MassMutual Global Funding II

USD 12,000,000,000
GLOBAL DEBT ISSUANCE PROGRAM

This base prospectus supplement dated August 29, 2012 (this **“Supplement”**) is in addition to and must be read in conjunction with the base prospectus dated June 12, 2012 (collectively, the **“Base Prospectus”**) prepared by MassMutual Global Funding II (the **“Issuer”**) under the Issuer’s Global Debt Issuance Program (the **“Program”**). Capitalized terms used herein and not otherwise defined shall have the meanings of such terms set forth in the Base Prospectus.

This Supplement comprises a supplement in accordance with Article 16 of the Prospectus Directive 2003/71/EC. This Supplement has been approved by the Central Bank of Ireland, as competent authority under the Prospectus Directive 2003/71/EC. The Central Bank of Ireland only approves this Supplement as meeting the requirements imposed under Irish and EU law pursuant to the Prospectus Directive 2003/71/EC.

On August 10, 2012, Massachusetts Mutual Life Insurance Company (**“MassMutual”**) published its unconsolidated quarterly unaudited condensed statutory statements (including any notes thereto, the **“Second Quarter 2012 Condensed Statutory Financial Statements”**), the consolidated text of which is set out in Annex 1 to this document.

Except as disclosed in this Supplement, there has been no other significant new factor, material mistake or inaccuracy relating to the information included in the Base Prospectus since the publication of the Base Prospectus.

Where there is any inconsistency between this Supplement and the Base Prospectus, the language used in this Supplement shall prevail.

The Issuer accepts responsibility for the information contained in this Supplement. To the best of the knowledge and belief of the Issuer (which has taken all reasonable care to ensure that such is the case), the information contained in this Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information.

Base Prospectus Supplement dated August 29, 2012

Interim Update for the Six Months Ended June 30, 2012

The unaudited statement of income (loss) data and statement of financial position data of MassMutual for the six months ended June 30, 2012 and June 30, 2011, and as of June 30, 2012, respectively, presented below should be read in conjunction with, and is qualified in its entirety by reference to, the Audited Statutory Financial Statements, Notes to Statutory Financial Statements, "Management's Discussion and Analysis of Financial Condition and Results of Operations - Analysis of Results of Operations – For the Years Ended December 31, 2011, 2010 and 2009" and "Management's Discussion and Analysis of Financial Condition and Results of Operations - Statement of Financial Position at December 31, 2011 Compared to December 31, 2010," in each case, included in the Base Prospectus, and the Second Quarter 2012 Condensed Statutory Financial Statements of MassMutual as of and for the six months ended June 30, 2012, which are attached hereto as Annex 1.

Analysis of Results of Operations – For the Six Months Ended June 30, 2012 Compared to the Six Months Ended June 30, 2011

The following table sets forth the components of MassMutual's statutory net income for the periods presented:

	Six Months Ended June 30,		
	2012 (unaudited)	**2011** (unaudited)	**% Change**
	(In Millions)		
Revenue:			
Premium income	$ 9,923	$ 6,356	56%
Net investment income	2,378	2,264	5
Reserve adjustments on reinsurance ceded	34	29	17
Fees and other income	258	258	-
Total revenue	12,593	8,907	41
Benefits and expenses:			
Policyholders' benefits	5,270	4,978	6
Change in policyholders' reserves	5,424	2,027	168
General insurance expenses	673	613	10
Commissions	286	262	9
State taxes, licenses and fees	86	77	12
Total benefits and expenses	11,739	7,957	48
Net gain from operations before dividends and federal income taxes	854	950	(10)
Dividends to policyholders	626	581	8
Net gain from operations before federal income taxes	228	369	(38)
Federal income tax benefit	(164)	(56)	(193)
Net gain from operations	392	425	(8)
Net realized capital losses, after tax and transfers to interest maintenance reserve	(100)	(237)	58
Net income	**$ 292**	**$ 188**	**55%**

The $104 million increase in net income in 2012 is due to a decrease in net realized capital losses of $137 million, partially offset by a decrease in net gain from operations of $33 million. The major components of the decrease in net gain from operations include increases in the change in policyholders' reserves of $3.4 billion, policyholders' benefits of $292 million, general insurance expenses of $60 million and policyholders' dividends of $45 million, partially offset by increases in premium income of $3.6 billion and net investment income of $114 million, as well as an increase in federal income tax benefits of $108 million.

Selected premium income information is presented below:

	Six Months Ended June 30,		
	2012	**2011**	**% Change**
	(unaudited)	**(unaudited)**	
	(In Millions)		
Premium income:			
Whole life	$ 1,609	$ 1,505	7%
Universal, variable and group life	634	314	102
Annuities and supplemental contracts	857	847	1
Disability income	226	223	1
Defined benefit and contribution	6,318	3,398	86
Terminal funding	195	-	NM
Other	84	69	22
Total	**$ 9,923**	**$ 6,356**	**56%**

NM = not meaningful or in excess of 900%.

Premium income increased $3.6 billion, or 56%, in 2012 primarily due to increases in premium from defined benefit and contribution contracts of $2.9 billion, universal, variable and group life of $320 million, terminal funding of $195 million and whole life insurance of $104 million. The increase in premium for defined benefit and contribution contracts was mainly from higher sales for stable value options, mainly for investment only products. The increase in universal, variable and group life premium was driven by higher bank-owned life insurance (**"BOLI"**) and universal life sales. Terminal funding premium increased primarily due to the sale of a single large case. Whole life premium increased primarily due to higher sales and renewals, as well as increased paid-up additions due in part to the higher policyholders' dividend schedule in 2012.

Net investment income increased $114 million, or 5%, to $2.4 billion in 2012 from $2.3 billion in 2011. The change in net investment income was primarily due to an increase of $200 million from higher assets, partially offset by an $86 million decrease due to lower yields. MassMutual's overall net annualized portfolio yield was 5.6% and 5.8% for the six months ended June 30, 2012 and 2011, respectively.

Policyholders' benefits, which include supplementary contract payments, matured endowments, death, annuity, disability and surrender benefits, and interest and adjustments on contract or deposit-type contract funds, increased $292 million in 2012. The increase was primarily driven by higher redemptions of defined benefit and contribution contracts and higher death claims, partially offset by lower surrenders of whole life, BOLI and annuity products. The increased redemptions of defined benefit and contribution contracts were due to higher asset levels from business growth and slightly less favorable retention rates.

Change in policyholders' reserves, including transfers to and from separate accounts, increased $3.4 billion in 2012. The increase was primarily due to the growth in premium of $3.6 billion, partially offset by higher policyholders' benefits of $292 million and lower reserves for variable annuity product guarantees of $18 million.

General insurance expenses increased $60 million, or 10%, in 2012 primarily due to investments in technology and operational initiatives, higher sales allowances due to product growth, higher benefits costs and increased incentive compensation.

Federal income tax benefit increased $108 million to $164 million in 2012 from a $56 million benefit in 2011. The increase in tax benefit is mainly due to a $77 million benefit from a favorable court decision related to the timing of the deduction for certain policyholders' dividends, as well as lower statutory pretax income and increased utilization of tax credits, partially offset by lower incremental reserve releases for uncertain tax positions.

Net realized capital gains (losses), including other than temporary impairments (**"OTTI"**), were comprised of the following:

	Six Months Ended June 30,	
	2012	**2011**
	(unaudited)	**(unaudited)**
	(In Millions)	
Net realized capital gains (losses):		
Bonds	$ 27	$ 115
Preferred stocks	6	-
Common stocks - subsidiaries and affiliates	42	12
Common stocks - unaffiliated	3	22
Mortgage loans	14	(63)
Real estate	12	(1)
Partnerships and LLCs	(27)	(21)
Derivatives and other	96	(104)
Federal and state tax (expense) benefit	(59)	(32)
Net realized capital gains (losses) before deferral to the IMR	114	(72)
Net (gains) losses deferred to the IMR	(298)	(239)
Less taxes on net deferred (gains) losses	84	74
Net after tax (gains) losses deferred to the IMR	(214)	(165)
Total net realized capital losses	**$ (100)**	**$ (237)**

Net realized capital losses decreased $137 million for the six months ended June 30, 2012, primarily due to an increase in gains on derivatives of $200 million due to an increase in net gains on options and currency forwards and a decrease in losses on mortgage loans of $77 million, partially offset by a decrease in gains on bonds of $88 million, as well as an increase in gains deferred to the interest maintenance reserve (**"IMR"**) of $59 million.

Through June 30, 2012, MassMutual recognized $130 million of OTTI losses compared to $168 million through June 30, 2011. OTTI losses decreased $55 million from mortgage loans, $7 million from bonds and $3 million from common stocks, partially offset by a $27 million increase in OTTI from partnerships and LLCs. The decrease in the mortgage loan OTTI is related to stronger commercial mortgage loan markets. The book values of investments are written down when a decline in value is considered to be other than temporary. The method to evaluate declines in value uses quantitative and qualitative processes in order for available evidence concerning the declines to be evaluated in a disciplined manner.

Structured and loan-backed securities are evaluated for OTTI on a periodic basis using scenarios customized by collateral type. Cash flow estimates are based on various assumptions and inputs obtained from external industry sources along with internal analysis and actual experience. Assumptions are based on the specifics of each security including collateral type, loan type, vintage and position in the structure and include such factors as prepayment speeds, default rates and loss severity, weighted average maturity and changes in the collateral values.

If MassMutual has the intent to sell or the inability or lack of intent to retain the investment in a loan-backed or structured security for a period sufficient to recover the amortized cost basis, an OTTI is recognized in earnings as a realized loss equal to the entire difference between the investment's amortized cost basis and its fair value at the balance sheet date. Otherwise, if the present value of cash flows expected to be collected is less than the amortized cost basis of the security, an OTTI is recognized in earnings as a realized loss equal to the difference between the investment's amortized cost basis and the present value of cash flows expected to be collected, discounted at the loan-backed or structured security's effective interest rate.

Residential mortgage-backed exposure

Residential mortgage-backed securities (**"RMBS"**) are included in the U.S. government, special revenue and industrial and miscellaneous bond categories. The Alt-A category includes option adjustable rate mortgages and the subprime category includes "scratch and dent" or reperforming pools, high loan-to-value pools, and pools where the borrowers have very impaired credit but the average loan-to-value is low, typically 70% or below. In identifying Alt-A and subprime exposure, management used a combination of qualitative and quantitative factors, including FICO scores and loan-to-value ratios.

For the past several years, market conditions for Alt-A and subprime investments have been unusually weak due to higher delinquencies, reduced home prices and reduced refinancing opportunities. This market turbulence has spread to other credit markets. It is unclear how long it will take for a return to conditions in effect prior to that time.

The downturn in housing prices caused a decline in the credit performance of RMBS with unprecedented borrower defaults. Market pricing was affected both by the deterioration in fundamentals as well as by the reduced liquidity and higher risk premium demanded by investors. Housing prices moved sideways for several years but recently have shown signs of forming a solid bottom. Liquidation rates and foreclosure resolutions remain low but MassMutual is starting to see 'cash buyers' come in to buy homes as they sense the bottom is at hand. Liquidity for securities was weak for most of 2011 but 2012 has seen increased liquidity and trading activity as market participants focus on relative value and the scarcity of paper due to a lack of new issuance. Liquidity has improved most for higher quality bonds with predictable cash flows while there is still a dearth of liquidity for the most distressed securities.

The actual cost reduced by paydowns, carrying value, fair value and related gross realized losses from OTTI of MassMutual's investments with significant Alt-A and subprime exposure were as follows:

	June 30, 2012			Six Months Ended June 30, 2012
	Actual Cost	**Carrying Value**	**Fair Value**	**OTTI**
		(In Millions)		
Alt-A:				
Residential mortgage-backed securities	$ 2,045	$ 1,416	$ 1,219	$ (53)
Subprime:				
Residential mortgage-backed securities	816	607	543	(4)
Collateralized debt obligations	3	-	-	-
Total subprime	**819**	**607**	**543**	**(4)**
Total Alt-A and subprime	**$ 2,864**	**$ 2,023**	**$ 1,762**	**$ (57)**

	December 31, 2011			Year Ended December 31, 2011
	Actual Cost	Carrying Value	Fair Value	OTTI
	(In Millions)			
Alt-A:				
Residential mortgage-backed securities	$ 2,176	$ 1,550	$ 1,190	$ (119)
Subprime:				
Residential mortgage-backed securities	934	707	618	(11)
Collateralized debt obligations	3	-	-	-
Total subprime	**937**	**707**	**618**	**(11)**
Total Alt-A and subprime	**$ 3,113**	**$ 2,257**	**$ 1,808**	**$ (130)**

Exposure summary

MassMutual's judgment regarding OTTI and estimated fair value depends upon evolving conditions that can alter the anticipated cash flows realized by investors and is also affected by the illiquid credit market environment, which makes it difficult to obtain readily determinable prices for RMBS and other investments, including commercial mortgage backed securities (**"CMBS"**) and leveraged loans. Further deterioration in economic fundamentals could affect management judgments regarding OTTI. In addition, deterioration in market conditions may affect carrying values assigned by management. These factors could negatively impact MassMutual's results of operations, surplus and disclosed fair values.

Additionally, MassMutual is required to compare the fair values of impaired RMBS calculated with internal models to the fair values of the same impaired RMBS calculated by external modelers. If the internal values compare favorably to the external values, MassMutual is allowed to reclassify the RMBS to a higher National Association of Insurance Commissioners (**"NAIC"**) rating category. Likewise, if the comparison to the external values is not favorable, MassMutual reclassifies the RMBS to a lower NAIC rating category. The majority of MassMutual's internal values compared favorably to the external values, thereby resulting in lower capital requirements.

Derivative financial instruments

MassMutual uses derivative financial instruments in the normal course of business to manage risks, primarily to reduce currency, interest rate and duration imbalances determined in asset/liability analyses. MassMutual also uses a combination of derivatives and fixed income investments to create synthetic investment positions. These combined investments are created opportunistically when they are economically more attractive than the actual instrument or when the simulated instruments are unavailable. Synthetic assets can be created either to hedge and reduce MassMutual's credit exposure or to create an investment in a particular asset. MassMutual held synthetic assets, which increased its credit exposure by a net notional amount of $2,131 million as of June 30, 2012 and $2,224 million as of December 31, 2011. Of this amount, $152 million as of June 30, 2012 and $190 million as of December 31, 2011, were considered replicated asset transactions as defined under statutory accounting principles as the pairing of a long derivative contract with a cash instrument held. MassMutual's derivative strategy employs a variety of derivative financial instruments, including interest rate swaps, currency swaps, equity and credit default swaps, options, interest rate caps and floors, forward contracts and financial futures. Investment risk is assessed on a portfolio basis and individual derivative financial instruments are not generally designated in hedging relationships; therefore, as allowed by accounting rules, MassMutual intentionally has not applied hedge accounting.

MassMutual's principal derivative market risk exposures are interest rate risk, which includes the impact of inflation, and credit risk. Interest rate risk pertains to the change in fair value of the derivative instruments as market interest rates move. MassMutual is exposed to credit-related losses in the event of nonperformance by counterparties to derivative financial instruments. In order to minimize credit risk, MassMutual and its derivative counterparties require collateral to be posted in the amount owed under each transaction, subject to threshold and minimum transfer amounts that are functions of the rating on the counterparty's long-term, unsecured, unsubordinated debt. Additionally, in many instances, MassMutual enters into agreements with counterparties that allow for contracts in a positive position, where MassMutual is due amounts, to be offset by contracts in a negative position. This right of offset, combined with collateral obtained from counterparties, reduces MassMutual's exposure. Collateral pledged by the counterparties was $2,941 million as of June 30, 2012 and $2,795 million as of December 31, 2011. In the event of default, the full market value exposure at risk in a net gain position, net of offsets and collateral, was $45 million as of June 30, 2012 and $95 million as of December 31, 2011. The amount at risk using the NAIC prescribed rules was $78 million as of June 30, 2012 and $121 million as of December 31, 2011. MassMutual regularly monitors counterparty credit ratings and exposures, derivative positions and valuations and the value of collateral posted to ensure counterparties are credit-worthy and the concentration of exposure is minimized. MassMutual monitors this exposure as part of its management of overall credit exposures.

