

MASSMUTUAL PARTICIPATION INVESTORS

Form N-30D

November 29, 2011

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\* Member of the MassMutual Financial Group

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Investment Objective and Policy

MassMutual Participation Investors (the “Trust”) is a closed-end management investment company, first offered to the public in 1988, whose shares are traded on the New York Stock Exchange under the trading symbol “MPV”. The Trust’s share price can be found in the financial section of most newspapers as “MassPrt” or “MassMuPrt” under either the New York Stock Exchange listings or Closed-End Fund Listings.

The Trust’s investment objective is to maximize total return by providing a high level of current income, the potential for growth of income, and capital appreciation. The Trust’s principal investments are privately placed, below-investment grade, long-term debt obligations purchased directly from their issuers, which tend to be smaller companies. At least half of these investments normally include equity features such as common stock, warrants, conversion rights, or other equity features that provide the Trust with the opportunity to realize capital gains. The Trust will also invest in publicly traded debt securities (including high yield securities), again with an emphasis on those with equity features, and in convertible preferred stocks and, subject to certain limitations, readily marketable equity securities. Below-investment grade or high yield securities have predominantly speculative characteristics with respect to the capacity of the issuer to pay interest and repay principal. In addition, the Trust may temporarily invest in high quality, readily

Form N-Q

The Trust files its complete schedule of portfolio holdings with the U.S. Securities and Exchange Commission (“SEC”) for the first and third quarters of each fiscal year on Form N-Q. This information is available (i) on the SEC’s website at <http://www.sec.gov>; and (ii) at the SEC’s Public Reference Room in Washington, DC (which information on their operation may be obtained by calling 1-800-SEC-0330). A complete schedule of portfolio holdings as of each quarter-end is available upon request by calling, toll-free, 866-399-1516.

Proxy Voting Policies & Procedures; Proxy Voting Record

The Trustees of the Trust have delegated proxy voting responsibilities relating to the voting of securities held by the Trust to Babson Capital. A description of Babson Capital’s proxy voting policies and procedures is available (1) without charge, upon request, by calling, toll-free 866-399-1516; (2) on the Trust’s website: <http://www.babsoncapital.com/mpv>; and (3) on the SEC’s website at <http://www.sec.gov>. Information regarding how the Trust voted proxies relating to portfolio securities during the most recent 12-month period ended June 30 is available (1) on the Trust’s website: <http://www.babsoncapital.com/mpv>; and (2) on the SEC’s website at <http://www.sec.gov>.

marketable securities.

Babson Capital Management LLC (“Babson Capital”) manages the Trust on a total return basis. The Trust distributes substantially all of its net income to shareholders each year. Accordingly, the Trust pays dividends to shareholders in January, May, August, and November. All registered shareholders are automatically enrolled in the Dividend Reinvestment and Cash Purchase Plan unless cash distributions are requested.

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TO OUR SHAREHOLDERS

MassMutual Participation Investors

October 31, 2011

We are pleased to present the September 30, 2011 Quarterly Report of MassMutual Participation Investors (the "Trust").

The Board of Trustees declared a quarterly dividend of 27 cents per share, payable on November 10, 2011 to shareholders of record on October 31, 2011. The Trust paid a 27 cent per share dividend for the preceding quarter. The Trust earned 28 cents per share of net investment income for the third quarter of 2011, compared to 34 cents per share in the previous quarter. The previous quarter's earnings included approximately 7 cents per share of income due to nonrecurring items.

During the third quarter, the net assets of the Trust decreased to \$126,154,855 or \$12.49 per share compared to \$126,256,640 or \$12.52 per share on June 30, 2011. This translates into a 1.9% total return for the quarter, based on the change in the Trust's net assets assuming the reinvestment of all dividends. Longer term, the Trust returned 13.3%, 9.8%, 8.3%, and 13.5% for the 1-, 3-, 5-, and 10-year time periods, respectively, based on the change in the Trust's net assets assuming the reinvestment of all dividends.

The Trust's share price increased 1.2% during the quarter, from \$14.94 per share as of June 30, 2011 to \$15.12 per share as of September 30, 2011. The Trust's market price of \$15.12 per share equates to a 21.1% premium over the September 30, 2011 net asset value per share of \$12.49. The Trust's average quarter-end premium for the 3, 5 and 10-year periods was 6.2%, 7.7% and 8.8%, respectively. U.S. equity markets, as approximated by the Russell 2000 Index, decreased 21.8% for the quarter. U.S. fixed income markets, as approximated by the Barclays Capital U.S. Corporate High Yield Index, decreased 6.1% for the quarter.

The Trust closed four new private placement investments during the third quarter. The four new investments were in LPC Holding Company, Marshall Physician Services LLC, Merex Holding Corporation and Strata/WLA Holding Corporation. A brief description of these investments can be found in the Consolidated Schedule of Investments. The total amount invested by the Trust in these four transactions was \$3,000,000.

Last quarter, I characterized middle market buyout activity as lackluster. Activity in the third quarter and thus far in the fourth quarter presents quite a contrast as our deal flow has been robust. Deal flow often fluctuates from quarter to quarter and it is usually hard to pinpoint the exact reasons why. That is certainly the case today. It does appear, though, that the deal supply/capital availability imbalance that I mentioned in prior quarters has come into better balance. After closing only two new platform investments in the first half of the year, it was a welcome change to close four new attractive platform investments this quarter. Subsequent to quarter-end, we have already closed two additional platform investments, and we have several more transactions in process. It looks like it will be a busy fourth quarter. Be assured, however, that despite the pickup in deal flow, we will continue to maintain the same investment discipline and philosophy that has served us well for many years.

(Continued)

Most of our portfolio companies once again reported improved operating results in the third quarter of 2011. Several more of our companies were also able to resume paying cash interest on their debt obligations due to their improved financial results and liquidity positions. We are pleased with the continued improving quality of the portfolio. Realization activity in the third quarter was limited, with just one portfolio company, Momentum Holding Company, sold. However, one additional company, Nesco Holding Corporation, was sold for a nice gain in the middle of October. We also continue to have a healthy backlog of companies that are in various stages of a sale process, so we expect realization activity to be strong for the next few quarters at least.

