Bradford & Marzec
Global Fixed Income Management

4Q11
QUARTER ENDING December 31, 2011

High Yield

PRODUCT PROFILE

Investment Philosophy & Process

Bradford & Marzec High Yield philosophy incorporates the use of only the higher quality tiers of the High Yield universe (BB and B) in an effort to maximize total returns in a high yield portfolio during normal economic periods, but minimize loss of principal during periods of rapid credit deterioration. Within this framework the average credit quality of the portfolio is shifted according to our assessment of the present state of the economic cycle. In this manner we endeavor to enhance returns in favorable economic environments when credit conditions are improving, and protect principal by adopting a more defensive average credit quality when the economic cycle is deteriorating.

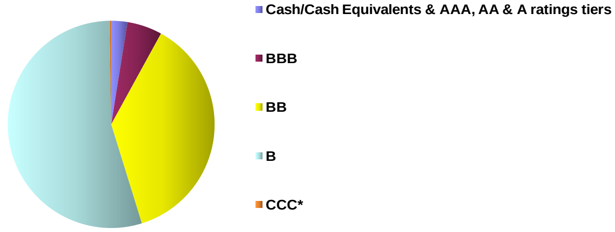
Rigorous bottom-up credit analysis by our team of analysts is married to our top-down macroeconomic assessment to position portfolios at the various stages of the economic cycle. Average portfolio quality is adjusted by altering the weightings of investment in higher and lower quality bonds (using the ratings of the major credit rating agencies). An industry sector rotation strategy is employed to capture potential benefits at different stages of the economic cycle. Our broader industry strategy is then integrated with bottom-up fundamental corporate credit research and relative value analysis to enhance security selection for our clients' portfolios.

This process and philosophy has been the mainstay of our style since managing our first separate High Yield account in 1988.

Overview

Total Firm Assets:	$4.3 Billion
High Yield Assets:	$472.8 Million
Benchmark:	Citigroup BB/B ex B/CCC Index
Portfolio Manager:	Team Managed
Team Leader:	Doug Lopez, CFA

Quality Distribution



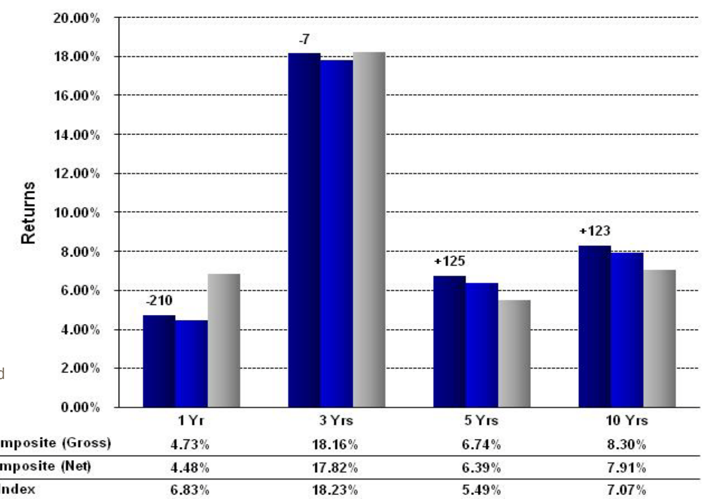
Source: Citigroup	BMLLC High Yield	Citi BB/B HY Index
Cash/Cash Equivalents & AAA, AA & A ratings tiers	2.52%	0.00%
BBB:	5.48%	0.24%
BB:	37.21%	42.49%
B:	54.47%	57.27%
D:	0.32%	0.00%
Total	100.00%	100.00%

Performance

Inception: 1/1/1995

Annualized Returns*

*Returns less than one year are not annualized



Source: Citigroup

	High Yield Sep. Accts. (Gross)	High Yield Sep. Accts. (Net)	Citi BB/B ex B/CCC Index	Excess Returns Gross of Fees
1 Yr	4.73%	4.48%	6.83%	-210
3 Yrs	18.16%	17.82%	18.23%	-7
5 Yrs	6.74%	6.39%	5.49%	+125
10 Yrs	8.30%	7.91%	7.07%	+123

Source: Citigroup

If you would like more information, please contact:
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Please see reverse side for disclosure information.
Complete historical composite data available upon request.