If amounts are due from the counterparty, they are reported as an asset. If amounts are due to the counterparty, they are reported as a liability. Negative values in the carrying value of a particular derivative category can result from counterparty's right to offset carrying value positions in other derivative categories.

Credit default swaps involve a transfer of the credit risk of fixed income instruments from one party to another in exchange for periodic premium payments. The buyer of the credit default swap receives credit protection, whereas the seller of the swap guarantees the credit worthiness of the underlying security. A credit default swap transfers the risk of default from the buyer of the swap to the seller. If a specified credit event occurs, as defined by the agreement, the seller is obligated to pay the counterparty the contractually agreed upon amount and receives in return the underlying security in an amount equal to the notional value of the credit default swap. A credit event is generally defined as default on contractually obligated interest or principal payments or bankruptcy.

MassMutual does not sell credit default swaps as a participant in the credit insurance market. MassMutual does however use credit default swaps as part of its investment management process. MassMutual buys credit default swaps as an efficient means to reduce credit exposure to particular issuers or sectors in its investment portfolio. MassMutual sells credit default swaps in order to create synthetic investment positions that enhance the return on its investment portfolio by providing comparable exposure to fixed income securities that might not be available in the primary market.

MassMutual had credit default swaps with a net fair value of $27 million, which had a corresponding absolute notional value of $1,292 million as of June 30, 2012 and a net fair value of $36 million, which had a corresponding absolute notional value of $1,310 million as of December 31, 2011. A net unrealized loss on the mark-to-market of open contracts of $13 million and a net realized gain on closed contracts of $2 million were recorded for the six months ended June 30, 2012. A net unrealized loss on the mark-to-market of open contracts of $2 million and a net realized gain on closed contracts of $2 million were recorded for the six months ended June 30, 2011.

Analysis of Financial Condition – at June 30, 2012 Compared to at December 31, 2011

The following table sets forth MassMutual's significant assets, liabilities and surplus for the dates presented:

	June 30, 2012 (unaudited)	December 31, 2011	% Change
	(In Millions)		
Assets:			
Bonds	$ 54,692	$ 53,464	2%
Preferred stocks	336	323	4
Common stocks - subsidiaries and affiliates	5,260	4,982	6
Common stocks - unaffiliated	702	576	22
Mortgage loans	13,653	12,398	10
Policy loans	9,744	9,478	3
Real estate	1,086	1,192	(9)
Partnerships and limited liability companies	6,079	5,642	8
Derivatives and other invested assets	3,394	3,334	2
Cash, cash equivalents and short-term investments	2,514	1,631	54
Total invested assets	97,460	93,020	5
Investment income due and accrued	575	501	15
Federal income taxes	113	-	NM
Deferred income taxes	862	1,058	(19)
Other than invested assets	827	857	(4)
Total assets excluding separate accounts	99,837	95,436	5
Separate account assets	47,417	41,532	14
Total assets	**$ 147,254**	**$ 136,968**	**8%**
Liabilities and surplus:			
Policyholders' reserves	$ 70,523	$ 68,536	3%
Liabilities for deposit-type contracts	5,090	4,588	11
Contract claims and other benefits	321	320	-
Policyholders' dividends	1,352	1,335	1
General expenses due or accrued	874	901	(3)
Federal income taxes	-	91	(100)
Asset valuation reserve	1,757	1,683	4
Securities sold under agreements to repurchase	3,983	3,580	11
Commercial paper	250	250	-
Derivative collateral	1,688	1,546	9
Other liabilities	1,535	1,196	28
Total liabilities, excluding separate accounts	87,373	84,026	4
Separate account liabilities	47,409	41,525	14
Total liabilities	**134,782**	**125,551**	**7**
Surplus	12,472	11,417	9
Total liabilities and surplus	**$ 147,254**	**$ 136,968**	**8%**

NM = not meaningful or in excess of 900%.

Assets

Total assets increased $10.3 billion, or 8%, in 2012, comprised of increases in separate account assets of $5.9 billion, mortgage loans of $1.3 billion, bonds of $1.2 billion, cash, cash equivalents and short-term investments of $883 million, partnerships and LLCs of $437 million, common stocks of $404 million and policy loans of $266 million.

Bonds increased $1.2 billion, or 2%, to $54.7 billion as of June 30, 2012 from $53.5 billion as of December 31, 2011, primarily due to $1.1 billion of net acquisitions and $195 million of net discount accretion. These increases were partially offset by $81 million of bond OTTI, which includes $58 million from impaired RMBS and $11 million of unrealized losses primarily attributable to foreign currency translation adjustments.

Unrealized gains and losses on bonds do not generally impact surplus because bonds are carried primarily at amortized cost. The total net unrealized gain on bonds as of June 30, 2012 was $5.4 billion, including $6.2 billion of unrealized gains and $810 million of unrealized losses. The total net unrealized gain on bonds as of December 31, 2011 was $4.4 billion, including $5.5 billion of unrealized gains and $1.1 billion of unrealized losses. Unrealized gains as of June 30, 2012 are primarily from bonds categorized as industrial and miscellaneous, as well as U.S. government and agencies. The net unrealized gain position on bonds increased as a result of a decrease in interest rates and credit spreads since December 31, 2011.

Unrealized losses in both years were primarily related to RMBS, leveraged loans and corporate bonds. The losses were attributable to current market conditions and changes in interest rates. Deterioration of underlying collateral, downgrades of credit ratings or other factors may lead to further declines in value.

The following is an analysis of the fair values and gross unrealized losses aggregated by bond category and length of time that the securities were in a continuous unrealized loss position as of June 30, 2012 and December 31, 2011.

	June 30, 2012					
	Less Than 12 Months			12 Months or Longer		
	Fair Value	Unrealized Losses	Number of Issuers	Fair Value	Unrealized Losses	Number of Issuers
	(In Millions)					
States, territories and possessions	$ -	$ -	-	$ 34	$ 1	1
Special revenue	28	2	89	-	-	-
Industrial and miscellaneous	3,571	100	443	3,679	524	765
Parent, subsidiaries and affiliates	1,447	30	20	780	176	23
Total	**$ 5,046**	**$ 132**	**552**	**$ 4,493**	**$ 701**	**789**

Note: The unrealized losses include $23 million of losses embedded in the carrying value, which include $17 million from NAIC Category 6 bonds and $6 million from RMBS and CMBS whose ratings were obtained from outside modelers.

	December 31, 2011					
	Less Than 12 Months			12 Months or Longer		
	Fair Value	Unrealized Losses	Number of Issuers	Fair Value	Unrealized Losses	Number of Issuers
	(In Millions)					
States, territories and possessions	$ 67	$ 1	6	$ 32	$ 2	1
Special revenue	28	1	79	-	-	-
Industrial and miscellaneous	4,524	199	629	3,573	750	756
Parent, subsidiaries and affiliates	2,010	74	25	500	151	18
Total	**$ 6,629**	**$ 275**	**739**	**$ 4,105**	**$ 903**	**775**

Note: The unrealized losses include $31 million of losses embedded in the carrying value, which include $25 million from NAIC Category 6 bonds and $6 million from RMBS and CMBS whose ratings were obtained from outside modelers.

Common stocks increased $404 million, or 7%, primarily due to $552 million of market value increases, including a $501 million increase in the value of MassMutual Holding, LLC (**"MMHLLC"**), partially offset by $148 million of net dispositions that included $45 million of realized gains.

Mortgage loans increased $1.3 billion, or 10%, in 2012 primarily due to $1.3 billion of net acquisitions and an $18 million net decrease in reserves, partially offset by $9 million of OTTI. MassMutual does not originate any residential mortgages but invests in seasoned residential mortgage loan pools which are predominantly Federal Housing Administration insured or Veterans Administration guaranteed, though the pools may contain mortgages of subprime credit quality. MassMutual had residential mortgage loan pools with a carrying value of $2.2 billion as of June 30, 2012 and December 31, 2011.

Real estate decreased $106 million, or 9%, to $1.1 billion as of June 30, 2012 from $1.2 billion as of December 31, 2011, primarily due to $49 million of depreciation, $44 million of net sales and a $35 million increase in encumbrances, partially offset by $21 million of capital improvements.

Partnerships and LLCs increased $437 million, or 8%, in 2012 primarily due to contributions of $705 million and earnings of $291 million, partially offset by a $255 million return of capital, $162 million of income distributions and $148 million of sales and liquidations.

Derivatives and other invested assets increased $60 million, or 2%, to $3.4 billion as of June 30, 2012 from $3.3 billion as of December 31, 2011, primarily due to increases in pending security settlements of $68 million, partially offset by a decrease in derivatives of $8 million. The decrease in derivatives consisted of a $161 million lower balance of unrealized gains on options due to their sale during the second quarter as a result of duration balancing, as well as a $25 million decrease in values of forwards primarily related to the fluctuations in currency rates, partially offset by a $182 million increase in values of interest rate swaps primarily related to a decrease in interest rates.

Cash, cash equivalents and short-term investments increased $883 million, or 54%, in 2012. The increase was primarily due to net cash provided by operations of $2.1 billion and net cash from financing and other sources of $1.4 billion, partially offset by net purchases of investments of $2.6 billion.

Separate account assets increased $5.9 billion, or 14%, to $47.4 billion in 2012 primarily due to positive net cash flows of $3.4 billion and market appreciation of $2.4 billion.

Liabilities

Total liabilities increased $9.2 billion, or 7%, in 2012 primarily due to increases in separate account liabilities of $5.9 billion, policyholders' reserves of $2.0 billion, liabilities for deposit-type contracts of $502 million, securities sold under agreements to repurchase of $403 million, other liabilities of $339 million and derivative collateral of $142 million.

Policyholders' reserves increased $2.0 billion, or 3%, in 2012, reflecting increases in universal, variable and group life reserves of $834 million, whole life reserves of $636 million and annuity reserves of $431 million. The increase mainly reflects net growth of the in force block and strong cash flows for MassMutual's protection and annuity products.

Liabilities for deposit–type contracts increased $502 million, or 11%, in 2012, reflecting the issuance of $500 million of medium-term notes backed by funding agreements.

Certain variable annuity contracts include additional death or other insurance benefit features, such as guaranteed minimum death benefits (**"GMDBs"**), guaranteed minimum income benefits (**"GMIBs"**), guaranteed minimum accumulation benefits (**"GMABs"**) and guaranteed minimum withdrawal benefits (**"GMWBs"**). In general, these benefit guarantees require the contract or policyholder to adhere to a company-approved asset allocation strategy. Election of these benefits on annuity contracts is generally only available at contract issue. The reserves for variable annuity products with guaranteed death and living benefits were $765 million and $805 million as of June 30, 2012 and December 31, 2011, respectively.

The following table summarizes the account values, net amount at risk and weighted average attained age for variable annuity contracts with GMDB, GMIB, GMAB and GMWB classified as policyholders' reserves and separate account liabilities. The net amount at risk is defined as the minimum guarantee less the account value calculated on a policy-by-policy basis, but not less than zero.

	June 30, 2012			**December 31, 2011**		
	Account Value	**Net Amount at Risk**	**Weighted Average Attained Age**	**Account Value**	**Net Amount at Risk**	**Weighted Average Attained Age**
	(In Millions)					
GMDB........	$ 9,448	$ 123	62	$ 9,039	$ 224	62
GMIB	4,127	712	63	4,010	822	62
GMAB........	1,721	31	57	1,555	53	57
GMWB.......	202	15	66	195	17	66

The asset valuation reserve (**"AVR"**) increased $74 million, or 4%, to $1.8 billion as of June 30, 2012. The increase was primarily due to net unrealized capital gains of $442 million and reserve contributions of $72 million, partially offset by a $400 million reduction to the maximum reserve and net realized capital losses of $40 million. The AVR is a formula driven reserve whose purpose is to reduce the surplus volatility of after-tax credit-related realized and unrealized gains and losses. It is calculated based on statement values by asset type, credit quality and reserve factors. The reserve can range from zero to a maximum allowable reserve. Any amounts calculated in excess of the maximum reserve will not be included. Any losses that exceed their related component of AVR will not be absorbed. Changes in statement values, credit quality and capital gains or losses will affect the reserve balance.

Securities sold under agreements to repurchase increased $403 million, or 11%, to $4.0 billion as of June 30, 2012 from $3.6 billion as of December 31, 2011. This increase is primarily due to recently purchased U.S. Treasury bonds associated with the medium-term note issuance. Proceeds from securities sold under agreements to repurchase are used in overall portfolio management to help ensure MassMutual has the assets needed to provide yield, spread and duration to support liabilities and other corporate needs. MassMutual increases and decreases securities sold under agreement to repurchase in response to changing market conditions and changing liability needs.

Derivatives collateral liability increased $142 million, or 9%, to $1.7 billion as of June 30, 2012 from $1.5 billion as of December 31, 2011. This increase is consistent with the move in the derivative asset values. In addition, securities, which were held as collateral by a trustee off the balance sheet, increased by $35 million to $1.9 billion as of June 30, 2012. The derivative collateral liability is a function of contractual requirements. When certain threshold exposure levels and transfer amount levels are reached, MassMutual requires additional collateral or returns excess collateral held.

Surplus

Surplus increased $1.1 billion in 2012 to $12.5 billion as of June 30, 2012. The following table shows the change in surplus:

	June 30, 2012
	(In Millions)
Beginning surplus	$ 11,417
Net income	292
Change in net unrealized capital gains, net of tax	636
Change in net unrealized foreign exchange capital losses, net of tax	(28)
Change in other net deferred income taxes	(157)
Change in nonadmitted assets	13
Change in AVR	(74)
Change in surplus notes	399
Prior period adjustments	(26)
Net increase	1,055
Ending surplus	**$ 12,472**

The increase in net unrealized capital gains of $608 million was primarily due to an increase in the value of MMHLLC of $501 million as well as $151 million of undistributed gains from partnerships and LLCs. On January 17, 2012, MassMutual issued $400 million of surplus notes with a 30-year maturity and 5.375% coupon rate.

MassMutual's total adjusted capital, as defined by the NAIC, increased to $14.0 billion as of June 30, 2012 compared to $13.2 billion as of December 31, 2011.

The following table sets forth the calculation of total adjusted capital:

	June 30, 2012	December 31, 2011
	(In Millions)	
Surplus [1]	$ 12,472	$ 11,417
AVR [2]	1,811	1,731
One-half of the apportioned dividend liability [2]	671	663
Foreign insurance subsidiaries deduction	(918)	(564)
Total adjusted capital [3]	**$ 14,036**	**$ 13,247**

[1] Surplus includes $250 million of surplus notes maturing in 2023, $100 million of surplus notes maturing in 2024, $250 million of surplus notes maturing in 2033 and $750 million of surplus notes maturing in 2039. Surplus in 2012 also includes $400 million of surplus notes maturing in 2041.

[2] Consolidated for MassMutual, C.M. Life Insurance Company and MML Bay State Life Insurance Company.

[3] Defined by the NAIC as surplus plus consolidated AVR and one-half of the consolidated apportioned dividend liability and a deduction for applicable foreign insurance subsidiaries.

Description of the Notes

Tranches of Notes

For all purposes, each Series of Notes may be comprised of one (1) or more tranches issued on different issue dates within a six (6) month period. The ninety (90) day period originally provided in the base prospectus dated June 12, 2012 will no longer apply. The Notes of each Series will all be subject to identical terms, except that the issue date, the issue price and the amount of the first payment of interest may be different in respect of different tranches. The Notes of each tranche will all be subject to identical terms in all respects except that a tranche may comprise Notes of different denominations.

