



An SEC Registered Investment Adviser

Broad Run Investment Management, LLC  
1530 Wilson Boulevard  
Suite 1020  
Arlington, Virginia 22209

(703) 260-1260  
[www.broadrunllc.com](http://www.broadrunllc.com)

## **Brian Edward Macauley, CFA**

Portfolio Manager  
Managing Member

Form ADV Part 2B  
Brochure Supplement (Advisory Personnel)

October 29, 2012

**This brochure provides information about Brian E. Macauley that supplements the Broad Run Investment Management, LLC Form ADV Part 2A (advisory brochure). You should have received a copy of that brochure. Please contact Mr. Rainey, Chief Compliance Officer, at (703) 260-1260 if you did not receive the Broad Run Investment Management, LLC Form ADV Part 2A or if you have any questions about the contents of this supplement. Additional information about Brian E. Macauley is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

**Item 2: Educational Background and Business Experience**

Regulatory guidance requires the firm to disclose through Form ADV Part 2B relevant post-secondary education and professional training for each principal executive and associate of the firm, as well as their business experience for at least the past five years.

<u>Year of Birth</u>	<u>CRD #</u>
1974	2914250

**Formal Education after High School**

Chartered Financial Analyst (CFA)<sup>1</sup>, CFA Institute; Charlottesville, VA

Bachelor of Science in Commerce (Finance & Accounting), University of Virginia; Charlottesville, VA

**Business Background**

Broad Run Investment Management, LLC (2012-Present)

Arlington, VA

Portfolio Manager/Managing Member

FBR Asset Management/FBR & Co. (2009-2012)

Arlington, VA

Portfolio Manager – FBR Focus Fund

Akre Capital Management, LLC (2003-2009)

Middleburg, VA

Investment Analyst

**Item 3: Disciplinary Information**

Registered investment advisers are required to disclose certain material facts regarding any legal or disciplinary events that would be material to your evaluation of each officer or a supervised person providing investment advice. No reportable information is applicable to this section; Mr. Macauley has not been the subject of any disciplinary action.

**Item 4: Other Business Activities**

Mr. Macauley is not registered nor has an application pending to register as a registered representative of a broker/dealer or associated person of a futures commission merchant, commodity pool operator, or commodity-trading adviser. Therefore, he does not receive commissions, bonuses or other compensation based on the sale of securities or other investment products, including that as a registered representative of a broker/dealer, and including distribution or service (“trail”) fees from the sale of mutual funds.

**Item 5: Additional Compensation**

Mr. Macauley is not a senior executive of an issuer of a security; he does serve as a portfolio manager for the Hennessy Focus Fund (the “Fund”). Therefore, it is believed Broad Run Investment Management, LLC, its members and portfolio managers have a material relationship involving an issuer of a security. The firm’s oversight process includes associated persons’ supervision to ensure policies are adhered with respect to recommendations to clients or prospective clients involving holdings or hedging strategies of the Fund’s shares.

Mr. Macauley is not compensated for advisory services involving performance-based fees. Our firm also prohibits employees from accepting or receiving additional economic benefit, such as sales awards or other prizes for providing investment advisory services to its clients.

## **Item 6: Supervision**

Mr. Rainey serves as our Chief Compliance Officer and provides overall supervision of the firm's investment advisory activities. Questions relative to the firm, its services, our advisory brochure, or this ADV Part 2B may be made to the attention of Mr. Rainey at (703) 260-1260.

Additional information about the firm, other advisory firms, or an associated investment adviser representative, including Mr. Macauley, is available on the Internet at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). A search of this site for firms may be accomplished by firm name or a unique firm identifier, known as an IARD number. The IARD number for Broad Run Investment Management, LLC is 165067. You may also search Mr. Macauley by name or his reference number, which is 2914250.

<sup>1</sup> The **Chartered Financial Analyst (CFA)** charter is a globally respected, graduate-level investment credential established in 1962 and awarded by CFA Institute — the largest global association of investment professionals. There are currently more than 90,000 CFA charterholders working in 134 countries. To earn the CFA charter, candidates must: 1) pass three sequential, six-hour examinations; 2) have at least four years of qualified professional investment experience; 3) join CFA Institute as members; and 4) commit to abide by, and annually reaffirm, their adherence to the CFA Institute Code of Ethics and Standards of Professional Conduct.

