

**Investment Conference Handout
November 18, 2010
Please see Disclaimers on pages 16-18**

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Our goals and historical performance results:

Our goal is to attempt to maximize your investment returns, while limiting or avoiding long-term or permanent losses.

We have typically increased wealth and have created value for our clients who have been with us for over 5 years. We under-performed the markets in both of our portfolio types from 1997 – 2001. We have had a similar underperformance in our portfolios from 2007 through November 18, of 2010.

In non-tax deferred accounts, we have used shorting fairly extensively since 1998. Shorting has certainly caused our portfolios to under-perform the S&P over the last 3 years. As much as I believe our analysis is correct on our former short positions, I decided to reduce and eventually cover all of our short positions between the months of September and November of this year.

Shorting can bring a hedge to a portfolio, yet it also could and did create some permanent portfolio losses. I was not willing to further the risks of our short positions working against us. One could have a correct thesis with a short position, but time and or price movement can make that thesis a money losing proposition. In summary, our short positions created out-performance from 2001 till around 2007, and hindered our performance since 2007.

RBCo Uses Two Types Of Portfolios

The RBCo investment strategies are a product of the investment vehicles available within each portfolio type. One portfolio we offer allows for the “shorting” of investments while the other type does not allow for “shorting”. Shorting is legally restricted in certain types of accounts. As is mentioned throughout this presentation, we do not expect short selling to be a material component of our portfolios in the future.

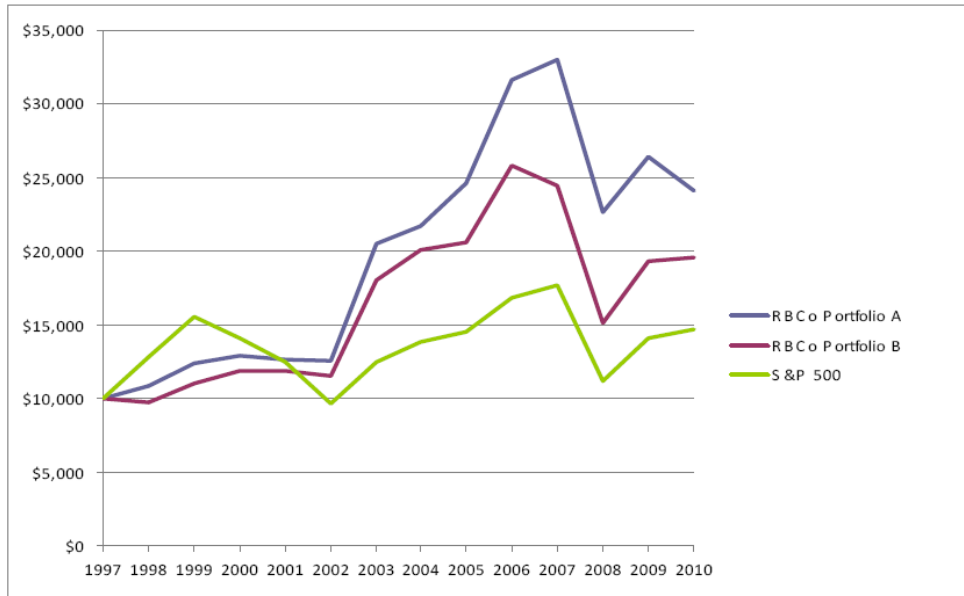
Portfolio A - a margin account which allows for short selling.

Portfolio B - a cash account which does **not** allow for short selling.

Investment Return Table

Year Ending	RBCo Portfolio A	RBCo Portfolio B	S&P 500
1998	6.70%	-2.14%	28.58%
1999	13.56%	12.76%	21.04%
2000	4.27%	8.10%	-9.10%
2001	-1.91%	0.01%	-11.89%
2002	-0.48%	-2.65%	-22.10%
2003	63.17%	55.39%	28.69%
2004	5.93%	11.57%	10.88%
2005	13.32%	2.38%	4.91%
2006	28.41%	24.97%	15.79%
2007	4.32%	-4.65%	5.49%
2008	-31.38%	-38.13%	-37.00%
2009	16.73%	28.01%	26.46%
YTD 9-30-2010	-8.81%	1.00%	3.89%
Total	113.83%	96.62%	65.64%

Change in Value of a \$10,000 Investment (RBCo vs. S&P 500)



Please refer to our Disclosures page.