Thank you for your continued interest in and support of MassMutual Participation Investors.

Sincerely,

Michael L. Klofas

President

\* Based on market value of total investments (including cash)

Cautionary Notice: Certain statements contained in this report may be “forward looking” statements. Investors are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date on which they are made and which reflect management’s current estimates, projections, expectations or beliefs, and which are subject to risks and uncertainties that may cause actual results to differ materially. These statements are subject to change at any time based upon economic, market or other conditions and may not be relied upon as investment advice or an indication of the Trust’s trading intent. References to specific securities are not recommendations of such securities, and may not be representative of the Trust’s current or future investments. We undertake no obligation to publicly update forward looking statements, whether as a result of new information, future events, or otherwise.

## CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES

MassMutual Participation Investors

September 30, 2011

(Unaudited)

## Assets:

## Investments

(See Consolidated Schedule of Investments)

Corporate restricted securities at fair value

(Cost - \$118,584,600)

\$ 109,976,283

Corporate restricted securities at market value

(Cost - \$2,640,284)

2,465,561

Corporate public securities at market value

(Cost - \$13,602,690)

13,872,051

Short-term securities at amortized cost

9,199,612

Total investments (Cost - \$144,027,186)

135,513,507

Cash

2,758,051

Interest receivable

1,232,338

Receivable for investments sold

822

Other assets

329,223

Total assets

139,833,941

## Liabilities:

Note payable

12,000,000

Payable for investments purchased

375,000

Deferred tax liability

627,885

Investment advisory fee payable

283,848

Interest payable

262,933

Accrued expenses

129,420

Total liabilities

13,679,086

Total net assets

\$ 126,154,855

## Net Assets:

Common shares, par value \$.01 per share

\$ 100,970

Additional paid-in capital

94,480,979

Retained net realized gain on investments, prior years

33,183,269

Undistributed net investment income

5,604,736

Accumulated net realized gain on investments

1,926,465

Net unrealized depreciation of investments

(9,141,564 )

Total net assets

\$ 126,154,855

Common shares issued and outstanding (14,785,750 authorized)

10,096,975

Net asset value per share

\$ 12.49

See Notes to Consolidated Financial Statements

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## CONSOLIDATED STATEMENT OF OPERATIONS

For the nine months ended September 30, 2011

(Unaudited)

Investment Income:	
Interest	\$10,954,443
Dividends	224,867
Other	52,934
Total investment income	11,232,244
Expenses:	
Investment advisory fees	846,876
Interest	522,000
Trustees' fees and expenses	170,225
Professional fees	146,900
Reports to shareholders	62,993
Custodian fees	22,000
Other	25,254
Total expenses	1,796,248
Investment income - net	9,435,996
Net realized and unrealized gain on investments:	
Net realized gain on investments before taxes	843,303
Income tax expense	(52,393 )
Net realized gain on investments after taxes	790,910
Net change in unrealized depreciation of investments before taxes	1,542,155
Net change in deferred income tax expense	(363,420 )
Net change in unrealized depreciation of investments after taxes	1,178,735
Net gain on investments	1,969,645
Net increase in net assets resulting from operations	\$11,405,641

See Notes to Consolidated Financial Statements

CONSOLIDATED STATEMENT OF CASH FLOWS      MassMutual Participation Investors  
 For the nine months ended September 30, 2011  
 (Unaudited)

Net decrease in cash:	
Cash flows from operating activities:	
Purchases/Proceeds/Maturities from short-term portfolio securities, net	\$ 867,753
Purchases of portfolio securities	(18,869,007)
Proceeds from disposition of portfolio securities	18,674,946
Interest, dividends and other income received	8,242,228
Interest expense paid	(348,000 )
Operating expenses paid	(1,322,036 )
Income taxes paid	(515,718 )
Net cash provided by operating activities	6,730,166
Cash flows from financing activities:	
Cash dividends paid from net investment income	(7,952,096 )
Receipts for shares issued on reinvestment of dividends	648,507
Net cash used for financing activities	(7,303,589 )
Net decrease in cash	(573,423 )
Cash - beginning of year	3,331,474
Cash - end of period	\$ 2,758,051
Reconciliation of net increase in net assets to net cash provided by operating activities:	
Net increase in net assets resulting from operations	\$ 11,405,641
Increase in investments	(4,844,229 )
Decrease in interest receivable	97,492
Increase in receivable for investments sold	(822 )
Increase in other assets	(329,223 )
Increase in payable for investments purchased	375,000
Increase in deferred tax liability	363,420
Increase in investment advisory fee payable	15,256
Increase in interest payable	174,000
Decrease in accrued expenses	(45,916 )
Decrease in accrued taxes payable	(463,325 )
Decrease in other payables	(17,128 )
Total adjustments to net assets from operations	(4,675,475 )
Net cash provided by operating activities	\$ 6,730,166

See Notes to Consolidated Financial Statements



## CONSOLIDATED STATEMENTS OF CHANGES IN NET ASSETS

	For the nine months ended 09/30/11 (Unaudited)	For the year ended 12/31/10
Increase in net assets:		
Operations:		
Investment income - net	\$ 9,435,996	\$ 10,266,428
Net realized gain on investments after taxes	790,910	1,179,654
Net change in unrealized depreciation of investments after taxes	1,178,735	8,365,960
Net increase in net assets resulting from operations	11,405,641	19,812,042
Increase from common shares issued on reinvestment of dividends		
Common shares issued (2011 - 46,704; 2010 - 67,032)	648,507	828,922
Dividends to shareholders from:		
Net investment income (2011 - \$0.54 per share; 2010 - \$1.00 per share)	(5,439,528 )	(10,026,104 )
Total increase in net assets	6,614,620	10,614,860
Net assets, beginning of year	119,540,235	108,925,375
Net assets, end of period/year (including undistributed net investment income of \$5,604,737 and \$1,608,268, respectively)	\$ 126,154,855	\$ 119,540,235

See Notes to Consolidated Financial Statements

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CONSOLIDATED SELECTED FINANCIAL HIGHLIGHTS  
Selected data for each share of beneficial interest  
outstanding:

