

Premier VIT

OpCap Managed Portfolio

**Annual Report
December 31, 2008**

Premier VIT—OpCap Managed Portfolio

Letter to Shareholders

Dear Shareholder:

We are pleased to provide you with the Annual Report for the Premier VIT OpCap Managed Portfolio (the "Portfolio") for the fiscal year ended December 31, 2008.

A massive constriction of credit led to widespread deleveraging in the second half of 2008. This forced the mass liquidations of U.S. equities, creating a highly adverse environment for stock investing. As a result, U.S. stocks suffered deep and broad-based declines and global recession ensued. Reflecting the depth of the U.S. market's decline, the S&P 500 Index fell 38.5% and the technology-heavy NASDAQ Composite Index dropped 40.5% for the year. Bond markets delivered mixed results for the period. Investors waged a wholesale retreat from asset risk, which served to boost prices and returns for government bonds. Meanwhile, tight credit conditions, global economic slowing and slack demand caused corporate bond prices to fall. In this environment, the Barclays Capital Intermediate U.S. Credit Index, a measure of corporate bond performance, returned -2.76% while the Barclays U.S. Aggregate Bond Index, a broad credit market measure of government and corporate securities, posted a positive 5.24% return.

To boost confidence and reduce the depth of the recession, the Federal Reserve cut benchmark interest rates to a historic low target range and announced plans to buy some \$500 billion in mortgage-backed securities. The incoming Obama administration promised robust federal stimulus.

Please refer to the following pages for specific Portfolio information. If you have any questions regarding the information provided, please contact your financial adviser.

Thank you for investing with us, we remain dedicated to serving your investment needs.



Brian S. Shlissel
President & Chief Executive Officer

Premier VIT—OpCap Managed Portfolio

(unaudited)

Important information about the Portfolio

Investment products may be subject to various risks as described in the prospectus. Some of those risks may include, but are not limited to, the following: derivative risk, small company risk, foreign security risk and specific sector investment risks. Use of derivative instruments may involve certain costs and risks such as liquidity risk, interest rate risk, market risk, credit risk, management risk and the risk that a fund could not close out a position when it would be most advantageous to do so. Portfolios investing in derivatives could lose more than the principal amount invested in those instruments. Investing in foreign securities may entail risk due to foreign economic and political developments; this risk may be enhanced when investing in emerging markets. Smaller companies may be more volatile than larger companies and may entail more risk. Concentrating investments in individual sectors may add additional risk and additional volatility compared to a diversified equity portfolio. Please refer to a prospectus for complete details.

Form N-Q

The Portfolio files its complete schedule of portfolio holdings with the Securities and Exchange Commission (the “SEC”) for the first and third quarters of its fiscal year on Form N-Q. Form N-Q is available (i) on the SEC’s website at www.sec.gov, and (ii) may be reviewed and copied at the SEC’s Public Reference Room in Washington D.C. Information on the operation of the Public Reference Room may be obtained by calling 1-800-SEC-0330.

Proxy Voting

The Portfolio’s Sub-Adviser has adopted written proxy voting policies and procedures (“Proxy Policy”) as required by Rule 206(4)-6 under the Investment Advisers Act of 1940. The Proxy Policy has been adopted by the Portfolio as the policies and procedures that the Sub-Adviser will use when voting proxies on behalf of the Portfolio. Copies of the written Proxy Policy and the factors that the Sub-Adviser may consider in determining how to vote proxies for the Portfolio, and information about how the Portfolio voted proxies relating to portfolio securities held during the most recent twelve-month period ended June 30, are available without charge, upon request, by calling (800) 628-1237 and on the SEC’s website at www.sec.gov.

The following disclosure provides important information regarding the Shareholder’s Expense Example, which appears on the following page. Please refer to this information when reviewing the Shareholder Expense Example.

Shareholder Expense Example

Portfolio Shareholders incur two types of costs: (1) transaction costs, and (2) ongoing costs, including management fees and other Portfolio expenses. The Shareholder Expense Example is intended to help shareholders understand ongoing costs (in dollars) of investing in the Portfolio and to compare these costs with the ongoing costs of investing in other mutual funds. The Shareholder Expense Example is based on an investment of \$1,000.00 invested at the beginning of the period and held for the entire period indicated, which is from July 1, 2008 to December 31, 2008.

Actual Expenses

The information in the table under the heading “Actual Performance” provides information about actual account values and actual expenses. Shareholders may use the information in these columns, together with the amount invested, to estimate the expenses that were paid over the period. Simply divide your account value by \$1,000.00 (for example, an \$8,600.00 account value divided by \$1,000.00 = \$8.60), then multiply the result by the number in the column entitled “Expenses Paid” to estimate the expenses you paid on your account during this period.

Hypothetical Example for Comparison Purposes

The information in the table under the heading “Hypothetical Performance (5% return before expenses)” provides information about hypothetical account values and hypothetical expenses based on the Portfolio’s actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the Portfolio’s actual return. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses that were paid for the period. Shareholders may use this information to compare the ongoing costs of investing in the Portfolio and other funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of other funds.

Please note that the expenses shown in the table are meant to highlight ongoing costs only and do not reflect any transactional costs. Therefore, the information under the heading “Hypothetical Performance (5% return before expenses)” is useful in comparing ongoing costs only, and will not help determine the relative total costs of owning different funds. In addition, if these transactional costs were included, costs would have been higher.

Expense ratios may vary from period to period due to fluctuation in Portfolio size and expenses.

2008 ANNUAL REPORT

Premier VIT—OpCap Managed Portfolio

(unaudited)

- The investment objective of the Managed Portfolio is to achieve growth of capital over time through investment in a portfolio consisting of common stocks, bonds and cash equivalents, the percentages of which will vary based on the managers' assessment of the relative outlook for such investments.
- U.S. stocks experienced deep and broad-based declines in an economic retrenchment, the likes of which have not been seen in decades. Investor concerns early in the period over higher oil prices and economic slowing were overshadowed in September by the failures of high-profile financial institutions.
- Bond market returns varied. U.S. Treasury securities delivered positive results, outperforming other types of bonds as investors avoided asset risk in favor of higher quality. Corporate bonds—both high quality and below investment grade issues—lost ground.
- In the industrials sector, shares of Textron fell as the diversified manufacturer forecast a loss for the final quarter of 2008 and announced plans to exit its commercial finance business except for the financing of customer purchases of Textron products. Earlier in the period the portfolio's position in Precision Castparts declined despite quarterly earnings that exceeded analysts' forecasts. Concerns over a delay in Boeing's 787 program clouded the outlook for Precision Castparts, which makes fasteners for commercial aircraft. The portfolio's position in Boeing also declined.
- Among consumer staples companies, slowing economic growth dampened investor enthusiasm broadly. Shares of battery maker Energizer Holdings fell in the period despite favorable earnings news and early success in its patent infringement suit against the parent company of rival Rayovac. Quarterly earnings for Energizer were aided by a jump in sales attributable to the severity of the Gulf Coast hurricane season.
- Among health care companies, shares of the pharmaceuticals company Gilead rallied on news of a favorable ratings change by an influential analyst. The company is the leading maker of AIDS treatments with nearly 80% of all treated patients taking at least one of Gilead's therapies.

Total Returns for the periods ended 12/31/08 (*Average Annual Total Return)

	1 year	5 year*	10 year*
OpCap Managed Portfolio	(28.69)%	(1.29)%	0.38%
S&P 500 Index	(37.00)%	(2.19)%	(1.38)%

Performance quoted represents past performance. Past performance is no guarantee of future results. Investment return and the principal value of an investment will fluctuate. Shares may be worth more or less than original cost when redeemed. Current performance may be lower or higher than performance shown. For performance current to the most recent month-end, please visit <http://www.allianzinvestors.com/PremierVIT>. Total return calculations do not reflect charges imposed by the Variable Accounts, assumes reinvestment of all dividends and distributions and do not reflect the deduction of taxes that a shareholder would pay on fund distributions or the redemption of shares. It is not possible to invest directly in an index.

Shareholder Expense Example for the period ended 12/31/08

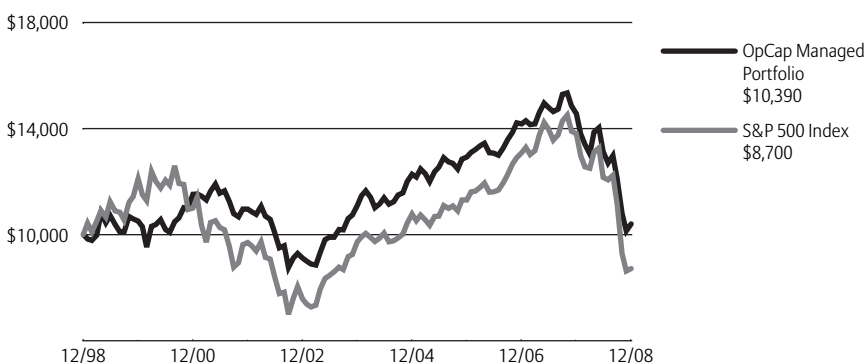
	Beginning Value	Ending Value	Expenses Paid
Actual Performance	\$1,000.00	\$ 791.30	\$4.50
Hypothetical Performance (5% return before expenses)	\$1,000.00	\$1,020.11	\$5.08

Expenses are equal to the Portfolio's annualized expense ratio of 1.00%; multiplied by the average account value over the period, multiplied by 184/366 (to reflect the number of days in the period).

Top Ten Industries as of 12/31/08 (equity securities) (% of net assets)

Drugs & Medical Products	12.2%
Oil & Gas	6.8%
Financial Services	5.8%
Food & Beverage	4.1%
Telecommunications	3.2%
Computers	3.0%
Semi-conductors	2.4%
Apparel & Textiles	2.3%
Transportation	2.3%
Industrial	1.9%

Growth of \$10,000



**Premier VIT
OpCap Managed Portfolio
SCHEDULE OF INVESTMENTS**

**December 31, 2008
(continued)**

<u>Shares</u>	<u>Value</u>	<u>Principal Amount (000s)</u>	<u>Value</u>
	COMMON STOCK (continued)	\$41	6.00%, 5/1/38
	Transportation — 2.3%	4,000	6.00%, TBA (e)
15,000	Norfolk Southern Corp.		Freddie Mac,
41,300	Union Pacific Corp.	100	5.00%, 2/16/17
	2,679,890	800	5.00%, 4/18/17
	Total Common Stock		Freddie Mac, CMO,
	(cost-\$96,713,514)	218	1.345%, 7/15/19, FRN
	68,506,363	940	1.345%, 8/15/19, FRN
Principal Amount (000s)		1,326	1.345%, 10/15/20, FRN
	U.S. GOVERNMENT AGENCY	921	1.425%, 2/15/19, FRN
	SECURITIES — 40.9%	27	1.645%, 11/15/30, FRN
	Fannie Mae, CMO, FRN,	146	6.00%, 8/15/32
\$241	0.531%, 7/25/37	145	6.00%, 9/15/32
86	4.665%, 5/25/35		Freddie Mac, MBS,
	Fannie Mae, MBS,	143	5.00%, 11/1/18
46	3.878%, 9/1/40, FRN	3	5.376%, 7/1/30, FRN
671	4.42%, 5/1/36, FRN	2,000	5.50%, TBA (e)
110	4.801%, 8/1/35, FRN	57	6.00%, 3/1/16
2,844	5.00%, 6/1/18 (h)	403	6.00%, 9/1/27
526	5.00%, 1/1/20	1,358	6.00%, 11/1/36
702	5.00%, 4/1/21	500	6.00%, TBA (e)
20	5.00%, 5/1/36		Freddie Mac Structured Pass Through
20	5.281%, 9/1/39, FRN		Securities, CMO, FRN,
39	5.50%, 6/1/16	28	3.679%, 2/25/45
74	5.50%, 1/1/17		Ginnie Mae, CMO, FRN,
71	5.50%, 3/1/17	18	1.008%, 9/20/30
15	5.50%, 9/1/20		Ginnie Mae, MBS,
19	5.50%, 7/1/21	55	4.625%, 7/20/30, FRN
396	5.50%, 11/1/21	110	4.75%, 2/20/32, FRN
763	5.50%, 2/1/22	39	5.125%, 10/20/29, FRN
494	5.50%, 9/1/23	278	5.375%, 5/20/30, FRN
176	5.50%, 6/1/38	10	6.00%, 11/20/28
15,000	5.50%, TBA (e)	3	6.00%, 11/20/31
203	6.00%, 6/1/16	435	6.00%, 6/20/34
3	6.00%, 7/1/16		Small Business Administration
3	6.00%, 8/1/16		Participation Certificates,
8	6.00%, 10/1/16	1,201	4.524%, 2/10/13
133	6.00%, 12/1/16	1,371	4.625%, 2/1/25
6	6.00%, 1/1/17	1,372	4.684%, 9/10/14
5	6.00%, 2/1/17	1,084	4.87%, 12/1/24
21	6.00%, 3/1/17	2,616	4.90%, 1/1/23
63	6.00%, 4/1/17	1,232	4.95%, 3/1/25
16	6.00%, 5/1/17	752	5.11%, 4/1/25
4	6.00%, 7/1/17	10	7.449%, 8/1/10
63	6.00%, 11/1/17		Total U.S. Government Agency
163	6.00%, 3/1/27		Securities (cost-\$48,178,726)
378	6.00%, 8/1/27		48,530,920
451	6.00%, 12/1/37		

