

# Husic Capital Management

## Husic Capital Growth Portfolio

Redstone Trust Series

June 30, 2007

### Fund Objectives

- The portfolio seeks long-term capital growth by investing in a portfolio of mid and large cap growth stocks.
- The strategy employs a thematic approach to constructing portfolios, which focuses on developing business trends. Fully invested portfolios typically consist of 40-50 holdings.
- Up to 50% of the portfolio may be concentrated in the top 10 holdings. Stocks typically have a market cap of \$10 billion.

### Investment Process

- Husic's investment philosophy is based on fundamental, research driven, bottom-up stock picking.
- Investment themes, as they pertain to the identification of future industry leaders and developing business trends, control the range of equity exposure to individual stocks. Husic typically invests in 3-5 emerging business trends at any one time. Stocks are selected based on the portfolio manager's conviction that a stock will benefit from its relationship to the emerging industry theme unfolding.

### Top Holdings 12/31/06

Sears Holdings Corporation	5.78%
Time Warner, Inc.	5.56%
Apple Computer, Inc.	4.53%
Cameco Corporation	4.37%
Suncor Energy, Inc.	3.87%
Research in Motion, Ltd.	3.76%
Las Vegas Sands, Inc.	3.30%
Cisco Systems, Inc	3.29%
Goldman Sachs Group, Inc.	3.26%
Boeing Company	3.21%
Top Ten Holdings	40.93%

### Investment Manager

#### Frank J. Husic

1/2000 - Present

■ Frank Husic, Managing Partner and portfolio manager, formed Husic Capital Mgmt. in 1986. Previously, he served as a senior vice president and director of Alliance Capital Mgmt. Prior to his work at Alliance, he was a professor of business and economics at the Wharton School of Business at the University of Pennsylvania. Husic is also a Chartered Financial Analyst.

### Portfolio Characteristics

12/31/06

<b>Benchmark:</b>	S&P 500 Total Return	
<b>Equity Style:</b>	Large Cap Growth	
<b>Regions:</b>	North America	100.00%
<b>Equity Sectors:</b>	Consumer Goods	0.00%
	Industrial Materials	16.14%
	Energy	16.68%
	Utilities	0.00%
	Healthcare	1.82%
	Consumer Services	19.34%
	Business Services	3.45%
	Financial Services	15.73%
	Software	2.16%
	Hardware	15.21%
	Media	9.48%
	Telecom	0.00%

### Disclosure

- An investment in the fund is neither insured nor guaranteed by the Federal Deposit Insurance Corporation (FDIC) or any other government agency. The Portfolio is fully invested in equity securities in an effort to grow capital. Stock market exposure will cause market values to fluctuate, sometime significantly, and may lead to a loss of principal.
- The performance data quoted represents past performance, which is no guarantee of future results. Investment returns will vary. An investor's shares, when redeemed, may be worth more or less than the original cost.