MassMutual Participation Investors

	For the nine months ended 09/30/2011 (Unaudited)		For the years ended December 31,				2007	2006
	2010	2009	2008	2007	2006			
Net asset value:								
Beginning of year	\$ 11.89	\$ 10.91	\$ 11.10	\$ 12.84	\$ 12.90	\$ 12.21		
Net investment income (a)	0.94	1.02	0.94	1.08	1.23	1.10		
Net realized and unrealized gain (loss) on investments	0.20	0.95	(0.13 )	(1.82 )	(0.05 )	0.77		
Total from investment operations	1.14	1.97	0.81	(0.74 )	1.18	1.87		
Dividends from net investment income to common shareholders	(0.54 )	(1.00 )	(1.00 )	(1.00 )	(1.23 )	(1.18 )		
Dividends from net realized gain on investments to common shareholders	-	-	-	-	(0.02 )	(0.01 )		
Increase from dividends reinvested	0.00 (b)	0.01	0.00 (b)	0.00 (b)	0.01	0.01		
Total dividends	(0.54 )	(0.99 )	(1.00 )	(1.00 )	(1.24 )	(1.18 )		
Net asset value: End of period/year	\$ 12.49	\$ 11.89	\$ 10.91	\$ 11.10	\$ 12.84	\$ 12.90		
Per share market value:								
End of period/year	\$ 15.12	\$ 13.88	\$ 12.20	\$ 9.05	\$ 13.18	\$ 14.70		
Total investment return								
Net asset value (c)	9.71 %	18.71 %	7.60 %	(6.01 %)	9.95 %	18.64 %		
Market value (c)	13.18 %	22.94 %	40.86 %	(25.36 %)	(1.30 %)	16.81 %		
Net assets (in millions):								
End of period/year	\$ 126.15	\$ 119.54	\$ 108.93	\$ 110.18	\$ 126.63	\$ 126.52		
Ratio of operating expenses to average net assets	1.38 % <sup>(e)</sup>	1.46 %	1.41 %	1.33 %	1.36 %	1.17 %		
Ratio of interest expense to average net assets	0.56 % <sup>(e)</sup>	0.61 %	0.63 %	0.58 %	0.56 %	0.57 %		
Ratio of income tax expense to average net assets (d)	0.06 % <sup>(e)</sup>	0.46 %	0.00 %	0.00 %	0.48 %	2.68 %		
Ratio of total expenses before custodian fee	2.00 % <sup>(e)</sup>	2.53 %	2.04 %	1.91 %	2.40 %	4.46 %		

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reduction to average net assets (d)												
Ratio of net expenses after custodian fee reduction to average net assets (d)	2.00	%(e)	2.53	%	2.04	%	1.91	%	2.40	%	4.42	%
Ratio of net investment income to average net assets	10.20	%(e)	8.96	%	8.55	%	8.74	%	9.32	%	8.43	%
Portfolio turnover	15	%	27	%	23	%	32	%	33	%	34	%

(a) Calculated using average shares.

(b) Rounds to less than \$0.01 per share.

(c) Net asset value return represents portfolio returns based on change in the Trust's net asset value assuming the reinvestment of all dividends and distributions which differs from the total investment return based on the Trust's market value due to the difference between the Trust's net asset value and the market value of its shares outstanding; past performance is no guarantee of future results.

(d) As additional information, this ratio is included to reflect the taxes paid on retained long-term gains. These taxes paid are netted against realized capital gains in the Statement of Operations. The taxes paid are treated as deemed distributions and a credit for the taxes paid is passed on to shareholders.

(e) Annualized

Senior borrowings:

Total principal amount (in millions)	\$12	\$12	\$12	\$12	\$12	\$12
Asset coverage per \$1,000 of indebtedness	\$11,513	\$10,962	\$10,077	\$10,181	\$11,552	\$11,543

See Notes to Consolidated Financial Statements

## CONSOLIDATED SCHEDULE OF INVESTMENTS

September 30, 2011

(Unaudited)

Corporate Restricted Securities - 89.13%: (A)	Principal Amount, Shares, Units or Ownership Percentage	Acquisition Date	Cost	Fair Value
Private Placement Investments - 87.18%				
A E Company, Inc. A designer and manufacturer of machined parts and assembly structures for the commercial and military aerospace industries.				
11% Senior Secured Note due 2015	\$ 715,384	*	\$ 704,586	\$ 737,696
13% Senior Subordinated Note due 2016	\$ 807,693	11/10/09	737,874	830,512
Common Stock (B)	184,615 shs.	11/10/09	184,615	102,129
Warrant, exercisable until 2019, to purchase common stock at \$.01 per share (B)	92,308 shs.	11/10/09	68,566	51,065
* 11/10/09 and 11/18/09.			1,695,641	1,721,402
A H C Holding Company, Inc. A designer and manufacturer of boilers and water heaters for the commercial sector.				
15% Senior Subordinated Note due 2015	\$ 1,383,751	11/21/07	1,365,715	1,383,751
Limited Partnership Interest (B)	12.26% int.	11/21/07	119,009	175,683
			1,484,724	1,559,434
A S A P Industries LLC A designer and manufacturer of components used on oil and natural gas wells.				
12.5% Senior Subordinated Note due 2015	\$ 450,500	12/31/08	407,442	455,005
Limited Liability Company Unit Class A-2 (B)	676 uts.	12/31/08	74,333	280,749
Limited Liability Company Unit Class A-3 (B)	608 uts.	12/31/08	66,899	252,677
			548,674	988,431
A S C Group, Inc. A designer and manufacturer of high reliability encryption equipment, communications products, computing systems and electronic components primarily for the military and aerospace sectors.				
12.75% Senior Subordinated Note due 2016	\$ 1,227,273	10/09/09	1,083,689	1,251,818
Limited Liability Company Unit Class A (B)	2,186 uts.	*	214,793	288,287

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Limited Liability Company Unit Class B (B)	1,473 uts.	10/09/09	144,716	194,257
* 10/09/09 and 10/27/10.			1,443,198	1,734,362

A W X Holdings Corporation

A provider of aerial equipment rental, sales and repair services to non-residential construction and maintenance contractors operating in the State of Indiana.

