



BRC INVESTMENT MANAGEMENT LLC

NEWS RELEASE

8400 East Prentice, Suite 1401
Denver, CO 80111
303.414.1100
www.brcinvest.com

Contact: David DuRie, Principal
303.414.1102
ddurie@brcinvest.com

BRC Investment Management LLC Introduces Concentrated 130/30 Product

Denver, CO. January 26, 2009 — John R. Riddle, Managing Principal and Chief Investment Officer at BRC Investment Management LLC, today announced the launch of the **BRC 130/30 Concentrated Equity** strategy. This new concentrated equity product is an extension (short-enabled version) of the very successful BRC Large Cap Concentrated Equity product that has been actively managed since inception in 1996.

With an initial investment of \$25 million from the Municipal Employees' Retirement System of Michigan (MERS), the new 130/30 strategy is now operational. "This unique strategy will be housed in our Emerging Manager Program which we implemented in November 2007," states Jeb Burns, CIO of MERS. "In light of recent market events we will be using this program to shore up our equity position by identifying managers positioned to succeed post crisis. We believe BRC fits that description," Mr. Burns explains.

This actively-managed equity strategy aims to add value beyond the realized 550 bps in annualized, gross of fee, excess return achieved by BRC's flagship large cap strategy since its inception. Over this 13 year period the BRC Large Cap Concentrated Equity product has generated an annualized return of 10.3%, gross of fee (9.7% net of fees), versus 4.8% annualized for the S&P 500 Index; making this one of the top performing large cap core equity products as tracked by PSN¹.

“This will be an actively managed concentrated large cap strategy with 30-35 long stock positions and 20-25 short stock positions; equally weighted, sector stable; with a target market beta of 1.0. The target return for this new extension product is 30-50% greater than the return of the large cap product over a 3-5 year market cycle with an expected standard deviation similar to the market.” states Mr. Riddle.

“We believe this may be an excellent time to roll out the new strategy. After such a dreadful year in the equity markets, investors may take a closer look at their managers and adjust allocations in favor of those managers who consistently outperform in both rising and falling markets. The BRC Large Cap Concentrated Equity gross of fee performance results have exceeded the S&P 500 Index in 40 of the last 41 rolling three year periods ending 12/31/08¹. We believe this consistency is a very strong proof statement of the value of our investment process.”

BRC Investment Management LLC is a 100% employee owned, SEC registered investment adviser focusing exclusively on U.S. equity securities. BRC has a well-researched investment philosophy; a repeatable investment process and an experienced investment team. “There are three major components of our investment approach that we believe are unique: 1) the use of select behavioral economic concepts to make statistically significant predictions regarding prices of individual stocks; 2) the use of proprietary models that focus and simultaneously maximize exposure to factors which, based on our research, drive stock prices the most; and 3) by incorporating fundamental analysis into the process, we strive to invest in the best stocks among those ranked by our models. The company’s strong ties to the field of behavioral economics are reinforced in our name. BRC is an acronym for ‘Bounded Rationality Concepts,’” said Mr. Riddle.

The \$4.5 billion Municipal Employees’ Retirement System (MERS) is a statewide public employee retirement plan that provides quality retirement and related services to members and beneficiaries. MERS is one of the oldest and most stable retirement systems in the country. They have more than 60 years of experience providing cost-effective pension plan administration to municipal employees in the state of Michigan. “We are very pleased to have MERS as a new client and look forward to working with them on this new strategy,” acknowledges Mr. Riddle.

¹ Past performance is not indicative of future results. Inception (January 1996) through December 31, 2008. Risk characteristics are relative to S&P 500 Index. Performance is gross of management fees. Source for manager universe data is the PSN Large Cap Core universe as of 01/20/09.

BRC Investment Management LLC
Performance Presentation and Disclosure
Large Cap Concentrated Institutional Composite
For the 10 years ending December 31, 2008

<i>Year Ending (12/31)</i>	<i>2008</i>	<i>2007</i>	<i>2006</i>	<i>2005</i>	<i>2004</i>	<i>2003</i>	<i>2002</i>	<i>2001</i>	<i>2000</i>	<i>1999</i>
Gross-of-Fees Return (%)	-32.34	14.77	13.49	11.63	24.50	32.01	-19.58	-12.85	9.51	15.67
Net-of-Fees Return (%)	-32.68	14.13	12.83	10.92	23.78	31.17	-20.13	-13.39	8.85	14.86
Benchmark - S&P 500 Index Return (%)	-37.00	5.49	15.80	4.91	10.88	28.68	-22.06	-11.92	-9.12	21.04
Internal Dispersion - Standard Deviation (%)	0.22	0.03	0.06	0.02	0.06	0.41	0.62	0.28	0.25	0.54
Composite Number of Portfolios	9	3	3	4	3	4	4	4	4	8
Total Composite Assets (US Million)	143.5	100.0	88.0	99.3	79.2	79.7	63.1	75.6	98.1	149.5
Total Firm Assets (US Million)	349.5	442.2	266.7	163.7	N/A	N/A	N/A	N/A	N/A	N/A

N/A – The inception of the firm, BRC Investment Management LLC, was April 2005. See disclosure below regarding performance record of a past firm.

BRC Investment Management LLC has prepared and presented this report in compliance with the Global Investment Performance Standards (GIPS®).

NOTES

- The firm, BRC Investment Management LLC, is an independent investment adviser registered under the Investment Advisers Act of 1940. BRC Investment Management LLC has been verified by Ashland Partners & Company LLP from May 23, 2005 through June 30, 2008. A copy of the verification report is available upon request. In addition, a performance examination was conducted on the Large Cap Concentrated Institutional Composite beginning May 23, 2005. Additional information regarding the firm's policies and procedures for calculating and reporting performance results is available upon request.
- The Large Cap Concentrated Institutional Composite was created May 23, 2005. It is an equity composite that consists of discretionary, fee-paying accounts under management, including terminated accounts. From June 1997 through the present, this composite includes all Large Cap Concentrated accounts over \$2 million that have been under management for at least one month. Prior to June 1997 the account minimum was \$100 thousand. All accounts have target allocations to large-cap securities of at least 90%. Beginning July 1, 2002, any account that has a cash flow larger than 10% of the composite is removed from the composite for that month and re-included in the month following the cash flow. Additional information regarding the treatment of significant cash flows is available upon request. Performance results prior to BRC Investment Management LLC's formation May 23, 2005, represent accounts managed by the firm's employees and members, who made up substantially all the investment decision makers, at a prior investment management firm. A complete list and description of firm composites is available upon request.
- The benchmark for the composite is the S&P 500 Index. Like the composite, the benchmark returns include the reinvestment of income, but do not include trading costs, management fees or other costs.
- The U.S. dollar is the currency used to express performance.
- Gross-of-fees performance returns are presented before management and custodial fees but after all trading expenses. Net-of-fees performance returns are calculated by deducting the actual management fees from the gross composite return.
- The management fee schedule for large cap institutional accounts is as follows: 0.75% on the first \$10 million, 0.60% on the next \$15 million, 0.55% on the next \$25 million, 0.45% on the next \$50 million, and assets over \$100 million subject to negotiation.
- Internal dispersion is calculated using the asset-weighted standard deviation of all portfolios that were included in the composite for the entire year.
- Past performance is not to be construed as a guarantee of future performance. Actual results may differ from composite results depending upon the size of the account, investment objectives and restrictions, the amount of transaction and related costs, significant cash flows into or out of the account, the inception date of the account and other factors.