RBCo Performance Summary

Average Annual Total Returns as of 9/30/2010	1 Year	3 Years	5 Years	10 Years	Since inception (1/1/1998)
RBCo Portfolio A	-2.73%	-11.55%	0.84%	6.86%	6.97%
RBCo Portfolio B	6.48%	-8.37%	-0.24%	5.61%	5.41%
S&P 500	10.17%	-7.17%	0.63%	-0.43%	3.07%

Some Investment Thoughts:

Inflation or Deflation?

We are cognizant of the potential for inflation, as well as deflation. I read excellent debates all the time about this. I am currently reading a book by an economist I admire a great deal, Gary Shilling. The book is titled, "The Age of Deleveraging – Investment Strategies for a Decade of Slow Growth and Deflation." Gary thinks we are in a deflationary period.

Yet, we have seen commodity prices rise this year. We have done extensive work on the price of coffee. Coffee Beans have increased in price (using the ICO Composite Price) from a beginning of year price of 124.96, to a high of 183.87 on November 9, 2010. This was an increase of over 47%. What I find interesting, is that the coffee companies (e.g. Starbucks, Green Mountain, Nestle, etc.) have not increased their prices to the consumer anywhere near 47%. So from one end we certainly are seeing price inflation to the supplier, but not (yet) to the consumer.

Here are some recent headlines I have been collecting on the subject:

September 21, 2010 "*Cotton price surges above \$1 a pound on fears of crop shortage.*" Only 2nd time in history has price been > \$1.00 lb.

September 4, 2010 "*Corn Prices Hit 23 – Month High.*"

September 3, 2010 "*Cotton prices surge to 15-year peak.*"

The current interest rate environment:

The following table presents recent yields of selected Savings Accounts and CD's. The table was constructed from Barron's November 15, 2010, from the section, "Top Savings Deposit Yields."

Type	Recent % Rate
Money Market	1.20
Six-Month CD	1.14
One-Year CD	1.40
2 1/2-Year CD	1.74
Five-Year CD	2.75

A recent example we came across is a loan given to a company which assigned a 'B' rating by Standard & Poor's. A 'B rating' is non-investment grade, also known as "high yield," or a "junk bond." The interest rate on this 6 year note is currently 4.53% (LIBOR (28bp) + 425bp). My thoughts are that one should be rewarded by far greater than 4.53% when dealing with an investment with a risky credit profile.

The following is a headline from the Financial Times on November 17, 2010 "*Muni bond sell-off deepens.*" - The article discusses that investors are nervous about default upticks.

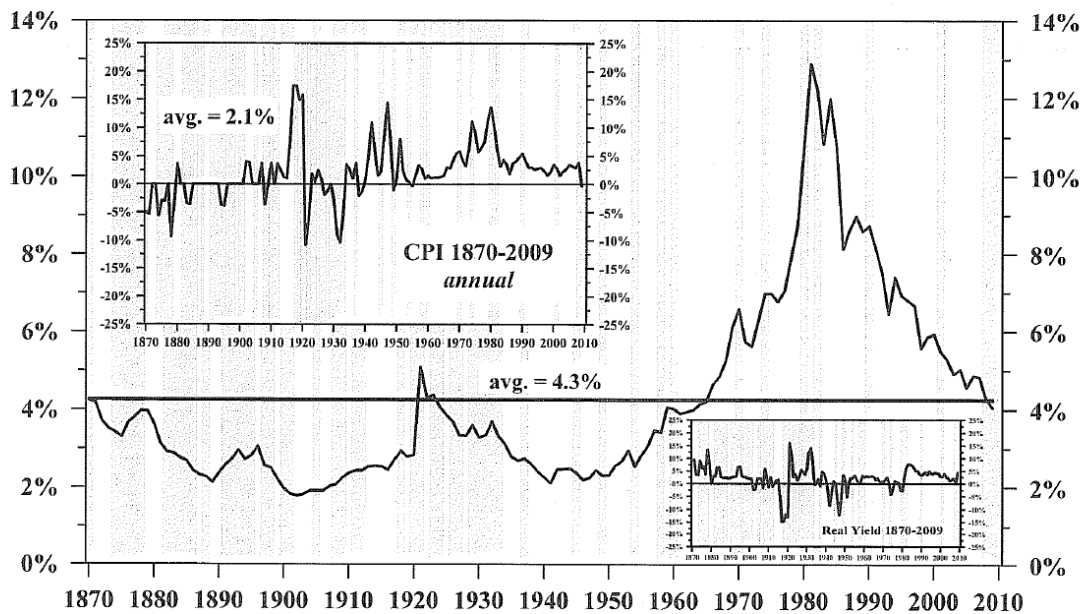
If one tries to increase yield, one has to either reduce credit quality, and/or increase the length of time of a fixed income investment. We are concerned with that. On the other hand, with strong credit quality (or even weak quality) a rise in interest rates will hurt bond prices.