### **High Ethical Standards**

The CFA Institute Code of Ethics and Standards of Professional Conduct, enforced through an active professional conduct program, require CFA charterholders to:

- Place their clients' interests ahead of their own
- Maintain independence and objectivity
- Act with integrity
- Maintain and improve their professional competence
- Disclose conflicts of interest and legal matters

### **Global Recognition**

Passing the three CFA exams is a difficult feat that requires extensive study (successful candidates report spending an average of 300 hours of study per level). Earning the CFA charter demonstrates mastery of many of the advanced skills needed for investment analysis and decision making in today's quickly evolving global financial industry. As a result, employers and clients are increasingly seeking CFA charterholders—often making the charter a prerequisite for employment. Additionally, regulatory bodies in 22 countries and territories recognize the CFA charter as a proxy for meeting certain licensing requirements, and more than 125 colleges and universities around the world have incorporated a majority of the CFA Program curriculum into their own finance courses.

### **Comprehensive and Current Knowledge**

The CFA Program curriculum provides a comprehensive framework of knowledge for investment decision making and is firmly grounded in the knowledge and skills used every day in the investment profession. The three levels of the CFA Program test proficiency with a wide range of fundamental and advanced investment topics, including ethical and professional standards, fixed-income and equity analysis, alternative and derivative investments, economics, financial reporting standards, portfolio management, and wealth planning.

The CFA Program curriculum is updated every year by experts from around the world to ensure that candidates learn the most relevant and practical new tools, ideas, and investment and wealth management skills to reflect the dynamic and complex nature of the profession.



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## **David Shaffer Rainey, CFA**

Chief Compliance Officer  
Portfolio Manager  
Managing Member

Form ADV Part 2B  
Brochure Supplement (Advisory Personnel)

October 29, 2012

**This brochure provides information about David S. Rainey that supplements the Broad Run Investment Management, LLC Form ADV Part 2A (advisory brochure). You should have received a copy of that brochure. Please contact Mr. Rainey, Chief Compliance Officer, at (703) 260-1260 if you did not receive the Broad Run Investment Management, LLC Form ADV Part 2A or if you have any questions about the contents of this supplement. Additional information about David S. Rainey is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

**Item 2: Educational Background and Business Experience**

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<u>Year of Birth</u>	<u>CRD #</u>
1964	1555678

**Formal Education after High School**

Chartered Financial Analyst (CFA)<sup>1</sup>, CFA Institute; Charlottesville, VA  
Masters of Business Administration (Finance), Fuqua School of Business, Duke University; Durham, NC  
Bachelor of Science in Commerce (Finance), University of Virginia; Charlottesville, VA

**Business Background**

Broad Run Investment Management, LLC (2012-Present)  
Arlington, VA  
Chief Compliance Officer/Portfolio Manager/Managing Member

FBR Asset Management/FBR & Co. (2009-2012)  
Arlington, VA  
Portfolio Manager – FBR Focus Fund

Akre Capital Management, LLC (2001-2009)  
Middleburg, VA  
Senior Investment Analyst/Portfolio Manager/Chief Compliance Officer

FBR Capital Markets/FBR & Co. (1998-2001)  
Arlington, VA  
Equity Analyst

Fannie Mae (1991-1998)  
Washington, D.C.  
Manager, Single Family Guaranty Business

**Item 3: Disciplinary Information**

Registered investment advisers are required to disclose certain material facts regarding any legal or disciplinary events that would be material to your evaluation of each officer or a supervised person providing investment advice. No reportable information is applicable to this section; Mr. Rainey has not been the subject of any disciplinary action.

**Item 4: Other Business Activities**

Mr. Rainey is not registered nor has an application pending to register as a registered representative of a broker/dealer or associated person of a futures commission merchant, commodity pool operator, or commodity-trading adviser. Therefore, he does not receive commissions, bonuses or other compensation based on the sale of securities or other investment products, including that as a registered representative of a broker/dealer, and including distribution or service (“trail”) fees from the sale of mutual funds.