**Premier VIT
OpCap Managed Portfolio
SCHEDULE OF INVESTMENTS**

**December 31, 2008
(continued)**

<u>Principal Amount (000s)</u>	<u>Credit Rating (Moody's/S&P)*</u>	<u>Value</u>	<u>Principal Amount (000s)</u>	<u>Credit Rating (Moody's/S&P)*</u>	<u>Value</u>
CORPORATE BONDS & NOTES (continued)			MORTGAGE-BACKED SECURITIES — 1.5%		
Healthcare & Hospitals — 0.4%			Banc of America Funding Corp., CMO, FRN,		
			\$185	4.155%, 5/25/35 . . . NR/AAA	\$132,356
				Bear Stearns Alt-A Trust, CMO, VRN,	
\$300	6.90%, 6/1/38 . . . A3/A+	\$342,548	50	5.495%, 9/25/35 . . . Aaa/AAA	23,121
				Bear Stearns Commercial Mortgage	
100	4.875%, 2/15/13 . . . Baa1/A-	93,362		Securities, Inc., CMO,	
		435,910	100	5.703%, 6/11/50 . . . NR/AAA	70,900
Insurance — 0.2%			Countrywide Home Loan Mortgage Pass		
				Through Trust, CMO, FRN,	
€100	4.00%, 9/20/11 . . . A3/A-	77,669	66	5.25%, 2/20/36 . . . Aaa/AAA	35,936
\$200	8.25%,			Credit Suisse Mortgage Capital	
	8/15/18 (a)(d) . . . A3/A-	146,384	1,300	Certificates, CMO, VRN,	
	Principal Life Income Funding Trusts,			6.218%, 2/15/41 . . . NR/AAA	1,004,985
100	5.30%, 4/24/13 . . . Aa2/AA	93,673		Greenpoint Mortgage Pass-Through	
100	5.55%, 4/27/15 . . . Aa2/AA	96,001		Certificates, CMO, FRN,	
		413,727	93	5.497%, 10/25/33 . . . NR/AAA	71,984
Oil & Gas — 0.8%			GS Mortgage Securities Corp. II, CMO, VRN,		
			100	5.799%, 8/10/45 . . . Aaa/AAA	72,566
				Harborview Mortgage Loan Trust, CMO, VRN,	
600	7.625%, 7/15/11 . . . Ba3/BB-	547,043	107	5.142%, 7/19/35 . . . Aa3/AAA	58,381
				JP Morgan Chase Commercial Mortgage	
400	6.10%, 6/1/18 . . . A3/A-	344,697	200	Securities Corp., CMO,	
		891,740		5.44%, 6/12/47 . . . Aaa/AAA	144,315
Telecommunications — 0.0%			Morgan Stanley Capital I, CMO, VRN,		
			100	5.881%, 6/11/49 . . . NR/AAA	74,087
				Prime Mortgage Trust, CMO, FRN,	
20	4.95%, 1/15/13 . . . A2/A	20,110	13	0.871%, 2/25/19 . . . NR/AAA	11,942
			34	0.871%, 2/25/34 . . . NR/AAA	29,790
				Wachovia Bank Commercial Mortgage	
50	7.50%, 6/15/23 . . . Ba1/BBB-	35,000		Trust, CMO, VRN,	
		55,110	100	5.416%, 1/15/45 . . . Aaa/AAA	77,634
			Total Mortgage-Backed Securities		
			(cost-\$2,059,386) 1,807,997		
Total Corporate Bonds & Notes			ASSET-BACKED SECURITIES — 1.0%		
(cost-\$14,515,415) 13,251,698			Bank of America Credit Card Trust, FRN,		
			300	2.395%, 12/16/13 . . . Aaa/AAA	266,680
U.S. TREASURY BONDS & NOTES — 1.7%			Citigroup Mortgage Loan Trust, Inc., FRN,		
U.S. Treasury Inflation Indexed			561	0.581%, 3/25/37 . . . Aaa/AAA	484,495
Bonds & Notes (g)				SLM Student Loan Trust, FRN,	
103	1.625%, 1/15/18	98,152	310	3.525%, 10/27/14 . . . Aaa/AAA	300,151
354	1.875%, 7/15/13	333,164	116	3.525%, 10/25/18 . . . Aaa/AAA	111,469
116	2.00%, 1/15/14 (e)	109,615	Total Asset-Backed Securities		
1,379	2.00%, 7/15/14	1,304,310	(cost-\$1,287,242) 1,162,795		
109	2.00%, 1/15/16	104,531			
105	2.625%, 7/15/17	107,119			
Total U.S. Treasury Bonds & Notes					
(cost-\$2,022,297) 2,056,891					

**Premier VIT
OpCap Managed Portfolio
SCHEDULE OF INVESTMENTS**

**December 31, 2008
(continued)**

Principal Amount (000s)	Credit Rating (Moody's/S&P)*	Value	Principal Amount (000s)	Value
MUNICIPAL BONDS & NOTES — 0.7%			SHORT-TERM INVESTMENTS — 2.0%	
Illinois — 0.3%			Corporate Bonds and Notes — 1.7%	
			Financial Services — 1.5%	
\$100	Chicago Transit Auth. Rev., Ser. B, 6.899%, 12/1/40 Aa3/AA+	\$102,626	\$500	Bear Stearns Cos., Inc., FRN, 2.263%, 8/21/09 \$491,704
300	State Toll Highway Auth. Rev., Ser. B, 5.50%, 1/1/33 Aa3/AA-	296,064	100	Ford Motor Credit Co., 5.80%, 1/12/09 99,717
		398,690	1,000	General Motors Acceptance Corp. LLC, 3.399%, 5/15/09, FRN 955,000
			200	5.85%, 1/14/09 198,697
				1,745,118
Texas — 0.3%			Oil & Gas — 0.2%	
360	Lower Colorado River Auth. Rev. (AMBAC), 5.00%, 5/15/33 A1/A	310,489	300	Gazprom AG, 10.50%, 10/21/09 302,284
15	(Pre-refunded @ \$100, 5/15/13) (c) 5.00%, 5/15/33 A1/A	16,842		Total Corporate Notes (cost-\$2,056,373) 2,047,402
25	5.00%, 5/15/33 Aa3/A	28,071		
		355,402		U.S. Treasury Bills (h) — 0.3%
200	Washington — 0.1% State, GO, Ser. F (MBIA), zero coupon, 12/1/20 Aa1/AA+	110,080	390	0.80%, 3/5/09 (cost-\$389,952) 389,952
	Total Municipal Bonds & Notes (cost-\$877,342)	864,172		Total Short-Term Investments (cost-\$2,446,325) 2,437,354
Shares			Contracts/ Notional Amount	
PREFERRED STOCK — 0.6%			OPTIONS PURCHASED (i) — 0.7%	
Financial Services — 0.6%			Call Options — 0.7%	
68	DG Funding Trust, 3.228%, FRN (a)(b)(d) (cost-\$716,526) Aaa/AAA	682,125	1,600,000	2-Year Interest Rate Swap (OTC), Pay 3-Month USD LIBOR Floating Rate Index, strike rate 3.45%, expires 8/3/09 53,331
CONVERTIBLE PREFERRED STOCK — 0.2%			2,900,000	strike rate 3.50%, expires 2/2/09 113,312
Banking — 0.2%			2,300,000	strike rate 3.60%, expires 7/2/09 84,901
300	Wachovia Corp., 7.50%, 12/31/49 (Greenshoe Group) (I)	225,000	13,400,000	strike rate 3.85%, expires 8/3/09 546,835
Insurance — 0.0%				Total Options Purchased (cost-\$217,599) 798,379
3,800	American International Group, Inc., 8.50%, 8/1/11 (Greenshoe Group) (I)	32,300		Total Investments before options written (cost-\$169,525,637) — 118.2% 140,355,994
	Total Convertible Preferred Stock (cost-\$491,265)	257,300		

**Premier VIT
OpCap Managed Portfolio
SCHEDULE OF INVESTMENTS**

**December 31, 2008
(continued)**

<u>Contracts/ Notional Amount</u>	<u>Value</u>
OPTIONS WRITTEN (i) — (0.6)%	
Call Options — (0.6)%	
5-Year Interest Rate Swap (OTC), Pay 3-Month USD LIBOR Floating Rate Index,	
700,000	strike rate 4.15%, expires 8/3/09 \$(60,569)
1,000,000	strike rate 4.20%, expires 7/2/09 (89,620)
7-Year Interest Rate Swap (OTC), Pay 3-Month USD LIBOR Floating Rate Index,	
4,500,000	strike rate 4.55%, expires 8/3/09 (595,794)
	<u>(745,983)</u>
Put Options — (0.0)%	
Financial Future Euro—	
3	90 day (CME), strike price \$98, expires 3/16/09 (169)
2	strike price \$98.25, expires 3/16/09 (175)
5	strike price \$98.50, expires 3/16/09 (718)
U.S. Treasury Notes 5 yr.	
5	Futures (CBOT), strike price \$118, expires 2/20/09 (4,258)
U.S. Treasury Notes 10 yr.	
2	Futures (CBOT), strike price \$124, expires 2/20/09 (3,281)
	<u>(8,601)</u>
Total Options Written (premiums received-\$197,891) <u>(754,584)</u>	
Total Investments net of options written (cost-\$169,327,746) 117.6% 139,601,410	
Other liabilities in excess of other assets (17.6)% <u>(20,869,342)</u>	
Net Assets <u>100.0%</u> <u>\$118,732,068</u>	

- (b) Illiquid security.
- (c) Pre-refunded bonds are collateralized by U.S. Government or other eligible securities which are held in escrow and used to pay principal and interest and retire the bonds at the earliest refunding date (payment date) and/or whose interest rates vary with changes in a designated base rate (such as the prime interest rate).
- (d) 144A Security—Security exempt from registration under Rule 144A of the Securities Act of 1933. These securities may be resold in transactions exempt from registration, typically only to qualified institutional buyers. Unless otherwise indicated, these securities are not considered to be illiquid.
- (e) When-issued or delayed-delivery security. To be settled/delivered after December 31, 2008.
- (f) Perpetual maturity security. Maturity date shown is the first call date. Interest rate is fixed until the first call date and variable thereafter.
- (g) Inflationary Bonds—Principal amount of security is adjusted for inflation.
- (h) All or partial amount segregated as collateral for futures contracts or swaps.
- (i) Non-income producing.
- (j) Security in default.
- (k) Fair-valued. Securities with an aggregate value of \$485, representing less than 0.005% of net assets. See Note 1(a) in the Notes to Financial Statements.
- (l) Securities exchangeable or convertible into securities of an entity different than the issuer. Such entity is identified in the parenthetical.

Glossary:

- ADR - American Depositary Receipt
- AMBAC - insured by American Municipal Bond Assurance Corp.
- CBOT - Chicago Board of Trade
- CME - Chicago Mercantile Exchange
- CMO - Collateralized Mortgage Obligation
- € - Euro
- FRN - Floating Rate Note. The interest rate disclosed reflects the rate in effect on December 31, 2008.
- GO - General Obligation Bond
- LIBOR - London Inter-Bank Offered Rate
- MBIA - insured by Municipal Bond Investors Assurance
- MBS - Mortgage-Backed Securities
- NR - Not Rated
- OTC - Over-the-Counter
- TBA - To Be Announced
- VRN - Variable Rate Note. Instruments whose interest rates change on specified date (such as a coupon date or interest payment date) and/or whose interest rates vary with changes in a designated base rate (such as the prime interest rate). The interest rate disclosed reflects the rate in effect on December 31, 2008.

Notes to Schedule of Investments:

* Unaudited

(a) Private Placement—Restricted as to resale and may not have a readily available market. Securities with an aggregate value of \$2,347,923, representing 2.00% of net assets.

See accompanying Notes to Financial Statements

**Premier VIT
OpCap Managed Portfolio
STATEMENT OF ASSETS AND LIABILITIES**

December 31, 2008

Assets:

Investments, at value (cost-\$169,525,637)	\$140,355,994
Cash (including foreign currency of \$772,655 with as cost of \$780,361)	2,831,731
Litigation receivable	1,450,549
Receivable for investments sold	1,018,598
Dividends and interest receivable	508,152
Unrealized appreciation on swaps	342,974
Receivable for terminated swaps	200,000
Premium for swaps purchased	183,865
Deposits with brokers for futures contracts collateral	102,000
Unrealized appreciation on forward foreign currency contracts	40,609
Tax reclaims receivable	31,958
Receivable for shares of beneficial interest sold	1,465
Prepaid expenses and other assets	34,433
Total Assets	<u>147,102,328</u>

Liabilities:

Payable for investments purchased	24,093,206
Unrealized depreciation on swaps	1,979,374
Options written, at value (premiums received-\$197,891)	754,584
Deferred trustee's retirement plan payable	359,524
Premium for swaps sold	348,765
Unrealized depreciation on forward foreign currency contracts	275,818
Payable for terminated swaps	264,801
Payable for shares of beneficial interest redeemed	89,734
Investment management fees payable	84,882
Payable for variation margin on future contracts	16,593
Accrued expenses	102,979
Total Liabilities	<u>28,370,260</u>
Net Assets	<u>\$118,732,068</u>

Composition of Net Assets:

Beneficial interest shares of \$0.01 par value (unlimited number authorized)	\$48,544
Paid-in-capital in excess of par	164,420,655
Undistributed net investment income	2,598,359
Accumulated net realized loss on investments	(17,531,879)
Net unrealized depreciation of investments, options written, swaps, futures contracts and foreign currency transactions	<u>(30,803,611)</u>
Net Assets	<u>\$118,732,068</u>
Shares outstanding	<u>4,854,412</u>
Net asset value, offering price and redemption price per share	<u>\$24.46</u>

See accompanying Notes to Financial Statements

Premier VIT
OpCap Managed Portfolio
STATEMENT OF OPERATIONS
Year ended December 31, 2008

Investment Income:	
Interest	\$3,320,378
Dividends (net of foreign withholding taxes of \$35,726)	1,800,660
Total Investment Income	<u>5,121,038</u>
Expenses:	
Investment management fees	1,298,482
Custodian and accounting agent fees	116,514
Shareholder communications	70,343
Trustees' fees and expenses	54,811
Audit and tax services	51,525
Transfer agent fees	29,532
Legal fees	18,000
Insurance expense	2,929
Miscellaneous	5,611
Total expenses	1,647,747
Less: investment management fees waived	(24,127)
custody credits earned on cash balances	<u>(516)</u>
Net expenses	<u>1,623,104</u>
Net investment income	<u>3,497,934</u>
Realized and Change in Unrealized Gain (Loss):	
Net realized gain (loss) on:	
Investments	(16,864,336)
Options written	(373,320)
Swaps	(1,179,689)
Futures contracts	1,125,581
Foreign currency transactions	252,737
Net change in unrealized appreciation/depreciation of:	
Investments	(38,216,006)
Options written	(301,311)
Swaps	(1,629,637)
Futures contracts	260,008
Foreign currency transactions	<u>(424,240)</u>
Net realized and change in unrealized loss on investments, options written, swaps, futures contracts and foreign currency transactions	<u>(57,350,213)</u>
Net decrease in net assets resulting from investment operations	<u><u>\$(53,852,279)</u></u>

