

Results

Opus Investment Management, 440 Lincoln Street, Worcester, MA 01653 tel: (508) 855-3856 fax: (508) 855-4846 www.opusinvestment.com

INVESTMENT GRADE CORE FIXED INCOME COMPOSITE

December 31, 2011

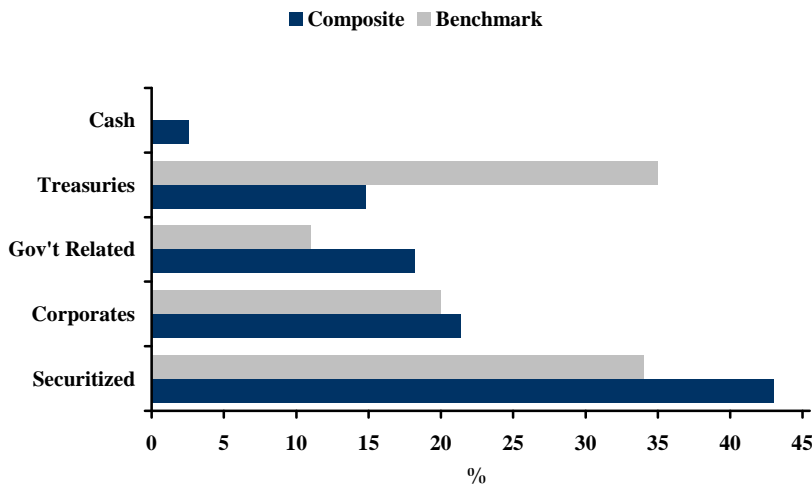
Commentary

After a challenging third quarter, the portfolio put in strong performance over the final three months of the year. Markets discounted double dip recession fears as economic numbers were generally stronger than expected in the U.S. and investors are coming to grips with slow progress still being progress in Europe. This translated to spread contraction and a "risk on" attitude that benefited our portfolio's overweights to spread sectors. Full year results were disappointing as the third quarter's miss overwhelmed favorable returns in the other nine months. For 2012, we expect more volatility as Europe remains the main risk to worldwide recovery and mounting pressure to stimulate job growth in the U.S. grab most of the headlines.

Performance

	Qtr.	1 Year	3 Year	5 Year	10 Year
Opus Composite (Gross)	1.54%	6.80%	8.33%	7.01%	5.87%
Opus Composite (Net)	1.47%	6.53%	8.06%	6.74%	5.61%
Barclays Capital U.S. Agg. Bond Index	1.12%	7.84%	6.77%	6.50%	5.78%

Sector Diversification



Past Performance does not predict or guarantee future results. All returns reflect the reinvestment of interest, dividends, and realized capital gains and losses. Gross-of-fees performance returns are presented before management and custodial fees but after all trading expenses. The above net returns reflect the deduction of 0.25% annually, the highest tier in our standard separate account fee schedule for this product.

Opus Investment Management, Inc. is the institutional asset management subsidiary of The Hanover Insurance Group, Inc. and is an investment adviser registered under the Investment Advisers Act of 1940 specializing in research-driven fixed income investment management. The Investment Grade Core Fixed Income Composite includes all discretionary accounts invested in fixed income securities rated investment grade by either S&P or Moody's, with an emphasis on spread sectors targeting an intermediate portfolio duration. The Investment Grade Core Fixed Income Composite assets as of December 31, 2011 represented 2% of the firm's total assets. Non-fee-paying accounts represent 0% of the Investment Grade Core Fixed Income Composite. Returns are calculated in U.S. dollars. Opus Investment Management, Inc. claims compliance with the Global Investment Performance Standards (GIPS®). To receive a complete list and description of Opus Investment Management, Inc.'s composites and/or a presentation that adheres to the GIPS standards, contact Donald P. Wayman at (508)855-3008 or write Opus Investment Management, Inc. 440 Lincoln Street Worcester, MA 01653, or dwayman@opusinvestment.com.

Objective

To obtain a favorable total return versus the Barclays Capital U.S. Aggregate Index (Benchmark) by investing in various classes of investment grade fixed income securities.

Portfolio Managers

William J. Piel, CFA, Assistant Vice President
Sheryl W. O'Connell, CFA, Vice President

Portfolio Statistics

	Composite	Benchmark
Inception	11/01/1997	
Assets	\$120.7MM	\$15.9B
Effective Duration	4.91 yrs.	4.91 yrs.
Yield to Worst	3.11%	2.23%
Average Coupon	4.40%	4.14%
Average Quality	AA	AA
Turnover Rate	9.27%	NA

Portfolio Risk Measures (3-year)

	Composite	Benchmark
Standard Deviation	2.50	3.08
Beta vs. Benchmark	0.69	NA
Sharpe Ratio	3.21	2.11

Quality Distribution

	Composite	Benchmark
AAA	69.8%	75.1%
AA	7.0%	5.1%
A	14.4%	10.7%
BBB	7.4%	9.1%
Below BBB	1.4%	0.0%

Top Ten Holdings

T 0.25 09/15/14	2.34%
FNMA 4.875 12/15/16	1.89%
FGG08332	1.64%
FGG06229	1.62%
FNAI9944	1.59%
SMI2001-1A	1.57%
FGA96413	1.49%
T 3.00 08/31/2016	1.43%
GCCFC2005GG3A3	1.42%
FNR201141ND	1.37%

Contact Information

Contact Lucy Ann Libbey at
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Or Visit our Web site at

www.opusinvestment.com