Annex 1

MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY

CONDENSED STATUTORY FINANCIAL STATEMENTS

As of June 30, 2012 and December 31, 2011 and for the six months ended
June 30, 2012 and 2011 and for the year ended December 31, 2011

MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY
CONDENSED STATUTORY FINANCIAL STATEMENTS
(UNAUDITED)

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MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY
CONDENSED STATUTORY STATEMENTS OF FINANCIAL POSITION
(UNAUDITED)

	June 30, 2012	December 31, 2011	$ Change	% Change
	($ In Millions)			
Assets:				
Bonds	$ 54,692	$ 53,464	$ 1,228	2%
Preferred stocks	336	323	13	4%
Common stocks - subsidiaries and affiliates	5,260	4,982	278	6%
Common stocks - unaffiliated	702	576	126	22%
Mortgage loans	13,653	12,398	1,255	10%
Policy loans	9,744	9,478	266	3%
Real estate	1,086	1,192	(106)	(9)%
Partnerships and limited liability companies	6,079	5,642	437	8%
Derivatives and other invested assets	3,394	3,334	60	2%
Cash, cash equivalents and short-term investments	2,514	1,631	883	54%
Total invested assets	97,460	93,020	4,440	5%
Investment income due and accrued	575	501	74	15%
Federal income taxes	113	-	113	NM
Deferred income taxes	862	1,058	(196)	(19)%
Other than invested assets	827	857	(30)	(4)%
Total assets excluding separate accounts	99,837	95,436	4,401	5%
Separate account assets	47,417	41,532	5,885	14%
Total assets	$ 147,254	$ 136,968	$ 10,286	8%
Liabilities and Surplus:				
Policyholders' reserves	$ 70,523	$ 68,536	$ 1,987	3%
Liabilities for deposit-type contracts	5,090	4,588	502	11%
Contract claims and other benefits	321	320	1	- %
Policyholders' dividends	1,352	1,335	17	1%
General expenses due or accrued	874	901	(27)	(3)%
Federal income taxes	-	91	(91)	(100)%
Asset valuation reserve	1,757	1,683	74	4%
Securities sold under agreements to repurchase	3,983	3,580	403	11%
Commercial paper	250	250	-	- %
Derivative collateral	1,688	1,546	142	9%
Other liabilities	1,535	1,196	339	28%
Total liabilities excluding separate accounts	87,373	84,026	3,347	4%
Separate account liabilities	47,409	41,525	5,884	14%
Total liabilities	134,782	125,551	9,231	7%
Surplus	12,472	11,417	1,055	9%
Total liabilities and surplus	$ 147,254	$ 136,968	$ 10,286	8%

NM = not meaningful

See notes to condensed statutory financial statements

MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY
CONDENSED STATUTORY STATEMENTS OF INCOME
(UNAUDITED)

	Six Months Ended June 30, 2012	Six Months Ended June 30, 2011	$ Change	% Change
	($ In Millions)			
Revenue:				
Premium income	$ 9,923	$ 6,356	$ 3,567	56%
Net investment income	2,378	2,264	114	5%
Reserve adjustments on reinsurance ceded	34	29	5	17%
Fees and other income	258	258	-	- %
Total revenue	12,593	8,907	3,686	41%
Benefits and expenses:				
Policyholders' benefits	5,270	4,978	292	6%
Change in policyholders' reserves	5,424	2,027	3,397	168%
General insurance expenses	673	613	60	10%
Commissions	286	262	24	9%
State taxes, licenses and fees	86	77	9	12%
Total benefits and expenses	11,739	7,957	3,782	48%
Net gain from operations before dividends and federal income taxes	854	950	(96)	(10)%
Dividends to policyholders	626	581	45	8%
Net gain from operations before federal income taxes	228	369	(141)	(38)%
Federal income tax benefit	(164)	(56)	(108)	(193)%
Net gain from operations	392	425	(33)	(8)%
Net realized capital losses after tax and transfers to interest maintenance reserve	(100)	(237)	137	58%
Net income	$ 292	$ 188	$ 104	55%

See notes to condensed statutory financial statements

MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY
CONDENSED STATUTORY STATEMENTS OF CHANGES IN SURPLUS
(UNAUDITED)

	Six Months Ended June 30, 2012	2011	$ Change	% Change
	($ In Millions)			
Surplus, beginning of year	$ 11,417	$ 10,352	$ 1,065	10%
Increase (decrease) due to:				
Net income	292	188	104	55%
Change in net unrealized capital gains, net of tax	636	411	225	55%
Change in net unrealized foreign exchange capital gains (losses), net of tax	(28)	28	(56)	(200)%
Change in special surplus funds - net deferred tax assets	-	(101)	101	100%
Change in other net deferred income taxes	(157)	26	(183)	(704)%
Change in nonadmitted assets	13	3	10	333%
Change in asset valuation reserve	(74)	23	(97)	(422)%
Change in surplus notes	399	-	399	NM
Prior period adjustments	(26)	-	(26)	NM
Other	-	(1)	1	100%
Net increase	1,055	577	478	83%
Surplus, end of period	$ 12,472	$ 10,929	$ 1,543	14%

NM = not meaningful

See notes to condensed statutory financial statements

MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY
CONDENSED STATUTORY STATEMENTS OF CASH FLOWS
(UNAUDITED)

	Six Months Ended June 30, 2012	Year Ended December 31, 2011
	(In Millions)	
Cash from operations:		
Premium and other income collected	$ 10,242	$ 14,046
Net investment income	2,287	4,503
Benefit payments	(5,220)	(9,963)
Net transfers to separate accounts	(3,455)	(997)
Commissions and other expenses	(1,034)	(2,164)
Dividends paid to policyholders	(609)	(1,208)
Federal and foreign income taxes recovered (paid)	(99)	88
Net cash from operations	2,112	4,305
Cash from investments:		
Proceeds from investments sold, matured or repaid:		
Bonds	9,135	18,638
Common stocks - unaffiliated	43	101
Mortgage loans	1,299	1,990
Real estate	56	115
Partnerships	412	1,031
Preferred and affiliated common stocks	452	204
Other	24	770
Total investment proceeds	11,421	22,849
Cost of investments acquired:		
Bonds	(10,153)	(21,216)
Common stocks - unaffiliated	(145)	(441)
Mortgage loans	(2,539)	(3,159)
Real estate	13	(245)
Partnerships	(728)	(1,327)
Preferred and affiliated common stocks	(162)	(736)
Other	(53)	31
Total investments acquired	(13,767)	(27,093)
Net increase in policy loans	(266)	(519)
Net cash used in investmenting activities	(2,612)	(4,763)
Cash from financing and other sources:		
Net deposits on deposit-type contracts	439	905
Cash provided from surplus notes	399	-
Net securities sold (bought) under agreements to repurchase	403	(303)
Change in derivative collateral	142	259
Other cash provided	-	89
Net cash from financing and other sources	1,383	950
Net change in cash, cash equivalents and short-term investments	883	492
Cash, cash equivalents and short-term investments, beginning of year	1,631	1,139
Cash, cash equivalents and short-term investments, end of period	$ 2,514	$ 1,631

See notes to condensed statutory financial statements

1. *Nature of operations*

These statutory financial statements include the accounts of Massachusetts Mutual Life Insurance Company (the Company), which is organized as a mutual life insurance company.

MassMutual Financial Group (MMFG) is a global, diversified financial services organization comprised of the Company and its subsidiaries. The Company and its subsidiaries provide life insurance, disability income insurance, long-term care insurance, annuities, retirement products, investment management, mutual funds and trust services to individual and institutional customers.

2. *Summary of significant accounting policies*

a. Basis of presentation

The condensed statutory financial statements and notes as of June 30, 2012, and for the six months ended June 30, 2012 and 2011 are unaudited. These condensed statutory financial statements reflect adjustments, consisting only of normal accruals, which are, in the opinion of management, necessary for the fair presentation of the financial position, results of operations and cash flows for the interim periods. These condensed statutory financial statements and notes should be read in conjunction with the statutory financial statements and notes thereto included in the Company's 2011 audited year-end financial statements as these condensed statutory financial statements disclose only significant changes from year end 2011. The results of operations for the interim periods should not be considered indicative of results to be expected for the full year. The Condensed Statutory Statements of Financial Position as of December 31, 2011 and the Condensed Statutory Statements of Cash Flows for the year ended December 31, 2011 have been derived from the audited financial statements at that date, but do not include all of the information and footnotes required by statutory accounting practices for complete financial statements.

The condensed statutory financial statements have been prepared in conformity with the statutory accounting practices of the National Association of Insurance Commissioners (NAIC) and the accounting practices prescribed or permitted by the Commonwealth of Massachusetts Division of Insurance (the Division).

Statutory accounting practices are different in some respects from financial statements prepared in accordance with United States of America (U.S.) generally accepted accounting principles (GAAP). The more significant differences between statutory accounting principles and U.S. GAAP are as follows: (a) bonds are generally carried at amortized cost, whereas U.S. GAAP generally reports bonds at fair value; (b) changes in the fair value of derivative financial instruments are recorded as changes in surplus, whereas U.S. GAAP generally reports these changes as revenue unless deemed an effective hedge; (c) embedded derivatives are recorded as part of the underlying contract, whereas U.S. GAAP would identify and bifurcate certain embedded derivatives from the underlying contract or security and account for them separately at fair value; (d) majority-owned noninsurance subsidiaries and variable interest entities where the Company is the primary beneficiary and certain other controlled entities are accounted for using the equity method, whereas U.S. GAAP would consolidate these entities; (e) changes in the balances of deferred income taxes, which provide for book versus tax temporary differences, are subject to limitation and are charged to surplus, whereas U.S. GAAP would generally include the change in deferred taxes in net income; (f) certain group annuity and variable universal life contracts, which do not pass-through all investment gains to contract holders, are maintained in the separate accounts and are presented on a single line in the statutory financial statements, whereas U.S. GAAP reports these contracts in the general investments of the Company; (g) assets are reported at admitted asset value and assets designated as nonadmitted are excluded through a charge against surplus, whereas U.S. GAAP recognizes all assets, subject to valuation allowances; (h) statutory policy reserves are based upon prescribed methods, such as the Commissioners' Reserve Valuation Method, Commissioners' Annuity Reserve Valuation Method or net level premium method, and prescribed statutory mortality, morbidity and interest assumptions, whereas U.S. GAAP reserves would generally be based upon the net level premium method or the estimated gross margin method with estimates of future mortality, morbidity, persistency and interest assumptions; (i) policyholder reserves are presented net of reinsurance ceded, unearned ceded premium and unpaid ceded claims whereas U.S. GAAP would report these reinsurance balances as an asset; (j) an asset valuation reserve (AVR) is reported as a contingency reserve to stabilize surplus against fluctuations in the statement value of common stocks, real estate investments, partnerships and limited liability companies (LLCs) as well as credit-related declines in the value of bonds, mortgage loans and certain derivatives to the extent AVR is greater than zero for the appropriate asset category, whereas U.S. GAAP does not record this reserve; (k) after-tax realized capital gains and losses that result from changes in the overall level of interest rates for all types of fixed-income investments and interest-related hedging activities are deferred into the interest maintenance reserve (IMR) and amortized into revenue, whereas U.S. GAAP reports these gains and losses as revenue; (l) changes to the mortgage loan valuation allowance are recognized in net unrealized capital gains (losses) in surplus, whereas U.S. GAAP reports these changes in net realized capital gains (losses); (m) a prepaid pension asset and/or a liability is recorded for the difference between the fair value of the pension and other postretirement plan assets and the accumulated benefit obligation (which excludes nonvested employees) with the change recorded in surplus, whereas for U.S. GAAP purposes, the over/underfunded status of a plan, which is the difference between the fair value of the plan assets and the projected benefit obligation, is recorded as an asset or liability with the change recorded through accumulated other comprehensive income; (n) surplus notes are reported in surplus, whereas U.S. GAAP would report these notes as liabilities; (o) payments received for universal and variable life insurance products, certain variable and fixed deferred annuities and group annuity contracts are reported as premium income and corresponding change in reserves, whereas U.S. GAAP would treat these payments as deposits to policyholders' account balances; (p) certain acquisition costs, such as commissions and other variable costs, directly related to acquiring new business are charged to current operations as incurred, whereas U.S. GAAP generally capitalizes these expenses and amortizes them based on profit emergence over the expected life of the policies or over the premium payment period; and (q) comprehensive income is not presented, whereas U.S. GAAP presents changes in unrealized capital gains and losses and foreign currency translations as other comprehensive income.

The preparation of financial statements requires management to make estimates and assumptions that impact the reported amounts of assets and liabilities, the disclosure of assets and liabilities as of the date of the condensed statutory financial statements and the reported amounts of revenues and expenses during the reporting periods. The most significant estimates include those used in determining the carrying values of investments including the amount of mortgage loan investment valuation reserves and other-than-temporary impairment(s) (OTTI), the value of the investment in MassMutual Holding LLC (MMHLLC), the liabilities for policyholders' reserves, the determination of deferred tax assets (DTAs), and the liability for taxes and litigation contingencies. Future events including, but not limited to, changes in the level of mortality, morbidity, interest rates, persistency, asset valuations and defaults could cause results to differ from the estimates used in the condensed statutory financial statements. Although some variability is inherent in these estimates, management believes the amounts presented are appropriate.

For the full description of accounting policies, see Note 2 "*Summary of significant accounting policies*" of Notes to Statutory Financial Statements included in the Company's 2011 audited year end financial statements.

b. Corrections of errors and reclassifications

Under statutory accounting principles, corrections of prior year errors are recorded in current year surplus on a pretax basis with any associated tax impact reported through earnings.

The following summarizes corrections of prior year errors for the six months ended June 30, 2012 and 2011, respectively:

	Increase (Decrease) to: Prior Year Income	Increase (Decrease) to: Current Year Surplus	Correction of Asset or Liability Balances
	(In Millions)		
Policyholders' reserves	$ (16)	$ (16)	$ 16
General insurance expenses	(11)	(11)	11
Partnership income	4	4	(4)
Other	(3)	(3)	3
Total	$ (26)	$ (26)	$ 26

	Increase (Decrease) to: Prior Year Income	Increase (Decrease) to: Current Year Surplus	Correction of Asset or Liability Balances
	(In Millions)		
Partnership income	$ (5)	$ (5)	$ 5
Policyholders' reserves	(1)	(1)	1
Other	6	6	(6)
Total	$ -	$ -	$ -

Certain prior year amounts within these financial statements have been reclassified to conform to the current year presentation.

3. New accounting standards

a. Adoption of new accounting standards

In March 2011, the NAIC issued revisions to Statement of Statutory Accounting Principles (SSAP) No. 100, “Fair Value Measurements,” which requires additional fair value disclosures. These additional disclosures include a disclosure of the fair value hierarchy of items that are disclosed with a fair value measurement but are not valued at fair value in the balance sheet. Also, for financial instruments carried at fair value, companies are required to disclose purchases, sales, issuances and settlements on a gross basis for fair value measurement categorized in Level 3 of the fair value hierarchy. These new requirements were effective January 1, 2012.