See accompanying Notes to Financial Statements

Premier VIT
OpCap Managed Portfolio
STATEMENT OF CHANGES IN NET ASSETS

	<u>Year ended December 31,</u>	
	<u>2008</u>	<u>2007</u>
Investment Operations:		
Net investment income	\$3,497,934	\$3,513,089
Net realized gain (loss) on investments, options written, swaps, futures contracts and foreign currency transactions	(17,039,027)	14,533,902
Net change in unrealized appreciation/depreciation of investments, options written, swaps, futures contracts and foreign currency transactions	<u>(40,311,186)</u>	<u>(10,583,295)</u>
Net increase (decrease) in net assets resulting from investment operations ...	<u>(53,852,279)</u>	<u>7,463,696</u>
Dividends and Distributions to Shareholders from:		
Net investment income	(5,092,684)	(5,245,604)
Net realized gains	<u>(14,227,485)</u>	<u>(17,689,623)</u>
Total dividends and distributions to shareholders	<u>(19,320,169)</u>	<u>(22,935,227)</u>
Share Transactions:		
Net proceeds from the sale of shares	1,271,991	1,989,040
Reinvestment of dividends and distributions	19,320,169	22,935,227
Cost of shares redeemed	<u>(36,177,361)</u>	<u>(60,150,822)</u>
Net decrease in net assets from share transactions	<u>(15,585,201)</u>	<u>(35,226,555)</u>
Total decrease in net assets	<u>(88,757,649)</u>	<u>(50,698,086)</u>
Net Assets:		
Beginning of year	<u>207,489,717</u>	<u>258,187,803</u>
End of year (including undistributed net investment income of \$2,598,359 and \$4,629,955, respectively)	<u>\$118,732,068</u>	<u>\$207,489,717</u>
Shares Issued and Redeemed:		
Issued	37,339	48,705
Issued in reinvestment of dividends and distributions	611,011	584,636
Redeemed	<u>(1,166,069)</u>	<u>(1,485,460)</u>
Net decrease	<u>(517,719)</u>	<u>(852,119)</u>

See accompanying Notes to Financial Statements

**Premier VIT
OpCap Managed Portfolio
FINANCIAL HIGHLIGHTS**

For a share of beneficial interest outstanding throughout each year:

	Year ended December 31,				
	2008	2007	2006	2005	2004
Net asset value, beginning of year	\$38.62	\$41.48	\$43.08	\$42.73	\$39.13
Investment Operations:					
Net investment income	0.81	0.73	0.81	0.65	0.48
Net realized and change in unrealized gain (loss) on investments, options written, swaps, futures contracts and foreign currency transactions . .	(10.99)	0.48	2.96	1.55	3.70
Total from investment operations	(10.18)	1.21	3.77	2.20	4.18
Dividends and Distributions to Shareholders from:					
Net investment income	(1.05)	(0.93)	(0.75)	(0.50)	(0.58)
Net realized gains	(2.93)	(3.14)	(4.62)	(1.35)	—
Total dividends and distributions to shareholders	(3.98)	(4.07)	(5.37)	(1.85)	(0.58)
Net asset value, end of year	\$24.46	\$38.62	\$41.48	\$43.08	\$42.73
Total Return (1)	(28.69)%	2.76%	9.65%	5.28%	10.77%
Ratios/Supplemental data:					
Net assets, end of year (000's)	\$118,732	\$207,490	\$258,188	\$329,661	\$381,054
Ratio of expenses to average net assets (2)	1.00%(3)	0.95%	0.95%	0.91%	0.92%
Ratio of net investment income to average net assets	2.16%(3)	1.46%	1.75%	1.41%	1.09%
Portfolio turnover	200%	159%	151%	171%	111%

- (1) Assumes reinvestment of all dividends and distributions.
- (2) Inclusive of custody expenses offset by credits earned on cash balances at the custodian bank (see (1)(O) in Notes to Financial Statements).
- (3) During the fiscal year ended December 31, 2008, the Investment Adviser waived a portion of its fee. If such waiver had not been in effect, the ratio of expenses to average net assets and the ratio of net investment income to average net assets would have been 1.02% and 2.14%, respectively.

See accompanying Notes to Financial Statements

Premier VIT
OpCap Managed Portfolio
NOTES TO FINANCIAL STATEMENTS

December 31, 2008

(1) Organization and Significant Accounting Policies

Premier VIT (the “Trust”), was organized on May 12, 1994 as a Massachusetts business trust and is registered under the Investment Company Act of 1940, as amended (the “1940 Act”), as a diversified, open-end management investment company. The Trust is authorized to issue an unlimited number of shares of beneficial interest at \$0.01 par value. The Trust is comprised of the: NACM Small Cap Portfolio (formerly OpCap Small-Cap Portfolio), NFJ Dividend Value Portfolio, OpCap Balanced Portfolio, OpCap Equity Portfolio, OpCap Managed Portfolio (the “Portfolio”), and OpCap Mid Cap Portfolio. At a meeting of the Board of Trustees of the Trust held on November 11, 2008, the Board approved the closing and termination of OpCap Balanced Portfolio and OpCap Equity Portfolio. The closings are expected to occur in April 2009. On January 15, 2009, shareholders of each Portfolio approved Allianz Global Investors Fund Management LLC (the “Investment Manager”) as the Trust’s investment manager replacing OpCap Advisors LLC. The Investment Manager is an indirect, wholly-owned subsidiary of Allianz Global Investors of America L.P. (“Allianz Global”). Allianz Global is an indirect, majority-owned subsidiary of Allianz SE, a publicly traded European insurance and financial services company.

The Portfolio’s objective is to seek growth of capital. It seeks to meet its objective by investing in common stock, bonds, derivative instruments and cash equivalents, in varying percentages based on Oppenheimer Capital LLC’s (the “Sub-Adviser”) and Pacific Investment Management Company LLC’s (the “Fixed Income Sub-Adviser”) assessments of the relative outlook for such investments.

The accompanying financial statements and notes thereto are those of the Portfolio. The financial statements of the other portfolios are presented in separate reports. The Trust is an investment vehicle for variable annuity and variable life insurance contracts of various life insurance companies, and qualified pension and retirement plans.

The preparation of the financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts and disclosures in the financial statements. Actual results could differ from these estimates.

In the normal course of business, the Trust enters into contracts that contain a variety of representations which provide general indemnifications. The Trust’s maximum exposure under these arrangements is unknown as this would involve future claims that may be made against the Trust that have not yet been asserted. However, the Trust expects the risk of any loss to be remote.

The Financial Accounting Standards Board (“FASB”) issued Interpretation No. 48, “Accounting for Uncertainty in Income Taxes—An Interpretation of FASB Statement No. 109” (the “Interpretation”). The Interpretation establishes for all entities, including pass-through entities such as the Portfolio, a minimum threshold for financial statement recognition of the benefit of positions taken in filing tax returns (including whether an entity is taxable in a particular jurisdiction), and requires certain expanded tax disclosures. The Portfolio’s management has determined that its evaluation of the Interpretation has resulted in no material impact to the Portfolio’s financial statements at December 31, 2008. The Portfolio’s federal tax returns for the prior three fiscal years remain subject to examination by the Internal Revenue Service.

The following is a summary of significant accounting policies consistently followed by the Portfolio:

(A) Valuation of Investments

Portfolio securities and other financial instruments for which market quotations are readily available are stated at market value. Market value is generally determined on the basis of last reported sales prices, or if no sales are reported, based on quotes obtained from a quotation reporting system, established market makers, or pricing services.

Portfolio securities and other financial instruments for which market quotations are not readily available or if a development/event occurs that may significantly impact the value of a security, are fair-valued, in good faith, pursuant to procedures established by the Board of Trustees, or persons acting at their discretion pursuant to procedures established by the Board of Trustees. Portfolio securities and other financial instruments other than debt

**Premier VIT
OpCap Managed Portfolio
NOTES TO FINANCIAL STATEMENTS**

**December 31, 2008
(continued)**

(1) Organization and Significant Accounting Policies (continued)

(A) Valuation of Investments (continued)

securities listed on a national securities exchange or traded in the over-the-counter National Market System are valued each business day at the last reported sales price; if there are no such reported sales, the securities are valued at the last quoted bid price. Other Portfolio securities traded over-the-counter and not part of the National Market System are valued at the last quoted bid price. Debt securities (other than short-term obligations) and over-the-counter options are valued each business day by an independent pricing service or dealer quotations. Prices obtained from an independent pricing service use information provided by market makers or estimates of market values obtained from yield data relating to investments or securities with similar characteristics. Exchange traded options, futures and options on futures are valued at the settlement price determined by the relevant exchange. Securities purchased on a when-issued or delayed delivery basis are marked to market daily until settlement at the forward settlement value. Short-term securities maturing in 60 days or less are valued at amortized cost, if their original term to maturity was 60 days or less or by amortizing their value on the 61st day prior to maturity, if their original term to maturity exceeded 60 days. Investments initially valued in currencies other than U.S. dollar are converted to the U.S. dollar using exchange rates obtained from pricing services. As a result, the Net Asset Value (“NAV”) of the Portfolio’s shares may be affected by changes in the value of currencies in relation to the U.S. dollar. The value of securities traded in markets outside the United States or denominated in currencies other than the U.S. dollar may be affected significantly on a day that the New York Stock Exchange (“NYSE”) is closed and the NAV may change on days when an investor is not able to purchase or sell shares. The prices used by the Portfolio to value securities may differ from the value that would be realized if the securities were sold and the differences could be material to the financial statements. The Portfolio’s NAV is normally determined daily at the close of regular trading (normally, 4:00 pm Eastern Time) on the NYSE on each day the NYSE is open for business.

(B) Fair Value Measurement

Effective January 1, 2008, the Portfolio adopted Financial Accounting Standards Board Statement of Financial Accounting Standards No. 157, “Fair Value Measurements” (“SFAS 157”). This standard clarifies the definition of fair value for financial reporting, establishes a framework for measuring fair value and requires additional disclosures about the use of the fair value measurements. Under this standard, fair value is defined as the price that would be received to sell an asset or paid to transfer a liability (i.e. the “exit price”) in an orderly transaction between market participants. The three levels of the fair value hierarchy under SFAS 157 are described below:

- Level 1—quoted prices in active markets for identical investments that the Portfolio has the ability to access
- Level 2—valuations based on other significant observable inputs (including quoted prices for similar investments, interest rates, prepayment speeds, credit risk, etc.) or quotes from inactive exchanges
- Level 3—valuations based on significant unobservable inputs (including the Portfolio’s own assumptions in determining the fair value of investments)

The valuation techniques used by the Portfolio to measure fair value during the year ended December 31, 2008 maximized the use of observable inputs and minimized the use of unobservable inputs. The Portfolio utilized the following fair value techniques on Level 3 investments: multi-dimensional relational pricing model and option adjusted spread pricing.

The inputs of methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities.

**Premier VIT
OpCap Managed Portfolio
NOTES TO FINANCIAL STATEMENTS**

**December 31, 2008
(continued)**

(1) Organization and Significant Accounting Policies (continued)

(B) Fair Value Measurement (continued)

The following is a summary of the inputs used at December 31, 2008 in valuing the Portfolio's investments carried at value:

Valuation Inputs	Investments in Securities	Other Financial Instruments
Level 1—Quoted Prices	\$ 68,755,062	\$ 856,064
Level 2—Other Significant Observable Inputs	69,022,270	(1,904,738)
Level 3—Significant Unobservable Inputs	1,824,078	33,129
Total	\$139,601,410	\$(1,015,545)

A roll forward of fair value measurements using significant unobservable inputs (Level 3) at December 31, 2008, is as follows:

	Investments in Securities	Other Financial Instruments
Beginning balance, 12/31/07	\$2,128,785	\$ 458
Net purchases (sales) and settlements	—	—
Accrued discounts (premiums)	—	—
Total realized and unrealized gain (loss)	(304,707)	32,671
Transfers in and/or out of Level 3	—	—
Ending balance, 12/31/08	\$1,824,078	\$33,129

(C) Disclosures about Credit Derivatives

The Portfolio has adopted FASB Staff Position No. 133-1 and FIN 45-4 “Disclosures about Credit Derivatives and Certain Guarantees: An Amendment of FASB Statement No. 133 and FASB Interpretation No. 45; and Clarification of the Effective Date of FASB Statement No. 161” (“FSP”), effective November 30, 2008. The amendments to FASB 133 include required disclosure for (i) the nature and terms of the credit derivative, reasons for entering into the credit derivative, the events or circumstances that would require the seller to perform under the credit derivative, and the current status of the payment/performance risk of the credit derivative, (ii) the maximum potential amount of future payments (undiscounted) the seller could be required to make under the credit derivative, (iii) the fair value of the credit derivative, and (iv) the nature of any recourse provisions and assets held either as collateral or by third parties. The amendments to FIN 45 require additional disclosures about the current status of the payment/performance risk of a guarantee. All changes to accounting policies have been made in accordance with the FSP and incorporated for the current period as part of the disclosures within Footnote 3(c) in the Notes to the Financial Statements. See also “Swaps Agreements”—Note 1(K) for description of the nature of each credit derivative, maximum potential amount of future payments (undiscounted) the Portfolio could be required to make under the credit derivatives with sold protection and fair value of each credit derivative at December 31, 2008. Potential losses related to hybrid instruments that have embedded credit derivatives are limited to the initial cost of investments.

(D) Investment Transactions and Investment Income

Investment transactions are accounted for on the trade date. Securities purchased and sold on a when-issued or delayed delivery basis may be settled a month or more after the trade date. Realized gains and losses on investments are determined on the identified cost basis. Dividend income is recorded on the ex-dividend date. Interest income

**Premier VIT
OpCap Managed Portfolio
NOTES TO FINANCIAL STATEMENTS**

**December 31, 2008
(continued)**

(1) Organization and Significant Accounting Policies (continued)

(D) Investment Transactions and Investment Income (continued)

is recorded on an accrual basis. Discounts or premiums on debt securities purchased are accreted or amortized to interest income over the lives of the respective securities using the effective interest method. Payments received from certain investments may be comprised of dividends, realized gains and return of capital. The payments may initially be recorded as dividend income and may subsequently be reclassified as realized gains and/or return of capital upon receipt of information from the issuer.

(E) Federal Income Taxes

The Portfolio intends to distribute all of its taxable income and to comply with the other requirements of the U.S. Internal Revenue Code of 1986, as amended, applicable to regulated investment companies. Accordingly, no provision for U.S. federal income taxes is required.

(F) Dividends and Distributions to Shareholders

Dividends and distributions to shareholders from net investment income and net realized capital gains, if any, are declared and paid at least annually. The Portfolio records dividends and distributions to shareholders on the ex-dividend date. The amount of dividends and distributions are determined in accordance with federal income tax regulations, which may differ from generally accepted accounting principles in the United States of America. These “book-tax” differences are considered either temporary or permanent in nature. To the extent these differences are permanent in nature, such amounts are reclassified within the capital accounts based on their federal income tax treatment; temporary differences do not require reclassification. To the extent dividends and/or distributions exceed current and accumulated earnings and profits for federal income tax purposes, they are reported as dividends and/or distributions of paid-in capital in excess of par.

(G) Foreign Currency Translation

The Portfolio’s accounting records are maintained in U.S. dollars as follows: (1) the foreign currency market value of investments and other assets and liabilities denominated in foreign currency are translated at the prevailing exchange rate at the end of the period; and (2) purchases and sales, income and expenses are translated at the prevailing exchange rate on the respective dates of such transactions. The resulting net foreign currency gain or loss is included in the Statement of Operations.

