

DLK Contrarian Equity

Strategy Overview

Inception July 14, 2017
AUM/Strategy: > \$1.0 Million

DLK Contrarian Equity

- Will invest primarily in **US equities, equity options (LEAPS), and cash.**
- Equities will comprise approximately 50-60% of the portfolio** with the balance being invested in equity options (25-30%) and cash being 10-15%.
- Will favor equities that are currently **underperforming** and in out-of-favor industries.
- Prefer to buy equity **options at-the-money** that expire in 12 to 18 months depending on liquidity.
- Volatility will tend to be greater than the market, however, the underlying equities will typically have **attractive valuations along with cash** being used defensively when warranted.

Quality Matters

We're committed and passionate about delivering long-term quality in everything we do for clients at DLK such as portfolio management and research, portfolio construction and risk management, client service and reporting, compliance, and building a culture of trust.

Performance

	QTD	YTD	ITD
DLK Contrarian Equity Composite (Gross)	2.38%	18.68%	18.68%
DLK Contrarian Equity Composite (Net)	2.13%	18.18%	18.18%
S&P 500 Total Return Index	6.64%	9.71%	9.71%

Top Holdings

	Weight
BBBY Bed Bath & Beyond	6.0%
LUV Southwest Airlines	6.0%
MU Micron Technology	5.6%
ESRX Express Scripts	5.4%
EPD Enterprise Product Partners	5.4%
TGT Target	5.3%
SLB Schlumberger	4.9%
GM General Motors	4.7%
AEIS Advanced Energy	4.3%
BAC Bank of America Call \$27 Jan 2019	4.1%

Investment Team



Donald O. Dempster, CFA
President & COO



Theodore J. Kay
Portfolio Management and Research



Brian S. Johnson
Portfolio Management and Research



Charles G. King
Portfolio Management and Research

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Disclosure

Performance Disclosure

Returns are net of fees and are annualized for periods greater than one year. For performance calculation purposes, the representative account's inception date is July 14, 2017. The account was chosen based upon the length of time under management and discretionary nature. Past performance is not indicative of future results. Performance results typically reflect the deduction of any applicable trading expenses. The firm's investment advisory fees are described further in Part II of advisor's Form ADV. The performance would have been lower if such fees were deducted. Accordingly, you should be aware of the impact of compounding fees on performance over a period of time. For example, if the gross annualized return over a five-year period were 5% and assumed to be evenly distributed, deducting an annual fee of 0.85% on a quarterly basis over a five-year period would produce a total annualized return of 4.12% versus a gross return of 5.00%. A \$1,000,000 starting portfolio would thus have an ending value of \$1,223,752 which is \$52,530 less than the gross return value of \$1,276,282.

Index Disclosure

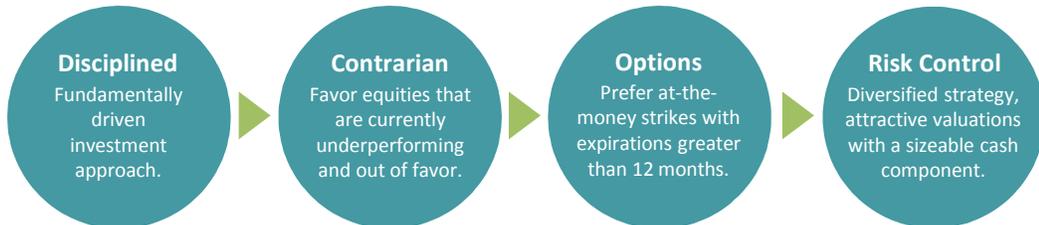
The index provided is for comparative purposes only. Comparisons have limitations because indices may have volatility, investment and other characteristics that may differ from an investment account strategy to which it is compared. Indices are unmanaged, include the reinvestment of dividends and do not reflect transaction costs, management or other fees. See below for a description of the index used in this presentation.

S&P 500 Index

The S&P 500 index is a widely recognized, unmanaged index of common stocks. This index is maintained by the S&P Index Committee, whose members include Standard & Poor's economists and index analysts. It follows a set of published guidelines and policies that provide the transparent methodologies used to maintain the index.

The DLK Advantage

Clients are always at the center and our top priority.



Underperforming Sector Emphasis

Studies have shown that the worst performing sectors subsequently end up being the best performers when comparing results annually. Also, these sectors tend to be more sensitive to pricing, interest rates, and the economic environment which makes them more volatile. Our focus is on these sectors that have underperformed and to invest in good businesses that are poised to get better.



About DLK Investment Management

Founded in 2009 as an independent, employee owned firm, DLK offers an investment approach focused on quality at all levels. It is quite suitable for long-term investors that are seeking to outperform the equity market with less volatility. With clients always at the center, DLK is a diverse team of professionals who have extensive institutional experience in multiple areas of investment management, on both the advisor and client side. It has offices in Solana Beach, CA.