In November 2011, the NAIC issued SSAP No. 101, "Income Taxes, A Replacement of SSAP No. 10R and SSAP No. 10." This statement establishes statutory accounting principles for current and deferred federal and foreign income taxes and current state income taxes. This statement supersedes SSAP No. 10, "Income Taxes" and SSAP No. 10R, "Income Taxes, A Temporary Replacement of SSAP No. 10," which expired on December 31, 2011. SSAP No. 101, which was effective on January 1, 2012, has: 1) restricted the ability to use the 3 years/15 percent of surplus admission rule to those reporting entities that meet the modified Risk Based Capital (RBC) ratio (Ex-DTA RBC ratio) threshold, 2) changed the recognition threshold for recording tax contingency reserves from a probable liability standard to a more-likely-than-not liability standard, 3) required the disclosure of tax planning strategies that relate to reinsurance and, 4) required consideration of reversal patterns of DTAs and Deferred Tax Liabilities (DTLs) in determining the extent to which DTLs could offset DTAs on the balance sheet. There was no cumulative effect of adopting this standard.

b. Future adoption of new accounting standards

In March 2012, the NAIC issued SSAP No. 102 "Accounting for Pensions A Replacement of SSAP No. 89." This SSAP will require either an asset or liability to be recorded for the overfunding or underfunding of the projected benefit obligation. The calculation includes amounts for non-vested participants. The adoption of this SSAP is expected to create an additional pension "transition liability" of approximately $45 million. The Company may elect, on an individual plan basis, to phase in this transition liability over a period of 10 years. This new requirement is effective January 1, 2013.

In March 2012, the NAIC issued SSAP No. 92 "Accounting for Postretirement Benefits Other Than Pensions, A Replacement of SSAP No. 14." Under this SSAP, participants not yet eligible to retire will be included in the accumulated postretirement benefit obligation. The accumulated postretirement benefit obligation is already recorded on a GAAP basis on the books of MMHLLC, a subsidiary of the Company. The GAAP equity of this subsidiary is included in admitted assets of the Company for statutory purposes. Therefore, there is no impact from the adoption of this SSAP besides disclosure. This new requirement is effective January 1, 2013.

In March 2012, the NAIC issued SSAP No. 103, "Accounting for Transfers and Servicing of Financial Assets and Extinguishments of Liabilities." This SSAP will supersede SSAP No. 91R,"Accounting for Transfers and Servicing of Financial Assets and Extinguishments of Liabilities" and incorporates the U.S. GAAP guidance of the Financial Accounting Standards Board (FASB) Statement No. 166, "Accounting for Transfers and Servicing of Financial Assets, an amendment of FASB Statement No. 140," and Accounting Standards Update (ASU) No. 2011-03, "Transfers and Servicing (Topic 860), Reconsideration of Effective Control for Repurchase Agreements," with modifications to conform the guidance to statutory accounting concepts. These modifications are primarily related to concepts that are not applicable or consistent with statutory accounting (e.g., rejection of U.S. GAAP consideration for consolidated affiliates, references to GAAP standards, methods, references and guidance not adopted for/applicable to statutory accounting). The Company is required to adopt the guidance prospectively as of January 1, 2013. Early adoption is not permitted. Adoption of this guidance is not expected to have a significant impact on the Company's financial statements.

4. Investments

The Company maintains a diversified investment portfolio. Investment policies limit concentration in any asset class, geographic region, industry group, economic characteristic, investment quality or individual investment.

a. Bonds

The carrying value and fair value of bonds were as follows:

	June 30, 2012			
	Carrying Value	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
	(In Millions)			
U.S. government and agencies	$ 8,070	$ 1,878	$ -	$ 9,948
All other governments	122	38	-	160
States, territories and possessions	1,345	167	1	1,511
Special revenue	2,360	390	2	2,748
Industrial and miscellaneous	38,027	3,439	616	40,850
Parent, subsidiaries and affiliates	4,768	269	191	4,846
Total	$ 54,692	$ 6,181	$ 810	$ 60,063

Note: The unrealized losses exclude $23 million of losses embedded in the carrying value, which include $17 million from NAIC Category 6 bonds and $6 million from residential mortgage-backed securities (RMBS) and commercial mortgage-backed securities (CMBS) whose ratings were obtained from outside modelers.

	December 31, 2011			
	Carrying Value	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
	(In Millions)			
U.S. government and agencies	$ 9,177	$ 1,821	$ -	$ 10,998
All other governments	112	36	-	148
States, territories and possessions	1,281	131	3	1,409
Special revenue	2,341	349	1	2,689
Industrial and miscellaneous	35,558	2,950	930	37,578
Parent, subsidiaries and affiliates	4,995	248	213	5,030
Total	$ 53,464	$ 5,535	$ 1,147	$ 57,852

Note: The unrealized losses exclude $31 million of losses embedded in the carrying value, which include $25 million from NAIC Category 6 bonds and $6 million from RMBS and CMBS whose ratings were obtained from outside modelers.

Sales proceeds and related gross realized capital gains and losses from bonds were as follows:

	Six Months Ended June 30, 2012	2011
	(In Millions)	
Proceeds from sales	$ 3,224	$ 4,270
Gross realized capital gains from sales	121	222
Gross realized capital losses from sales	(13)	(19)

The following is an analysis of the fair values and gross unrealized losses aggregated by bond category and length of time that the securities were in a continuous unrealized loss position as of June 30, 2012 and December 31, 2011:

	June 30, 2012					
	Less Than 12 Months			12 Months or Longer		
	Fair Value	Unrealized Losses	Number of Issuers	Fair Value	Unrealized Losses	Number of Issuers
	($ In Millions)					
States, territories and possessions	$ -	$ -	-	$ 34	$ 1	1
Special revenue	28	2	89	-	-	-
Industrial and miscellaneous	3,571	100	443	3,679	524	765
Parent, subsidiaries and affiliates	1,447	30	20	780	176	23
Total	$ 5,046	$ 132	552	$ 4,493	$ 701	789

Note: The unrealized losses include $23 million of losses embedded in the carrying value, which include $17 million from NAIC Category 6 bonds and $6 million from RMBS and CMBS whose ratings were obtained from outside modelers.

	December 31, 2011					
	Less Than 12 Months			12 Months or Longer		
	Fair Value	Unrealized Losses	Number of Issuers	Fair Value	Unrealized Losses	Number of Issuers
	($ In Millions)					
States, territories and possessions	$ 67	$ 1	6	$ 32	$ 2	1
Special revenue	28	1	79	-	-	-
Public utilities	-	-	-	-	-	-
Industrial and miscellaneous	4,524	199	629	3,573	750	756
Credit tenant loans	-	-	-	-	-	-
Parent, subsidiaries and affiliates	2,010	74	25	500	151	18
Total	$ 6,629	$ 275	739	$ 4,105	$ 903	775

Note: The unrealized losses include $31 million of losses embedded in the carrying value, which include $25 million from NAIC Category 6 bonds and $6 million from RMBS and CMBS whose ratings were obtained from outside modelers.

Based on the Company's policies, as of June 30, 2012 and December 31, 2011, the Company has not deemed these unrealized losses to be other than temporary because the carrying value of the investments is expected to be realized based on the Company's analysis of fair value or, for loan-backed and structured securities, based on present value of cash flows, and the Company has the ability and intent not to sell these investments until recovery, which may be maturity.

As of June 30, 2012, investments in structured and loan-backed securities that had unrealized losses, which were not recognized in earnings, had a fair value of $3,739 million. Securities in an unrealized loss position for less than 12 months had a fair value of $1,148 million and unrealized losses of $36 million. Securities in an unrealized loss position for greater than 12 months had a fair value of $2,591 million and unrealized losses of $376 million. These securities were primarily categorized as industrial and miscellaneous and parent, subsidiaries and affiliates.

In the course of the Company's investment management activities, securities may be sold and reacquired within 30 days of the sale date to enhance the Company's yield on its investment portfolio. The Company did not sell any securities with the NAIC Designation 3 or below for the six months ended June 30, 2012 and year ended December 31, 2011 that were reacquired within 30 days of the sale date.

Residential mortgage-backed exposure

RMBS are included in the U.S. government, special revenue, and industrial and miscellaneous bond categories. The Alt-A category includes option adjustable rate mortgages and the subprime category includes 'scratch and dent' or reperforming pools, high loan-to-value pools, and pools where the borrowers have very impaired credit but the average loan-to-value is low, typically 70% or below. In identifying Alt-A and subprime exposure, management used a combination of qualitative and quantitative factors, including FICO scores and loan-to-value ratios.

For the past several years, market conditions for Alt-A and subprime investments have been unusually weak due to higher delinquencies, reduced home prices and reduced refinancing opportunities. This market turbulence has spread to other credit markets. It is unclear how long it will take for a return to conditions in effect prior to that time.

As of June 30, 2012 and December 31, 2011, RMBS had a total carrying value of $3,549 million and $3,886 million and a fair value of $3,502 million and $3,648 million, of which approximately 35% and 33%, based on fair value, was classified as Alt-A, respectively. As of June 30, 2012 and December 31, 2011, Alt-A and subprime RMBS had a total carrying value of $2,023 million and $2,257 million and a fair value of $1,762 million and $1,808 million, respectively.

b. Common stocks - subsidiaries and affiliates

Common stocks of unconsolidated subsidiaries, primarily MMHLLC, are accounted for using the statutory equity method. The Company accounts for the value of its investment in its subsidiary, MMHLLC, at its underlying U.S. GAAP net equity adjusted to remove certain nonadmitted and intangible assets, as well as a portion of its noncontrolling interests (NCI) and appropriated retained earnings (ARE), after consideration of MMHLLC's fair value and the Company's capital levels. The Division has affirmed the statutory recognition of the Company's application of the NCI and ARE guidelines in MMHLLC's statutory carrying value. However, the Company has limited this recognition to $2,042 million and $2,015 million, respectively, as of June 30, 2012 and December 31, 2011. The current fair value of MMHLLC remains significantly greater than its statutory carrying amount.

The Company received $25 million of cash dividends from MMHLLC through the six months ended June 30, 2012 and 2011.

On April 16, 2010, a lawsuit was filed in New York state court against OppenheimerFunds Inc. (OFI), its subsidiary HarbourView Asset Management Corporation (HVAMC) and AAArdvark IV Funding Limited (AAArdvark IV) in connection with the investment made by TSL (USA) Inc., an affiliate of National Australia Bank Limited, in AAArdvark IV. The complaint alleges breach of contract, breach of the covenant of good faith and fair dealing, gross negligence, unjust enrichment and conversion. The complaint seeks compensatory and punitive damages, along with attorney fees. The court has dismissed certain equitable claims against OFI and HVAMC, leaving only the claims for breach of contract. Plaintiffs filed an amended complaint with additional contractual claims. In October 2011, defendants moved to dismiss the complaint to the extent it seeks damages in the form of a return of the plaintiffs' full principal investment. In December 2011, plaintiffs filed a motion for partial summary judgment. In January 2012, the court granted in part defendant's motion to dismiss and denied plaintiff's motion for partial summary judgment. In April 2012, plaintiffs filed a motion for leave to file a third amended complaint, which would add a fraud claim and additional allegations in support of plaintiffs' contract claims. OFI believes it has substantial defenses to the remaining claims and will continue to vigorously defend itself in these actions. No reasonable estimate can be made at this time regarding the potential liability, if any, or the amount or range of any loss that may result from these claims.

On July 15, 2011, a lawsuit was filed in New York State Supreme Court against OFI, HVAMC and AAArdvark I Funding Limited (AAArdvark I), in connection with investments made by TSL (USA) Inc. and other investors in AAArdvark I. The complaint alleges breach of contract against each of the defendants and seeks compensatory damages and costs and disbursements, including attorney fees. In October 2011, defendants moved to dismiss the complaint to the extent it seeks damages in the form of a return of the plaintiffs' full principal investment. In January 2012, the court granted in part defendant's motion to dismiss. OFI believes it has substantial defenses to the remaining claims and will continue to vigorously defend itself in these actions. No reasonable estimate can be made at this time regarding the potential liability, if any, or the amount or range of any loss that may result from these claims.

On November 9, 2011, a lawsuit was filed in New York State Supreme Court against OFI, HVAMC and AAArdvark XS Funding Limited (AAArdvark XS) in connection with the investment made by Scaldis Capital Limited, predecessor in interest to plaintiff Royal Park Investments SA/NV, in AAArdvark XS. The complaint alleges breach of contract against the defendants and seeks compensatory damages and an award of attorney fees and litigation expenses. OFI believes it has substantial defenses and will vigorously defend itself in these actions. No reasonable estimate can be made at this time regarding the potential liability, if any, or the amount or range of any loss that may result from these claims.

Beyond these matters, MMHLLC's subsidiaries are involved in litigation and investigations arising in the ordinary course of the subsidiaries' businesses. Although the Company is not aware of any actions or allegations that reasonably should give rise to a material adverse impact to the Company's financial position or liquidity, because of the uncertainties involved with some of these matters, future revisions to the estimates of the potential liability could materially affect the Company's financial position.

c. Mortgage loans

Mortgage loans are comprised of commercial mortgage loans and residential mortgage loan pools. The carrying value of mortgage loans was $13,653 million, net of valuation allowances of $28 million as of June 30, 2012. The carrying value of mortgage loans was $12,398 million, net of valuation allowances of $46 million as of December 31, 2011.

The Company's commercial mortgage loans primarily finance various types of commercial real estate properties throughout the U.S. and Canada. The Company holds commercial mortgage loans for which it is the primary lender and mezzanine loans for which the Company is a secondary lender, often for a commercial property in development. Residential mortgage loan pools are seasoned pools of homogeneous residential mortgage loans substantially backed by Federal Housing Administration (FHA) and Veterans Administration (VA) guarantees.

The carrying value and fair value of the Company's mortgage loans were as follows:

	June 30, 2012		December 31, 2011	
	Carrying Value	Fair Value	Carrying Value	Fair Value
	(In Millions)			
Commercial mortgage loans				
Primary lender	$ 11,446	$ 11,509	$ 10,199	$ 10,220
Mezzanine loans	33	32	41	44
Total commercial mortgage loans	11,479	11,541	10,240	10,264
Residential mortgage loans				
FHA insured and VA guaranteed	2,157	2,164	2,139	2,126
Other residential loans	17	17	19	19
Total residential mortgage loans	2,174	2,181	2,158	2,145
Total mortgage loans	$ 13,653	$ 13,722	$ 12,398	$ 12,409

The following presents a summary of the Company's mortgage loans on which a valuation allowance has been recorded:

	June 30, 2012				
	Carrying Value	Average Carrying Value	Unpaid Principal Balance	Valuation Allowance	Interest Income
	(In Millions)				
Commercial mortgage loans					
Primary lender	$ 53	$ 53	$ 68	$ (15)	$ 2
Mezzanine loans	6	3	19	(13)	-
Total	$ 59	$ 56	$ 87	$ (28)	$ 2

	December 31, 2011				
	Carrying Value	Average Carrying Value	Unpaid Principal Balance	Valuation Allowance	Interest Income
	(In Millions)				
Commercial mortgage loans					
Primary lender	$ 84	$ 93	$ 103	$ (19)	$ 7
Mezzanine loans	1	3	29	(27)	-
Total	$ 85	$ 96	$ 132	$ (46)	$ 7

The following presents changes in the valuation allowance recorded for the Company's mortgage loans:

	Six Months Ended June 30,					
	2012			2011		
	Commercial					
	Primary Lender	Mezzanine	Total	Primary Lender	Mezzanine	Total
	(In Millions)					
Beginning balance	$ (19)	$ (27)	$ (46)	$ (71)	$ (59)	$ (130)
Additions	-	-	-	(3)	(7)	(10)
Decreases	4	5	9	32	17	49
Write-downs	-	9	9	21	25	46
Ending balance	$ (15)	$ (13)	$ (28)	$ (21)	$ (24)	$ (45)

d. Net investment income

Net investment income was derived from the following sources:

	Six Months Ended June 30,	
	2012	2011
	(In Millions)	
Bonds	$ 1,420	$ 1,357
Preferred stocks	7	5
Common stocks - subsidiaries and affiliates	27	27
Common stocks - unaffiliated	15	2
Mortgage loans	356	319
Policy loans	334	320
Real estate	101	85
Partnerships and LLCs	176	237
Derivatives	106	60
Cash, cash equivalents and short-term investments	3	3
Other	2	2
Subtotal investment income	2,547	2,417
Amortization of the IMR	68	60
Investment expenses	(237)	(213)
Net investment income	$ 2,378	$ 2,264

e. Net realized capital gains and losses

Net realized capital gains (losses) including OTTI were comprised of the following:

	Six Months Ended June 30, 2012	Six Months Ended June 30, 2011
	(In Millions)	
Bonds	$ 27	$ 115
Preferred stocks	6	-
Common stocks - subsidiaries and affiliates	42	12
Common stocks - unaffiliated	3	22
Mortgage loans	14	(63)
Real estate	12	(1)
Partnerships and LLCs	(27)	(21)
Derivatives and other	96	(104)
	173	(40)
Federal and state taxes	(59)	(32)
Net realized capital gains (losses) before deferral to the IMR	114	(72)
Net gains deferred to the IMR	(298)	(239)
Taxes	84	74
Net after tax gains deferred to the IMR	(214)	(165)
Net realized capital losses	$ (100)	$ (237)

The IMR balance was a liability of $675 million as of June 30, 2012 and $546 million as of December 31, 2011.