Investment Team

Bradford & Marzec is an independent employee-owned investment advisory organization founded in 1984 and headquartered in Los Angeles. Our staff of experienced professionals working together as specialist investment teams are the most important part of our investment philosophy and process. Our Senior Portfolio Management Team has worked together for over 18 years and collectively average over 31 years of investment experience.

High Yield Separate Account Composite Disclosure 4Q11

High Yield Separate Account Composite

January 1, 2001 Through December 31, 2011		Gross-of-fees Return	Net-of-fees Return	CITI BB/B	Composite Dispersion (High / Low)	Composite 3-Yr Ann St Dev	Benchmark 3-Yr Ann St Dev	# of Ports	Gross Assets ($Mil)	Total Firm Assets ($Mil)	Percentage of Total Firm Assets	Percentage of Non-Fee Paying Assets	Created
2001	YTD	8.50	8.02	6.65	NA	NA	NA	2	$33.9	$7,605.2	0.4%	0.0%	Jan-02
2002	YTD	4.43	3.99	-1.88	4.75/3.86	NA	NA	2	$40.4	$4,922.1	0.8%	0.0%	Jan-03
2003	YTD	21.72	21.23	23.99	21.98/21.39	NA	NA	3	$56.1	$4,359.8	1.3%	6.8%	Jan-04
2004	YTD	11.14	10.73	9.91	11.51/9.40	NA	NA	3	$66.0	$4,518.6	1.5%	10.2%	Jan-05
2005	YTD	3.76	3.36	2.46	3.87/3.60	NA	NA	3	$76.2	$4,221.8	1.8%	6.8%	Jan-06
2006	YTD	9.30	8.87	10.61	NA	NA	NA	3	$86.0	$4,220.2	2.0%	6.2%	Jan-07
2007	YTD	4.69	4.27	2.61	NA	NA	NA	3	$93.4	$4,098.6	2.3%	4.0%	Jan-08
2008	YTD	-19.78	-20.08	-22.97	NA	NA	NA	9	$185.1	$3,871.6	4.8%	1.5%	Jan-09
2009	YTD	36.73	36.30	36.46	1.63	NA	NA	13	$287.4	$3,284.8	8.7%	0.0%	Jan-10
2010	YTD	15.19	14.86	13.36	0.83	NA	NA	16	$436.5	$4,050.2	10.8%	0.0%	Jan-11
2011	YTD	4.73	4.48	6.83	1.06	8.15	8.38	16	$440.8	$4,260.4	10.3%	0.0%	Jan-12

YTD returns for the current year are updated as of the most recent available quarter end data.

The performance figures represented herein reflect the deduction of any brokerage fees, but do not reflect the deduction of advisory fees unless specified as returns net of fees. Advisory fees and any other expenses that may be incurred in the management of an investment advisory account will reduce performance results shown gross of fees. For returns shown net of fees, gross returns have been reduced using actual investment advisory fees that were paid. See BM's Form ADV, Part II for a complete description of investment advisory fees.

This presentation consists of compilations of various client portfolio data that may not represent the investment strategies that would be employed for a prospective client. The investment strategies employed in the accounts included in the portfolio composite may differ from the market, as represented by index returns, in terms of weighted average quality, weighted average coupon, and/or weighted average duration (volatility), and may include the use of certain other securities such as lower quality bonds, non-dollar bonds, municipal bonds and convertible bonds which are not included in the market index. Individual client performance returns may be higher or lower than the composite's returns based upon the client's investment objectives, financial situations, restrictions, and risk tolerances. Past performance is no guarantee of future results. All investments involve risk including the loss of principal. Although the performance results included illustrate the potential for profit, the possibility of losses also exists.