10.5% Senior Secured Term Note due 2014 (D)	\$ 420,000	05/15/08	413,944	378,000
13% Senior Subordinated Note due 2015 (D)	\$ 420,000	05/15/08	384,627	-
Common Stock (B)	60,000 shs.	05/15/08	60,000	-
Warrant, exercisable until 2015, to purchase common stock at \$.01 per share (B)	21,099 shs.	05/15/08	35,654	-
			894,225	378,000



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12% Senior Subordinated

Note due 2013

Preferred Class A Unit (B)	1,706 uts.	**	170,600	310,094
Preferred Class B Unit (B)	808 uts.	06/09/08	80,789	137,390
Common Class B Unit (B)	16,100 uts.	01/22/04	1	98,288
Common Class D Unit (B)	3,690 uts.	09/12/06	-	22,527
* 01/22/04 and 06/09/08. **				
01/22/04 and 09/12/06.			1,901,163	2,255,802

Apex Analytix Holding Corporation

A provider of audit recovery and fraud detection services and software to commercial and retail businesses in the U.S. and Europe.

12.5% Senior Subordinated Note due 2014	\$ 1,012,500	04/28/09	896,746	1,012,500
Preferred Stock Series B (B)	1,623 shs.	04/28/09	162,269	214,455
Common Stock (B)	723 shs.	04/28/09	723	95,579
			1,059,738	1,322,534

## CONSOLIDATED SCHEDULE OF INVESTMENTS (CONTINUED)

September 30, 2011

(Unaudited)

Corporate Restricted Securities: (A) (Continued)	Principal Amount, Shares, Units or Ownership Percentage	Acquisition Date	Cost	Fair Value
<b>Arrow Tru-Line Holdings, Inc.</b>				
A manufacturer of hardware for residential and commercial overhead garage doors in North America.				
12% Senior Subordinated Note due 2012 (D)	\$ 1,054,025	05/18/05	\$ 964,526	\$ 632,415
Preferred Stock (B)	33 shs.	10/16/09	33,224	-
Common Stock (B)	263 shs.	05/18/05	263,298	-
Warrant, exercisable until 2012, to purchase common stock at \$.01 per share (B)	69 shs.	05/18/05	59,362 1,320,410	- 632,415
<b>Associated Diversified Services</b>				
A provider of routine maintenance and repair services primarily to electric utility companies predominantly on electric power distribution lines.				
10% Senior Secured Term Note due 2016 (C)	\$ 292,000	09/30/10	285,627	297,005
13% Senior Subordinated Note due 2017	\$ 332,000	09/30/10	299,288	335,320
Limited Liability Company Unit Class B (B)	36,000 uts.	09/30/10	36,000	30,985
Limited Liability Company Unit Class B OID (B)	27,520 uts.	09/30/10	27,520 648,435	23,686 686,996
<b>Barcodes Group, Inc.</b>				
A distributor and reseller of automatic identification and data capture equipment, including mobile computers, scanners, point-of-sale systems, labels, and accessories.				
13.5% Senior Subordinated Note due 2016	\$ 645,151	07/27/10	617,397	658,054
Preferred Stock (B)	13 shs.	07/27/10	131,496	131,500
Common Stock Class A (B)	44 shs.	07/27/10	437	49,903
Warrant, exercisable until 2020, to purchase common stock at \$.01 per share (B)	8 shs.	07/27/10	76 749,406	8,660 848,117
<b>Bravo Sports Holding Corporation</b>				



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A designer and marketer of niche branded consumer products including canopies, trampolines, in-line skates, skateboards, and urethane wheels.

12.5% Senior Subordinated Note due 2014	\$ 1,207,902	06/30/06	1,173,691	1,169,786
Preferred Stock Class A (B)	465 shs.	06/30/06	141,946	32,045
Common Stock (B)	1 sh.	06/30/06	152	-
Warrant, exercisable until 2014, to purchase common stock at \$.01 per share (B)	164 shs.	06/30/06	48,760	11,262
			1,364,549	1,213,093

CONSOLIDATED SCHEDULE OF INVESTMENTS (CONTINUED) MassMutual Participation Investors  
September 30, 2011  
(Unaudited)

Corporate Restricted Securities: (A) (Continued)	Principal Amount, Shares, Units or Ownership Percentage	Acquisition Date	Cost	Fair Value
<b>C D N T, Inc.</b>				
A value-added converter and distributor of specialty pressure sensitive adhesives, foams, films, and foils.				
10.5% Senior Secured Term Note due 2014	\$ 294,986	08/07/08	\$ 291,727	\$ 294,986
12.5% Senior Subordinated Note due 2015	\$ 429,070	08/07/08	401,290	429,070
Common Stock (B)	41,860 shs.	08/07/08	41,860	36,560
Warrant, exercisable until 2018, to purchase common stock at \$.01 per share (B)	32,914 shs.	08/07/08	32,965	28,747
			767,842	789,363
<b>Capital Specialty Plastics, Inc.</b>				
A producer of desiccant strips used for packaging pharmaceutical products.				
Common Stock (B)	55 shs.	*	252	585,849
*12/30/97 and 05/29/99.				
<b>Clough, Harbour and Associates</b>				
An engineering service firm that is located in Albany, NY.				
12.25% Senior Subordinated Note due 2015	\$ 1,270,588	12/02/08	1,205,244	1,283,294
Preferred Stock (B)	147 shs.	12/02/08	146,594	169,444
			1,351,838	1,452,738
<b>CHG Alternative Education Holding Company</b>				
A leading provider of publicly-funded, for profit pre-K-12 education services targeting special needs children at therapeutic day schools and "at risk" youth through alternative education programs.				
13.5% Senior Subordinated Note due 2018	\$ 720,067	01/19/11	679,755	739,452
Common Stock (B)	375 shs.	01/19/11	37,500	35,625
Warrant, exercisable until 2021, to purchase common stock at \$.01 per share (B)	295 shs.	01/19/11	29,250	3
			746,505	775,080
<b>Coeur, Inc.</b>				

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A producer of proprietary, disposable power injection syringes.