### **Item 5: Additional Compensation**

Mr. Rainey is not a senior executive of an issuer of a security; he does serve as a portfolio manager for the Hennessy Focus Fund (the "Fund"). Therefore, it is believed Broad Run Investment Management, LLC, its members and portfolio managers have a material relationship involving an issuer of a security. The firm's oversight process includes associated persons' supervision to ensure policies are adhered with respect to recommendations to clients or prospective clients involving holdings or hedging strategies of the Fund's shares.

Mr. Rainey is not compensated for advisory services involving performance-based fees. Our firm also prohibits employees from accepting or receiving additional economic benefit, such as sales awards or other prizes, for providing investment advisory services to its clients.

### **Item 6: Supervision**

Mr. Rainey serves in multiple capacities for Broad Run Investment Management, LLC: Managing Member, Portfolio Manager, and Chief Compliance Officer. We recognize the inability to segregate certain duties may Page 3 of 3 potentially create conflicts of interest; policies and procedures are employed to ensure appropriate recordkeeping and supervision. Questions relative to the firm, its services, our advisory brochure, or this ADV Part 2B may be made to the attention of Mr. Rainey at (703) 260-1260.

Additional information about the firm, other advisory firms, or an associated investment adviser representative, including Mr. Rainey, is available on the Internet at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). A search of this site for firms may be accomplished by firm name or a unique firm identifier, known as an IARD number. The IARD number for Broad Run Investment Management, LLC is 165067. You may also search Mr. Rainey by name or his reference number, which is 1555678.

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#### **High Ethical Standards**

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#### **Global Recognition**

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#### **Comprehensive and Current Knowledge**

The CFA Program curriculum provides a comprehensive framework of knowledge for investment decision making and is firmly grounded in the knowledge and skills used every day in the investment profession. The three levels of the CFA Program test proficiency with a wide range of fundamental and advanced investment topics, including ethical and professional standards, fixed-income and equity analysis, alternative and derivative investments, economics, financial reporting standards, portfolio management, and wealth planning.

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## **Ira Mitchell Rothberg, CFA**

Portfolio Manager  
Managing Member

Form ADV Part 2B  
Brochure Supplement (Advisory Personnel)

October 29, 2012

**This brochure provides information about Ira M. Rothberg that supplements the Broad Run Investment Management, LLC Form ADV Part 2A (advisory brochure). You should have received a copy of that brochure. Please contact Mr. Rainey, Chief Compliance Officer, at (703) 260-1260 if you did not receive the Broad Run Investment Management, LLC Form ADV Part 2A or if you have any questions about the contents of this supplement. Additional information about Ira M. Rothberg is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

**Item 2: Educational Background and Business Experience**

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<u>Year of Birth</u>	<u>CRD #</u>
1980	2964146

**Formal Education after High School**

Chartered Financial Analyst (CFA)<sup>1</sup>, CFA Institute; Charlottesville, VA  
Bachelor of Science (Finance & Accounting), University of Maryland; College Park, MD  
Bachelor of Arts (Economics), University of Maryland; College Park, MD

**Business Background**

Broad Run Investment Management, LLC (2012 - Present)  
Arlington, VA  
Portfolio Manager/Managing Member

FBR Asset Management/FBR & Co. (2009 - 2012)  
Arlington, VA  
Portfolio Manager – FBR Focus Fund

Akre Capital Management, LLC (2004 - 2009)  
Middleburg, VA  
Investment Analyst

Ramsey Asset Management, LLC (2002 - 2004)  
McLean, VA  
Investment Analyst

**Item 3: Disciplinary Information**

Registered investment advisers are required to disclose certain material facts regarding any legal or disciplinary events that would be material to your evaluation of each officer or a supervised person providing investment advice. No reportable information is applicable to this section; Mr. Rothberg has not been the subject of any disciplinary action.

**Item 4: Other Business Activities**

Mr. Rothberg is not registered nor has an application pending to register as a registered representative of a broker/dealer or associated person of a futures commission merchant, commodity pool operator, or commodity-trading adviser. Therefore, he does not receive commissions, bonuses or other compensation based on the sale of securities or other investment products, including that as a registered representative of a broker/dealer, and including distribution or service (“trail”) fees from the sale of mutual funds.

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