The Portfolio does not generally isolate that portion of the results of operations arising as a result of changes in the foreign currency exchange rates from the fluctuations arising from changes in the market prices of securities. Accordingly, such foreign currency gain (loss) is included in net realized and unrealized gain (loss) on investments.

However, the Portfolio does isolate the effect of fluctuations in foreign currency exchange rates when determining the gain or loss upon the sale or maturity of foreign currency denominated debt obligations pursuant to U.S. federal income tax regulations; such amount is categorized as foreign currency gain or loss for both financial reporting and income tax reporting purposes.

(H) Forward Foreign Currency Contracts

A forward foreign currency contract is an agreement between two parties to buy and sell a currency at a set exchange rate on a future date. The Portfolio may enter into forward foreign currency contracts for the purpose of hedging against foreign currency risk arising from the investment or anticipated investment in securities denominated in foreign currencies. The Portfolio may also enter these contracts for purposes of increasing exposure to a foreign currency or to shift exposure to foreign currency fluctuations from one country to another. The market value of a forward foreign currency contract fluctuates with changes in forward currency exchange rates. All commitments are

**Premier VIT
OpCap Managed Portfolio
NOTES TO FINANCIAL STATEMENTS**

**December 31, 2008
(continued)**

(1) Organization and Significant Accounting Policies (continued)

(H) Forward Foreign Currency Contracts (continued)

marked to market daily at the applicable exchange rates and any resulting unrealized appreciation or depreciation is recorded. Realized gains or losses are recorded at the time the forward contract matures or by delivery of the currency. Risks may arise upon entering these contracts from the potential inability of counterparties to meet the terms of their contracts and from unanticipated movements in the value of a foreign currency relative to the U.S. dollar.

(I) Futures Contracts

A futures contract is an agreement between two parties to buy and sell a financial instrument at a set price on a future date. Upon entering into such a contract, the Portfolio is required to pledge to the broker an amount of cash or securities equal to the minimum "initial margin" requirements of the relevant exchange. Pursuant to the contracts, the Portfolio agrees to receive from or pay to the broker an amount of cash or securities equal to the daily fluctuation in the value of the contracts. Such receipts or payments are known as "variation margin" and are recorded by the Portfolio as unrealized appreciation or depreciation. When the contracts are closed, the Portfolio records a realized gain or loss equal to the difference between the value of the contracts at the time they were opened and the value at the time they were closed. Any unrealized appreciation or depreciation recorded is simultaneously reversed. The use of futures transactions involves the risk of an imperfect correlation in the movements in the price of futures contracts, interest rates and the underlying hedged assets, and the possible inability of counterparties to meet the terms of their contracts.

(J) Option Transactions

The Portfolio may purchase and write (sell) put and call options on securities for hedging purposes, risk management purposes or as part of its investment strategies. The risk associated with purchasing an option is that the Portfolio pays a premium whether or not the option is exercised. Additionally, the Portfolio bears the risk of loss of premium and change in market value should the counterparty not perform under the contract. Put and call options purchased are accounted for in the same manner as portfolio securities. The cost of securities acquired through the exercise of call options is increased by the premiums paid. The proceeds from securities sold through the exercise of put options is decreased by the premiums paid.

When an option is written, the premium received is recorded as an asset with an equal liability which is subsequently marked to market to reflect the current market value of the option written. These liabilities are reflected as options written in the Statement of Assets and Liabilities. Premiums received from writing options which expire unexercised are recorded on the expiration date as a realized gain. The difference between the premium received and the amount paid on effecting a closing purchase transaction, including brokerage commissions, is also treated as a realized gain, or if the premium is less than the amount paid for the closing purchased transactions, as a realized loss. If a call option written by the Portfolio is exercised, the premium is added to the proceeds from the sale of the underlying security in determining whether there has been a realized gain or loss. If a put option written is exercised, the premium reduces the cost basis of the security. In writing an option, the Portfolio bears the market risk of an unfavorable change in the price of the security underlying the written option. Exercise of a written option could result in the Portfolio purchasing a security at a price different from the current market value.

(K) Swap Agreements

The Portfolio may invest in swap agreements. Swap agreements are privately negotiated agreements between the Portfolio and a counterparty to exchange or swap investment cash flows, assets, foreign currencies or market-linked returns at specified, future intervals. The Portfolio may enter into credit default, cross- currency, interest rate, total return, variance and other forms of swap agreements to manage its exposure to credit, currency and interest rate risk. In connection with these agreements, securities may be identified as collateral in accordance with the terms of the respective swap agreements to provide assets of value and recourse in the event of default or bankruptcy/insolvency.

Premier VIT
OpCap Managed Portfolio
NOTES TO FINANCIAL STATEMENTS

December 31, 2008
(continued)

(1) Organization and Significant Accounting Policies (continued)

(K) Swap Agreements (continued)

Payments received or made at the beginning of the measurement period are reflected as such on the Statement of Assets and Liabilities and represent payments made or received upon entering into the swap agreement to compensate for differences between the stated terms of the swap agreement and prevailing market conditions (credit spreads, currency exchange rates, interest rates, and other relevant factors). These upfront payments are recorded as realized gains or losses on the Statement of Operations upon termination or maturity of the swap. A liquidation payment received or made at the termination of the swap is recorded as realized gain or loss on the Statement of Operations. Net periodic payments received or paid by the Portfolio are included as part of realized gains or losses on the Statement of Operations.

Entering into these agreements involves, to varying degrees, elements of credit, market and documentation risk in excess of the amounts recognized on the Statement of Assets and Liabilities. Such risks involve the possibility that there will be no liquid market for these agreements, that the counterparty to the agreements may default on its obligation to perform or disagree as to the meaning of contractual terms in the agreements and that there may be unfavorable changes in interest rates.

Credit Default Swap Agreements—Credit default swap agreements involve one party making a stream of payments (referred to as the buyer of protection) to another party (the seller of protection) in exchange for the right to receive a specified return in the event of a default or other credit event for the referenced entity, obligation or index. As a seller of protection on credit default swap agreements, the Portfolio will generally receive from the buyer of protection a fixed rate of income throughout the term of the swap provided that there is no credit event. As the seller, the Portfolio would effectively add leverage to its portfolio because, in addition to its total net assets, the Portfolio would be subject to investment exposure on the notional amount of the swap.

If the Portfolio is a seller of protection and a credit event occurs, as defined under the terms of that particular swap agreement, the Portfolio will either (i) pay to the buyer of protection an amount equal to the notional amount of the swap and take delivery of the referenced obligation, other deliverable obligations or underlying securities comprising the referenced index or (ii) pay a net settlement amount in the form of cash or securities equal to the notional amount of the swap less the recovery value of the referenced obligation or underlying securities comprising the referenced index. If the Portfolio is a buyer of protection and a credit event occurs, as defined under the terms of that particular swap agreement, the Portfolio will either (i) receive from the seller of protection an amount equal to the notional amount of the swap and deliver the referenced obligation, other deliverable obligations or underlying securities comprising the referenced index or (ii) receive a net settlement amount in the form of cash or securities equal to the notional amount of the swap less the recovery value of the referenced obligation or underlying securities comprising the referenced index. Recovery values are assumed by market makers considering either industry standard recovery rates or entity specific factors and considerations until a credit event occurs. If a credit event has occurred, the recovery value is determined by a facilitated auction whereby a minimum number of allowable broker bids, together with a specified valuation method, are used to calculate the settlement value.

Credit default swap agreements on corporate issues or sovereign issues of an emerging country involve one party making a stream of payments to another party in exchange for the right to receive a specified return in the event of a default or other credit event. If a credit event occurs and cash settlement is not elected, a variety of other deliverable obligations may be delivered in lieu of the specific referenced obligation. The ability to deliver other obligations may result in a cheapest-to-deliver option (the buyer of protection's right to choose the deliverable obligation with the lowest value following a credit event). The Portfolio may use credit default swaps on corporate issues or sovereign issues of an emerging country to provide a measure of protection against defaults of the issuers (i.e., to reduce risk where the Portfolio owns or has exposure to the referenced obligation) or to take an active long or short position with respect to the likelihood of a particular issuer's default.

Credit default swap agreements on asset-backed securities involve one party making a stream of payments to another party in exchange for the right to receive a specified return in the event of a default or other credit event. Unlike credit

Premier VIT
OpCap Managed Portfolio
NOTES TO FINANCIAL STATEMENTS

December 31, 2008
(continued)

(1) Organization and Significant Accounting Policies (continued)

(K) Swap Agreements (continued)

default swaps on corporate issues or sovereign issues of an emerging country, deliverable obligations in most instances would be limited to the specific referenced obligation as performance for asset-backed securities can vary across deals. Prepayments, principal paydowns, and other writedown or loss events on the underlying mortgage loans will reduce the outstanding principal balance of the referenced obligation. These reductions may be temporary or permanent as defined under the terms of the swap agreement and the notional amount for the swap agreement will be adjusted by corresponding amounts. The Portfolio may use credit default swaps on asset-backed securities to provide a measure of protection against defaults of the referenced obligation or to take an active long or short position with respect to the likelihood of a particular referenced obligation's default.

Credit default swap agreements on credit indices involve one party making a stream of payments to another party in exchange for the right to receive a specified return in the event of a write-down, principal shortfall, interest shortfall or default of all or part of the referenced entities comprising the credit index. A credit index is a list of a basket of credit instruments or exposures designed to be representative of some part of the credit market as a whole. These indices are made up of reference credits that are judged by a poll of dealers to be the most liquid entities in the credit default swap market based on the sector of the index. Components of the indices may include, but are not limited to, investment grade securities, high yield securities, asset backed securities, emerging markets, and/or various credit ratings within each sector. Credit indices are traded using credit default swaps with standardized terms including a fixed spread and standard maturity dates. An index credit default swap references all the names in the index, and if there is a default, the credit event is settled based on that name's weight in the index. The composition of the indices changes periodically, usually every six months, and for most indices, each name has an equal weight in the index. The Portfolio may use credit default swaps on credit indices to hedge a portfolio of credit default swaps or bonds with a credit default swap on indices which is less expensive than it would be to buy many credit default swap to achieve a similar effect. Credit-default swap on indices are benchmarks for protecting investors owning bonds against default, and traders use them to speculate on changes in credit quality.

Implied credit spreads, represented in absolute terms, utilized in determining the market value of credit default swap agreements on corporate issues or sovereign issues of an emerging country as of period end are disclosed later in the Notes (see 3(c)) and serve as an indicator of the current status of the payment/performance risk and represent the likelihood or risk of default for the credit derivative. The implied credit spread of a particular referenced entity reflects the cost of buying/selling protection and may include upfront payments required to be made to enter into the agreement. For credit default swap agreements on asset-backed securities and credit indices, the quoted market prices and resulting values serve as the indicator of the current status of the payment/performance risk. Wider credit spreads and increasing market values, in absolute terms when compared to the notional amount of the swap, represent a deterioration of the referenced entity's credit soundness and a greater likelihood or risk of default or other credit event occurring as defined under the terms of the agreement.

The maximum potential amount of future payments (undiscounted) that the Portfolio as a seller of protection could be required to make under a credit default swap agreement would be an amount equal to the notional amount of the agreement. Notional amounts of all credit default swap agreements outstanding as of December 31, 2008 for which the Portfolio is the seller of protection are disclosed later in the Notes (see 3(c)). These potential amounts would be partially offset by any recovery values of the respective referenced obligations, upfront payments received upon entering into the agreement, or net amounts received from the settlement of buy protection credit default swap agreements entered into by the Portfolio for the same referenced entity or entities.

Interest Rate Swap Agreements—Interest rate swap agreements involve the exchange by the Portfolio with another party of their respective commitments to pay or receive interest with respect to the notional amount of principal. Certain forms of interest rate swap agreements may include: (i) interest rate caps, under which, in return for a premium, one party agrees to make payments to the other to the extent that interest rates exceed a specified rate, or "cap", (ii) interest rate floors, under which, in return for a premium, one party agrees to make payments to the other to the extent that interest rates fall below a specified rate, or "floor", (iii) interest rate collars, under which a party

**Premier VIT
OpCap Managed Portfolio
NOTES TO FINANCIAL STATEMENTS**

**December 31, 2008
(continued)**

(1) Organization and Significant Accounting Policies (continued)

(K) Swap Agreements (continued)

sells a cap and purchases a floor or vice versa in an attempt to protect itself against interest rate movements exceeding given minimum or maximum levels, (iv) callable interest rate swaps, under which the counterparty may terminate the swap transaction in whole at zero cost by a predetermined date and time prior to the maturity date, (v) spreadlocks, which allow the interest rate swap users to lock in the forward differential (or spread) between the interest rate swap rate and a specified benchmark, or (vi) basis swap, under which two parties can exchange variable interest rates based on different money markets.

(L) When-Issued/Delayed-Delivery Transactions

The Portfolio may purchase or sell securities on a when-issued or delayed-delivery basis. The transactions involve a commitment to purchase or sell securities for a predetermined price or yield, with payment and delivery taking place beyond the customary settlement period. When delayed-delivery purchases are outstanding, the Portfolio will set aside and maintain until the settlement date in a designated account, liquid assets in an amount sufficient to meet the purchase price. When purchasing a security on a delayed-delivery basis, the Portfolio assumes the rights and risks of ownership of the security, including the risk of price and yield fluctuations; consequently, such fluctuations are taken into account when determining the net asset value. The Portfolio may dispose of or renegotiate a delayed-delivery transaction after it is entered into, and may sell when-issued securities before they are delivered, which may result in a realized gain or loss. When a security on a delayed-delivery basis is sold, the Portfolio does not participate in future gains and losses with respect to the security.

(M) Repurchase Agreements

The Portfolio may enter into transactions with its custodian bank or securities brokerage firms whereby it purchases securities under agreements to resell at an agreed upon price and date (“repurchase agreements”). Such agreements are carried at the contract amount in the financial statements. Collateral pledged (the securities received), which consists primarily of U.S. government obligations and asset-backed securities, are held by the custodian bank until maturity of the repurchase agreement. Provisions of the repurchase agreements and the procedures adopted by the Portfolio require that the market value of the collateral, including accrued interest thereon, is sufficient in the event of default by the counterparty. If the counterparty defaults and the value of the collateral declines or if the counterparty enters an insolvency proceeding, realization of the collateral by the Portfolio may be delayed or limited.

(N) Allocation of Expenses

Expenses specifically identifiable to a particular portfolio are borne by that portfolio. Other expenses are allocated to each portfolio of the Trust based on its net assets in relation to the total net assets of all applicable portfolios of the Trust or another reasonable basis.