OTTI which are included in the net realized capital gains (losses) above consisted of the following:

	Six Months Ended June 30, 2012	Six Months Ended June 30, 2011
	(In Millions)	
Bonds	$ (81)	$ (88)
Common stock	-	(3)
Mortgage loans	(9)	(64)
Partnerships and LLCs	(40)	(13)
Total OTTI	$ (130)	$ (168)

For the six months ended June 30, 2012 and 2011, the Company recognized $58 million and $81 million, respectively, of OTTI on structured and loan backed securities primarily due to the present value of expected cash flows being less than the amortized cost.

f. Derivative financial instruments

The Company uses derivative financial instruments in the normal course of business to manage risks, primarily to reduce currency, interest rate and duration imbalances determined in asset/liability analyses. The Company also uses a combination of derivatives and fixed income investments to create synthetic investment positions. These combined investments are created opportunistically when they are economically more attractive than the actual instrument or when the simulated instruments are unavailable. Synthetic assets can be created either to hedge and reduce the Company's credit exposure or to create an investment in a particular asset. The Company held synthetic assets that increased the Company's credit exposure by a net notional amount of $2,131 million as of June 30, 2012 and $2,224 million as of December 31, 2011. Of this amount, $152 million as of June 30, 2012 and $190 million as of December 31, 2011, were considered replicated asset transactions as defined under statutory accounting principles as the pairing of a long derivative contract with a cash instrument held. The Company's derivative strategy employs a variety of derivative financial instruments, including interest rate swaps, currency swaps, equity and credit default swaps, options, interest rate caps and floors, forward contracts and financial futures. Investment risk is assessed on a portfolio basis and individual derivative financial instruments are not generally designated in hedging relationships; therefore, as allowed by accounting rules, the Company intentionally has not applied hedge accounting.

The Company's principal derivative market risk exposures are interest rate risk, which includes the impact of inflation, and credit risk. Interest rate risk pertains to the change in fair value of the derivative instruments as market interest rates move. The Company is exposed to credit-related losses in the event of nonperformance by counterparties to derivative financial instruments. To minimize credit risk, the Company and its derivative counterparties require collateral to be posted in the amount owed under each transaction, subject to threshold and minimum transfer amounts that are functions of the rating on the counterparty's long-term, unsecured, unsubordinated debt. Additionally, in many instances, the Company enters agreements with counterparties that allow for contracts in a positive position, in which the Company is due amounts, to be offset by contracts in a negative position. This right of offset, combined with collateral obtained from counterparties, reduces the Company's exposure. Collateral pledged by the counterparties was $2,941 million as of June 30, 2012 and $2,795 million as of December 31, 2011. In the event of default the full market value exposure at risk in a net gain position, net of offsets and collateral, was $45 million as of June 30, 2012 and $95 million as of December 31, 2011. The amount at risk using NAIC prescribed rules was $78 million as of June 30, 2012 and $121 million as of December 31, 2011. The Company regularly monitors counterparty credit ratings and exposures, derivative positions and valuations and the value of collateral posted to ensure counterparties are credit-worthy and the concentration of exposure is minimized. The Company monitors this exposure as part of its management of the Company's overall credit exposures.

If amounts are due from the counterparty, they are reported as an asset. If amounts are due to the counterparty, they are reported as a liability. Negative values in the carrying value of a particular derivative category can result from a counterparty's right to offset carrying value positions in other derivative categories.

The following summarizes the carrying values and notional amounts of the Company's derivative financial instruments:

	June 30, 2012			
	Assets		Liabilities	
	Carrying Value	Notional Amount	Carrying Value	Notional Amount
	(In Millions)			
Interest rate swaps	$ 2,789	$ 99,582	$ 109	$ 8,568
Options	341	6,983	(6)	43
Currency swaps	145	929	53	669
Credit default swaps	27	1,257	-	35
Forward contracts	23	2,942	1	1,041
Financial futures - long positions	-	2,025	-	-
Financial futures - short positions	-	575	-	-
Total	$ 3,325	$ 114,293	$ 157	$ 10,356

	December 31, 2011			
	Assets		Liabilities	
	Carrying Value	Notional Amount	Carrying Value	Notional Amount
	(In Millions)			
Interest rate swaps	$ 2,606	$ 96,739	$ 147	$ 8,264
Options	501	5,467	(47)	300
Currency swaps	138	901	80	813
Credit default swaps	37	1,275	(1)	35
Forward contracts	48	3,940	(1)	63
Financial futures - long positions	-	1,661	-	-
Financial futures - short positions	-	1,276	-	-
Total	$ 3,330	$ 111,259	$ 178	$ 9,475

In most cases, the notional amounts are not a measure of the Company's credit exposure. The exceptions to this rule are mortgage-backed forwards and credit default swaps that sell protection. In the event of default, the Company is fully exposed to the notional amounts of $2,131 million as of June 30, 2012 and $2,224 million as of December 31, 2011. Collateral is exchanged for all derivative types except mortgage-backed forwards. For all other contracts, the amounts exchanged are calculated on the basis of the notional amounts and the other terms of the instruments, which relate to interest rates, exchange rates, security prices, financial or other indices.

The following summarizes the Company's net realized gains (losses) on closed contracts and change in net unrealized gains (losses) on the open contracts by derivative type:

	Six Months Ended June 30, 2012		2011	
	Net Realized Gains (Losses) Closed Contracts	Change In Net Unrealized Gains (Losses) Open Contracts	Net Realized Gains (Losses) Closed Contracts	Change In Net Unrealized Gains (Losses) Open Contracts
	(In Millions)			
Interest rate swaps	$ (20)	$ 220	$ (19)	$ 24
Options	37	(261)	(63)	(38)
Currency swaps	(20)	34	(3)	(40)
Credit default swaps	2	(13)	2	(2)
Forward contracts	114	(25)	(21)	(47)
Financial futures - short positions	(145)	-	(71)	-
Financial futures - long positions	128	-	71	-
Total	$ 96	$ (45)	$ (104)	$ (103)

5. *Fair value of financial instruments*

The following presents a summary of the carrying values and fair values of the Company's financial instruments:

	June 30, 2012					December 31, 2011	
	Carrying Value	Fair Value	Level 1	Level 2	Level 3	Carrying Value	Fair Value
	(In Millions)					(In Millions)	
Financial assets:							
Bonds							
U. S. government and agencies	$ 8,070	$ 9,947	$ -	$9,932	$ 15	$ 9,177	$ 10,998
All other governments	122	161	-	131	30	112	148
States, territories and possessions	1,345	1,511	-	1,506	5	1,281	1,409
Special revenue	2,360	2,748	-	2,747	1	2,341	2,689
Industrial and miscellaneous	38,027	40,849	-	26,762	14,087	35,558	37,578
Parent, subsidiaries and affiliates	4,768	4,846	-	1,450	3,396	4,995	5,030
Preferred stocks	336	346	-	75	271	323	310
Common stock - unaffiliated	702	702	486	59	157	576	576
Common stock - affiliated (1)	389	389	-	215	174	639	639
Mortgage loans - commerical	11,479	11,540	-	-	11,540	10,240	10,264
Mortgage loans - residential	2,174	2,181	-	-	2,181	2,158	2,145
Cash, cash equivalents and short-term investments	2,514	2,514	444	2,070	-	1,631	1,631
Separate account assets	47,417	47,417	33,447	13,452	518	41,532	41,532
Derivatives							
Forward contracts	23	23	-	23	-	48	48
Interest rate swaps	2,789	2,789	-	2,789	-	2,606	2,606
Currency swaps	145	145	-	145	-	138	138
Credit default swaps	27	27	-	27	-	37	37
Options	341	341	-	341	-	501	501
Financial liabilities:							
Commercial paper	250	250	-	250	-	250	250
Securities sold under agreements to repurchase	3,983	3,983	-	3,983	-	3,580	3,580
Funding agreements	3,831	3,942	-	-	3,942	3,344	3,457
Investment-type insurance contracts							
Group annuity investment contracts	7,234	8,274	-	-	8,274	7,315	7,915
Individual annuity investment contracts	5,082	5,677	-	-	5,677	4,803	5,228
Supplementary investment contracts	1,007	1,008	-	-	1,008	990	991
Derivatives							
Forward contracts	1	1	-	1	-	(1)	(1)
Interest rate swaps	109	109	-	109	-	147	147
Currency swaps	53	53	-	53	-	80	80
Credit default swaps	-	-	-	-	-	(1)	(1)
Options	(6)	(6)	-	(6)	-	(47)	(47)

(1) *Common stock - affiliated does not include MMHLLC which had a statutory carrying value of $3,914 million as of June 30, 2012 and $3,413 million as of December 31, 2011. Also excluded is C.M. Life which had a statutory carrying value of $957 million as of June 30, 2012 and $930 million as of December 31, 2011.*

The use of different assumptions or valuation methods may have a material impact on the estimated fair value amounts.

The weighted average fair value of outstanding derivative financial instrument assets for the six months ended June 30, 2012 was $2,972 million and $2,410 million for the six months ended June 30, 2011. The weighted average fair value of outstanding derivative financial instrument liabilities for the six months ended June 30, 2012 was $178 million and $172 million for the six months ended June 30, 2011.

Fair value hierarchy

For the six months ended June 30, 2012, there were no significant changes to the Company's valuation techniques.

The following presents the Company's fair value hierarchy for assets and liabilities carried at fair value:

	June 30, 2012				
	Level 1	Level 2	Level 3	Netting [(1)]	Total
	(In Millions)				
Financial assets:					
Bonds					
Industrial and miscellaneous	$ -	$ 7	$ 8	$ -	$ 15
Common stock - unaffiliated	486	59	157	-	702
Common stock - affiliated [(2)]	-	215	174	-	389
Cash equivalents and short-term investments [(3)]	-	2,070	-	-	2,070
Separate account assets	33,447	13,452	518	-	47,417
Derivatives					
Forward contracts	-	33	-	(10)	23
Interest rate swaps	-	9,297	-	(6,508)	2,789
Currency swaps	-	173	-	(28)	145
Credit default swaps	-	36	-	(9)	27
Options	-	383	-	(42)	341
Total financial assets carried at fair value	$ 33,933	$ 25,725	$ 857	$ (6,597)	$ 53,918
Financial liabilities:					
Securities sold under agreements to repurchase	$ -	$ 3,983	$ -	$ -	$ 3,983
Derivatives					
Forward contracts	-	11	-	(10)	1
Interest rate swaps	-	6,617	-	(6,508)	109
Currency swaps	-	81	-	(28)	53
Credit default swaps	-	8	-	(8)	-
Options	-	37	-	(43)	(6)
Total financial liabilities carried at fair value	$ -	$ 10,737	$ -	$ (6,597)	$ 4,140

[(1)] *Netting adjustments represent offsetting positions that may exist under a master netting agreement with a counterparty where amounts due from the counterparty are offset against amounts due to the counterparty.*

[(2)] *Common stock – affiliated does not include MMHLLC which had a statutory carrying value of $3,914 million and C.M. Life which had a statutory carrying value of $957 million.*

[(3)] *Does not include cash of $444 million.*

For the six months ended June 30, 2012 there were no transfers between Level 1 and Level 2. Any necessary transfers would have occurred at the beginning of the period.

	December 31, 2011				
	Level 1	Level 2	Level 3	Netting (1)	Total
	(In Millions)				
Financial assets:					
Bonds					
Industrial and miscellaneous	$ -	$ 22	$ 16	$ -	$ 38
Common stock - unaffiliated	350	60	166	-	576
Common stock - affiliated (2)	-	334	305	-	639
Cash equivalents and					-
short-term investments (3)	-	1,342	-	-	1,342
Separate account assets (4)	31,767	9,118	396	-	41,281
Derivatives					
Forward contracts	-	69	-	(21)	48
Interest rate swaps	-	8,274	-	(5,668)	2,606
Currency swaps	-	168	-	(30)	138
Asset and credit default swaps	-	46	-	(9)	37
Options	-	584	-	(83)	501
Total financial assets carried at fair value	$ 32,117	$ 20,017	$ 883	$ (5,811)	$ 47,206
Financial liabilities:					
Derivatives					
Forward contracts	$ -	$ 20	$ -	$ (21)	$ (1)
Interest rate swaps	-	5,815	-	(5,668)	147
Currency swaps	-	110	-	(30)	80
Asset and credit default swaps	-	8	-	(9)	(1)
Options	-	36	-	(83)	(47)
Total financial liabilities carried at fair value	$ -	$ 5,989	$ -	$ (5,811)	$ 178

(1) *Netting adjustments represent offsetting positions that may exist under a master netting agreement with a counterparty where amounts due from the counterparty are offset against amounts due to the counterparty.*

(2) *Common stock – affiliated does not include MMHLLC which had a statutory carrying value of $3,413 million and C.M. Life which had a statutory carrying value of $930 million.*

(3) *Does not include cash of $289 million.*

(4) *$251 million of market value separate account assets are not carried at fair value and, therefore, are not included in this table.*

The following presents changes in the Company's Level 3 assets carried at fair value:

	Six Months Ended June 30, 2012				
	Bonds Industrial and Miscellaneous	Common Stock Unaffiliated	Common Stock Affiliated	Separate Account Assets	Total Level 3 Financial Assets Carried at Fair Value
	(In Millions)				
Balance as of 12/31/11	$ 16	$ 166	$ 305	$ 396	$ 883
Gains (losses) in net income	(1)	1	26	-	26
Gains (losses) in surplus	-	(7)	(3)	-	(10)
Purchases	-	-	150	27	177
Issuances	-	-	-	-	-
Sales	-	(1)	(304)	(9)	(314)
Settlements	(7)	(2)	-	(1)	(10)
Transfers into Level 3 [(1)]	-	-	-	90	90
Transfers out of Level 3 [(1)]	-	-	-	-	-
Other transfers	-	-	-	-	-
Other [(2)]	-	-	-	15	15
Balance as of 6/30/2012	$ 8	$ 157	$ 174	$ 518	$ 857

(1) *These rows identify assets that are consistently carried at fair value but have had a level change. Generally transfers out of Level 3 occur when quoted prices are received in markets that have not been active, and therefore the assets are moved to Level 2. The separate account assets transferred into Level 3 were tranferred from Level 2 due to a change in the pricing source.*

(2) *"Other" identifies changes in investment performance related to separate account assets which are fully offset by corresponding amounts credited to contract holders within separate account liabilities. Such changes in estimated fair value are not recorded in net income but are recorded to policyholders' reserves.*

	Year Ended December 31, 2011					
	Bonds					Total Level 3 Financial Assets Carried at Fair Value
	Industrial and Miscellaneous	Parent, Subsidiaries and Affiliates	Common Stock Unaffiliated	Common Stock Affiliated	Separate Account Assets	
	(In Millions)					
Balance as of 12/31/2010	$ 36	$ 20	$ 155	$ 69	$ 405	$ 685
Gains (losses) in net income	(7)	-	10	10	-	13
Gains (losses) in net surplus	(4)	-	(13)	(17)	-	(34)
Purchases	-	-	52	295	31	378
Issuances	23	-	147	1	-	171
Sales	-	-	(6)	(48)	(137)	(191)
Settlements	(38)	-	(154)	-	-	(192)
Transfers into Level 3 (1)	-	-	-	-	-	-
Transfers out of Level 3 (1)	-	-	(25)	(5)	-	(30)
Other transfers (2)	6	(20)	-	-	-	(14)
Other (3)	-	-	-	-	97	97
Balance as of 12/31/2011	$ 16	$ -	$ 166	$ 305	$ 396	$ 883

(1) *These rows identify assets that are consistently carried at fair value but have had a level change. Generally transfers out of Level 3 occur when quoted prices are received in markets that have not been active, and therefore the assets are moved to Level 2. The separate account assets transferred into Level 3 were tranferred from Level 2 due to a change in the pricing source.*

(2) *This row identifies assets and liabilities that are either no longer carried at fair value, or have just begun to be carried at fair value, such as assets or liabilities with no level changes but change in lower of cost or market carrying basis.*

(3) *"Other" identifies changes in investment performance related to separate account assets which are fully offset by corresponding amounts credited to contract holders within separate account liabilities. Such changes in estimated fair value are not recorded in net income but are recorded to policyholders' reserves.*

6. *Fixed assets*

No significant changes.