12% Senior Subordinated Note due 2016	\$ 642,857	10/10/08	597,204	649,285
Common Stock (B)	321 shs.	10/10/08	32,143	11,806
Warrant, exercisable until 2018, to purchase common stock at \$.01 per share (B)	495 shs.	10/10/08	48,214	18,163
			677,561	679,254

Connecticut Electric, Inc.

A supplier and distributor of electrical products sold into the retail and wholesale markets.

10% Senior Subordinated Note due 2014 (D)	\$ 771,051	01/12/07	719,299	578,288
Limited Liability Company Unit Class A (B)	82,613 uts.	01/12/07	82,613	-
Limited Liability Company Unit Class C (B)	59,756 uts.	01/12/07	59,756	-
Limited Liability Company Unit Class D (B)	671,525 uts.	05/03/10	-	-
Limited Liability Company Unit Class E (B)	1,102 uts.	05/03/10	-	-
			861,668	578,288

## CONSOLIDATED SCHEDULE OF INVESTMENTS (CONTINUED)

September 30, 2011

(Unaudited)

Corporate Restricted Securities: (A) (Continued)	Principal Amount, Shares, Units or Ownership Percentage	Acquisition Date	Cost	Fair Value
Connor Sport Court International, Inc. A designer and manufacturer of outdoor and indoor synthetic sports flooring and other temporary flooring products.				
Preferred Stock Series B-2 (B)	9,081 shs.	07/05/07	\$ 370,796	\$ 907,093
Preferred Stock Series C (B)	4,757 shs.	07/05/07	158,912	475,195
Common Stock (B)	380 shs.	07/05/07	4	-
Limited Partnership Interest (B) *08/12/04 and 01/14/05.	6.88% int.	*	103,135	-
			632,847	1,382,288
CorePharma LLC A manufacturer of oral dose generic pharmaceuticals targeted at niche applications.				
14.5% Senior Subordinated Note due 2016	\$ 1,382,089	08/04/05	1,382,090	1,382,089
Warrant, exercisable until 2013, to purchase common stock at \$.001 per share (B)	10 shs.	08/04/05	72,617	294,758
			1,454,707	1,676,847
Crane Rental Corporation A crane rental company.				
13% Senior Subordinated Note due 2015	\$ 1,215,000	08/21/08	1,128,225	1,191,268
Common Stock (B)	135,000 shs.	08/21/08	135,000	-
Warrant, exercisable until 2016, to purchase common stock at \$.01 per share (B)	72,037 shs.	08/21/08	103,143	-
			1,366,368	1,191,268
Custom Engineered Wheels, Inc. A manufacturer of custom engineered, non-pneumatic plastic wheels and plastic tread cap tires used primarily for lawn and garden products and wheelchairs.				
12.5% Senior Subordinated Note due 2016	\$ 1,155,288	10/27/09	1,029,503	1,154,001
Preferred Stock PIK (B)	156 shs.	10/27/09	156,468	106,454
Preferred Stock Series A (B)	114 shs.	10/27/09	104,374	77,777
Common Stock (B)	38 shs.	10/27/09	38,244	-

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Warrant, exercisable until 2016, to purchase

common stock at \$.01 per share

(B)	28 shs.	10/27/09	25,735	-
			1,354,324	1,338,232

Davis-Standard LLC

A manufacturer, assembler, and installer of a broad range of capital equipment that is used in the extrusion, conversion, and processing of plastic materials.

12% Senior Subordinated Note due 2014	\$ 489,131	10/30/06	472,794	489,131
Limited Partnership Interest (B)	0.97% int.	10/30/06	371,739	882,274
Warrant, exercisable until 2014, to purchase preferred stock at \$.01 per share (B)	26 shs.	10/30/06	26,380	42,027
Warrant, exercisable until 2014, to purchase common stock at \$.01 per share (B)	18 shs.	10/30/06	18,000	77,272
			888,913	1,490,704

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CONSOLIDATED SCHEDULE OF INVESTMENTS (CONTINUED) MassMutual Participation Investors

September 30, 2011

(Unaudited)

Corporate Restricted Securities: (A) (Continued)	Principal Amount, Shares, Units or Ownership Percentage	Acquisition Date	Cost	Fair Value
<b>Duncan Systems, Inc.</b>				
A distributor of windshields and side glass for the recreational vehicle market.				
10% Senior Secured Term Note due 2013	\$ 231,429	11/01/06	\$ 230,130	\$ 234,818
13% Senior Subordinated Note due 2014	\$ 488,572	11/01/06	459,681	488,572
Common Stock (B)	102,857 shs.	11/01/06	102,857	47,900
Warrant, exercisable until 2014, to purchase common stock at \$.01 per share (B)	32,294 shs.	11/01/06	44,663	15,039
			837,331	786,329
<b>E S P Holdco, Inc.</b>				
A manufacturer of power protection technology for commercial office equipment, primarily supplying the office equipment dealer network.				
14% Senior Subordinated Note due 2015	\$ 1,266,179	01/08/08	1,250,003	1,266,179
Common Stock (B)	349 shs.	01/08/08	174,701	119,095
			1,424,704	1,385,274
<b>E X C Acquisition Corporation</b>				
A manufacturer of pre-filled syringes and pump systems used for intravenous drug delivery.				
Warrant, exercisable until 2014, to purchase common stock at \$.01 per share (B)	11 shs.	06/28/04	40,875	55,861
<b>Eatem Holding Company</b>				
A developer and manufacturer of savory flavor systems for soups, sauces, gravies, and other products produced by food manufacturers for retail and foodservice end products.				
12.5% Senior Subordinated Note due 2018	\$ 950,000	02/01/10	839,261	925,729
Common Stock (B)	50 shs.	02/01/10	50,000	42,633
Warrant, exercisable until 2018, to purchase common stock at \$.01 per share (B)	119 shs.	02/01/10	107,100	101,655
			996,361	1,070,017
<b>F C X Holdings Corporation</b>				
A distributor of specialty/technical valves, actuators, accessories, and process instrumentation supplying a number of industrial, high purity, and energy end markets in North America.				
	\$ 1,222,995	10/06/08	1,207,792	1,247,455

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15% Senior Subordinated Note due  
2015

Preferred Stock Series A (B)	232 shs.	12/30/10	23,200	22,040
Preferred Stock Series B (B)	2,298 shs.	10/06/08	229,804	275,898
Common Stock (B)	1,625 shs.	10/06/08	1,625	-
			1,462,421	1,545,393

F F C Holding Corporation

A leading U.S. manufacturer of private label frozen novelty and ice cream products.