It is important that an investor understands how changes in interest rates, credit quality, and inflation would affect Fixed Income investments.

A high quality bond will typically pay you back all of your principal and stated interest.

The greatest difficulty one has investing in this economic environment is that interest rates are low compared to the last 45 years. Yet, if you look at the following chart, you can see that over the last 140 years, perhaps long term treasury rates are not unusually low.

Long Term Treasury Rate 1870-2009 *annual*



Sources: Federal Reserve Board, Homer & Sylla. Through 2009.

Our Investment Strategy:

1. Search for investments we think will produce future cash flows and earnings, and purchase these investments at a price that we think will present us with Returns on Investment which are greater than the prevailing interest rate and inflation. Patience is key for this.
2. Constant research on our company's or our investment thesis.

3. We have eliminated all short positions. From year 2000 through 2007, short positions were profitable for our portfolios. Since 2007, they have hindered performance, as well as being the cause of our negative year to date returns in our “A Portfolios.”
4. We continue to typically invest in companies that our research currently considers to be financially strong, able to withstand severe business downturns, pays a dividend, and also buys back their own shares. We do have a portion of investments that are not as financially strong, but have a “story” behind them, and hence our investment.
5. Please see the accompanying handout of our largest 10 common stock holdings. You will see how our investments are typically (not always) invested in companies that have a current estimated earnings yield that is in excess of 5 year interest rates plus inflation.
6. Stay defensive, yet we are concerned with Fixed Income in this interest rate environment. Clients should contact us individually as to allocation levels of their portfolios.
7. With all of our analysis, we understand that our thesis is merely a road map. We constantly look to pierce holes in our thesis, bring in potential negatives and positives, and do our best to have a reasonable understanding of their future operations and cash flows. We adjust our investment if necessary to our ongoing research.

Here is an example of our investment thesis in Wal-Mart. As of today, WMT is our 2nd largest common stock portfolio holding.

The following table will show you several metrics we use when looking at a company. Notice how the price of Wal-Mart was greater 11 years ago, than it is today. It is very important to notice that most financial metrics for WMT have increased substantially in ten years.

We are presenting Wal-Mart as an example of our work. This discussion is certainly not a recommendation, nor a solicitation, to invest in Wal-Mart. Our thesis is ever changing. We will not alert any of the readers of this presentation, or any other of our writings, of any changes in our Wal-Mart investment thesis or to changes in investment positions. We are still disseminating Wal-Mart’s quarterly filings, and the 10-Q has not been filed yet. Our investment in Wal-Mart is subject to change without notification.

November 16, 2010 (54.48) R Some Changes I noticed looking at Value Line 11/5/10

	2010E	2000
Price	\$54.48 11/16/10	\$60.46 12/31/99
Sales Per Share	116.70	42.80
Cash Flow Per Share	6.20	2.05
Earnings Per Share	4.05	1.40
Dividends Per Share	1.21	0.23
Book Value Per Share	25.65	7.01
Shares Outstanding	3625	4470
Dividend Yield	2.22%	0.0038%
Sales	4.23B	1.91B
Gross Margin	26.6%	23.0%
Operating Margin	7.5%	6.5%
# of Stores	8,900	4,189
Net Profit Margin	3.5%	3.3%
Long Term Debt	35,600	15,655
Shareholder Equity	85,000	31,343
Return on Capital	13.0%	14.5%
Return on Equity	17.5%	20.1%
Dividend retained to Net Profit	31%	17%
Market Cap	\$198B	\$254B
Estimated Annual Growth Rates	2010E	2000
Sales	8.5%	16.0%
Cash Flow	8.5%	20.0%
Earnings	10.0%	19.5%
Dividends	11.0%	21.0%
Book Value	10.0%	19.5%
Metrics		
Price To Sales	46.68%	141.26%
Price To Cash Flow	8.79	29.49
Price To Book Value	2.12	8.62
Price to Earnings	13.45	43.19

Our two-minute investment thesis on Wal-Mart.