7. *Deferred and uncollected life insurance premium*

No significant changes.

8. Surplus notes

The following summarizes the surplus notes issued and outstanding as of June 30, 2012:

Issue Year	Face Amount	Carrying Value	Interest Rate	Maturity Date
	($ In Millions)			
1993	$ 250	$ 250	7.625%	2023
1994	100	100	7.500%	2024
2003	250	249	5.625%	2033
2009	750	741	8.875%	2039
2012	400	399	5.375%	2041
Total	$ 1,750	$ 1,739		

These notes are unsecured and subordinate to all present and future indebtedness of the Company, all policy claims and all prior claims against the Company as provided by the Massachusetts General Laws. The surplus notes are all held by bank custodians for unaffiliated investors. All issuances were approved by the Division. Surplus notes are included in surplus on the Condensed Statutory Statements of Financial Position.

All payments of interest and principal are subject to the prior approval of the Division. Anticipated sinking fund payments are due for the notes issued in 1993 and 1994 as follows: $62 million in 2021, $88 million in 2022, $150 million in 2023 and $50 million in 2024. There are no sinking fund requirements for the notes issued in 2003, 2009 or 2012. Scheduled interest on the notes issued in 2003 and 1993 is payable on May 15 and November 15 of each year to holders of record on the preceding May 1 or November 1, respectively. Scheduled interest on the note issued in 1994 is payable on March 1 and September 1 of each year to holders of record on the preceding February 15 or August 15, respectively. Scheduled interest on the notes issued in 2009 and 2012 is payable on June 1 and December 1 of each year to holders of record on the preceding May 15 and November 15, respectively. Interest expense is not recorded until approval for payment is received from the Division. Through June 30, 2012, the unapproved interest was $14 million. As of June 30, 2012, the Company has paid cumulative interest of $822 million on surplus notes. Interest of $62 million was approved and paid during the six month period ended June 30, 2012.

9. Related party transactions

No significant changes.

10. Reinsurance

The Company enters into reinsurance agreements with affiliated and unaffiliated insurers in the normal course of business in order to limit its insurance risk. Such transfers do not relieve the Company of its primary liability and as such, failure of reinsurers to honor their obligations could result in losses. The Company reduces this risk by evaluating the financial condition of reinsurers and monitoring for possible concentrations of credit risk. The amounts reinsured are on a yearly renewable term (YRT), coinsurance or modified coinsurance basis.

In 2012, the Company recaptured YRT life reinsurance treaties from several different reinsurers, and two new agreements were executed which include policies or contracts that were in force and had existing reserves established by the Company. The recaptures and new agreements reduced premiums paid to reinsurers by $10 million and reinsurance reserves ceded by $44 million.

Reinsurance amounts included in premium income in the Condensed Statutory Statements of Income were as follows:

	Six Months Ended June 30, 2012	Six Months Ended June 30, 2011
	(In Millions)	
Direct premium	$ 10,220	$ 6,650
Premium assumed	45	50
Premium ceded	(342)	(344)
Total net premium	$ 9,923	$ 6,356

Reinsurance amounts included in the Condensed Statutory Statements of Financial Position were as follows:

	June 30, 2012	December 31, 2011
	(In Millions)	
Reinsurance reserves		
Assumed	$ 772	$ 760
Ceded	(2,577)	(2,477)

11. *Policyholders' liabilities*

a. Liabilities for deposit-type contracts

Funding agreements are investment contracts sold to domestic and international institutional investors. The terms of the funding agreements do not give the holder the right to terminate the contract prior to the contractually stated maturity date. Consistent with past years, no funding agreements have been issued with put provisions or ratings-sensitive triggers. Currency swaps are employed to eliminate foreign exchange risk from all funding agreements issued to back non-U.S. dollar denominated notes. Assets received for funding agreements may be invested in the general account of the Company.

Under most of the Company's funding agreement programs, the Company creates an investment vehicle or trust for the purpose of issuing medium-term notes to investors. Proceeds from the sale of the medium-term notes issued by these unconsolidated affiliates are used to purchase funding agreements from the Company. The payment terms of any particular series of notes are matched by the payment terms of the funding agreement securing the series.

In 2012, the Company issued a $500 million funding agreement-backed medium term note with a 5-year maturity and a 2% fixed coupon rate.

b. Additional liability for annuity contracts

Certain variable annuity contracts include additional death or other insurance benefit features, such as guaranteed minimum death benefits (GMDBs), guaranteed minimum income benefits (GMIBs), guaranteed minimum accumulation benefits (GMABs) and guaranteed minimum withdrawal benefits (GMWBs). In general, these benefit guarantees require the contract or policyholder to adhere to a company-approved asset allocation strategy. Election of these benefits on annuity contracts is generally only available at contract issue.

The following shows the liabilities for guaranteed minimum death, income, accumulation and withdrawal benefits (in millions):

Liability as of January 1, 2011	$	488
Incurred guarantee benefits in 2011		321
Paid guarantee benefits in 2011		(4)
Liability as of December 31, 2011		805
Incurred guarantee benefits through June 2012		(38)
Paid guarantee benefits through June 2012		(2)
Liability as of June 30, 2012	$	765

The following summarizes the account values, net amount at risk and weighted average attained age for variable annuity contracts with guaranteed minimum death, income, accumulation and withdrawal benefits classified as policyholders' reserves and separate account liabilities. The net amount at risk is defined as the minimum guarantee less the account value calculated on a policy-by-policy basis, but not less than zero.

	June 30, 2012			December 31, 2011		
	Account Value	Net Amount at Risk	Weighted Average Attained Age	Account Value	Net Amount at Risk	Weighted Average Attained Age
	($ In Millions)					
Annuity:						
GMDB	$ 9,448	$ 123	62	$ 9,039	$ 224	62
GMIB	4,127	712	63	4,010	822	62
GMAB	1,712	31	57	1,555	53	57
GMWB	202	15	66	195	17	66

12. Debt

No significant changes.

13. Employee benefit plans

Through June 30, 2012, $20 million was contributed to the Company's qualified pension plan. Subsequent to June 30, 2012, an additional $11 million was contributed to the Company's qualified pension plan.

14. Employee compensation plans

No significant changes.

15. Federal income taxes

As discussed in *Note 3a "Adoption of new accounting standards,"* the Company implemented a new standard in 2012 pertaining to accounting requirements for income taxes, SSAP No. 101. Based on the RBC Reporting Entity Table, the Company continues to admit DTAs using the 3 years/15 percent of surplus admission rule. The Company has concluded that there is no cumulative effect of adopting this standard.

As of the six months ended June 30, 2012, the Company's net admitted DTA decreased by approximately $195 million from December 31, 2011. This was due mainly to an increase in gross DTLs related to investment items.

The Company is currently in litigation with the federal government regarding the timing of the deduction for certain policyholder dividends for tax years 1995 to 1997. In January 2012, the Company prevailed in the U.S. Court of Federal Claims, subject to the government's right to appeal. The favorable effect of this decision on tax years 1995-1997 was reflected in the Company's financial statements as of December 31, 2011. In the first quarter of 2012, the Company completed its analysis of the effect of this decision on post 1997 tax years, and recorded an additional federal income tax benefit of $77 million in the Condensed Statutory Statements of Income, with a net increase of $15 million to surplus.

16. Transferable state tax credits

No significant changes.

17. Business risks, commitments and contingencies

a. Risks and uncertainties

Credit and other market risks

Credit risk is the risk that issuers of investments owned by the Company may default or that other parties may not be able to pay amounts due to the Company. The Company attempts to manage its investments to limit credit risk by diversifying its portfolio among various security types and industry sectors as well as purchasing credit default swaps to transfer some of the risk.

Since late 2006, declining U.S. housing prices led to higher delinquency and loss rates, reduced credit availability, and reduced liquidity in the residential loan and securities markets. The decline in housing prices was precipitated by several years of rising residential mortgage rates, relaxed underwriting standards by residential mortgage loan originators and substantial growth in affordable mortgage products including pay option adjustable rate mortgages and interest only loans.

The downturn in housing prices caused a decline in the credit performance of RMBS with unprecedented borrower defaults. Market pricing was affected both by the deterioration in fundamentals as well as by the reduced liquidity and higher risk premium demanded by investors. Housing prices moved sideways for several years but recently have shown signs of forming a solid bottom. Liquidation rates and foreclosure resolutions remain low but management is starting to see 'cash buyers' come in to buy homes as they sense the bottom is at hand. Liquidity for securities was weak for most of 2011 but 2012 has seen increased liquidity and trading activity as market participants focus on relative value and the scarcity of paper due to a lack of new issuance. Liquidity has improved most for higher quality bonds with predictable cash flows while there is still a dearth of liquidity for the most distressed securities.

The second quarter of 2012 saw a continuation of the Eurozone crisis, with two Greek elections, the bailouts of Spanish banks and finally a European Union summit meeting which agreed to a roadmap for broader Eurozone banking and fiscal coordination. Even against this backdrop, the average secondary price of leveraged loans in Europe was marginally up from the previous quarter. Underlying concerns over the macroeconomic outlook and debt burden of certain parts of the Eurozone remain significant, but the Company's direct exposure on loans to companies in these countries is limited. While progress has been made, the extent of refinancing required in the European loan market over the next three years remains relatively significant and uncertainty over the sources of this refinancing may lead to an increase in default rates going forward.

As of June 30, 2012, the Company's general account held securities issued by entities domiciled within Italy, Ireland, Portugal and Spain which collectively accounted for less than 1% of invested assets. These holdings are highly diversified and over 80% are comprised of investment grade-rated (NAIC) debt securities issued predominantly by domestic utilities and corporations with large global operations. Within these countries, the Company did not have any sovereign debt exposure and it did not hold any domestic bank-issued securities.

Current market conditions continue to be a factor in the Company's mortgage loan portfolio. Market volatility and slower growth were all anticipated coming into this year and despite the uneven nature of the recovery, current indicators and trends are positive. Real estate fundamentals track closely with the U.S. economic indicators. The pace of recovery in the office, industrial and retail sectors will slow in reaction to slower job growth while apartment and hotel market fundamentals appear sound. Investors' interest remains focused on stabilized core assets in 'gateway' markets. Risks to the portfolio continue to be the macro domestic and global economic environment and their impact on the recent positive trends for real estate fundamentals. The Company continues to monitor employment and housing statistics and their possible influence on a U.S. recession as well as global economic indicators and sovereign debt concerns.

b. Litigation

The Company is involved in litigation arising in and out of the normal course of business, which seeks both compensatory and punitive damages. Although the Company is not aware of any actions or allegations that reasonably should give rise to a material adverse impact to the Company's financial position or liquidity, the outcome of litigation cannot be foreseen with certainty. It is the opinion of management that the ultimate resolution of these matters will not materially impact the Company's financial position or liquidity. However, the outcome of a particular proceeding may be material to the Company's operating results for a particular period depending upon, among other factors, the size of the loss or liability and the level of the Company's income for the period.

Since December 2008, the Company and MMHLLC have been named as defendants in a number of putative class action and individual lawsuits filed by investors seeking to recover investments they allegedly lost as a result of the "Ponzi" scheme run by Bernard L. Madoff through his company, Bernard L. Madoff Investment Securities, LLC (BLMIS). The plaintiffs allege a variety of state law and federal securities claims against the Company and/or MMHLLC, and certain of its subsidiaries, seeking to recover losses arising from their investments in several funds managed by Tremont Group Holdings, Inc. (Tremont) or Tremont Partners, Inc., including Rye Select Broad Market Prime Fund, L.P., Rye Select Broad Market Fund, L.P., American Masters Broad Market Prime Fund, L.P., American Masters Market Neutral Fund, L.P. and/or Tremont Market Neutral Fund, L.P. Tremont and its subsidiary, Tremont Partners, Inc., are indirect subsidiaries of MMHLLC. Certain of the lawsuits have been consolidated into three groups of suits pending in the U.S. District Court for the Southern District of New York. In February 2011, the parties in the consolidated federal litigation submitted to the court a proposed settlement agreement. In August 2011, the court entered an order and final judgment approving the settlement. Appeals have been filed and remain pending. The settlement, if affirmed on appeal, will not have a significant financial impact on the Company.

Additionally, a number of other lawsuits were filed in state courts in California, Colorado, Florida, Massachusetts, New Mexico, New York and Washington by investors in Tremont funds against Tremont, and in certain cases against the Company, MMHLLC and other defendants, raising claims similar to those in the consolidated federal litigation. Those cases are in various stages of litigation. The Company believes it has substantial defenses and will continue to vigorously defend itself in these actions. No reasonable estimate can be made at this time regarding the potential liability, if any, or the amount or range of any loss that may result from these claims.

In 2009, the Trustee appointed under the Securities Investor Protection Act to liquidate BLMIS notified Tremont that the bankruptcy estate of BLMIS has purported preference and fraudulent transfer claims against Tremont's Rye Select Broad Market funds and certain other Tremont-managed funds to recover redemption payments received from BLMIS by certain of those Rye Select funds. In December 2010, the Trustee filed suit in the U.S. Bankruptcy Court for the Southern District of New York against Tremont, Oppenheimer Acquisition Corp., the Company and others. Certain of these Tremont funds, in turn, have notified the Trustee of substantial claims by them against BLMIS. In September 2011, the court approved the proposed settlement with the Trustee that had been filed with the court in July. Certain parties have filed notices of appeal. In June 2012, the U.S. District Court for the Southern District of New York granted defendants' motion to dismiss the appeals. The district court's order remains subject to further appeal. The settlement, if affirmed on appeal, will not have a significant financial impact on the Company.

On October 19, 2011, Golden Star, Inc. (Golden Star), plan administrator of the Golden Star Administrative Associates 401(k) Plan and Golden Star Bargaining Associates 401(k) Plan, filed a putative class action lawsuit in the United States District Court for the District of Massachusetts against the Company. Golden Star alleges, among other things, that the Company breached its alleged fiduciary duties while performing services to 401(k) plans and that certain of its actions constituted "Prohibited Transactions" under the Employee Retirement Income Security Act of 1974. The Company believes that it has numerous substantial defenses to the claims and will vigorously defend itself. No reasonable estimate can be made at this time regarding the potential liability, if any, or the amount or range of any loss that may result from this action.