The High Yield Separate Account Composite includes all discretionary accounts without maturity restrictions that are invested primarily in high yield fixed income securities with no limitations to high yield exposure. SMA and wrap fee clients are not included in this composite. All accounts meeting these criteria, regardless of size, are included in the composite. The High Yield Separate Account Composite has an inception and creation date of 01/01/1995. The applicable benchmark for this composite is the Citigroup BB/B (excluding split-rated B/CCC) Index.

1. Bradford & Marzec LLC is an independent employee-owned investment advisory firm registered with the SEC specializing in the management of fully discretionary fixed income portfolios for institutional and individual clients. The firm was founded in 1984 and is headquartered in Los Angeles, California.
2. The investment advisory fee schedule appropriate to the High Yield Separate Account Composite is as follows: $0-$10 million: 0.50%: $10-$25 million: 0.45%; $25-$100 million: 0.375%; Over $100 million: Negotiable.
3. A complete list of all composites maintained by Bradford & Marzec, LLC and their associated descriptions is available upon request.
4. Policies for valuing portfolios, calculating performance, and preparing compliant presentations are available upon request.
5. All returns are presented in US dollars. Portfolios are managed to minimize, but do not exclude, the effects of currency.
6. For taxable accounts, results are not net of taxes. After applicable taxes, the actual returns may be lower.
7. Currency exchange rates are applied consistently across all managed portfolios, however exchange rates may vary slightly from applied benchmark.
8. Prior to 2003, for full years in which the composite was comprised of fewer than 12 accounts, Composite Dispersion indicates the high and low returns, gross of fees, for individual accounts. For full years in which the composite was comprised of 12 or more accounts, Composite Dispersion indicates an asset weighted standard deviation of individual account returns, also gross of fees. From 2003 - 2006, for full years in which the composite was comprised of fewer than 12 accounts, Composite Dispersion indicates the high and low returns, gross of fees, for individual accounts. For full years in which the composite was comprised of 12 or more accounts, Composite Dispersion indicates a simple standard deviation of individual account returns, also gross of fees. Beginning in 2006, dispersion for all composites indicates an equal weighted standard deviation of individual account returns, gross of fees, and is calculated only for full calendar years. A measure of dispersion is only calculated for composites that contain more than five constituents and have maintained a constituency greater than five for the entire year for which dispersion is calculated. A measure of dispersion is not calculated for composites that contain five or fewer constituents.
9. Trade date reporting has been used for the full historical period. Returns include the compounding of interest.
10. Beginning July 01, 2009, Bradford & Marzec, LLC will remove portfolios from the composite when a "Significant Cash Flow" occurs. Bradford & Marzec, LLC defines a Significant Cash Flow as a client-directed contribution or withdrawal of cash and/or securities to/from the portfolio in which the market value of the cash flow is equal to or greater than 40% of the market value of the portfolio prior to the contribution/withdrawal of the cash flow. The portfolio will be removed from the composite after the last full performance period (month) prior to the significant cash flow. The portfolio will be included back to the composite at the beginning of the next calendar quarter, but not less than thirty days after the significant cash flow has been processed and completed. Additional information regarding the treatment of Significant Cash Flows is available upon request. Bradford & Marzec, LLC claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Bradford & Marzec, LLC has been independently verified for the periods 12/31/1997 through 06/30/2011. Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards. The High Yield Separate Account composite has been examined for the periods 12/31/1997 through 06/30/2011. The verification and performance examination reports are available upon request.
11. The three-year annualized standard deviation measures the variability of the composite and the benchmark returns over the preceding 36-month period and is calculated only for full calendar years. The standard deviation is not presented for 2002 through 2010 as it is not required for periods prior to 2011.
12. The three-year annualized standard deviation measures the variability of the composite and the benchmark returns over the preceding 36-month period and is calculated only for full calendar years. The standard deviation is not presented for 2002 through 2010 as it is not required for periods prior to 2011.

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