(O) Custody Credits Earned on Cash Balances

The Portfolio has an expense offset arrangement with its custodian bank whereby uninvested cash balances earn credits which reduce monthly custodian and accounting agent expenses. Had these cash balances been invested in income producing securities, they would have generated income for the Portfolio.

(P) Trustees’ Retirement Plan

The Trust offers defined benefits to certain independent Trustees through the OpCap Funds Retirement Plan for Independent Trustees, (the “Plan”). The Plan is an unfunded non-qualified defined benefit plan under Section 409A of the Internal Revenue Code of 1986, as amended. Participating trustees receive benefits upon the specified retirement age or event. Obligations of the Plan are expected to be paid from the assets of the Trust. Each

**Premier VIT
OpCap Managed Portfolio
NOTES TO FINANCIAL STATEMENTS**

**December 31, 2008
(continued)**

(1) Organization and Significant Accounting Policies (continued)

(P) Trustees' Retirement Plan (continued)

Portfolio is allocated a portion of the obligation based on the respective net assets of the Portfolios participating in the Plan. At December 31, 2008, the Portfolio's payable in connection with the Plan was \$359,524. A net expense related to the Plan of \$8,586 is included in the Trustee expenses.

Summarized information for the Plan at the Trust level is as follows, based on the valuation performed on December 31, 2008:

Change in benefit obligation

Projected benefit obligation at beginning of year	\$(527,281)
Benefits paid	30,511
Plan Amendment	(246,156)
Interest Cost	(28,753)
Actuarial gain/loss	<u>(39,774)</u>
Projected benefit obligation at end of year	<u>\$(811,453)</u>
Fund status	<u>\$(811,453)</u>
Accumulated benefit obligation/Accrued pension cost	<u>\$ 508,641</u>

Projected benefit payments:

2009	\$ 662,353
2010	\$ 25,115
2011	\$ 21,930
2012	\$ 19,171
2013	\$ 16,790
2014 to 2018	\$ 57,495

Amounts anticipated to be recognized in expense for fiscal year ending 2009:

Net loss (gain)	\$ 36,043
Prior service cost	<u>246,156</u>
	<u>\$ 282,199</u>

Determination of the projected benefit obligation was based on the following assumptions for the year ended December 31, 2008: discount rate of 4.00%; mortality rate based upon 1994 GAM for Males and Females. The Plan was amended November 1, 2008, to comply with the provisions of Section 409A of the Code. On or prior to December 31, 2008, participants can elect to receive a lump sum benefit. The additional projected benefit of \$246,156 will be expensed in 2009.

(2) Investment Adviser/Sub-Adviser/Distributor

The Trust, on behalf of the Portfolio, has an Investment Management Agreement (the "Agreement") with the Investment Manager. Subject to the supervision of the Trust's Board of Trustees, the Investment Manager is responsible for managing, either directly or through others selected by it, the Portfolio's investment activities, business affairs and administrative matters. Pursuant to the Agreement, the Investment Manager receives an annual fee, payable monthly at the annual rate of 0.80% on the first \$400 million of the Portfolio's average daily net assets, 0.75% on the next \$400 million of average daily net assets and 0.70% of average daily net assets thereafter. The

**Premier VIT
OpCap Managed Portfolio
NOTES TO FINANCIAL STATEMENTS**

**December 31, 2008
(continued)**

(2) Investment Adviser/Sub-Adviser/Distributor (continued)

Investment Manager is contractually obligated to waive that portion of the management fee and to reimburse any necessary expenses in order to limit total operating expenses of the Portfolio to 1.00% of average daily net assets (net of custody credits earned on cash balances at the custodian bank) on an annual basis.

The Investment Manager has retained its affiliates, Oppenheimer Capital LLC (the “Sub-Adviser”) to manage the Portfolio’s equity investments and Pacific Investment Management Company LLC (the “Fixed income Sub-Adviser”) to manage the Portfolio’s fixed-income investments. The Investment Manager and not the Portfolio pays a portion of the fees it receives from the Portfolio to the Sub-Adviser and the Fixed Income Sub-Adviser in return for their services.

Allianz Global Investors Distributors LLC (“the Distributor”), an affiliate of the Investment Manager, serves as the distributor of the Trust’s shares. Pursuant to a distribution agreement with the Trust, the Investment Manager on behalf of the Portfolio pays the Distributor.

(3) Investments in Securities

For the year ended December 31, 2008, purchases and sales of securities, other than short-term securities and U.S. government obligations, aggregated \$83,661,020 and \$113,739,375, respectively. Purchases and sales in U.S. government obligations aggregated \$268,397,303 and \$261,109,603, respectively.

(a) Futures contracts outstanding at December 31, 2008:

Type	Contracts	Market Value (000)	Expiration Date	Unrealized Appreciation
Long: Euribor Future, March 2009	2	\$680	3/16/09	\$16,679
Euribor Future, June 2009	1	341	6/15/09	8,461
Financial Future British Pound—90 day, June 2009	23	4,066	6/17/09	127,500
Financial Future British Pound—90 day, March 2009	35	6,179	3/18/09	198,740
Financial Future British Pound—90 day, December 2009	1	176	12/16/09	4,780
Financial Future Euro—90 day	31	7,668	3/16/09	136,862
Financial Future Euro—90 day	42	10,381	6/15/09	186,900
Financial Future Euro—90 day	25	6,172	9/14/09	113,125
Financial Future Euro—90 day	7	1,725	12/14/09	33,338
Financial Future Euro—90 day	5	1,231	3/15/10	24,437
U.S. Treasury Notes 2 yr. Futures	3	654	3/31/09	4,094
U.S. Treasury Notes 5 yr. Futures	12	1,429	3/31/09	1,148
				<u>\$856,064</u>

The Portfolio pledged \$102,000 in cash as collateral for futures contracts.

(b) Transactions in options written for the year ended December 31, 2008:

	Contracts/ Notional Amount	Premiums
Options outstanding, December 31, 2007	9,000,022	\$110,364
Options written	7,600,128	335,839
Options terminated in closing transactions	(10,400,000)	(131,134)
Options assigned	(20)	(15,071)
Options expired	(113)	(102,107)
Options outstanding, December 31, 2008	<u>6,200,017</u>	<u>\$197,891</u>

Premier VIT
OpCap Managed Portfolio
NOTES TO FINANCIAL STATEMENTS

December 31, 2008
(continued)

(3) Investments in Securities (continued)

(c) Credit default swap agreements:

Buy Protection swap agreements outstanding at December 31, 2008⁽¹⁾:

Swap Counterparty/ Referenced Debt Issuer	Notional Amount Payable on Default (000) ⁽⁴⁾	Credit Spread ^{(3)*}	Termination Date	Payments (Paid) by Portfolio	Market Value ⁽⁵⁾	Upfront Premiums Paid	Unrealized Appreciation (Depreciation)
Morgan Stanley:							
Dow Jones CDX IG-9 10 Year Index	\$97	1.488%	12/20/17	(0.80)%	\$4,983	\$8,983	\$(4,026)

Sell Protection swap agreements outstanding at December 31, 2008⁽²⁾:

Swap Counterparty/ Referenced Debt Issuer	Notional Amount Payable on Default (000) ⁽⁴⁾	Credit Spread ^{(3)*}	Termination Date	Payments Received by Portfolio	Market Value ⁽⁴⁾	Upfront Premiums Paid	Unrealized Appreciation (Depreciation)
Bank of America:							
GM Corp.	\$100	79.336%	3/20/13	8.95%	\$(73,359)	\$—	\$(73,060)
SLM Corp.	100	11.543%	3/20/09	4.55%	(1,487)	—	(1,335)
Barclays Bank:							
Dow Jones CDX IG-9 5 Year Index 30-100%	292	0.531%	12/20/12	0.758%	1,949	—	2,023
General Electric Capital Corp.	500	4.406%	3/20/11	0.62%	(38,577)	—	(38,474)
General Electric Capital Corp.	400	4.011%	12/20/12	0.64%	(45,720)	—	(45,635)
Pemex	1,000	2.798%	7/20/11	0.83%	(47,562)	—	(43,804)
Citigroup:							
Dow Jones CDX HY-8 Index 25-35%	500	7.724%	6/20/12	2.144%	(85,422)	—	(85,065)
General Electric Capital Corp.	100	3.596%	3/20/14	3.85%	1,092	—	1,231
SLM Corp.	100	8.613%	3/20/13	4.85%	(11,241)	—	(11,079)
SLM Corp.	100	8.265%	12/20/13	5.00%	(10,978)	(14,250)	3,411
Deutsche Bank:							
American Express	100	2.903%	3/20/13	1.75%	(4,252)	—	(4,194)
Dow Jones CDX IG-11 5 Year Index	200	1.95%	12/20/13	1.50%	(3,994)	(4,628)	700
Dow Jones CDX IG-9 5 Year Index 30-100%	292	0.531%	12/20/12	0.708%	1,403	—	1,472
General Electric Capital Corp.	100	3.708%	12/20/13	4.75%	4,273	—	4,405
General Electric Capital Corp.	100	3.708%	12/20/13	4.90%	4,886	—	5,254
GM Corp.	200	140.508%	12/20/09	5.00%	(140,114)	(114,000)	(25,836)
Goldman Sachs:							
GM Corp.	100	79.336%	3/20/13	9.05%	(73,254)	—	(72,953)

Premier VIT
OpCap Managed Portfolio
NOTES TO FINANCIAL STATEMENTS

December 31, 2008
(continued)

(3) Investments in Securities (continued)

Sell Protection swap agreements outstanding at December 31, 2008⁽²⁾:

Swap Counterparty/ Referenced Debt Issuer	Notional Amount Payable on Default (000) ⁽⁴⁾	Credit Spread ^{(3)*}	Termination Date	Payments Received by Portfolio	Market Value ⁽⁴⁾	Upfront Premiums Paid	Unrealized Appreciation (Depreciation)
Merrill Lynch & Co.:							
Ford Motor Co.	100	98.50%	12/20/09	5.00%	\$(57,487)	\$(35,000)	\$(22,348)
International Lease Financial Corp.	100	8.34%	12/20/13	5.00%	(11,002)	(16,750)	5,887
Royal Bank of Scotland:							
CIT Group	100	7.304%	3/20/13	5.17%	(6,843)	—	(6,671)
					<u>\$(597,689)</u>	<u>\$(184,628)</u>	<u>\$(406,071)</u>

* Unaudited.

⁽¹⁾ If the Portfolio is a buyer of protection and a credit event occurs, as defined under the terms of that particular swap agreement, the Portfolio will either (i) receive from the seller of protection an amount equal to the notional amount of the swap and deliver the referenced obligation or underlying securities comprising the referenced index or (ii) receive a net settlement amount in the form of cash or securities equal to the notional amount of the swap less the recovery value of the referenced obligation or underlying securities comprising the referenced index.

⁽²⁾ If the Portfolio is a seller of protection and a credit event occurs, as defined under the terms of that particular swap agreement, the Portfolio will either (i) pay to the buyer of protection an amount equal to the notional amount of the swap and take delivery of the referenced obligation or underlying securities comprising the referenced index or (ii) pay a net settlement amount in the form of cash or securities equal to the notional amount of the swap less the recovery value of the referenced obligation or underlying securities comprising the referenced index.

⁽³⁾ Implied credit spreads, represented in absolute terms, utilized in determining the market value of credit default swap agreements as of year end serve as an indicator of the current status of the payment/performance risk and represent the likelihood or risk of default for the credit derivative. The implied credit spread of a particular referenced entity reflects the cost of buying/selling protection and may include upfront payments required to be made to enter into the agreement. Wider credit spreads represent a deterioration of the referenced entity's credit soundness and a greater likelihood or risk of default or other credit event occurring as defined under the terms of the agreement.

⁽⁴⁾ The maximum potential amount the Portfolio could be required to make as a seller of credit protection or receive as a buyer of credit protection if a credit event occurs as defined under the terms of that particular swap agreement.

⁽⁵⁾ The quoted market prices and resulting values for credit default swap agreements serve as an indicator of the status at December 31, 2008 of the payment/performance risk and represent the likelihood of an expected liability (or profit) for the credit derivative should the notional amount of the swap agreement been closed/sold as of the period end. Increasing market values, in absolute terms when compared to the notional amount of the swap, represent a deterioration of the referenced entity's credit soundness and a greater likelihood or risk of default or other credit event occurring as defined under the terms of the agreement.

(d) Interest rate swap agreements outstanding at December 31, 2008:

Swap Counterparty	Notional Amount (000)	Termination Date	Rate Type		Market Value	Upfront Premiums (Paid) Received	Unrealized Appreciation (Depreciation)
			Payments made by Portfolio	Payments received by Portfolio			
Bank of America	\$1,400	12/17/28	5.00%	3-Month USD-LIBOR	\$(472,045)	\$7,588	\$(481,276)

**Premier VIT
OpCap Managed Portfolio
NOTES TO FINANCIAL STATEMENTS**

**December 31, 2008
(continued)**

(3) Investments in Securities (continued)

Swap Counterparty	Notional Amount (000)	Termination Date	Rate Type		Market Value	Upfront Premiums (Paid) Received	Unrealized Appreciation (Depreciation)
			Payments made by Portfolio	Payments received by Portfolio			
Bank of America	200	12/17/38	5.00%	3-Month USD-LIBOR	\$(90,707)	\$1,063	\$(92,005)
Barclays Bank	£400	3/20/09	6-Month GBP-LIBOR	6.00%	(194)	3,016	(3,462)
Barclays Bank	400	6/15/09	6-Month GBP-LIBOR	5.00%	4,354	(11,781)	16,496
Barclays Bank	BRL400	1/4/10	BRL-CDI- Compounded	11.36%	(2,724)	—	(2,724)
Barclays Bank	\$400	12/16/10	3-Month USD-LIBOR	4.00%	9,072	468	8,604
Barclays Bank	200	6/17/11	3-Month USD-LIBOR	4.00%	8,978	7,316	1,662
Barclays Bank	1,000	12/17/38	5.00%	3-Month USD-LIBOR	(453,537)	27,240	(481,951)
BNP Paribas	€600	10/15/10	5-Year French CPI Ex Tobacco Daily Reference Index	2.09%	27,331	(426)	27,757
BNP Paribas	100	3/18/14	6-Month EUR-LIBOR	4.50%	7,999	(1,507)	9,506
Citigroup	\$200	6/17/29	3.00%	3-Month USD-LIBOR	(4,525)	(17,070)	12,545
Credit Suisse First Boston	£100	6/15/09	6-Month GBP-LIBOR	5.00%	1,089	(2,366)	3,545
Credit Suisse First Boston	\$400	6/17/24	4.00%	3-Month USD-LIBOR	(55,898)	(48,594)	(7,303)
Deutsche Bank	300	6/17/11	3-Month USD-LIBOR	4.00%	13,509	9,455	4,054
Deutsche Bank	300	6/17/29	3.00%	3-Month USD-LIBOR	(6,787)	(18,521)	11,733
Deutsche Bank	£200	12/15/36	4.00%	6-Month GBP-LIBOR	(32,341)	55,143	(87,576)
Deutsche Bank	\$400	12/17/38	5.00%	3-Month USD-LIBOR	(181,415)	3,640	(185,524)
Goldman Sachs	£800	6/15/09	6-Month GBP-LIBOR	5.00%	8,708	(18,305)	27,915
Goldman Sachs	1,900	6/19/09	6-Month GBP-LIBOR	6.00%	35,639	(6,698)	45,094
Goldman Sachs	BRL100	1/4/10	BRL-CDI- Compounded	11.465%	(580)	—	(580)