- A. World leader in retail. International business is growing and profitable. They have aspirations to succeed in China and India. There are some difficulties being felt in Brazil.
- B. Emphasizes technology and efficiency.
- C. Investors look at price today and compare it to a decade plus ago. Not necessarily a fair comparison. When you look at the metrics, you will see that Wal-Mart been operationally successful. If you look at the metrics from a decade ago, you will see metrics that were priced for perfection. Most metrics today are positive.
- D. Two concerns for me right now are the same store sales, and the inventory growth during the quarter ended October 31, 2010. Same store sales decreased by 1.3%. Yet, Sam's Club has increased Same store sales by 2.4% (without fuel). The other concern is that inventory grew 7.7% year to date, whereas Sales on increased by 3.8%. Something to monitor. Inventory growth is being explained as normal holiday build.
- E. S&P bond rating of 'AA.'
- F. Buying back shares. 845M less shares than December 31, 1999.
- G. We project WMT will earn at least \$4.05 this year (company projects \$4.08 to \$4.12), and \$4.30 in F2012 (Value Line projects \$4.45). If company earns \$4.30 and using a Price/Earnings ratio of 15, would give WMT a stock price of \$64.50.
- H. Using various projections of revenue growth and earnings, based on current levels, we are expecting annualized returns of WMT between 6% and 13% if held for a long period. If we were to use a "gun to the head" guess of ROI for our WMT investment duration, we would expect returns slightly north of 10%. This is merely a non-authoritative guess, and as I have mentioned previously, we could be very incorrect in our interpretations. The above guess of return is based on WMT achieving a 15 year growth rate of 3.5%, and a 'Price to Book Value' in years 10 and 15 of 2.5X. Historically, WMT has traded at a price much greater than 3X book value.

- I. Perceived as socially irresponsible. I have spoken to several people who will try to avoid, or will avoid shopping at WMT, because these people perceive WMT being socially irresponsible. I have wrestled with this for years, and I find WMT to be a fairly "fair" organization (at least within our "capitalistic system.")
- J. Insiders own > 60% of shares outstanding.

Some of our Investment Metrics and things we look at:

Potential exists for errors. This is for discussion purposes only											
17-Nov-10 Company Metrics Handout - Redfield Blonsky 2010 Investment Conference											
Position Size in portfolio		1	2	3	4	5	6	7	8	9	10
		Microsoft	Wal-Mart	Exxon	Verizon	Conoco	Novartis	Pfizer	Merck	St. Joe	News Corp.
Fiscal Year End	Actual	30-Jun-11	31-Jan-11	31-Dec-10	31-Dec-10	31-Dec-10	31-Dec-10	31-Dec-10	31-Dec-10	31-Dec-10	30-Jun-11
Price	As of 11/17/10	\$25.57	\$53.77	\$69.01	\$32.34	\$60.81	\$55.69	\$16.48	\$34.47	\$17.48	\$14.25
Shares Outstanding	Estimated	8,668	3,625	5,000	2,830	1,480	2,288	8,020	3,050	93	2,640
Sales Per Share	Estimated	\$7.38	\$116.70	\$68.60	\$37.60	\$119.10	\$21.00	\$8.65	\$15.00	\$1.40	\$13.05
Cash Flow Per Share	Estimated	\$2.47	\$6.20	\$8.55	\$7.60	\$12.65	\$5.75	\$2.20	\$5.80	-\$0.15	\$1.50
Earnings Per Share	Estimated	\$2.40	\$4.05	\$5.90	\$2.25	\$6.25	\$4.53	\$1.15	\$3.35	-\$0.35	\$1.05
Dividends Per Share	Estimated	\$0.64	\$1.21	\$1.76	\$1.95	\$2.20	\$1.94	\$0.72	\$1.52	\$0.00	\$0.15
Book Value Per Share	Estimated	\$5.33	\$19.72	\$28.00	\$18.40	\$43.75	\$24.95	\$11.60	\$20.15	\$9.35	\$10.40
Dividend Yield	Calculated	2.50%	2.25%	2.55%	6.03%	3.62%	3.48%	4.37%	4.41%	0.00%	1.05%
Total Debt	Estimated	\$10,665	\$49,233	\$20,432	\$57,468	\$26,300	\$18,643	\$43,274	\$17,983	\$39	\$13,320
Total Debt Per Share	Estimated	\$1.23	\$13.58	\$4.09	\$20.31	\$17.77	\$8.15	\$5.40	\$5.90	\$0.42	\$5.05
Ratios:											
Price To Sales	Calculated	3.46	0.46	1.01	0.86	0.51	2.65	1.91	2.30	12.49	1.09
Price To Cash Flow	Calculated	10.35	8.67	8.07	4.26	4.81	9.69	7.49	5.94	-116.53	9.50
Price To Book Value	Calculated	4.80	2.73	2.46	1.76	1.39	2.23	1.42	1.71	1.87	1.37
Price to Earnings (P/E)	Calculated	10.65	13.28	11.70	14.37	9.73	12.29	14.33	10.29	-49.94	13.57
Return on Equity	Calculated	45.03%	20.54%	21.07%	12.23%	14.29%	18.16%	9.91%	16.63%	-3.74%	10.10%
Total Debt / Net Income	Calculated	51.27%	335.35%	69.26%	902.52%	284.32%	179.87%	469.20%	176.00%	-119.51%	480.52%
Total Debt / Equity	Calculated	23.08%	68.87%	14.59%	110.36%	40.62%	32.66%	46.52%	29.26%	4.47%	48.51%
Earnings Yield	Calculated	9.39%	7.53%	8.55%	6.96%	10.28%	8.13%	6.98%	9.72%	-2.00%	7.37%
Cash Flow Yield	Calculated	9.66%	11.53%	12.39%	23.50%	20.80%	10.33%	13.35%	16.83%	-0.86%	10.53%
Dividend Payout Ratio	Calculated	26.67%	29.88%	29.83%	86.67%	35.20%	42.83%	62.61%	45.37%	0.00%	14.29%

A collection of thoughts and quotes since our last conference:

"I don't really look at the stock market. I look at businesses and forget the stock market." Charles Brandes on Lessons from Ben Graham

"Value investors, during 1974/75 did quite well. Not very large, but quite satisfactory. This could be the same for future." Charles Brandes

"When you buy equities during periods of maximum pessimism, you have always done well ('70,74,82,90 +91)" Charles Brandes

"If an asset has the likelihood of future cash flow, and not dependent on what a buyer might pay, then it's an investment." Seth Klarman

March 1941, stocks sold at 6X earnings, 5%+ dividends and bonds paid interest of 2%. Dec. 1941, stocks sold at 5X earnings, >10% dividends

Short term predictions do not come true. Competent analysis with a margin of safety is the key. Patience and liquidity. Avoid forced selling.

Most of the permanent losses during the great depression were caused by speculation and inability to weather the storm (need of capital).

Some type of accessible liquidity is always necessary to take advantage of unexpected investment opportunities.

Owning Real Estate during the Great Depression was treacherous. Rents stopped coming in or deflated. Expenses could not be serviced.

Patience and Courage, can not be over emphasized in investing.

To build wealth (even in depressions). 1. Save \$\$, 2. avoid speculation, 3. Make \$\$ work for you thru conservative investments.

Prudence and patience in investing seemed to work during The Great Depression. Quality and fundamentals were key. Buying during fear worked

It looks as though The Great Depression key signs were, 1) no supply of \$\$, 2) employment levels, and 3) Capacity Utilization (was < 20%)

"Most people did not realize The Great Depression was over until a year or so after the turn had been made." Ben. Roth "The Great Depression

"For those properly prepared in advance, a bear market in stocks is not a calamity, but an opportunity." John Templeton, May 1962

"An investor can seek safety by seeking bargains." John Templeton, July 1949

"Where is the outlook most miserable?" John Templeton, January 1995

"Never underestimate the power of doing nothing." Winnie-the-Pooh. Investing should be like watching paint dry and grass grow.