Christina Chavez (Chavez) filed a putative class action complaint against the Company in April 2010. Chavez alleges that the Company breached its obligations to its term life policyholders in California by failing to pay dividends on those policies. Formal written discovery requests have been exchanged by all parties. The Company believes it has substantial defenses and will continue to vigorously defend itself in these actions. No reasonable estimate can be made at this time regarding the potential liability, if any, or the amount or range of any loss that may result from this claim.

In 2009, numerous lawsuits (the Rochester Suits) were filed as putative class actions in connection with the investment performance of certain municipal bond funds advised by OFI and distributed by its subsidiary, OppenheimerFunds Distributor, Inc. The Rochester Suits raise claims under federal securities laws alleging that, among other things, the disclosure documents of the funds contained misrepresentations and omissions, that the investment policies of the funds were not followed and that the funds and other defendants violated federal securities laws and regulations and certain state laws. The Rochester Suits have been consolidated into seven groups, one for each of the funds, in the U.S. district court in Colorado. Amended complaints and motions to dismiss were filed. In October 2011, the court issued an order granting and denying in part defendants' motions to dismiss in five of the seven suits. In January 2012, the court granted a stipulated scheduling and discovery order in these actions. OFI believes it has substantial defenses and will continue to vigorously defend itself in these actions. No reasonable estimate can be made at this time regarding the potential liability, if any, or the amount or range of any loss that may result from this claim.

In May 2009, the Company was named as a defendant in a private action related to certain losses in a bank owned life insurance (BOLI) policy issued by the Company. The plaintiff alleges, among other things, fraud, breach of contract and breach of fiduciary duty claims against the Company, and it seeks to recover losses arising from investments pursuant to the BOLI policy. The Company believes it has substantial defenses and will continue to vigorously defend itself in this action. No reasonable estimate can be made at this time regarding the potential liability, if any, or the amount or range of any loss that may result from this claim.

c. Regulatory matters

The Company is subject to governmental and administrative proceedings and regulatory inquiries, examinations and investigations in the ordinary course of its business. In connection with regulatory inquiries, examinations and investigations, the Company has been contacted by various regulatory agencies including, among others, the Securities and Exchange Commission, the U.S. Department of Labor and various state insurance departments and state attorneys general. The Company has cooperated fully with these regulatory agencies with regard to their inquiries, examinations and investigations and has responded to information requests and comments.

Market volatility in the financial services industry over the last several years has contributed to increased scrutiny of the entire financial services industry. Therefore, the Company believes that it is reasonable to expect that proceedings, regulatory inquiries, examinations and investigations into the insurance and financial services industries will continue for the foreseeable future. Additionally, new industry-wide legislation, rules and regulations could significantly affect the insurance and financial services industries as a whole. It is the opinion of management that the ultimate resolution of these regulatory inquiries, examinations, investigations, legislative and regulatory changes of which we are aware will not materially impact the Company's financial position or liquidity. However, the outcome of a particular matter may be material to the Company's operating results for a particular period depending upon, among other factors, the financial impact of the matter and the level of the Company's income for the period.

18. Withdrawal characteristics

No significant changes.

19. Presentation of the Condensed Statutory Statements of Cash Flows

As required by SSAP No. 69 "Statement of Cash Flows," the Company has included in the Condensed Statutory Statements of Cash Flows non-cash transactions primarily related to the following:

	Six Months Ended June 30, 2012	Year Ended December 31, 2011
	(In Millions)	
Bank loan rollovers	$ 1,179	$ 1,716
Bond conversions and refinancing	279	734
Other invested assets stock distribution	25	4
Mortgages converted to other invested assets	23	180
Interest capitalization for long-term debt	3	4
Net investment income payment-in-kind bonds	1	2
Stock conversion	-	106
Dividend reinvestment	-	4

The bank loan rollovers represent transactions processed as the result of rate resets on existing bank loans and are included in the proceeds from investments sold, matured or repaid on bonds and cost of investments acquired for bonds on the Condensed Statutory Statements of Cash Flows.

20. Subsequent events

The Company has evaluated subsequent events through August 8, 2012, the date the financial statements were available to be issued, and no events have occurred subsequent to the balance sheet date and before the date of evaluation that would require disclosure.

21. Impairment listing for loan-backed and structured securities

The following are the total cumulative adjustments and impairments for loan-backed and structured securities since July 1, 2009:

Period Ended	Amortized Cost before Cumulative Adjustment	Cumulative Adjustment	Amortized Cost before OTTI	Projected Cash Flow	Recognized OTTI	Amortized Cost after OTTI	Fair Value
June 30, 2012	$ 912,025,936.52	$ -	$ 912,025,936.52	$ 890,494,220.76	$ (21,531,715.76)	$ 890,494,220.76	$ 708,872,106.49
March 31, 2012	1,095,018,529.18	-	1,095,018,529.18	1,058,132,041.09	(36,886,488.09)	1,058,132,041.09	841,095,012.78
December 31, 2011	1,090,904,993.06	-	1,090,904,993.06	1,056,761,288.41	(34,143,704.65)	1,056,761,288.41	754,310,837.90
September 30, 2011	762,320,631.78	-	762,320,631.78	738,510,047.63	(23,810,584.15)	738,510,047.63	546,494,231.96
June 30, 2011	1,130,732,656.14	-	1,130,732,656.14	1,078,535,670.23	(52,196,985.91)	1,078,535,670.23	839,143,290.12
March 31, 2011	1,097,705,351.09	-	1,097,705,351.09	1,068,852,203.67	(28,853,147.42)	1,068,852,203.67	816,688,348.33
December 31, 2010	968,742,508.30	-	968,742,508.30	950,111,416.81	(18,631,091.49)	950,111,416.81	708,895,636.97
September 30, 2010	915,728,029.86	-	915,728,029.86	889,896,058.18	(25,831,971.68)	889,896,058.18	673,462,492.71
June 30, 2010	1,362,887,892.31	-	1,362,887,892.31	1,335,628,211.52	(27,259,680.79)	1,335,628,211.52	975,241,505.93
March 31, 2010	1,471,905,695.71	-	1,471,905,695.71	1,391,337,542.96	(80,568,152.75)	1,391,337,542.96	1,015,645,802.04
December 31, 2009	1,349,124,213.70	-	1,349,124,213.70	1,290,817,167.68	(58,307,046.02)	1,290,817,167.68	852,088,739.42
September 30, 2009	2,953,442,689.02	(106,853,708.32)	2,846,588,980.70	2,700,948,264.43	(145,640,716.27)	2,700,948,264.43	1,692,409,639.54
Totals	$ 15,110,539,126.67	$ (106,853,708.32)	$ 15,003,685,418.35	$ 14,450,024,133.37	$ (553,661,284.98)	$ 14,450,024,133.37	$ 10,424,347,644.19

The following is the impairment listing for loan-backed and structured securities for the three months ended June 30, 2012:

CUSIP	Amortized Cost before Cumulative Adjustment	Cumulative Adjustment	Amortized Cost before OTTI	Projected Cash Flow	Recognized OTTI	Amortized Cost after OTTI	Fair Value
00104BAF7	$ 200,000.00	$ -	$ 200,000.00	$ 85,000.00	$ (115,000.00)	$ 85,000.00	$ 85,000.00
004421TD5	1,431,855.30	-	1,431,855.30	1,363,868.44	(67,986.86)	1,363,868.44	1,153,173.00
00442JAE4	3,862,291.68	-	3,862,291.68	3,851,473.26	(10,818.42)	3,851,473.26	3,572,149.48
00442KAD3	3,369,186.36	-	3,369,186.36	3,302,832.79	(66,353.57)	3,302,832.79	2,132,351.50
02146QAB9	10,287,869.59	-	10,287,869.59	10,218,956.32	(68,913.27)	10,218,956.32	7,537,246.63
02147CAA1	7,107,918.64	-	7,107,918.64	6,969,965.32	(137,953.32)	6,969,965.32	6,342,616.04
02147DAB7	8,606,269.92	-	8,606,269.92	8,562,519.86	(43,750.06)	8,562,519.86	6,556,038.08
02150MAB1	13,771,067.83	-	13,771,067.83	13,669,332.80	(101,735.03)	13,669,332.80	13,557,560.71
02660TBF9	282,099.51	-	282,099.51	253,604.97	(28,494.54)	253,604.97	1,028,856.60
02660TGN7	6,692,845.69	-	6,692,845.69	6,584,228.33	(108,617.36)	6,584,228.33	4,775,635.84
02660TGS6	5,649,878.60	-	5,649,878.60	5,532,070.58	(117,808.02)	5,532,070.58	3,903,949.03
02660THL0	1,238,687.87	-	1,238,687.87	1,197,189.92	(41,497.95)	1,197,189.92	1,030,696.83
02660TJB0	17,108,199.57	-	17,108,199.57	16,917,717.88	(190,481.69)	16,917,717.88	12,785,540.98
02660WAC0	13,255,792.13	-	13,255,792.13	12,728,320.95	(527,471.18)	12,728,320.95	9,450,333.83
02660XAD6	9,023,202.20	-	9,023,202.20	8,882,491.32	(140,710.88)	8,882,491.32	7,904,039.85
026929AA7	7,231,924.69	-	7,231,924.69	7,195,941.59	(35,983.10)	7,195,941.59	6,895,829.36
026929AD1	6,311,562.31	-	6,311,562.31	6,160,569.79	(150,992.52)	6,160,569.79	4,307,184.73
040104QN4	2,176,680.39	-	2,176,680.39	2,141,977.65	(34,702.74)	2,141,977.65	1,663,011.91
040104RV5	1,649,861.14	-	1,649,861.14	1,615,029.38	(34,831.76)	1,615,029.38	1,406,395.36
055294AA0	2,225,393.89	-	2,225,393.89	2,183,996.71	(41,397.18)	2,183,996.71	2,038,217.83
05949ALH1	1,621,893.67	-	1,621,893.67	1,620,419.54	(1,474.13)	1,620,419.54	1,596,127.11
05949CCB0	656,838.44	-	656,838.44	626,385.03	(30,453.41)	626,385.03	649,367.68
07325VAG9	1,735,629.35	-	1,735,629.35	1,723,028.99	(12,600.36)	1,723,028.99	1,273,366.93
07384MW40	88,210.20	-	88,210.20	87,977.52	(232.68)	87,977.52	84,711.88
07384YCD6	4,537,996.34	-	4,537,996.34	4,513,940.23	(24,056.11)	4,513,940.23	3,866,023.93
073854AB7	10,873,710.45	-	10,873,710.45	10,623,347.48	(250,362.97)	10,623,347.48	10,432,056.29
07386HSP7	4,689,009.73	-	4,689,009.73	4,642,803.64	(46,206.09)	4,642,803.64	3,471,488.87
073879Z92	7,378,319.99	-	7,378,319.99	7,185,484.66	(192,835.33)	7,185,484.66	4,726,061.37
07389VAA5	1,318,932.07	-	1,318,932.07	1,280,083.52	(38,848.55)	1,280,083.52	1,097,200.81
07401LAA1	10,399,215.66	-	10,399,215.66	10,211,138.77	(188,076.89)	10,211,138.77	7,737,082.30

CUSIP	Amortized Cost before Cumulative Adjustment	Cumulative Adjustment	Amortized Cost before OTTI	Projected Cash Flow	Recognized OTTI	Amortized Cost after OTTI	Fair Value
07820QAY1	$ 10,244,033.14	$ -	$ 10,244,033.14	$ 10,084,183.24	$ (159,849.90)	$ 10,084,183.24	$ 7,631,582.53
12667GCB7	143,614.09	-	143,614.09	141,535.45	(2,078.64)	141,535.45	113,681.08
12667GME0	13,002,918.82	-	13,002,918.82	12,904,511.72	(98,407.10)	12,904,511.72	9,057,198.55
12667GS20	9,653,506.47	-	9,653,506.47	9,511,658.52	(141,847.95)	9,511,658.52	7,409,946.62
12668AEV3	8,700,864.26	-	8,700,864.26	8,657,056.30	(43,807.96)	8,657,056.30	7,004,721.42
12668BB77	17,547,512.32	-	17,547,512.32	17,438,286.35	(109,225.97)	17,438,286.35	13,341,926.58
126694N46	238,636.82	-	238,636.82	231,415.75	(7,221.07)	231,415.75	171,330.74
12669FW82	851,239.78	-	851,239.78	847,589.63	(3,650.15)	847,589.63	647,311.89
12669FXR9	370,494.06	-	370,494.06	366,193.11	(4,300.95)	366,193.11	307,570.41
12669GKH3	9,657,789.05	-	9,657,789.05	9,626,283.07	(31,505.98)	9,626,283.07	8,224,615.71
12669GRQ6	4,726,256.52	-	4,726,256.52	4,661,996.18	(64,260.34)	4,661,996.18	4,014,966.39
12669GTV3	259,652.30	-	259,652.30	249,772.89	(9,879.41)	249,772.89	211,949.32
12669GUR0	2,597,195.38	-	2,597,195.38	2,570,000.85	(27,194.53)	2,570,000.85	2,005,653.32
14453MAB0	6,510,444.56	-	6,510,444.56	6,287,272.76	(223,171.80)	6,287,272.76	4,814,360.57
14454AAB5	2,010,836.64	-	2,010,836.64	1,921,516.72	(89,319.92)	1,921,516.72	1,169,687.55
14983CAA3	1,062,031.79	-	1,062,031.79	999,049.90	(62,981.89)	999,049.90	805,764.20
22943HAD8	6,668,798.61	-	6,668,798.61	6,106,933.18	(561,865.43)	6,106,933.18	2,462,010.00
23243AAD8	756,348.29	-	756,348.29	752,029.25	(4,319.04)	752,029.25	627,320.41
23321P6A1	6,365,678.30	-	6,365,678.30	6,352,809.55	(12,868.75)	6,352,809.55	6,304,418.22
23332UAR5	7,184,122.90	-	7,184,122.90	6,977,311.03	(206,811.87)	6,977,311.03	6,088,532.73
23332UBG8	4,829,464.62	-	4,829,464.62	4,803,542.84	(25,921.78)	4,803,542.84	4,236,755.99
23332UBV5	4,226,881.85	-	4,226,881.85	4,136,244.85	(90,637.00)	4,136,244.85	3,452,468.99
23332UCM4	425,661.23	-	425,661.23	419,406.25	(6,254.98)	419,406.25	316,927.03
23332UDU5	15,161,149.93	-	15,161,149.93	14,909,013.37	(252,136.56)	14,909,013.37	11,082,888.05
23332UFV1	1,124,568.71	-	1,124,568.71	1,099,842.01	(24,726.70)	1,099,842.01	781,834.55
251510EH2	26,882,770.36	-	26,882,770.36	26,866,304.62	(16,465.74)	26,866,304.62	26,880,066.39
251510FB4	4,270,275.32	-	4,270,275.32	4,196,350.93	(73,924.39)	4,196,350.93	3,631,606.94
30251YAB4	6,357,372.84	-	6,357,372.84	6,245,225.03	(112,147.81)	6,245,225.03	5,452,636.22
32051DV33	137,807.13	-	137,807.13	137,159.30	(647.83)	137,159.30	133,197.33
32053LAA0	154,571.30	-	154,571.30	145,156.35	(9,414.95)	145,156.35	140,283.47
32113JAA3	535,759.12	-	535,759.12	531,717.71	(4,041.41)	531,717.71	372,539.44
36185NXT2	156,720.67	-	156,720.67	66,042.17	(90,678.50)	66,042.17	286,175.91
36242DBJ1	827,700.02	-	827,700.02	826,427.41	(1,272.61)	826,427.41	791,983.59
39538RBB4	9,235,052.70	-	9,235,052.70	9,161,868.90	(73,183.80)	9,161,868.90	6,512,187.42
39538VFH6	7,446,871.83	-	7,446,871.83	7,388,250.67	(58,621.16)	7,388,250.67	5,212,964.28
39538WHF8	21,165,329.45	-	21,165,329.45	20,819,111.57	(346,217.88)	20,819,111.57	14,494,086.18
41161PHC0	5,663,138.76	-	5,663,138.76	5,571,887.86	(91,250.90)	5,571,887.86	4,657,833.18
41161PHU0	5,574,767.28	-	5,574,767.28	5,545,485.20	(29,282.08)	5,545,485.20	4,933,438.31
41161PKH5	358,341.70	-	358,341.70	350,459.48	(7,882.22)	350,459.48	279,909.18
41161PLR2	8,744,109.73	-	8,744,109.73	8,623,527.46	(120,582.27)	8,623,527.46	7,001,090.12
41161PMG5	10,907,650.36	-	10,907,650.36	10,675,036.33	(232,614.03)	10,675,036.33	8,384,590.26
41161PQU0	9,626,881.95	-	9,626,881.95	9,511,928.93	(114,953.02)	9,511,928.93	7,153,603.90
41161PTN3	1,567,226.31	-	1,567,226.31	1,530,481.28	(36,745.03)	1,530,481.28	1,227,098.07
41161PWB5	4,792,597.54	-	4,792,597.54	4,742,660.23	(49,937.31)	4,742,660.23	3,425,757.56
41164LAB5	9,025,230.86	-	9,025,230.86	8,802,389.69	(222,841.17)	8,802,389.69	6,136,334.93
41164YAB7	8,783,262.95	-	8,783,262.95	8,626,488.00	(156,774.95)	8,626,488.00	6,415,095.86
43739EAP2	14,784,174.76	-	14,784,174.76	14,453,507.95	(330,666.81)	14,453,507.95	12,736,364.43
43739EBS5	6,644,926.54	-	6,644,926.54	6,613,195.04	(31,731.50)	6,613,195.04	5,994,185.62
45071KDD3	874,479.83	-	874,479.83	843,040.88	(31,438.95)	843,040.88	591,187.65
45254NFY8	1,038,063.72	-	1,038,063.72	963,823.44	(74,240.28)	963,823.44	905,686.67
45254NJG3	983,177.00	-	983,177.00	929,554.25	(53,622.75)	929,554.25	859,472.92
45254NJV0	792,655.77	-	792,655.77	780,003.42	(12,652.35)	780,003.42	687,882.12
45254NKF3	3,837,676.15	-	3,837,676.15	3,683,101.32	(154,574.83)	3,683,101.32	3,959,710.64
45254NKX4	4,478,860.96	-	4,478,860.96	4,422,738.27	(56,122.69)	4,422,738.27	4,098,551.43
45254NMB0	835,811.04	-	835,811.04	829,894.54	(5,916.50)	829,894.54	827,244.85
45254NML8	1,226,716.58	-	1,226,716.58	1,135,591.92	(91,124.66)	1,135,591.92	916,733.12

