purchase Notes in the remarketing while UnumProvident is engaged in a distribution of the Notes in the remarketing. In granting this exemption, we considered the following facts, among others:

- The Notes in the remarketing will have a fixed price, will trade on the basis of their yields and credit ratings, and will be priced based on the prices for UnumProvident's existing securities and in a manner similar to similar securities of other similarly rated issuers;
- The price of the Notes will be determined by the bids of prospective investors not including UnumProvident;
- The remarketing will be directed to a group of institutional investors during a short period of time;
- UnumProvident will not make any bids for or purchases of the Notes or any reference security during the restricted period other than pursuant to the remarketing;
- UnumProvident will bid for and purchase Notes in the remarketing solely for the purpose of retiring the Notes it purchases; and
- The terms of the remarketing, UnumProvident's intention to bid for and purchase up to \$200 million aggregate principal amount of Notes, and UnumProvident's intention to retire the Notes purchased in the remarketing, will be fully disclosed in UnumProvident's prospectus supplement and other remarketing materials.

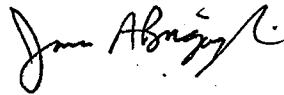
This exemption is subject to the condition that UnumProvident shall retire all Notes purchased in the remarketing.

The foregoing exemption from Rule 102 of Regulation M is based solely on the representations made and the facts presented in your letter and is strictly limited to the application of these rules to the remarketing as described above. Such remarketing should be discontinued, pending presentation of the facts for our consideration, in the event that any material change occurs with respect to any of those facts or representations.

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Sullivan & Cromwell LLP
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In addition, your attention is directed to the anti-fraud and anti-manipulation provisions of the federal securities laws, particularly Section 10(b) of the Exchange Act and Rule 10b-5 thereunder. Responsibility for compliance with these and any other applicable provisions of the federal securities laws must rest with UnumProvident. The Division of Market Regulation expresses no view with respect to any other questions that the remarketing may raise, including, but not limited to, the adequacy of disclosure concerning, and the applicability of any other federal or state laws to, the remarketing.

For the Commission,
by the Division of Market Regulation,
pursuant to delegated authority,



James A. Brigagliano
Associate Director

Attachment

SULLIVAN & CROMWELL LLP

TELEPHONE: 1-212-558-4000
FACSIMILE: 1-212-558-3588
WWW.SULLCROM.COM

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DIVISION OF MARKET REGULATION

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New York, NY 10004-2498

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February 2, 2007

By Overnight Delivery and Facsimile

James A. Brigagliano, Esq.,
Assistant Director,
Division of Market Regulation,
Securities and Exchange Commission,
101 F Street, N.E.,
Washington, D.C. 20549.

**Re: UnumProvident Corporation Request for Relief under Rule 102
of Regulation M**

Dear Mr. Brigagliano:

We are writing on behalf of UnumProvident Corporation (“UnumProvident”) to request relief from Rule 102 of Regulation M under the Securities Exchange Act of 1934 (the “Exchange Act”) with respect to UnumProvident’s activities in connection with the remarketing of its senior notes issued in May 2004 as a component of its Adjustable Conversion-Rate Equity Security units.

I. FACTS

The Company

UnumProvident is the parent holding company for a group of insurance and non-insurance companies that collectively operate throughout the U.S. and the U.K. UnumProvident is the largest provider of group and individual income protection insurance products and a leading provider of life, accident, and long-term care products in the U.S. and the U.K. Its common stock is listed on the New York Stock Exchange.

- the terms of the remarketing, UnumProvident's intention to bid for and purchase up to \$200 million aggregate principal amount of Notes, and UnumProvident's intention to retire the Notes purchased in the remarketing will be fully disclosed in UnumProvident's prospectus supplement and other remarketing materials.

For the foregoing reasons, we respectfully request that the Division of Market Regulation, pursuant to the authority delegated to it by the Commission, grant UnumProvident an exemption from the prohibition of Rule 102 of Regulation M for UnumProvident's participation in the remarketing of the Notes as described in this letter.

* * *

Please do not hesitate to call me at (212) 558-4940 with any questions you may have concerning this request.

Sincerely,



William G. Farrar

cc Susan N. Roth
(UnumProvident Corporation)