

# HAND BENEFITS & TRUST COMPANY

## EQUITY VALUE FUND

Managed by Brown Advisory

### HISTORY AND OWNERSHIP

Brown Advisory was created in 1993 as a separate investment group within Alex Brown & Sons, America's oldest investment banking firm. By 1998, Brown Advisory separated from Alex Brown & Sons to free itself of external pressures to sell proprietary products and services and to focus its attention solely on the interests of their clients. The firm currently manages over \$8 Billion in assets and has provided its clients with consistent competitive returns during both rewarding and challenging market conditions. Their team-driven disciplined approach to value equity management has helped them become one of the top investment firms in the industry.

### INVESTMENT PHILOSOPHY

We believe successful investing is achieved through a process which is:

**Independent Research:** Research is the foundation of superior investment performance. We believe that analysts must have complete freedom, unfettered by outside pressures of any sort, to identify and recommend the securities that best meet the needs of our clients.

**Independent Advice:** The independent ownership of our firm allows us to render investment advice that is completely free of external pressures to sell proprietary products, reduce services or otherwise meet the demands of outside owners.

**Independent Board:** Even when our firm was an affiliate of Alex Brown & Sons, we maintained an independent board of directors. Of our current ten board members, only two are employees of the firm.

#### Large Cap Value Equity Portfolio Characteristics

- Undervalued by the market
- Exhibiting improving fundamentals
- Exhibiting a catalyst for change in the near future
- Diversified across most sectors
- Low volatility
- Moderate annual turnover rate
- Fully invested under normal market conditions (Cash position less than 10%)

#### Annualized Return for Periods Ended 12/31/2008 (Net of Expenses)

<u>1 Year</u>	<u>3 Years</u>	<u>5 Years</u>	<u>10 Years</u>
-37.93%	-10.13%	-3.35%	-2.19%

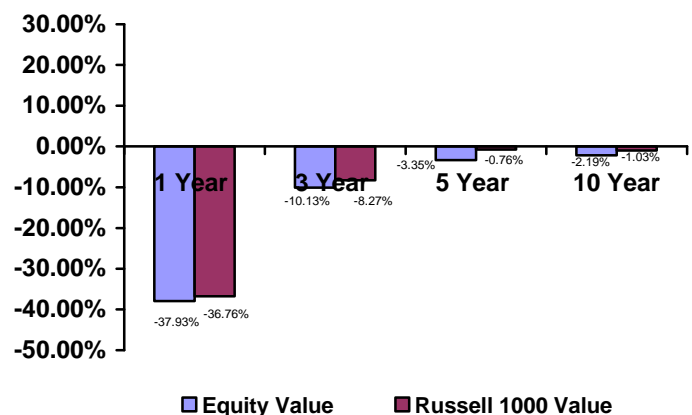
### Ten Largest Holdings

- Merck & Company
- Eaton Corporation
- Dover Corporation
- Illinois Tool Works Inc
- Johnson & Johnson Corp
- Dupont
- Bank of New York Mellon Corp
- Intel Corp
- Franklin Resources Inc
- General Electric Co

### Industry Diversification

Financial	26.15%
Communications	10.66%
Consumer, Non-Cyclical	25.68%
Industrial	11.46%
Technology	8.82%
Basic Materials	5.90%
Consumer, Cyclical	4.79%
Energy	<u>6.54%</u>
	100%

### ANNUALIZED RETURNS FOR PERIODS ENDING 12/31/2008



oBrown Advisory was hired as the portfolio advisor effective 1/1/05. Past performance represents returns from prior investment advisors.

Expense Ratio 0.70%