

## Oil and Gas Exposure

As a result of the large decline in oil prices, there has been heightened attention to certain investments in the various energy sub-sectors related to oil and gas following a large increase in market volatility. Our portfolio includes holdings diversified across multiple sub-sectors of the oil and gas industry, spread among multiple geographies. See the below table for a breakout of our exposure to the oil and gas industry.

	March 31, 2016			
(In millions)	Cost or Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
<b>Securities available for sale, carried at fair value:</b>				
Fixed maturities:				
Independent exploration & production	\$ 1,295	\$ 55	\$ 136	\$ 1,214
Integrated energy	620	52	30	642
Midstream	1,261	69	100	1,230
Oil field services	1,174	24	259	939
Refiners	465	5	26	444
Government owned - energy related	922	182	21	1,083
Natural gas utilities	357	57	1	413
Total fixed maturities	6,094	444	573	5,965
Equity securities:				
Independent exploration & production	0	0	0	0
Integrated energy	7	0	0	7
Midstream	5	1	0	6
Oil field services	2	0	0	2
Refiners	3	0	0	3
Government owned - energy related	0	0	0	0
Natural gas utilities	0	0	0	0
Equity securities	17	1	0	18
Total securities available for sale	6,111	445	573	5,983
<b>Securities held to maturity, carried at amortized cost:</b>				
Fixed maturities:				
Independent exploration & production	0	0	0	0
Integrated energy	231	14	0	245
Midstream	0	0	0	0
Oil field services	0	0	0	0
Refiners	0	0	0	0
Government owned - energy related	266	0	8	258
Natural gas utilities	222	31	0	253
Total fixed maturities	719	45	8	756
Total securities held to maturity	719	45	8	756
Total securities available for sale and held to maturity	\$ 6,830	\$ 490	\$ 581	\$ 6,739

As of March 31, 2016, the weighted-average rating of our total fixed maturity oil and gas exposure is BBB, and 88% of this exposure is investment grade, compared to 93% at December 31, 2015. The recent decline in oil and natural gas prices and the corresponding negative impact on the financial condition of related companies prompted Moody's and S&P to take negative ratings action against many issuers operating in the energy sector. This contributed to an increase in volatility for the market prices of bonds of energy-related issuers. Although a recent recovery in oil prices has aided in improved valuations in many securities, we could see a continuation of this heightened volatility in oil, gas, and related investment instruments. We do not currently expect our investments in these sub-sectors related to oil and gas to have a material impact on our results of operations.