16% Senior Subordinated Note due  
2017

	\$	859,007	09/27/10	843,759	876,187
Limited Liability Company Units Preferred (B)		171 uts.	09/27/10	153,659	163,277
Limited Liability Company Units (B)		171 uts.	09/27/10	17,073	8,412
				1,014,491	1,047,876

## CONSOLIDATED SCHEDULE OF INVESTMENTS (CONTINUED)

September 30, 2011

(Unaudited)

Corporate Restricted Securities: (A) (Continued)	Principal Amount, Shares, Units or Ownership Percentage	Acquisition Date	Cost	Fair Value
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## F G I Equity LLC

A manufacturer of a broad range of filters and related products that are used in commercial, light industrial, healthcare, gas turbine, nuclear, laboratory, clean room, hotel, educational system, and food processing settings.

14.25% Senior Subordinated Note due 2016	\$ 440,340	12/15/10	\$ 428,951	\$453,550
Limited Liability Company Unit Class B-1 (B)	65,789 uts.	12/15/10	65,789	62,500
Limited Liability Company Unit Class B-2 (B)	8,248 uts.	12/15/10	8,248	82
			502,988	516,132

## F H Equity LLC

A designer and manufacturer of a full line of automatic transmission filters and filtration systems for passenger vehicles.

14% Senior Subordinated Note due 2017	\$ 507,930	12/20/10	488,484	528,776
Limited Liability Company Unit Class C (B)	1,575 uts.	12/20/10	16,009	16
			504,493	528,792

## Flutes, Inc.

An independent manufacturer of micro fluted corrugated sheet material for the food and consumer products packaging industries.

10% Senior Secured Term Note due 2013 (D)	\$524,791	04/13/06	519,050	498,551
14% Senior Subordinated Note due 2014 (D)	\$317,177	04/13/06	290,908	-
			809,958	498,551

## G C Holdings

A leading manufacturer of gaming tickets, industrial recording charts, security-enabled point-of sale receipts, and medical charts and supplies.

12.5% Senior Subordinated Note due 2017	\$ 1,000,000	10/19/10	938,844	1,030,000
Warrant, exercisable until 2018, to purchase common stock at \$.01 per share (B)	198 shs.	10/19/10	46,958	2
			985,802	1,030,002

## Golden County Foods Holding, Inc.



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A manufacturer of frozen appetizers and snacks.

16% Senior Subordinated PIK Note due 2015 (D)	\$	1,012,500	11/01/07	938,215	-
16% PIK Note due 2015 (D)	\$	250,259	12/31/08	217,699	-
8% Series A Convertible Preferred Stock, convertible into common shares (B)		151,643 shs.	11/01/07	77,643	-
				1,233,557	-

H M Holding Company

A designer, manufacturer, and importer of promotional and wood furniture.

7.5% Senior Subordinated Note due 2013 (D)	\$	362,700	10/15/09	271,181	181,350
Preferred Stock (B)		21 shs.	*	21,428	-
Preferred Stock Series B (B)		1,088 shs.	10/15/09	813,544	-
Common Stock (B)		180 shs.	02/10/06	180,000	-
Common Stock Class C (B)		296 shs.	10/15/09	-	-
Warrant, exercisable until 2013, to purchase common stock at \$.02 per share (B)		67 shs.	02/10/06	61,875	-
* 09/18/07 and 06/27/08.				1,348,028	181,350

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CONSOLIDATED SCHEDULE OF INVESTMENTS (CONTINUED) MassMutual Participation Investors  
September 30, 2011  
(Unaudited)

Corporate Restricted Securities: (A) (Continued)	Principal Amount, Shares, Units or Ownership Percentage	Acquisition Date	Cost	Fair Value
Home Décor Holding Company A designer, manufacturer and marketer of framed art and wall décor products.				
12.5% Senior Subordinated Note due 2013	\$1,081,731	*	\$1,044,024	\$1,081,731
Common Stock (B)	33 shs.	*	33,216	56,977
Warrant, exercisable until 2012, to purchase common stock at \$.02 per share (B)	106 shs.	*	105,618	181,153
* 06/30/04 and 08/19/04.			1,182,858	1,319,861
Hospitality Mints Holding Company A manufacturer of individually-wrapped imprinted promotional mints.				
12% Senior Subordinated Note due 2016	\$ 1,415,237	08/19/08	1,346,617	1,394,214
Common Stock (B)	251 shs.	08/19/08	251,163	17,400
Warrant, exercisable until 2016, to purchase common stock at \$.01 per share (B)	65 shs.	08/19/08	60,233	4,498
			1,658,013	1,416,112
Insurance Claims Management, Inc. A third party administrator providing auto and property claim administration services for insurance companies.				
Common Stock (B)	47 shs.	02/27/07	1,424	206,730
International Offshore Services LLC A leading provider of marine transportation services, platform decommissioning, and salvage services to oil and gas producers in the shallow waters of the Gulf of Mexico.				
14.25% Senior Subordinated Secured Note due 2017	\$ 1,350,000	07/07/09	1,239,258	1,012,500
Limited Liability Company Unit (B)	1,647 uts.	07/07/09	98,833	-
			1,338,091	1,012,500
J A C Holding Enterprises, Inc. A supplier of luggage racks and accessories to the original equipment manufacturers.				
12.5% Senior Subordinated Note due 2017	\$ 833,333	12/20/10	718,972	784,277
Preferred Stock A (B)	165 shs.	12/20/10	165,000	82,500

