



# **MSRP E-NEWS**

A newsletter from the Board of Trustees of the Maryland Teachers & State Employees Supplemental Retirement Plans

## ***Two Funds Added to Plans***

The Board of Trustees announces that as of April 19, 2006, the Van Kampen Mid Cap Growth Fund A and the MainStay Small Cap Opportunity Fund will be available as investment options in all the supplemental retirement plans. The funds were selected for addition as part of an ongoing effort by the board to provide participants with a range of investments in each market cap category (large, mid and small size companies).

The Van Kampen Mid Cap Growth Fund A invests in growth companies with a market cap between \$4.2 billion and \$12.4 billion. As of January 31, 2006 the fund held 59 stocks and the leading market sectors were: Hotels, Restaurants & Leisure; Commercial Services & Supplies; Oil, Gas & Consumable Fuels; and Wireless Telecommunication Services. "If a good company has a strong competitive advantage, we're interested. The first question we ask about a stock isn't about its growth rate," says Dennis Lynch co-manager of the fund. "It's about whether it has a strong competitive position that lets it take advantage of a strong growth rate."

The MainStay Small Cap Opportunity Fund seeks out small (under \$1 billion market cap) growing companies with above average potential for capital growth, with a particular eye towards undervalued companies showing characteristics of improvement. As of December 31, 2005 it held 179 stocks and the leading market sectors were Financials, Industrials, Consumer Discretionary, Utilities and Energy. "What makes the fund unique is the process used to select stocks is quantitative (rather than subjective) and disciplined. The managers have been in place since 1988. Its style has remained consistent over time due to this quantitative and disciplined approach, so your participants know what they are getting has stayed true over time", explained Doug Amacher, Director of MainStay Investments.

Additional information about both of the new funds, including historical performance, can be found on page 8 of your statement.

Market Cap is a measure of the size of a company based on the number of shares outstanding times the share price.