"The best chapter ever written in describing how the world works in markets is chapter 12 of "The General Theory" by Keynes." Warren Buffett

"Berkshire stock has gone down 50% four times since I owned it." Warren Buffett 3/1/10

Prepared by John O'Shaughnessy, CPA – All opinions offered are mine and do not necessarily agree with those of Redfield, Blonsky & Co., and any securities mentioned do not indicate a buy or sell recommendation.

At last year's conference, I commented that one of the important things I learned during the financial crisis was that the macro picture could not be ignored. With that in mind, the following are some items that concern me:

1. Big picture concerns for the economy

a. U.S. unemployment over 9%

- Consumer spending makes up 70% of GDP
- Private payroll growth could be offset by government headcount reductions

b. Housing market will drag on economy

- Foreclosures will continue to hurt selling prices

c. Consumer has scaled back and will continue to "de-leverage"

- Safeway, Supervalu have noted increased food stamp usage by consumers
- Walmart has mentioned the increase in customers at the beginning of each month when government assistance cards are activated and also during paycheck cycles
- Is the consumer made up of two classes?

d. Government support

- What happens when stimulus spending ends?
- The Fed is determined not to have deflation and "QE2" is designed to inflate asset values.

e. Economic growth and earnings growth

- Earnings growth has been the result of cost cutting.

-Over time, the earnings will grow if the economy grows.

f. Deflation vs. Inflation

- Both sides can make good arguments supporting their case.
- In theory, the low interest rates will lead to future inflation.
- Various grocers have noted deflation in “the middle of the store” but not with fresh foods.
- Recent commodity increases – Are they driven by supply and demand or by traders using the commodity market as a casino?

1 yr Corn price



1 yr Wheat price

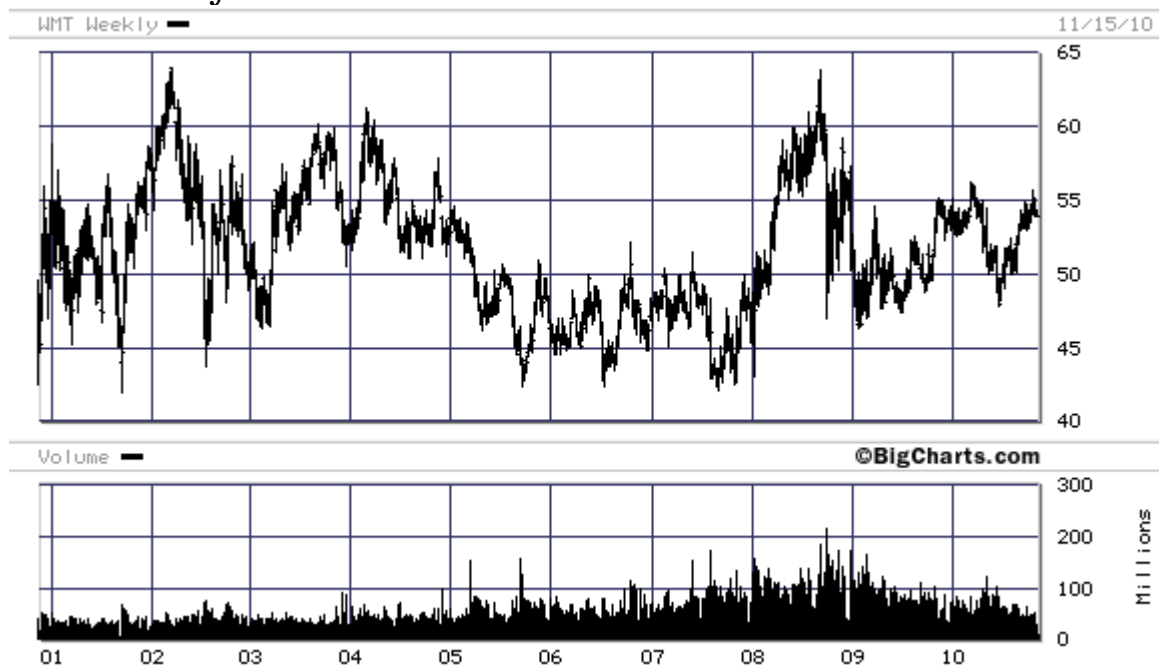


Note that the spike in price coincides with the trading volume increase.