Premier VIT
OpCap Managed Portfolio
NOTES TO FINANCIAL STATEMENTS

December 31, 2008
(continued)

(3) Investments in Securities (continued)

Swap Counterparty	Notional Amount (000)	Termination Date	Rate Type		Market Value	Upfront Premiums (Paid) Received	Unrealized Appreciation (Depreciation)
			Payments made by Portfolio	Payments received by Portfolio			
Goldman Sachs	€100	3/30/12	5-Year French CPI Ex Tobacco Daily Reference Index	1.96%	\$3,002	\$—	\$3,002
Goldman Sachs	£100	12/15/36	5.50%	6-Month GBP-LIBOR	(54,496)	(13,717)	(40,925)
HSBC Bank	100	9/15/13	6-Month GBP-LIBOR	5.10%	11,814	(248)	11,741
HSBC Bank	100	12/15/36	4.00%	6-Month GBP-LIBOR	(16,171)	12,808	(29,025)
Merrill Lynch & Co.	BRL300	1/4/10	BRL-CDI- Compounded	11.43%	(1,839)	—	(1,839)
Merrill Lynch & Co.	200	1/4/10	BRL-CDI- Compounded	12.948%	1,621	174	1,447
Merrill Lynch & Co.	\$600	6/17/11	3-Month USD-LIBOR	4.00%	27,017	13,524	13,493
Merrill Lynch & Co.	BRL400	1/2/12	BRL-CDI- Compounded	11.98%	(1,220)	—	(1,220)
Merrill Lynch & Co.	300	1/2/12	BRL-CDI- Compounded	12.54%	786	(2,008)	2,794
Merrill Lynch & Co.	£200	12/15/35	4.00%	6-Month GBP-LIBOR	(18,673)	458	(19,130)
Merrill Lynch & Co.	\$100	12/17/38	5.00%	3-Month USD-LIBOR	(45,354)	(12,065)	(33,483)
Morgan Stanley	BRL100	1/4/10	BRL-CDI- Compounded	12.67%	292	(147)	439
Morgan Stanley	400	1/4/10	BRL-CDI- Compounded	12.78%	2,563	426	2,137
Morgan Stanley	\$500	6/17/10	3-Month USD-LIBOR	4.00%	12,971	(1,343)	14,314
Royal Bank of Scotland	£400	3/20/09	6-Month GBP-LIBOR	6.00%	(194)	3,214	(3,661)
Royal Bank of Scotland	\$700	6/17/10	3-Month USD-LIBOR	4.00%	18,160	(1,642)	19,801

Premier VIT
OpCap Managed Portfolio
NOTES TO FINANCIAL STATEMENTS

December 31, 2008
(continued)

(3) Investments in Securities (continued)

Swap Counterparty	Notional Amount (000)	Termination Date	Rate Type		Market Value	Upfront Premiums (Paid) Received	Unrealized Appreciation (Depreciation)
			Payments made by Portfolio	Payments received by Portfolio			
Royal Bank of Scotland	€100	3/28/12	5-Year French CPI Ex Tobacco Daily Reference Index	1.955%	\$2,370	\$—	\$2,370
Royal Bank of Scotland	£100	3/18/14	6-Month GBP-LIBOR	5.25%	13,920	(78)	13,999
Royal Bank of Scotland	\$100	12/17/28	5.00%	3-Month USD-LIBOR	(33,718)	708	(34,543)
Royal Bank of Scotland	£100	12/15/36	4.00%	6-Month GBP-LIBOR	(16,171)	21,406	(37,624)
UBS	BRL100	1/4/10	BRL-CDI-Compounded	12.41%	285	(173)	458
UBS	AUD100	3/15/10	3-Month Australian Bank Bill	7.50%	2,997	(278)	3,275
UBS	1,600	6/15/10	3-Month Australian Bank Bill	7.00%	41,419	5,119	36,300
UBS	500	3/15/11	6-Month Australian Bank Bill	7.50%	26,226	2,116	24,110
UBS	BRL400	1/2/12	BRL-CDI-Compounded	10.575%	(8,213)	(7,170)	(1,043)
					<u>\$(1,214,680)</u>	<u>\$10,745</u>	<u>\$(1,226,303)</u>

AUD - Australian Dollar
BRL - Brazilian Real
CDI - Inter-bank Deposit Certificate
CPI - Consumer Price Index
EUR/€ - Euro
GBP/£ - British Pound
LIBOR - London Inter-Bank Offered Rate

(e) Forward foreign currency contracts outstanding at December 31, 2008:

Counterparty	U.S. \$ Value on Origination Date	U.S. \$ Value December 31, 2008	Unrealized Appreciation (Depreciation)
Purchased:			
1,016,514 Brazilian Real settling 6/2/09 Royal Bank of Canada	\$534,304	\$415,216	\$(119,088)
466,036 Chinese Yuan Renminbi settling 7/15/09 Barclays Bank	72,000	67,105	(4,895)

Premier VIT
OpCap Managed Portfolio
NOTES TO FINANCIAL STATEMENTS

December 31, 2008
(continued)

(3) Investments in Securities (continued)

	Counterparty	U.S. \$ Value on Origination Date	U.S. \$ Value December 31, 2008	Unrealized Appreciation (Depreciation)
1,625,264 Chinese Yuan				
Renminbi settling 7/15/09	Deutsche Bank	\$251,300	\$234,023	\$(17,277)
430,248 Chinese Yuan				
Renminbi settling 7/15/09	HSBC Bank USA	66,000	61,952	(4,048)
642,612 Chinese Yuan				
Renminbi settling 7/15/09	JPMorgan Chase	99,700	92,530	(7,170)
7,200 Euro settling 1/13/09	Credit Suisse First Boston	10,094	10,005	(89)
20,300 Euro settling 1/13/09	Barclays Bank	26,915	28,208	1,293
14,841 Euro settling 1/13/09	BNP Paribas Bank	21,294	20,622	(672)
12,300 Euro settling 1/13/09	Deutsche Bank	16,722	17,091	369
16,619 Euro settling 1/13/09	HSBC Bank USA	23,142	23,094	(48)
8,200 Euro settling 1/13/09	Morgan Stanley	10,865	11,394	529
206,300,000 Indonesian				
Rupiah settling 3/31/09	Barclays Bank	20,000	18,287	(1,713)
217,300,000 Indonesian				
Rupiah settling 3/31/09	Citigroup	20,959	19,262	(1,697)
102,400,000 Indonesian				
Rupiah settling 3/31/09	Deutsche Bank	10,000	9,077	(923)
112,100,000 Indonesian				
Rupiah settling 3/31/09	HSBC Bank USA	10,000	9,937	(63)
508,200 Indian Rupee				
settling 4/9/09	Bank of America	10,000	10,350	350
1,353,826 Indian Rupee				
settling 4/9/09	Barclays Bank	26,958	27,571	613
500,000 Indian Rupee				
settling 4/9/09	Citigroup	10,000	10,183	183
504,000 Indian Rupee				
settling 4/9/09	Deutsche Bank	10,000	10,264	264
1,000,334 Indian Rupee				
settling 4/9/09	HSBC Bank USA	20,000	20,372	372
464,000 Japanese Yen				
settling 1/8/09	Barclays Bank	4,870	5,119	249
373,000 Japanese Yen				
settling 1/8/09	BNP Paribas Bank	3,867	4,115	248
450,000 Japanese Yen				
settling 1/8/09	Citigroup	4,736	4,964	228
910,000 Japanese Yen				
settling 1/8/09	UBS	9,549	10,039	490

Premier VIT
OpCap Managed Portfolio
NOTES TO FINANCIAL STATEMENTS

December 31, 2008
(continued)

(3) Investments in Securities (continued)

	Counterparty	U.S. \$ Value on Origination Date	U.S. \$ Value December 31, 2008	Unrealized Appreciation (Depreciation)
2,700 Kuwaiti Dinar settling 4/16/09	HSBC Bank USA	\$10,343	\$9,605	\$(738)
13,925 Malaysian Ringgit settling 2/12/09	Barclays Bank	3,934	4,019	85
35,160 Malaysian Ringgit settling 4/14/09	Citigroup	10,000	10,144	144
30,000 Malaysian Ringgit settling 2/12/09	Deutsche Bank	8,600	8,659	59
36,045 Malaysian Ringgit settling 4/14/09	HSBC Bank USA	10,000	10,399	399
224,482 Malaysian Ringgit settling 2/12/09	JPMorgan Chase	69,000	64,793	(4,207)
600,000 Philippines Peso settling 2/6/09	Deutsche Bank	12,448	12,569	121
935,050 Philippines Peso settling 2/6/09	JPMorgan Chase	20,407	19,587	(820)
98,000 Russian Ruble settling 5/6/09	JPMorgan Chase	4,097	2,851	(1,246)
18,300 Saudi Riyal settling 4/16/09	HSBC Bank USA	4,949	4,873	(76)
18,000 Saudi Riyal settling 4/16/09	JPMorgan Chase	4,864	4,793	(71)
72,965 Singapore Dollar settling 4/14/09	Citigroup	50,000	50,569	569
29,396 Singapore Dollar settling 1/16/09	Deutsche Bank	20,000	20,396	396
44,301 Singapore Dollar settling 4/14/09	Deutsche Bank	30,000	30,703	703
14,627 Singapore Dollar settling 4/14/09	HSBC Bank USA	10,000	10,137	137
14,464 Singapore Dollar settling 7/30/09	HSBC Bank USA	10,000	10,022	22
19,845 Singapore Dollar settling 4/14/09	Royal Bank of Scotland PLC	13,501	13,753	252
14,793 Singapore Dollar settling 4/14/09	UBS	10,000	10,253	253
18,000 United Arab Emirates Dirham settling 4/16/09	Barclays Bank	4,992	4,879	(113)

**Premier VIT
OpCap Managed Portfolio
NOTES TO FINANCIAL STATEMENTS**

**December 31, 2008
(continued)**

(3) Investments in Securities (continued)

	Counterparty	U.S. \$ Value on Origination Date	U.S. \$ Value December 31, 2008	Unrealized Appreciation (Depreciation)
17,900 United Arab Emirates Dirham settling 4/16/09	HSBC Bank USA	\$4,963	\$4,852	\$(111)
Sold:				
87,900 Australian Dollar settling 1/22/09	Citigroup	56,928	61,167	(4,239)
377,344 Brazilian Real settling 2/3/09	Barclays Bank	169,368	159,964	9,404
18,832 Brazilian Real settling 2/3/09	Citigroup	8,000	7,983	17
574,417 Brazilian Real settling 6/2/09	JPMorgan Chase	231,060	234,632	(3,572)
128,374 Brazilian Real settling 2/3/09	UBS	54,438	54,420	18
207,493 Chinese Yuan Renminbi settling 7/15/09	Barclays Bank	29,000	29,877	(877)
205,627 Chinese Yuan Renminbi settling 7/15/09	Citigroup	29,000	29,608	(608)
519,515 Chinese Yuan Renminbi settling 7/15/09	Deutsche Bank	73,800	74,805	(1,005)
77,198 Chinese Yuan Renminbi settling 7/15/09	HSBC Bank USA	10,814	11,116	(302)
201,170 Chinese Yuan Renminbi settling 7/15/09	JPMorgan Chase	28,115	28,967	(852)
77,000 Euro settling 1/13/09	Morgan Stanley	98,498	106,995	(8,497)
461,000 Euro settling 1/13/09	Royal Bank of Scotland PLC	582,261	640,582	(58,321)
482,000 Great Britain Pound settling 1/13/09	Citigroup	714,498	692,840	21,658
638,100,000 Indonesian Rupiah settling 3/31/09	Barclays Bank	44,622	56,563	(11,941)
790,350 Indian Rupee settling 4/9/09	Barclays Bank	15,000	16,096	(1,096)
665,301 Indian Rupee settling 4/9/09	Deutsche Bank	12,697	13,549	(852)
2,410,709 Indian Rupee settling 4/9/09	JPMorgan Chase	46,000	49,095	(3,095)

Premier VIT
OpCap Managed Portfolio
NOTES TO FINANCIAL STATEMENTS

December 31, 2008
(continued)

(3) Investments in Securities (continued)

	Counterparty	U.S. \$ Value on Origination Date	U.S. \$ Value December 31, 2008	Unrealized Appreciation (Depreciation)
2,219,776 Japanese Yen settling 1/8/09	Credit Suisse First Boston	\$23,000	\$24,489	\$(1,489)
2,700 Kuwaiti Dinar settling 4/16/09	HSBC Bank USA	9,441	9,605	(164)
51,049 Malaysian Ringgit settling 2/12/09	Barclays Bank	14,200	14,734	(534)
54,382 Malaysian Ringgit settling 2/12/09	Citigroup	15,000	15,697	(697)
71,205 Malaysian Ringgit settling 4/14/09	Citigroup	19,556	20,543	(987)
76,492 Malaysian Ringgit settling 2/12/09	Deutsche Bank	21,049	22,078	(1,029)
40,202 Malaysian Ringgit settling 2/12/09	HSBC Bank USA	11,047	11,604	(557)
46,281 Malaysian Ringgit settling 2/12/09	JPMorgan Chase	12,800	13,358	(558)
1,535,050 Philippines Peso settling 2/6/09	Citigroup	29,583	32,156	(2,573)
98,000 Russian Ruble settling 5/6/09	UBS Warburg LLC	4,035	2,851	1,184
18,300 Saudi Riyal settling 4/16/09	HSBC Bank USA	4,851	4,872	(21)
18,000 Saudi Riyal settling 4/16/09	JPMorgan Chase	4,771	4,793	(22)
14,464 Singapore Dollar settling 7/30/09	Bank of America	9,554	10,022	(468)
18,477 Singapore Dollar settling 1/16/09	Barclays Bank	12,532	12,820	(288)
43,285 Singapore Dollar settling 4/14/09	Barclays Bank	28,638	29,999	(1,361)
27,308 Singapore Dollar settling 4/14/09	Citigroup	18,000	18,926	(926)
10,919 Singapore Dollar settling 1/16/09	HSBC Bank USA	7,130	7,576	(446)
67,105 Singapore Dollar settling 4/14/09	HSBC Bank USA	44,144	46,507	(2,363)
28,833 Singapore Dollar settling 4/14/09	JPMorgan Chase	19,000	19,983	(983)

**Premier VIT
OpCap Managed Portfolio
NOTES TO FINANCIAL STATEMENTS**

**December 31, 2008
(continued)**

(3) Investments in Securities (continued)

	Counterparty	U.S. \$ Value on Origination Date	U.S. \$ Value December 31, 2008	Unrealized Appreciation (Depreciation)
18,000 United Arab Emirates Dirham settling 4/16/09	Barclays Bank	\$4,871	\$4,879	\$(8)
17,900 United Arab Emirates Dirham settling 4/16/09	HSBC Bank USA	4,830	4,852	(22)
				<u>\$(235,209)</u>

(4) Income Tax Information

The tax character of dividends paid during the years ended December 31, were:

	<u>2008</u>	<u>2007</u>
Ordinary Income	\$ 6,127,460	\$11,459,980
Long-Term Capital Gains	13,192,709	11,475,247

At December 31, 2008, the tax character of distributable earnings of \$2,832,484 was comprised entirely of ordinary income.

