

## DLK Quality Equity

### Strategy Overview

**Inception** January 1, 2009

**AUM/Strategy:** \$175 Million

### DLK Quality Equity

- **Construct a portfolio** of 25-30 holdings that are generally equally weighted with 10-20% collars for rebalancing.
- **Emphasize Certain Sectors** such as technology, healthcare, consumer discretionary, consumer staples and industrials which will comprise approximately 80-85% of the portfolio.
- **Tactically invest in the remaining sectors** which are more sensitive to pricing, interest rates and the economy.
- **Low portfolio turnover** that has averaged 10-15% annually.
- Minimal cash position at less than 3%.

### Quality Matters

We are committed to delivering long-term quality in everything we do for clients. This includes portfolio management and research, portfolio construction and risk management, client service and reporting, compliance and maintaining a culture of trust.

### Performance

	QTD	YTD	1 Year	3 Year	5 Year	10 Yr
<b>DLK Quality Equity (Gross)</b>	0.26%	11.70%	24.00%	14.31%	15.00%	15.07%
<b>DLK Quality Equity (Net)</b>	0.22%	10.86%	23.06%	13.27%	13.92%	14.01%
<b>S&amp;P 500 Total Return Index</b>	0.58%	15.92%	30.00%	15.99%	16.92%	16.57%
<b>Russell 2000 Total Return Index</b>	-4.36%	12.41%	47.68%	10.54%	13.47%	14.6%
<b>MSCI International Index</b>	-0.35%	8.79%	26.29%	8.13%	9.34%	8.6%
<b>MSCI Emerging Mkt Index</b>	-8.09%	-1.25%	18.20%	7.95%	8.86%	3.6%

### Top 5 Sectors

	Weight
IT Information Technology	24.5%
HC Health Care	21.0%
CS Consumer Staples	14.0%
IN Industrials	12.0%
CM Communication Services	11.0%

### Top 5 Holdings

	Weight
AAPL Apple	5.0%
MSFT Microsoft	5.0%
GOOG Google	4.5%
V Visa	4.5%
HD Home Depot	3.5%

### Investment Committee

Donald Dempster, CFA

Theodore Kay

Brian Johnson

Thomas Brenner, CFP

Mark Halby, CFP

Matthew Van Winkle, PhD

## DLK Quality Equity

### Disclosure

#### Performance Disclosure

Returns are net of an annual fee of 1.00% and are annualized for periods greater than one year and include the reinvestment of dividends and interest. For performance calculation purposes, the representative account's inception date is January 1, 2009. 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 DLK's Form ADV Part 2A.

#### Index Disclosure

The indexes 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.

#### Russell 2000 Index

The Russell 2000 index is an index measuring the performance of approximately 2,000 smallest-cap American companies in the Russell 3000 Index. It is a market-cap weighted index.

#### MSCI International Index

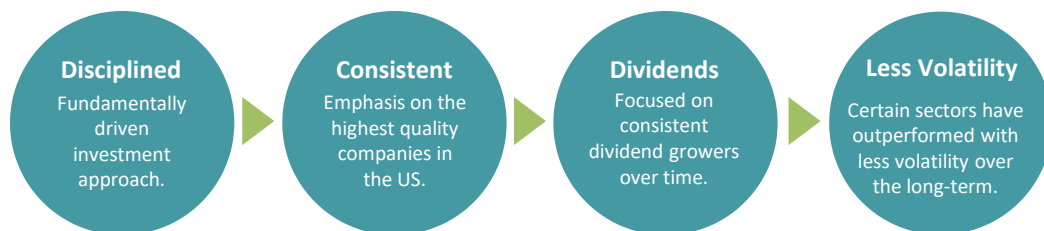
The MSCI EAFE (International) Index is designed to represent the performance of large and mid-cap securities across 21 developed markets, including countries in Europe, Australasia and the Far East, excluding the U.S. and Canada. It covers approximately 85% of the free float-adjusted market capitalization in each country.

#### MSCI Emerging Markets Index

The MSCI Emerging Markets Index captures large and mid cap representation across 27 Emerging Markets countries.

### The DLK Advantage

Clients are always at the center and our top priority.



### Sector Emphasis

We believe that companies with stable and predictable income streams are more likely to pay dividends than companies with growing or volatile income. Our focus is on those sectors that outperform with lower volatility over the long-term.



### 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. Our main office is located in Solana Beach, CA.