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Preferred Stock B (B)	0.06 shs.	12/20/10	-	-
Common Stock (B)	33 shs.	12/20/10	1,667	833
Warrant, exercisable until 2020, to purchase common stock at \$.01 per share (B)	12 shs.	12/20/10	105,643 991,282	- 867,610
Jason Partners Holdings LLC				
A diversified manufacturing company serving various industrial markets.				
Limited Liability Company Unit (B)	48 uts.	09/21/10	449,086	25,511

## CONSOLIDATED SCHEDULE OF INVESTMENTS (CONTINUED)

September 30, 2011

(Unaudited)

Corporate Restricted Securities: (A) (Continued)		Principal Amount, Shares, Units or Ownership Percentage	Acquisition Date	Cost	Fair Value
<b>K H O F Holdings, Inc.</b>					
A manufacturer of premium disposable tableware products serving both the foodservice and consumer channels.					
Common Stock (B)	116,827 shs.		10/15/07	\$ 71,515	\$ 146,698
<b>K N B Holdings Corporation</b>					
A designer, manufacturer and marketer of products for the custom framing market.					
15% Senior Subordinated PIK					
Note due 2017	\$ 2,153,168		04/12/11	1,970,325	2,153,168
Common Stock (B)	71,053 shs.		05/25/06	71,053	29,966
Warrant, exercisable until 2013, to purchase common stock at \$.01 per share					
(B)	43,600 shs.		05/25/06	37,871	18,388
				2,079,249	2,201,522
<b>K P H I Holdings, Inc.</b>					
A manufacturer of highly engineered plastic and metal components for a diverse range of end-markets, including medical, consumer and industrial, automotive and defense.					
15% Senior Subordinated Note					
due 2017	\$ 887,194		12/10/10	870,853	896,459
Common Stock (B)	232,826 shs.		12/10/10	232,826	221,185
				1,103,679	1,117,644
<b>K P I Holdings, Inc.</b>					
The largest player in the U.S. non-automotive, non-ferrous die casting segment.					
12.75% Senior Subordinated					
Note due 2015 (D)	\$ 1,301,869		07/16/08	1,222,125	1,301,870
Convertible Preferred Stock					
Series C (B)	29 shs.		06/30/09	29,348	58,000
Convertible Preferred Stock					
Series D (B)	13 shs.		09/17/09	12,958	38,880
Common Stock (B)	235 shs.		07/15/08	234,783	1,837
Warrant, exercisable until 2018, to purchase					
	51 shs.		07/16/08	50,836	398

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common stock at \$.01 per share (B)				
Warrant, exercisable until 2018, to purchase common stock at \$.01 per share (B)	67 shs.	09/17/09	- 1,550,050	527 1,401,512

K W P I Holdings Corporation

A manufacturer and distributor of vinyl windows and patio doors throughout the northwestern United States.

12% Senior Subordinated Note due 2015 (D)	\$ 1,674,246	03/14/07	1,523,455	1,339,397
Preferred Stock PIK (B)	793 shs.	02/07/11	306,750	230,000
Common Stock (B)	123 shs.	03/13/07	123,000	-
Warrant, exercisable until 2019, to purchase preferred stock at \$.01 per share (B)	71 shs.	07/07/09	-	-
Warrant, exercisable until 2017, to purchase common stock at \$.01 per share (B)	89 shs.	03/14/07	85,890 2,039,095	- 1,569,397

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CONSOLIDATED SCHEDULE OF INVESTMENTS (CONTINUED) MassMutual Participation Investors  
September 30, 2011  
(Unaudited)

Corporate Restricted Securities: (A) (Continued)	Principal Amount, Shares, Units or Ownership Percentage	Acquisition Date	Cost	Fair Value
<b>LPC Holding Company</b>				
A designer and manufacturer of precision-molded silicone rubber components that are utilized in the medical and automotive end markets.				
13.5% Senior Subordinated PIK Note due 2018	\$ 907,434	08/15/11	\$889,565	\$926,407
Common Stock (B)	94 shs.	08/15/11	94,340	89,623
			983,905	1,016,030
<b>M V I Holding, Inc.</b>				
A manufacturer of large precision machined metal components used in equipment which services a variety of industries, including the oil and gas, mining, and defense markets.				
13% Senior Subordinated Note due 2016	\$ 662,740	09/12/08	626,565	622,499
Common Stock (B)	32 shs.	09/12/08	32,143	16,649
Warrant, exercisable until 2018, to purchase common stock at \$.01 per share (B)	35 shs.	09/12/08	34,714	17,981
			693,422	657,129
<b>Mail Communications Group, Inc.</b>				
A provider of mail processing and handling services, lettershop services, and commercial printing services.				
12.5% Senior Subordinated Note due 2014	\$ 516,177	05/04/07	500,157	516,177
Limited Liability Company Unit (B)	12,764 uts.	*	166,481	213,662
Warrant, exercisable until 2014, to purchase common stock at \$.01 per share (B)	1,787 shs.	05/04/07	22,781	29,915
* 05/04/07 and 01/02/08.			689,419	759,754
<b>Manhattan Beachwear Holding Company</b>				
A designer and distributor of women's swimwear.				
12.5% Senior Subordinated Note due 2018	\$ 882,353	01/15/10	784,264	882,353
15% Senior Subordinated Note due 2018	\$ 219,041	10/05/10	215,242	219,041
Common Stock (B)	35 shs.	10/05/10	35,400	97,725

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Common Stock Class B (B)	118 shs.	01/15/10	117,647	324,783
Warrant, exercisable until 2019, to purchase common stock at \$.01 per share (B)	104 shs.	01/15/10	94,579	287,433
			1,247,132	1,811,335

Marshall Physicians Services LLC

A provider of emergency department and hospital medicine services to hospitals located in the state of Kentucky. The Company was founded in 1999 and is owned by seven practicing physicians.