2. Markets and our selection process

- a. More difficult to find undervalued companies
 - Undervalued could be based on a low earnings multiple or a low cash flow multiple
 - Need a reason to own the shares – undervalued, pay dividend, or both
- b. Fundamental research more important than ever
 - Paying attention to the details and not just the headlines
 - Combination of quantitative and qualitative factors
 - Cannot rely solely on a spreadsheet
- c. Focus on the price paid for an investment
 - The focus cannot be solely on buying a good company. Buying a good company at a bad price is similar to buying a bad company.

Walmart 10 year chart



Paying \$65 per share was not a great deal but, as of today, paying \$45-\$50 has been profitable.

-Holding for the long term is a goal but, at some point, I hope shares in any company held become overvalued and it can be sold.

Equity markets are not the only markets that can be priced incorrectly.

November 16, 2010 rates - data from Yahoo.com

US Treasury Bonds Rates

Maturity	Yield	Yesterday	Last Week	Last Month
3 Month	0.12	0.11	0.10	0.11
6 Month	0.17	0.17	0.15	0.16
2 Year	0.50	0.53	0.44	0.36
3 Year	0.70	0.75	0.57	0.55
5 Year	1.46	1.52	1.25	1.19
10 Year	2.83	2.95	2.66	2.56
30 Year	4.26	4.41	4.25	3.98

This is from a Bloomberg article dated November 11, 2010:

The rate for a 30-year fixed loan fell to 4.17 percent in the week ended today from 4.24 percent, Freddie Mac said in a statement. That was the lowest level in the McLean, Virginia-based mortgage-finance company's records dating to 1971.

Does anyone really think that a consumer (paying 4.17% for a 30 year loan) should be paying less than the U.S. Treasury pays to borrow money (4.26% for 30 years)?

3. Account allocations

Stocks, Bonds, and cash

- Do the old rules of allocation still apply when bonds are overvalued?
- Work with clients to make sure that risk is understood and that they can sleep at night

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2. Past performance assumes reinvestment of dividends and other distributions and may not be indicative of future results. Therefore, no current or prospective client should assume that the future performance of any specific investment, investment strategy (including the investments and/or investment strategies recommended and/or purchased by adviser), or product made reference to directly or indirectly in this presentation or on our website, or indirectly via a link to any third-party website, will be profitable or equal to corresponding indicated performance levels. The investment return and principal value of an investment will fluctuate and, when redeemed, may be worth more or less than their original cost. RBCo actual performance may be lower or higher than the performance data shown.

3. Different types of investments involve varying degrees of risk, and there can be no assurance that any specific investment will either be suitable or profitable for a client's investment portfolio. No client or prospective client should assume that information presented is a substitute for personalized individual advice from the adviser or any other investment professional.

4. Historical performance results for investment indexes, such as the S&P 500, generally do not reflect the deduction of transaction and/or custodial charges or the deduction of an investment-management fee, the incurrence of which would have the effect of decreasing historical performance results of the S&P 500 Index. Whenever RBCo performance is referred to, results have been reduced by all fees, including RBCo management fee.

5. Returns for the RBCo portfolios have been calculated using an average of actual time-weighted returns obtained from a sample of accounts over the time period indicated. These sample accounts were typically chosen based on their asset size. We have selected accounts, not based on past performance, but based on what we think is a fair and representative portrayal of our entire population. All RBCo returns assume the reinvestment of dividends and are shown net of the investment management fees and all other expenses. RBCo performance results made reference to directly or indirectly in this presentation or on our website, include a 1% RBCo management fee. Please see our form ADV for a full fee disclosure. Actual individual account performance may be materially different

from our sample results. Results of actual portfolios not included in our sample are available upon request.

6. The RBCo portfolio strategies are a product of the investment vehicles available within the portfolio. The accounts represented in Portfolio “A” permit the shorting of investments, while the accounts represented in Portfolio “B” do not allow for shorting. Economic factors, market conditions, and investment strategies will affect the performance of any portfolio and there are no assurances that it will match or outperform any particular benchmark.

7. The S&P 500 Index is a widely recognized, unmanaged index of 500 of the largest companies in the United States as measured by market capitalization. The Index performance assumes reinvestment of all dividends and distributions and does not reflect any charges for investment management fees or transaction expenses, nor does the Index reflect any effects of taxes, fees or other types of charges and expenses. The S&P 500 Index is one of many indices and is not necessarily the most appropriate index when comparing performance results.