

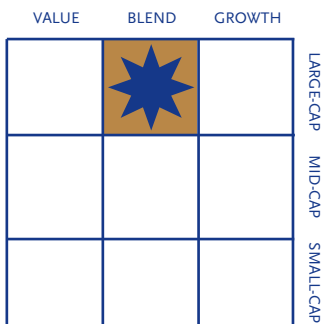


KOPP INVESTMENT ADVISORS

# TQM CORE 40 CHARACTERISTICS

*All information as of December 31, 2015*

Kopp Investment Advisors believes that Quality will provide an investment advantage. It is critical to the success of a large corporation that a focus on quality permeate the entire organization. Kopp Investment Advisors grades the companies in the S&P 500 based on their successful use of Quality as they strive to gain a competitive edge. The Total Quality Management strategy invests in the companies receiving the highest grades in their respective industries.



The Kopp Total Quality Management strategy may suit your needs if you:

- Seek growth of capital
- Can tolerate stock market risk including loss of principal
- Want a highly consistent, disciplined approach to owning large-cap Quality Advantaged stocks
- Desire a long-term investment to serve as the core of an equity portfolio

## REPRESENTATIVE SECTOR HOLDINGS

	TICKER	%	SECTOR
Starbucks	SBUX	3.5	Consumer Discretionary
Hormel Foods	HRL	3.6	Consumer Staples
Valero Energy	VLO	3.7	Energy
Progressive	PGR	3.1	Financials
Humana	HUM	2.9	Health Care
Southwest Airlines	LUV	3.4	Industrials
Accenture	ACN	3.3	Information Technology
Eastman Chemical	EMN	1.9	Materials
Verizon Communications	VZ	1.8	Telecommunication Services
Dominion Resources	D	2.3	Utilities

*Please see disclosure information on reverse.*

## PORTFOLIO CHARACTERISTICS

	TQM CORE 40	S&P500
Number of Holdings	40	500
Weighted Avg Mkt Cap	121.1 B	139.3 B
Forward P/E ratio	15.17	16.14
Dividend Yield	2.06	2.11
Beta	1.01	1.00
Alpha	-1.08	0.00
Up-market/Down-market Capture Ratio	94/99	100/100

## TRAILING RETURNS

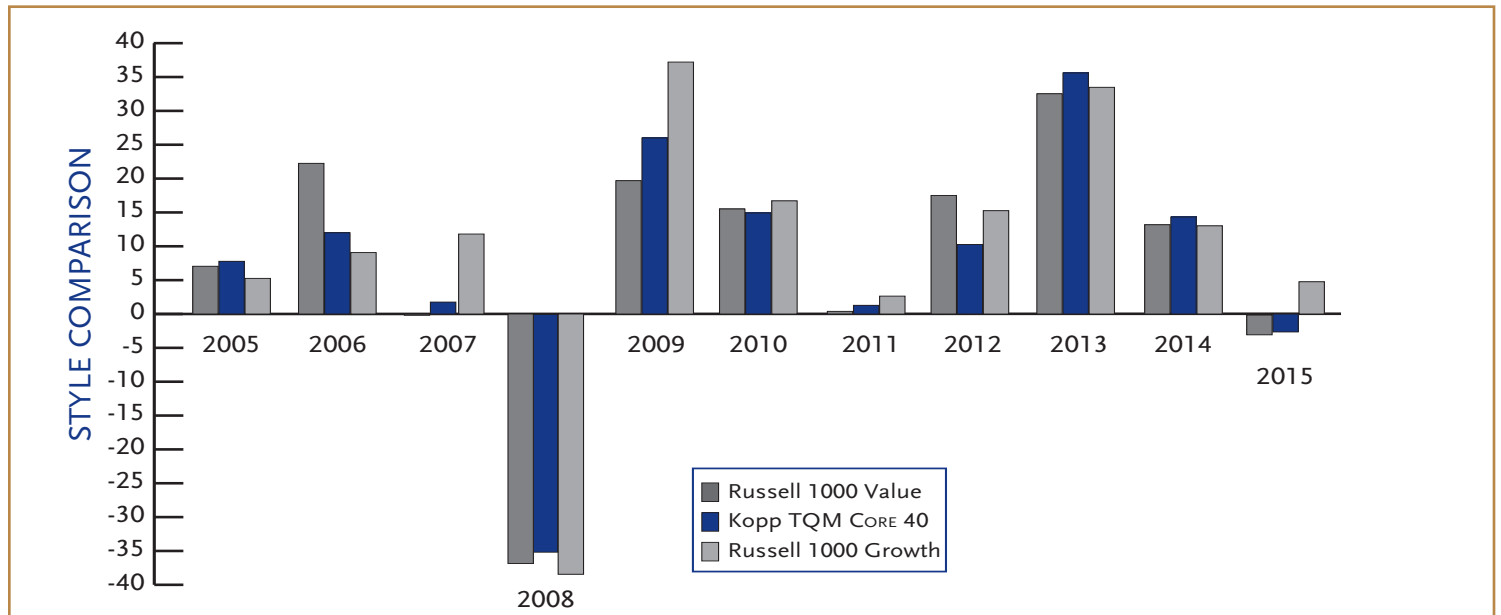
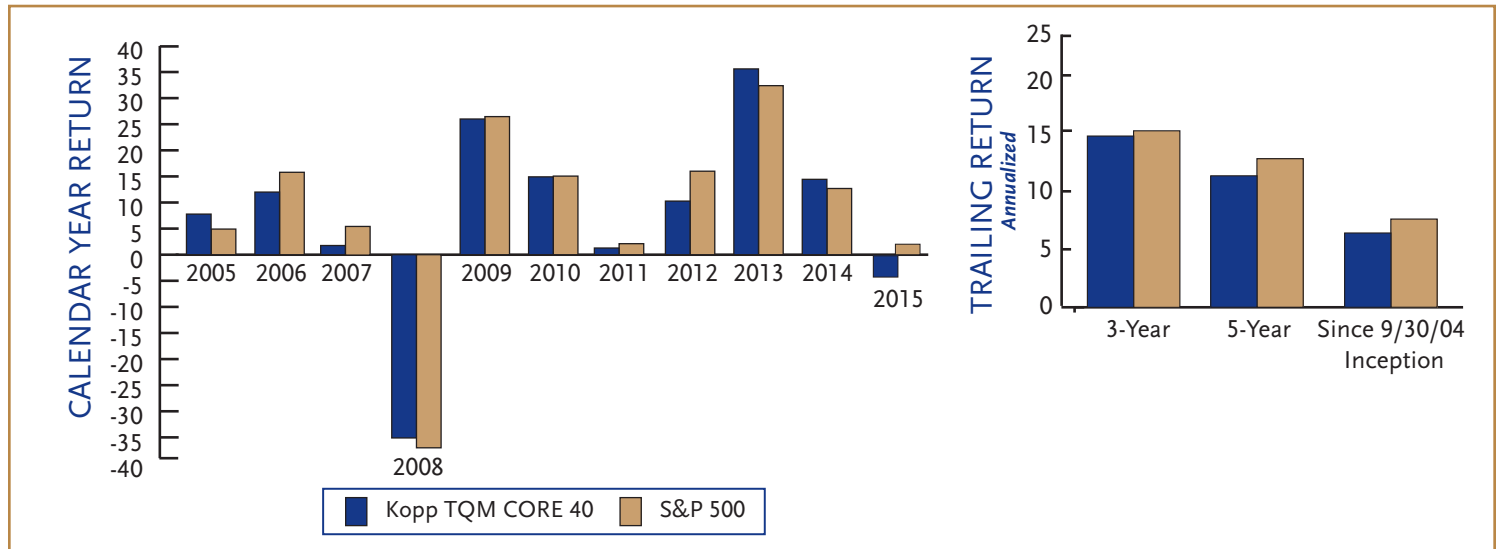
	TQM CORE 40	S&P500
3-Year Rate of Return—Annualized (12/31/12–12/31/15)	14.26%	15.13%
5-Year Rate of Return—Annualized (12/31/10–12/31/15)	10.75%	12.57%