In accordance with U.S. Treasury regulations, the Portfolio elected to defer realized capital losses of \$4,604,846, arising after October 31, 2008. Such losses are treated for tax purposes as arising on January 1, 2009.

For the year ended December 31, 2008, permanent “book-tax” differences were primarily attributable to the differing treatment of foreign currency transactions, swap payments and paydowns. These adjustments were to decrease undistributed net investment income and accumulated net realized loss on investments by \$436,846.

Net investment income and net realized losses differ for financial statement and federal income tax purposes primarily due to the treatment of amounts received under swap agreements. For year ended December 31, 2008, the Portfolio received \$1,119,978 from swap agreements, which are treated as net realized loss for financial statement purposes and as net investment loss for federal income tax purposes.

At December 31, 2008, the Portfolio had a capital loss carryforward of \$11,998,968 which will expire in 2016, available as a reduction, to the extent provided in the regulations, of any future net realized gains. To the extent that these losses are used to offset future realized capital gains, such gains will not be distributed.

The cost basis of portfolio securities for federal income tax purposes is \$169,953,802. Aggregated gross unrealized appreciation for securities in which there is an excess value over tax cost is \$2,290,523, aggregate gross unrealized depreciation for securities in which there is an excess of tax cost over value is \$31,888,331, net unrealized depreciation for federal income tax purposes is \$29,597,808. The difference between book and tax basis unrealized appreciation/depreciation is primarily attributable to wash sales.

(5) Market and Credit Risk

On September 15, 2008, Lehman Brothers Holdings Inc. filed for protection under Chapter 11 of the United States Bankruptcy Code. On September 19, 2008, a proceeding under the Securities Investor Protection Act (“SIPA”) was commenced with respect to Lehman Brothers Inc., a broker-dealer. A trustee appointed under SIPA is administering the bankruptcy estate of Lehman Brothers Inc. Lehman Brothers International (Europe) was placed in administration under the UK Insolvency Act on September 15, 2008. Lehman Brothers Special Financing Inc. filed for protection under Chapter 11 of the United States Bankruptcy Code on October 3, 2008. In connection with these filings, the Lehman Brothers group of companies (collectively “Lehman Brothers”) will be reorganized and/or liquidated in an

**Premier VIT
OpCap Managed Portfolio
NOTES TO FINANCIAL STATEMENTS**

**December 31, 2008
(continued)**

(5) Market and Credit Risk (continued)

orderly fashion, subject to court approval. Each Lehman Brothers entity is a separate legal entity that is subject to its own bankruptcy proceeding.

The Portfolio had select holdings, credit default swap agreements, and securities transactions outstanding with Lehman Brothers entities as issuer, referenced entity, counterparty or guarantor at the time the relevant Lehman Brothers entity filed for protection or was placed in administration. The security holdings, credit default swap agreements, and securities transactions associated with Lehman Brothers have been written down to their estimated recoverable values. Anticipated losses for securities and derivatives transactions associated with Lehman Brothers have been incorporated as components of prepaid expenses and other assets on the Statement of Assets and Liabilities and net change in unrealized appreciation (depreciation) on the Statement of Operations. A facilitated auction occurred on October 10, 2008 comprising multiple pre-approved brokerage agencies to determine the estimated recovery rate for holdings and credit default swap agreements with Lehman Brothers Inc. as referenced entity. These recovery rates have been utilized in determining estimated recovery values. Financial assets and liabilities may be offset and the net amount may be reported in the Statement of Assets and Liabilities where there is a legally enforceable right to set off the recognized amounts and the provisions of Financial Accounting Standards Board (“FASB”) Interpretation No. 39, Offsetting of Amounts Related to Certain Contracts (“FIN 39”) have been met. As a result of the early terminated swap contracts, the Portfolio realized losses which decreased NAV by \$0.02 per share.

The Fixed Income Sub-Adviser has delivered notices of default to the relevant Lehman Brothers entities in accordance with the terms of the applicable agreements. For transactions with Lehman Brothers counterparties, the Fixed Income Sub-Adviser has terminated the trades and has obtained quotations from brokers for replacement trades.

(6) Legal Proceedings

In June and September 2004, the Investment Manager and certain of its affiliates (including PEA Capital LLC (“PEA”), Allianz Global Investors Distributors LLC and Allianz Global Investors of America L.P.), agreed to settle, without admitting or denying the allegations, claims brought by the Securities and Exchange Commission and the New Jersey Attorney General alleging violations of federal and state securities laws with respect to certain open-end funds for which the Investment Manager serves as investment adviser. The settlements related to an alleged “market timing”, arrangement in certain open-end funds formerly sub-advised by PEA. The Investment Manager and its affiliates agreed to pay a total of \$68 million to settle the claims. In addition to monetary payments, the settling parties agreed to undertake certain corporate governance, compliance and disclosure reforms related to market timing, and consented to cease and desist orders and censures. Subsequent to these events, PEA deregistered as an investor adviser and dissolved. None of the settlements alleged that any inappropriate activity took place with respect to the Portfolio.

Since February 2004, the Investment Manager and certain of its affiliates and their employees have been named as defendants in a number of pending lawsuits concerning “market timing”, which allege the same or similar conduct underlying the regulatory settlements discussed above. The market timing lawsuits have been consolidated in a multi-district litigation proceeding in the U. S. District Court of Maryland. Any potential resolution of these matters may include, but not be limited to, judgments or settlements for damages against the Investment Manager or its affiliates or related injunctions.

The Investment Manager, Sub-Adviser and the Fixed Income Sub-Adviser believe that these matters are not likely to have a material adverse effect on the Portfolio or on their ability to perform their respective investment advisory activities relating to the Portfolio.

The foregoing speaks only as of the date hereof.

Premier VIT
OpCap Managed Portfolio
REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholders and the Board of
Trustees of Premier VIT—OpCap Managed Portfolio

In our opinion, the accompanying statement of assets and liabilities, including the schedule of investments, and the related statements of operations and of changes in net assets and the financial highlights present fairly, in all material respects, the financial position of Premier VIT—OpCap Managed Portfolio (one of the portfolios of Premier VIT, hereafter referred to as the “Portfolio”) at December 31, 2008, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period then ended and the financial highlights for each of the five years in the period then ended, in conformity with accounting principles generally accepted in the United States of America. These financial statements and financial highlights (hereafter referred to as “financial statements”) are the responsibility of the Portfolio’s management; our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these financial statements in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits, which included confirmation of securities at December 31, 2008 by correspondence with the custodian and brokers, provide a reasonable basis for our opinion.

PricewaterhouseCoopers LLP
New York, New York
February 20, 2009

**Premier VIT
OpCap Managed Portfolio
(unaudited)**

Federal Tax Information

The Portfolio paid ordinary income dividends of \$1.26287 per share and long-term capital gains of \$2.719 per share during the year ended December 31, 2008.

Special Shareholder Meeting Results:

On January 15, 2009, a special meeting of shareholders of the Trust was held to consider the following proposals as described below. Each proposal was approved by shareholders in accordance with the voting results as follows:

Proposal I

The election of nominees Paul Belica, Robert E. Connor, Hans W. Kertess, William B. Ogden, IV, R. Peter Sullivan III, Diana L. Taylor and John C. Maney (interested) as Trustees of the Trust.

	Affirmative	Withheld Authority
Election of Paul Belica	14,593,310	924,659
Election of Robert E. Connor	14,691,964	826,004
Election of Hans W. Kertess	14,689,349	828,620
Election of John C. Maney	14,720,642	797,327
Election of William B. Ogden	14,678,145	839,824
Election of Peter Sullivan III	14,687,990	829,979
Election of Diana L. Taylor	14,687,463	830,506

		For	Against	Abstain
Proposal II	An amendment to the Declaration of Trust to delete the maximum number of Trustees to serve on the Board and the President of the Trust must be a member of the Board	13,063,858	1,487,434	966,677
Proposal III	Approval by the Trust of a new investment advisory agreement for the Portfolio with Allianz Global Investors Fund Management LLC.	3,985,573	218,515	322,593
Proposal IV	Approval by the Portfolio of a new portfolio management agreement between Allianz Global Investors Fund Management LLC and Oppenheimer Capital LLC.	3,992,539	189,460	344,682
Proposal VII	Approval by the Portfolio of a new portfolio management agreement between Allianz Global Investors Fund Management LLC and Pacific Investment Management Company LLC.	4,006,129	167,206	353,346

Premier VIT
OpCap Managed Portfolio
MATTERS RELATING TO THE TRUSTEES' CONSIDERATION OF THE
ADVISORY AND SUB-ADVISORY AGREEMENTS
(unaudited)

The Investment Company Act of 1940 requires that both the full Board of Trustees (the "Trustees") and a majority of the non-interested ("independent") Trustees, voting separately, approve the Trust's Investment Advisory Agreement (the "Advisory Agreement") with Allianz Global Investors Fund Management LLC (the "Investment Adviser") and the Portfolio Management Agreements (the "Sub-Advisory Agreements") between the Investment Adviser and the Sub-Advisers, as it pertains to the Portfolios of the Trust. The Trustees met on October 30, 2008 (the "contract review meeting") for the specific purpose of considering whether to approve the Advisory and Sub-Advisory Agreements. The Trustees also met on September 10, 2008 for the specific purpose of considering whether to approve the interim Portfolio Management Agreement (the "Interim Agreement" and together with the Sub-Advisory Agreements and the Advisory Agreement, the "Agreements") between OpCap Advisers and NACM with respect to the Small Cap Portfolio, for a maximum period of 150 days starting from September 10, 2008, pending shareholder approval of the Agreements. The independent Trustees were assisted in their evaluation of the Agreements by experienced independent legal counsel, from whom they received separate legal advice and with whom they met separately from Fund management during the contract review meeting.

Based on their evaluation of factors that they deemed to be material, including those factors described below, the Board of Trustees, including a majority of the independent Trustees, concluded that 1) the Interim Agreement should be approved for an interim period according to its terms and 2) the Advisory and the Sub-Advisory Agreements should be approved. The Agreements were approved by shareholders at a special meeting of the shareholders held on January 15, 2009.

In determining to approve the Agreements, the Trustees met with the relevant investment advisory personnel from the Investment Adviser and Sub-Advisers and considered information relating to personnel providing services under the applicable agreement. The information considered included the education and experience of the personnel providing services, including the education and experience of the investment professionals expected to be on the team of investment professionals managing each Portfolio. The Trustees also took into account the time and attention that had been devoted by senior management to the Portfolios and the other funds in the complex. The Trustees evaluated the level of skill required to manage the Portfolios and concluded that the human resources devoted by the Investment Adviser and Sub-Advisers to the Portfolios were appropriate to fulfill effectively the duties of the Investment Adviser and Sub-Advisers under the applicable agreement. The Trustees also considered the business reputation of the Investment Adviser and Sub-Advisers since their inception, their significant financial resources, the Investment Adviser's and Sub-Advisers' experience in managing the Portfolios, including the Investment Adviser's assets under management of approximately \$42 billion as of September 30, 2008 and concluded that they would be able to meet any reasonably foreseeable obligations under the applicable agreement.

The Trustees received information concerning the investment philosophy and investment process applied by the Sub-Advisers in managing the Portfolios, as described in the Prospectus. In this connection, the Trustees considered the Sub-Advisers' in-house research capabilities, including its ongoing forecasting of industry, sector and overall market movements, interest rates and the development of its ongoing outlook on the global economy, as well as other resources available to the Sub-Advisers' personnel, including research services available to the Sub-Advisers as a result of securities transactions effected for the Portfolios and other investment advisory clients. The Trustees concluded that the Sub-Advisers' investment process, research capabilities and philosophy were suited to the Portfolios.

The Trustees considered the scope of the services provided by the Investment Adviser and Sub-Advisers to the Portfolios under the Agreements, respectively, relative to services provided by third parties to other mutual funds. The Trustees noted that the Investment Adviser's and Sub-Advisers' required standard of care was comparable to that found in most mutual fund investment advisory agreements. The Trustees also considered the tools and procedures used to assure each Portfolio's compliance with applicable regulations and policies including the retention of a Chief Compliance Officer and the adoption of enhanced compliance policies and procedures. The Trustees apprised themselves and took account of claims made by regulators and others against affiliates of the Investment Adviser and the steps taken to address those claims. The Trustees concluded that the scope of the Investment Adviser's and

Premier VIT
OpCap Managed Portfolio
MATTERS RELATING TO THE TRUSTEES' CONSIDERATION OF THE
ADVISORY AND SUB-ADVISORY AGREEMENTS
(unaudited) (continued)

Sub-Advisers' services to the Portfolios, as described above, was consistent with the Portfolios' operational requirements, including, in addition to its investment objective, compliance with each Portfolio's investment restrictions, tax and reporting requirements and related shareholder services.

The Trustees also evaluated the procedures of the Investment Adviser and Sub-Advisers designed to fulfill their fiduciary duty to the Portfolios with respect to possible conflicts of interest, including their codes of ethics (regulating the personal trading of their officers and employees), the procedures by which the Investment Adviser and Sub-Advisers allocate trades among its various investment advisory clients, the integrity of the systems in place to ensure compliance with the foregoing and the record of the Investment Adviser and Sub-Advisers in these matters. The Trustees also received information concerning standards of the Investment Adviser and Sub-Advisers with respect to the execution of portfolio transactions. The information considered by the Trustees included information regarding the Investment Adviser and the Sub-Advisers, their personnel, policies and practices included in each of their respective Form ADVs.