13% Senior Subordinated Note due 2016	\$ 440,000	09/20/11	431,223	445,858
Limited Liability Company Unit Class A (B)	2,900 uts.	09/20/11	60,000	57,000
Limited Liability Company Unit Class D (B)	291 uts.	09/20/11	-	1
			491,223	502,859

## CONSOLIDATED SCHEDULE OF INVESTMENTS (CONTINUED)

September 30, 2011

(Unaudited)

Corporate Restricted Securities: (A) (Continued)	Principal Amount, Shares, Units or Ownership Percentage	Acquisition Date	Cost	Fair Value
<b>MBWS Ultimate Holdco, Inc.</b>				
A provider of services throughout North Dakota that address the fluid management and related transportation needs of an oil well.				
12% Senior Subordinated Note due 2016	\$ 1,117,495	*	\$ 1,020,877	\$1,139,845
Preferred Stock Series A (B)	1,388 shs.	09/07/10	138,797	387,010
Common Stock (B)	162 shs.	03/01/11	16,226	45,170
Common Stock (B)	153 shs.	09/07/10	15,282	42,660
Warrant, exercisable until 2020, to purchase common stock at \$.01 per share (B)	103 shs.	03/01/11	10,325	28,719
Warrant, exercisable until 2016, to purchase common stock at \$.01 per share (B)	386 shs.	09/07/10	38,623	107,627
* 09/07/10 and 03/01/11.			1,240,130	1,751,031
<b>MedSystems Holdings LLC</b>				
A manufacturer of enteral feeding products, such as feeding tubes and other products related to assisted feeding.				
13% Senior Subordinated Note due 2015	\$ 626,907	08/29/08	573,210	626,907
Preferred Unit (B)	66 uts.	08/29/08	66,451	83,188
Common Unit Class A (B)	671 uts.	08/29/08	671	18,386
Common Unit Class B (B)	250 uts.	08/29/08	63,564	6,841
			703,896	735,322
<b>MEGTEC Holdings, Inc.</b>				
A supplier of industrial and environmental products and services to a broad array of industries.				
12% Senior Subordinated Note due 2016	\$ 1,144,068	09/24/08	1,073,530	1,144,068
Preferred Stock (B)	56 shs.	09/24/08	54,040	71,007
Limited Partnership Interest (B)	0.74% int.	09/16/08	205,932	284,239
Warrant, exercisable until 2018, to purchase				



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common stock at \$.01 per share (B)	18 shs.	09/24/08	18,237 1,351,739	34,331 1,533,645
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Merex Holding Corporation

A provider of after-market spare parts and components, as well as Maintenance, Repair and Overhaul (“MRO”) services for “out of production” or “legacy” aerospace and defense systems that are no longer effectively supported by the OEMs.

14% Senior Subordinated Note due 2018	\$ 367,924	09/22/11	360,583	371,199
Limited Liability Company Unit Series B (B)	132,076 uts.	09/22/11	132,076 492,659	125,472 496,671

MicroGroup, Inc.

A manufacturer of precision parts and assemblies, and a value-added supplier of metal tubing and bars.

12% Senior Subordinated Note due 2013 (D)	\$ 1,421,795	*	1,364,411	853,077
Common Stock (B)	238 shs.	*	238,000	-
Warrant, exercisable until 2013, to purchase common stock at \$.02 per share (B) *08/12/05 and 09/11/06.	87 shs.	*	86,281 1,688,692	- 853,077

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CONSOLIDATED SCHEDULE OF INVESTMENTS (CONTINUED) MassMutual Participation Investors  
September 30, 2011  
(Unaudited)

Corporate Restricted Securities: (A) (Continued)	Principal Amount, Shares, Units or Ownership Percentage	Acquisition Date	Cost	Fair Value
<b>Milwaukee Gear Company</b>				
A manufacturer of high-precision custom gears and gear drives used by original equipment manufacturers operating in a number of industries.				
13% Senior Subordinated Note due 2014	\$ 1,246,154	07/21/08	\$1,202,721	\$1,246,154
Preferred Stock (B)	139 shs.	07/21/08	138,374	175,474
Common Stock (B)	9 shs.	07/21/08	10,000	73,871
Warrant, exercisable until 2014, to purchase common stock at \$.01 per share (B)	6 shs.	07/21/08	5,510	49,248
			1,356,605	1,544,747
<b>Monessen Holding Corporation</b>				
A designer and manufacturer of a broad line of gas, wood, and electric hearth products and accessories.				
15% Senior Subordinated PIK Note due 2015 (D)	\$ 823,794	06/28/11	547,745	-
7% Senior Subordinated Note due 2014 (D)	\$ 1,350,000	06/28/11	1,281,479	337,500
Warrant, exercisable until 2014, to purchase common stock at \$.02 per share (B)	81 shs.	03/31/06	73,125	-
			1,902,349	337,500
<b>Motion Controls Holdings</b>				
A manufacturer of high performance mechanical motion control and linkage products.				
14.25% Senior Subordinated Note due 2017	\$ 919,758	11/30/10	903,574	947,351
Limited Liability Company Unit Class B-1 (B)	93,750 uts.	11/30/10	-	89,063
Limited Liability Company Unit Class B-2 (B)	8,501 uts.	11/30/10	-	85
			903,574	1,036,499
<b>NABCO, Inc.</b>				

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A producer of explosive containment vessels in the United States.

14% Senior Subordinated Note due 2014 (D)	\$ 330,882	02/24/06	306,091	82,720
Limited Liability Company Unit (B)	437 uts.	*	436,984	-
Warrant, exercisable until 2016, to purchase common stock at \$.01 per share (B)	68 shs.	02/24/06	19,687	-
* 02/24/06 and 06/22/07.			762,762	82,720

Nesco Holdings Corporation

A sales and leasing company that provides equipment to the electric utility, telecommunications, and various other industries.

12% Senior Secured Subordinated Note due 2015	\$ 1,125,000	08/02/07	1,047,660	1,125,000
Common Stock (B)	225,000 shs.	08/02/07	225,000	577,125
Warrant, exercisable until 2015, to purchase common stock at \$.01 per share (B)	63,191 shs.	08/02/07	102,842	162,084
			1,375,502	1,864,209

CONSOLIDATED SCHEDULE OF INVESTMENTS (CONTINUED)

September 30, 2011

(Unaudited)

Corporate Restricted Securities: (A) (Continued)