*The foregoing results reflect the Kopp TQM Core 40 non-wrap composite, net of actual fees. Please see disclosure information on reverse.*

# TQM CORE 40 RETURNS

Net of Fees

All information as of December 31, 2015



Kopp Investment Advisors claims compliance with the Global Investment Performance Standards (GIPS) and has prepared and presented this report in compliance with the GIPS standards. Kopp Investment Advisors has been independently verified for the periods from July 1, 1990, the inception of the firm, through December 31, 2014. The verification reports are available upon request. Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards. Verification does not ensure the accuracy of any specific composite presentation.

Kopp Investment Advisors, LLC, (the "Company") was organized as a Minnesota limited liability company on September 24, 2003, having previously operated as a Minnesota corporation since its inception on July 1, 1990. The Company is registered with the Securities and Exchange Commission as an autonomous investment advisory firm pursuant to the Investment Advisors Act of 1940. The Company manages small and large-cap equity strategies.

The Total Quality Management (TQM) Core 40 Retail Composite is an all equities strategy that generally invests 100% of its assets in companies selected from the S&P 500 using Kopp Investment Advisors' proprietary quality scoring methodology which evaluates a company's commitment to Total Quality Management and related quality approaches, relative to their peers within their industry groups. Portfolios are invested across S&P economic sectors and will typically hold approximately 40 stocks. Composite and individual account weightings are flexible as each portfolio may experience price fluctuations and is individually managed. The Company does not have a minimum asset level and does not exclude accounts from the composite. The composite was created on August 25, 2004. A list of composite descriptions is available upon request.

All returns are expressed in U.S. dollars and are pre-tax and assume reinvestment of dividends and earnings. Gross-of-fees returns are presented before investment management fees, but net of transaction costs. Net-of-fees returns are calculated using actual management fees on an accrual basis. It should not be assumed that investments made in the future will be profitable or will equal the performance represented herein. More recent returns may be more or less than those shown. Investing entails risks, including possible loss of principal. Policies for valuing portfolios, calculating returns, and preparing compliant presentations are available upon request.

Indexes are unmanaged and do not include management fees, transaction costs, and other expenses that are incurred in connection with a managed account. An index will include a different degree of investment in individual securities, industries, or sectors from KIA's investment strategies. Indexes do not predict future results. S&P 500, Russell 1000 Growth, Russell 1000 Value, Kopp TQM actual and Kopp TQM model returns include reinvestment of dividends, interest and income. The S&P 500 Index is the Standard & Poor's Composite Index of 500 stocks, a widely recognized unmanaged index of common stock prices of large-capitalization U.S. companies. The Russell 1000 Growth Index measures the performance of the Russell 1000 companies with higher price-to-book ratios and higher forecasted growth values, as opposed to the Russell 1000 Value Index showing the lower price-to-book ratios and lower forecasted growth. The Russell Indexes are trademarks/service marks of the Frank Russell Company. Russell® is a trademark of the Frank Russell Company.

Inclusion of references to individual stocks is intended for illustration purposes only. References to specific securities should not be viewed as representative of an entire portfolio, nor should the performance of any particular security be viewed as representative of the performance experienced by any other security or portfolio. A complete listing of all of KIA's investment selections for the Kopp TQM Core 40 strategy for the past 12 months is available upon request. It should not be assumed that future recommendations will be profitable or will equal the performance of stocks included herein.