The Trustees considered the information provided by Lipper Analytical Services ("Lipper") regarding the performance of each Portfolio and similar open-end funds. The Trustees also considered the performance of each Portfolio compared with similar accounts managed by the Sub-Advisers. In the course of their deliberations, the Trustees took into account information provided by the Investment Adviser and Sub-Advisers in connection with the contract review meeting, as well as during investment review meetings conducted with portfolio management personnel during the course of the year regarding the investment performance of each Portfolio. In assessing the reasonableness of each Portfolio's fees under the Agreements, the Trustees considered, among other information, the Portfolio's management fee and the total expense ratio as a percentage of average net assets and the management fee and total expense ratios of comparable funds identified by Lipper. The Trustees considered that potential economies of scale were not a principal factor in assessing the reasonableness of the management fee rates payable under the Agreements.

The Trustees noted that the Portfolio had underperformed its Lipper median and average peer group for the three-month, year-to-date, one-year, three-year, five-year and the ten-year periods but had outperformed the Lipper average peer group for the one-month period ended September 30, 2008. The Trustees also noted that the Portfolio's expense ratio was above the Lipper average and median for its peer group.

The Trustees considered the estimated profitability analysis. They noted that Allianz Global Investors of America L.P. does not allocate corporate overhead to its subsidiaries, which might cause the profitability to be overstated somewhat compared to an analysis that included such overhead costs.

The Trustees considered the nature and quality of the services provided by the Investment Adviser and Sub-Advisers to the Portfolios. In that connection, the Trustees considered that for those accounts that are not registered investment companies or that are sub-advised registered investment companies sponsored by other investment advisers, the Investment Adviser and Sub-Advisers do not devote the same level of services to manage and administer those assets and that certain of the other accounts managed by the Investment Adviser or the Sub-Advisers paid a lesser fee than the Portfolios on a gross basis. The Trustees also noted that the Investment Adviser is contractually obligated to waive that portion of the advisory fee and to assume any necessary expenses to limit total operating expenses of the Portfolios to 1.00% of the average daily net assets (net of custody credits earned on cash balances at the custodian bank) on an annual basis.

The Trustees also took into account so-called "fallout benefits" to the Investment Adviser and Sub-Advisers such as reputational value derived from serving as investment adviser and sub-adviser, respectively, to the Portfolios and the fact that the Investment Adviser and Sub-Advisers may receive certain legally permissible services, including research, from brokers who execute portfolio transactions for the Trust.

After reviewing these and related factors, the Trustees concluded, within the context of their overall conclusions regarding the Agreements that they were satisfied with the Investment Adviser's and the Sub-Adviser's responses and efforts relating to investment performance.

**Premier VIT
BOARD OF TRUSTEES
(unaudited)**

**Name, Date of Birth, Position(s) Held with the Trust,
Length of Service, Other Trusteeships/
Directorships Held by Trustee; Number of
Portfolios in Fund Complex/Outside Fund
Complexes Currently Overseen by Trustee**

Principal Occupation(s) During Past 5 Years:

The address of each trustee is 1345 Avenue of the Americas, New York, NY 10105.

Hans W. Kertess

Date of Birth: 7/12/39

Chairman of the Board of Trustees since: 2009

Trustee since: 2009

Trustee/Director of 47 funds in Fund Complex;

*Trustee/Director of no funds outside of Fund
Complex*

President, H. Kertess & Co., a financial advisory company; Formerly,
Managing Director, Royal Bank of Canada Capital Markets.

Paul Belica

Date of Birth: 9/27/21

Trustee since: 2009

Trustee/Director of 47 funds in Fund Complex

*Trustee/Director of no funds outside of Fund
Complex*

Retired. Formerly Director, Student Loan Finance Corp., Education
Loans, Inc., Goal Funding, Inc., Goal Funding II, Inc. and Surety
Loan Fund, Inc.; formerly, Manager of Stratigos Fund LLC, Whistler
Fund LLC, Xanthus Fund LLC & Wynstone Fund LLC.

Robert E. Connor

Date of Birth: 9/17/34

Trustee since: 2009

Trustee/Director of 47 funds in Fund Complex

*Trustee/Director of no funds outside of Fund
Complex*

Retired. Formerly, Senior Vice President, Corporate Office, Smith
Barney Inc.

William B. Ogden, IV

Date of Birth: 1/11/45

Trustee since: 2009

Trustee/Director of 47 funds in Fund Complex;

*Trustee/Director of no funds outside of Fund
Complex*

Asset Management Industry Consultant; Formerly, Managing
Director, Investment Banking Division of Citigroup Global
Markets Inc.

R. Peter Sullivan III

Date of Birth: 9/4/41

Trustee since: 2009

Trustee/Director of 47 funds in Fund Complex

*Trustee/Director of no funds outside of Fund
Complex*

Retired. Formerly, Managing Partner, Bear Wagner Specialists LLC,
specialist firm on the New York Stock Exchange.

Diana L. Taylor

Date of Birth: 2/16/55

Trustee since 2009

Trustee/Director of 43 funds in Fund Complex

*Trustee/Director of Brookfield Properties
Corporation and Sotheby's*

Managing Director, Wolfensohn & Co., 2007-present;
Superintendent Of Banks, State of New York, 2003-2007.

**Premier VIT
BOARD OF TRUSTEES
(unaudited) (continued)**

Name, Date of Birth, Position(s) Held with the Trust, Length of Service, Other Trusteeships/ Directorships Held by Trustee; Number of Portfolios in Fund Complex/Outside Fund Complexes Currently Overseen by Trustee	Principal Occupation(s) During Past 5 Years:
<p>John C. Maney[†] <i>Date of Birth: 8/3/59</i> <i>Trustee since 2009</i> <i>Trustee/Director of 81 funds in Fund Complex</i> <i>Trustee/Director of no funds outside the Fund Complex</i></p>	<p>Management Board of Allianz Global Investors Fund Management LLC; Management Board and Managing Director of Allianz Global Investors of America L.P. since January 2005 and also Chief Operating Officer of Allianz Global Investors of America L.P. since November 2006; Formerly, Executive Vice President and Chief Financial Officer of Apria Healthcare Group, Inc. (1998-2001).</p>

[†] Mr. Maney is an “interested person” of the Trust due to his affiliation with Allianz Global Investors of America L.P. In addition to Mr. Maney’s positions set forth in the table above, he holds the following positions with affiliated persons: Managing Director, Chief Operating Officer and Chief Financial Officer, Allianz Global Investors of America L.P. and Allianz Global Investors of America Holdings Inc.; Chief Financial Officer of Allianz Global Investors Managed Accounts LLC and Allianz Global Investors NY Holdings LLC; Managing Director and Chief Financial Officer of Allianz Hedge Fund Partners Holding L.P. and Allianz-Pac Life Partner LLC; Chief Financial Officer of Allianz Global Investors Advertising Agency Inc.; Managing Director and Chief Financial Officer of Allianz Global Investors U.S. Retail LLC and Allianz Hedge Fund Partners Holding L.P.; Chief Financial Officer of Allianz Hedge Fund Partners L.P.; Chief Financial Officer of Allianz Hedge Fund Partners Inc., Alpha Vision LLC, Alpha Vision Capital Management LLC, NFJ Investment Group L.P., NFJ Management Inc., Nicholas-Applegate Capital Management LLC, Nicholas-Applegate Holdings LLC, Nicholas-Applegate Securities LLC, OpCap Advisors LLC, Oppenheimer Capital LLC, Pacific Investment Management Company LLC, PIMCO Australia Pty Ltd, PIMCO Canada Holding LLC, PIMCO Canada Management Inc., PIMCO Canada Corp., PIMCO Europe Limited, PIMCO Global Advisors LLC, PIMCO Global Advisors (Resources) Limited and StocksPLUS Management, Inc.; and Executive Vice President and Chief Financial Officer of PIMCO Japan Ltd.

Further information about Trust’s Trustees is available in the Trust’s Statement of Additional Information, dated May 1, 2008, which can be obtained upon request, without charge, by calling the Trust at (800) 628-1237.

**Premier VIT
OFFICERS
(unaudited)**

Name, Date of Birth, Position(s) Held with the Trust.	Principal Occupation(s) During Past 5 Years:
Brian S. Shlissel <i>Date of Birth: 11/14/64</i> <i>President & Chief Executive Officer since: 2002</i> <i>Trustee: 2004-2009</i>	Executive Vice President, Director of Fund Administration, Allianz Global Investors Fund Management LLC; President and Chief Executive Officer of 35 funds in the Fund Complex; Treasurer; Principal Financial and Accounting Officer of 46 funds in the Fund Complex and The Korea Fund, Inc.
Lawrence G. Altadonna <i>Date of Birth: 3/10/66</i> <i>Treasurer, Principal Financial & Accounting Officer since: 2002</i>	Senior Vice President, Allianz Global Investors Fund Management LLC; Treasurer, Principal Financial and Accounting officer of 35 funds in the Fund Complex; Assistant Treasurer of 46 funds in the Fund Complex and The Korea Fund, Inc.
Thomas J. Fuccillo <i>Date of Birth: 3/22/68</i> <i>Vice President, Secretary & Chief Legal Officer since: 2004</i>	Executive Vice President, Senior Counsel, Allianz Global Investors of America L.P.; Executive Vice President and Chief Legal Officer, Allianz Global Investors Fund Management LLC and Allianz Global Investors Solutions LLC; Vice President, Secretary and Chief Legal Officer of 81 funds in the Fund Complex; Secretary and Chief Legal Officer of the Korea Fund, Inc.; Formerly, Vice President and Associate General Counsel, Neuberger Berman, LLC (1991-2004).
Scott Whisten <i>Date of Birth: 3/13/71</i> <i>Assistant Treasurer since: 2007</i>	Vice President, Allianz Global Investors Fund Management LLC; Assistant Treasurer of 81 funds in the Fund Complex. Formerly, Accounting Manager, Prudential Investments (2002-2005).
Richard J. Cochran <i>Date of Birth: 1/23/61</i> <i>Assistant Treasurer since: 2008</i>	Vice President, Allianz Global Investors Fund Management LLC, Assistant Treasurer of 81 funds in the Funds Complex. Formerly, Tax Manager, Teacher Insurance Annuity Association/College Retirement Equity Fund (2002-2008).
Youse E. Guia <i>Date of Birth: 9/3/72</i> <i>Chief Compliance Officer since: 2004</i>	Senior Vice President, Group Compliance Manager, Allianz Global Investors of America L.P., Chief Compliance Officer of 81 funds in the Fund Complex and The Korea Fund, Inc. Formerly, Vice President, Group Compliance Manager, Allianz Global Investors of America L.P. (2002-2004).
William V. Healey <i>Date of Birth: 7/28/53</i> <i>Assistant Secretary since: 2006</i>	Executive Vice President and Chief Legal Officer, Allianz Global Investors of America L.P., Executive Vice President, Chief Legal Officer and Secretary, Allianz Global Investors Fund Management LLC, Allianz Global Investors Distributors LLC, Allianz Global Investors Advertising Agency Inc., Allianz Global Investors Managed Accounts LLC, Allianz Global Investors U.S. Retail LLC and OpCap Advisors LLC. Assistant Secretary of 81 funds in the Fund Complex; formerly, Chief Legal Officer, Vice President and Associate General Counsel of The Prudential Insurance Company of America (1998-2005).

**Premier VIT
OFFICERS
(unaudited) (continued)**

Name, Date of Birth, Position(s) Held with the Trust.	Principal Occupation(s) During Past 5 Years:
Richard H. Kirk <i>Date of Birth: 4/6/61</i> <i>Assistant Secretary since: 2006</i>	Senior Vice President, Allianz Global Investors of America L.P. (since 2004). Senior Vice President, Associate General Counsel, Allianz Global Investors Distributors LLC. Assistant Secretary of 81 funds in the Fund Complex; formerly, Vice President, Counsel, The Prudential Insurance Company of America/American Skandia (2002-2004).
Kathleen A. Chapman <i>Date of Birth: 11/11/54</i> <i>Assistant Secretary since: 2006</i>	Assistant Secretary of 81 funds in the Fund Complex; Manager IIG Advisory Law, Morgan Stanley (2004-2005); The Prudential Insurance Company of America and Assistant Corporate Secretary of affiliated American Skandia companies (1996-2004).
Lagan Srivastava <i>Date of Birth: 9/20/77</i> <i>Assistant Secretary since: 2006</i>	Assistant Secretary of 81 funds in the Fund Complex and The Korea Fund, Inc. formerly Research Assistant, Dechert LLP (2004-2005); Research Assistant, Swidler Berlin Shereff Friedman LLP (2002-2004).

Officers hold office at the pleasure of the Board and until their successors are appointed and qualified or until their earlier resignation or removal.

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Premier VIT
1345 Avenue of the Americas
New York, NY 10105

Trustees and Officers

Hans W. Kertess	Trustee, Chairman of the Board of Trustees
Paul Belica	Trustee
Robert E. Connor	Trustee
John C. Maney	Trustee
William B. Ogden, IV	Trustee
R. Peter Sullivan III	Trustee
Diana L. Taylor	Trustee
Brian S. Shlissel	President & Chief Executive Officer
Lawrence G. Altadonna	Treasurer, Principal Financial & Accounting Officer
Thomas J. Fuccillo	Vice President, Secretary & Chief Legal Officer
Scott Whisten	Assistant Treasurer
Richard J. Cochran	Assistant Treasurer
Youse E. Guia	Chief Compliance Officer
William V. Healey	Assistant Secretary
Richard H. Kirk	Assistant Secretary
Kathleen A. Chapman	Assistant Secretary
Lagan Srivastava	Assistant Secretary

Investment Manager

Allianz Global Investors Fund Management LLC
1345 Avenue of the Americas
New York, NY 10105

Sub-Adviser

Oppenheimer Capital LLC
1345 Avenue of the Americas
New York, NY 10105

Fixed Income Sub-Adviser

Pacific Investment Management Company LLC
840 Newport Center Drive
Newport Beach, CA 92660

Distributor

Allianz Global Investors Distributors LLC
1345 Avenue of the Americas
New York, NY 10105

Custodian & Accounting Agent

State Street Bank & Trust
225 Franklin Street
Boston, MA 02110

Transfer Agent

Boston Financial Data Services, Inc.
330 West 9th Street
Kansas City, MO 64105

Independent Registered Public Accounting Firm

PricewaterhouseCoopers LLP
300 Madison Avenue
New York, NY 10017

Legal Counsel

Ropes & Gray LLP
One International Place
Boston, MA 02110-2624

Investors should consider the investment objectives, risks, charges and expenses of the Portfolio carefully before investing. This and other information is contained in the Portfolio's prospectus. Please read the prospectus carefully before you invest or send money.