CUSIP	Amortized Cost before Cumulative Adjustment	Cumulative Adjustment	Amortized Cost before OTTI	Projected Cash Flow	Recognized OTTI	Amortized Cost after OTTI	Fair Value
45254NNP8	$ 9,764,362.25	$ -	$ 9,764,362.25	$ 9,679,352.19	$ (85,010.06)	$ 9,679,352.19	$ 8,050,803.25
45254NPA9	11,273,438.09	-	11,273,438.09	10,257,202.67	(1,016,235.42)	10,257,202.67	9,774,878.07
45254NPU5	3,954,742.03	-	3,954,742.03	3,563,809.02	(390,933.01)	3,563,809.02	3,138,432.38
45254TRX4	225,155.56	-	225,155.56	220,114.37	(5,041.19)	220,114.37	196,421.77
45254TSM7	2,772,862.81	-	2,772,862.81	2,753,083.50	(19,779.31)	2,753,083.50	1,949,032.94
45254TTM6	9,152,610.15	-	9,152,610.15	8,265,168.78	(887,441.37)	8,265,168.78	7,210,716.01
452570AA2	39,357.38	-	39,357.38	38,813.03	(544.35)	38,813.03	35,080.60
45257EAA2	3,341,322.24	-	3,341,322.24	2,836,462.90	(504,859.34)	2,836,462.90	2,332,857.39
45660LW96	1,942,016.41	-	1,942,016.41	1,904,763.48	(37,252.93)	1,904,763.48	1,435,169.74
45660N5H4	4,351,507.28	-	4,351,507.28	4,338,621.20	(12,886.08)	4,338,621.20	3,923,989.16
45660NQ24	1,233,486.45	-	1,233,486.45	1,230,642.09	(2,844.36)	1,230,642.09	1,232,617.90
45660NRB3	487,414.55	-	487,414.55	399,280.68	(88,133.87)	399,280.68	490,283.19
45660NT96	1,816,063.88	-	1,816,063.88	1,806,256.24	(9,807.64)	1,806,256.24	1,859,981.54
466247XE8	4,650,188.72	-	4,650,188.72	4,635,482.74	(14,705.98)	4,635,482.74	3,697,655.40
525221CD7	112,779.85	-	112,779.85	98,101.84	(14,678.01)	98,101.84	61,836.12
525221GM3	2,458,888.85	-	2,458,888.85	2,445,388.33	(13,500.52)	2,445,388.33	1,644,620.54
525221HA8	17,763,846.44	-	17,763,846.44	17,620,557.18	(143,289.26)	17,620,557.18	11,871,568.03
525226AL0	1,099,219.42	-	1,099,219.42	1,039,327.33	(59,892.09)	1,039,327.33	339,620.60
52524VAG4	9,458,735.80	-	9,458,735.80	9,212,714.22	(246,021.58)	9,212,714.22	7,479,285.60
52524YAF0	8,272,104.47	-	8,272,104.47	8,222,548.65	(49,555.82)	8,222,548.65	6,109,440.99
550279AA1	3,665,435.80	-	3,665,435.80	3,655,115.00	(10,320.80)	3,655,115.00	2,954,176.05
55027AAR1	8,352,542.50	-	8,352,542.50	8,109,980.95	(242,561.55)	8,109,980.95	5,760,436.41
55027AAU4	4,369,031.87	-	4,369,031.87	3,986,137.45	(382,894.42)	3,986,137.45	3,030,630.32
55027BAA6	11,515,914.05	-	11,515,914.05	11,172,053.06	(343,860.99)	11,172,053.06	8,356,553.71
55274SAM3	790,404.35	-	790,404.35	778,317.32	(12,087.03)	778,317.32	723,886.32
576433H33	290,906.36	-	290,906.36	290,091.39	(814.97)	290,091.39	216,527.20
576433RU2	1,412,948.79	-	1,412,948.79	1,351,921.38	(61,027.41)	1,351,921.38	871,870.50
576433SE7	1,387,862.96	-	1,387,862.96	1,362,484.32	(25,378.64)	1,362,484.32	841,751.20
576433YN0	1,020,587.11	-	1,020,587.11	995,392.32	(25,194.79)	995,392.32	869,933.44
589929X29	3,745,698.79	-	3,745,698.79	3,656,057.80	(89,640.99)	3,656,057.80	3,200,240.15
59020UAA3	107,389.64	-	107,389.64	106,562.02	(827.62)	106,562.02	116,170.81
59020UAC9	772,552.78	-	772,552.78	761,004.07	(11,548.71)	761,004.07	767,074.36
61748HAA9	5,844.66	-	5,844.66	5,039.15	(805.51)	5,039.15	5,599.85
61753KAB2	152,329.44	-	152,329.44	124,750.96	(27,578.48)	124,750.96	104,558.71
61757MAB4	2,336,961.40	-	2,336,961.40	2,140,988.87	(195,972.53)	2,140,988.87	1,851,385.13
61913PAA0	10,298,141.38	-	10,298,141.38	10,255,708.63	(42,432.75)	10,255,708.63	9,957,202.81
61915RBB1	5,610,065.10	-	5,610,065.10	5,511,448.64	(98,616.46)	5,511,448.64	4,215,508.59
61915RBZ8	590,852.12	-	590,852.12	573,216.15	(17,635.97)	573,216.15	470,172.19
638728AC9	1,873,987.12	-	1,873,987.12	1,834,131.37	(39,855.75)	1,834,131.37	1,285,552.89
65535VRK6	431,601.40	-	431,601.40	426,845.72	(4,755.68)	426,845.72	394,222.23
65535VUS5	1,552,289.89	-	1,552,289.89	1,507,833.50	(44,456.39)	1,507,833.50	875,125.42
65538DAA3	1,895,934.08	-	1,895,934.08	1,864,821.48	(31,112.60)	1,864,821.48	1,394,262.04
68383NCA9	17,471,873.47	-	17,471,873.47	17,083,180.00	(388,693.47)	17,083,180.00	15,924,424.42
68383NCD3	2,742,202.29	-	2,742,202.29	2,666,657.17	(75,545.12)	2,666,657.17	2,107,503.00
68383NCU5	6,535,346.78	-	6,535,346.78	6,366,445.92	(168,900.86)	6,366,445.92	5,584,860.65
68383NDT7	6,770,195.33	-	6,770,195.33	6,684,267.20	(85,928.13)	6,684,267.20	4,864,335.27
73316PJD3	17,233.44	-	17,233.44	15,938.56	(1,294.88)	15,938.56	15,075.41
74922AAA5	11,432,085.57	-	11,432,085.57	10,848,563.47	(583,522.10)	10,848,563.47	7,368,263.94
74922MAB7	8,041,255.68	-	8,041,255.68	7,503,169.16	(538,086.52)	7,503,169.16	5,646,779.29
74922MAC5	1,058,860.00	-	1,058,860.00	963,194.41	(95,665.59)	963,194.41	779,705.04
75114GAC3	15,472,732.82	-	15,472,732.82	14,796,192.74	(676,540.08)	14,796,192.74	10,310,046.31
75114HAD9	14,374,500.19	-	14,374,500.19	14,088,504.92	(285,995.27)	14,088,504.92	10,413,693.52
75114HAK3	4,575,978.98	-	4,575,978.98	4,163,435.41	(412,543.57)	4,163,435.41	1,968,950.36
760985U33	476,529.29	-	476,529.29	459,999.24	(16,530.05)	459,999.24	470,925.07
76110GE23	4,486,264.08	-	4,486,264.08	4,479,609.63	(6,654.45)	4,479,609.63	3,740,468.32
76110GUG4	1,202,269.60	-	1,202,269.60	1,199,172.45	(3,097.15)	1,199,172.45	1,144,874.11

CUSIP	Amortized Cost before Cumulative Adjustment	Cumulative Adjustment	Amortized Cost before OTTI	Projected Cash Flow	Recognized OTTI	Amortized Cost after OTTI	Fair Value
761118FM5	$ 8,570,697.93	$ -	$ 8,570,697.93	$ 8,493,487.10	$ (77,210.83)	$ 8,493,487.10	$ 8,323,336.48
761118KU1	5,554,419.45	-	5,554,419.45	5,142,391.57	(412,027.88)	5,142,391.57	3,979,797.32
761118NN4	7,620,104.69	-	7,620,104.69	7,481,830.28	(138,274.41)	7,481,830.28	5,699,451.77
761118RJ9	300,705.39	-	300,705.39	284,520.47	(16,184.92)	284,520.47	192,710.00
761118RM2	15,196,836.86	-	15,196,836.86	13,522,622.17	(1,674,214.69)	13,522,622.17	9,724,611.07
76112HAE7	32,009.23	-	32,009.23	30,576.03	(1,433.20)	30,576.03	31,895.47
805564RM5	2,970,387.09	-	2,970,387.09	2,854,917.47	(115,469.62)	2,854,917.47	2,725,749.61
81744FDK0	2,004,694.46	-	2,004,694.46	2,003,446.91	(1,247.55)	2,003,446.91	1,860,889.88
83613GAA7	2,088,852.82	-	2,088,852.82	2,038,594.80	(50,258.02)	2,038,594.80	1,826,699.24
86358RQ83	132,075.82	-	132,075.82	129,709.23	(2,366.59)	129,709.23	111,037.92
86359ADN0	300,845.68	-	300,845.68	232,528.71	(68,316.97)	232,528.71	173,751.34
86359BLB5	1,121,595.85	-	1,121,595.85	1,117,683.98	(3,911.87)	1,117,683.98	1,107,138.61
86359DDB0	1,502,493.10	-	1,502,493.10	1,465,861.87	(36,631.23)	1,465,861.87	1,218,072.63
86359DUL9	145,728.32	-	145,728.32	144,723.46	(1,004.86)	144,723.46	117,995.06
86359DUR6	13,912,545.28	-	13,912,545.28	13,743,927.98	(168,617.30)	13,743,927.98	11,206,756.34
86359LRW1	16,864,738.99	-	16,864,738.99	16,620,981.75	(243,757.24)	16,620,981.75	11,969,985.87
86359LSM2	1,125,578.49	-	1,125,578.49	1,099,624.38	(25,954.11)	1,099,624.38	826,429.54
86360JAA9	9,723,060.72	-	9,723,060.72	9,633,736.86	(89,323.86)	9,633,736.86	5,413,180.90
86360JAE1	7,325,252.91	-	7,325,252.91	7,105,955.59	(219,297.32)	7,105,955.59	4,510,390.49
86360KAF5	27,686,477.95	-	27,686,477.95	27,172,487.39	(513,990.56)	27,172,487.39	17,521,325.65
86360UAF3	3,300,100.97	-	3,300,100.97	3,246,625.82	(53,475.15)	3,246,625.82	2,378,138.65
86361HAA2	10,247,229.88	-	10,247,229.88	10,059,760.37	(187,469.51)	10,059,760.37	6,991,868.52
88157QAL2	687,666.55	-	687,666.55	641,362.90	(46,303.65)	641,362.90	1,251,357.07
885220FS7	5,964,125.86	-	5,964,125.86	5,887,292.28	(76,833.58)	5,887,292.28	5,696,732.83
92922F4M7	3,928,525.13	-	3,928,525.13	3,902,560.52	(25,964.61)	3,902,560.52	3,207,898.95
92922F5T1	6,601,125.32	-	6,601,125.32	6,532,188.39	(68,936.93)	6,532,188.39	5,368,328.70
92922F7Q5	7,833,706.21	-	7,833,706.21	7,796,889.46	(36,816.75)	7,796,889.46	6,591,798.09
92922FB72	1,086,772.77	-	1,086,772.77	1,075,566.77	(11,206.00)	1,075,566.77	920,347.74
92922FJ25	5,684,105.78	-	5,684,105.78	5,663,043.97	(21,061.81)	5,663,043.97	4,491,666.49
92922FWU8	3,212,069.20	-	3,212,069.20	3,192,161.08	(19,908.12)	3,192,161.08	3,079,304.16
92925CBB7	3,785,595.84	-	3,785,595.84	3,756,988.02	(28,607.82)	3,756,988.02	3,090,173.97
92977YAY7	2,076,178.98	-	2,076,178.98	1,704,441.01	(371,737.97)	1,704,441.01	264,420.01
9393365V1	1,406,019.24	-	1,406,019.24	1,388,720.27	(17,298.97)	1,388,720.27	1,194,171.17
94983YAQ2	3,193,194.30	-	3,193,194.30	3,131,994.05	(61,200.25)	3,131,994.05	2,947,135.10
94984DAB0	1,021,683.54	-	1,021,683.54	833,533.42	(188,150.12)	833,533.42	976,287.99
Totals	$ 912,025,936.52	$ -	$ 912,025,936.52	$ 890,494,220.76	$ (21,531,715.76)	$ 890,494,220.76	$ 708,872,106.49