



Sierra Global Management, L.L.C.

March 25, 2014

This brochure provides information about the qualifications and business practices of Sierra Global Management, L.L.C. ("Sierra"), an investment adviser registered with the United States Securities and Exchange Commission (the "SEC"). If you have any questions about the contents of this brochure, please contact Craig Peretz, Sierra's Chief Compliance Officer – cperetz@sierraglobal.com / 212-207-3234 or clientrelations@sierraglobal.com / 212-207-3043.

This information has not been approved or verified by the United States Securities and Exchange Commission (the "SEC") or by any state securities authority.

Additional information about Sierra Global Management, L.L.C. also is available on the SEC's website at www.adviserinfo.sec.gov.

Registration with the SEC or with any state securities authority does not imply a certain level of skill or training.

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Item 4. Advisory Business

Sierra Global Management, L.L.C. (“Sierra”) is an investment adviser registered with the SEC with its principal place of business in New York City, New York. Sierra commenced operations as an investment adviser on October 1, 1996. Charles F. Michaels owns 100% of Sierra.

Sierra provides discretionary investment advice to its clients, which include pooled investment vehicles intended for sophisticated investors and separately managed accounts.

Sierra provides individualized investment advice to clients, and clients may request and impose, if agreed upon by Sierra, various investment restrictions and limitations. Sierra does not provide individualized advice to investors within funds managed by Sierra (the “Sierra Funds”). As of December 31, 2013, Sierra had approximately \$353.8 million (net) client assets under management on a discretionary basis.

Item 5. Fees and Compensation

Clients of Sierra are typically charged a management fee equal to a percentage of the net assets and an annual performance fee or allocation equal to a percentage of the net appreciation of each client account at the end of each fiscal year, which may be paid directly to Sierra or to an affiliate of Sierra.

Sierra charges each client a management fee ranging from 0.0% to 1.5% of the client's total assets.

Management fees are ordinarily paid quarterly in advance or monthly in arrears based on the total market value of the assets in the client account (including net unrealized appreciation or depreciation of investments and cash, cash equivalents and accrued interest) on the first day of the quarter or last day of the month, as applicable. If a new client account is established during a quarter or month or a client makes an addition to its account during a quarter or month the investment management fee will be charged as of the effective date of the investment management agreement or the date of the additional contribution based on the value of the assets as of the applicable date and will be prorated for the number of days remaining in the quarter or month.

Sierra may also be paid a performance-based fee, which is compensation that is based on a share of capital gains on or capital appreciation of the assets of a client (such as a client that is a hedge fund or other pooled investment vehicle). This compensation may range from 10% to 20%. Performance fees are generally paid annually, or upon termination of an account or withdrawal of an investment in a Sierra Fund. In some cases performance fees are paid monthly.

The Management and Performance Fees may be waived in the sole discretion of Sierra for investors who are relatives of principals or employees of Sierra Global Associates, L.L.C. or Sierra.

Generally, with respect to the Sierra Funds, Sierra will deduct the management fee and performance fee from the client account, after the Sierra Fund's administrator has calculated and reviewed the management fee and performance fee. With respect to separately managed account clients, Sierra generally does not deduct the management fee from client accounts, but bills the clients. Payment arrangements may be negotiated with clients on an individual basis.

Sierra, in its discretion, may negotiate, waive or modify the management fees or performance fees or allocations for certain client accounts and/or investors in a Sierra Fund, including employees and affiliates of Sierra, without entitling any other investors to a waiver or modification.

Sierra's fees are exclusive of brokerage commissions, transaction fees, custodial fees, administration fees and other costs and expenses that will be incurred by the client. The Sierra Funds may incur other charges imposed by custodians, brokers or other counterparties, including: commissions, interest on margin accounts and other indebtedness (netted against interest earned), borrowing charges on securities sold short and short sale dividends (netted against long dividends), custodial fees, bank service fees, expenses associated with insuring the Sierra Fund's assets, accrued audit fees, tax preparation fees, government filing fees, tax filings, legal and Administrator fees costs associated with foreign exchange transactions and other reasonable expenses related to the purchase, sale or transmittal of the Sierra Fund's assets. Please refer to Item 12 of this Firm Brochure for a discussion of Sierra's brokerage practices.

Item 6. Performance Based Fees and Side-by-Side Management

Sierra and its investment personnel provide investment management services to multiple portfolios for multiple clients. Sierra is entitled to be paid performance-based compensation by its private pooled investment vehicle clients and certain other client accounts. Sierra's investment personnel are typically compensated on a basis that includes a performance-based component. In addition, certain client accounts may have higher asset-based fees or more favorable performance-based compensation arrangements than other accounts. When Sierra and its investment personnel manage more than one client account a potential exists for one client account to be favored over another client account. Sierra and its investment personnel have a greater incentive to favor client accounts that pay Sierra higher fees.

Sierra has adopted and implemented policies and procedures intended to address conflicts of interest relating to the management of multiple accounts, including accounts with multiple fee arrangements, and the allocation of investment opportunities. Sierra reviews investment decisions for the purpose of ensuring that all accounts with substantially similar investment objectives are treated equitably. The performance of similarly managed accounts is also regularly compared to determine whether there are any unexplained significant discrepancies. In addition, Sierra's procedures relating to the allocation of investment opportunities require that similarly managed accounts participate in investment opportunities pro rata based on asset size and require that, to the extent orders are aggregated, the client orders are price-averaged. Exceptions can be made for costs associated with entering a position, tax trades and/or investment restrictions of the client and are documented accordingly. Finally, procedures also require the objective allocation for limited opportunities (such as initial public offerings and private placements) to ensure fair and equitable allocation among accounts. These areas are monitored by Sierra's Chief Compliance Officer.

Item 7. Type of Clients

Sierra provides portfolio management services to the Sierra Funds, which are organized either as U.S. limited partnerships or foreign corporations and to certain separately managed accounts.

Generally, Sierra requires that a client invest a minimum of \$2.5 million to open a managed account and to maintain a minimum account size of \$2.5 million for such accounts as well as show a written commitment for additional amounts. If the account size falls below the minimum requirement due to market fluctuations or expenses to the account only, a client will not be required to invest additional funds with Sierra to meet the minimum account size.

With respect to any client that is a pooled investment vehicle, any initial and additional subscription minimums are disclosed in the offering documents of the pooled investment vehicle.

Item 8. Methods of Analysis, Investment Strategies and Risk of Loss

Sierra utilizes a variety of methods and strategies to make investment decisions and recommendations. The methods of analysis include fundamental research, cyclical analysis as well as use of quantitative tools and investment approach. The essence of its approach is to identify superb business franchises that are undervalued for long investments and short positions with underlying businesses that have deteriorating financial positions.

Sierra employs the following strategies:

Global Equity. Sierra's global equity strategy focuses on a broad range of equity investment styles, including growth. Sierra's client accounts primarily focus on European equities.

Short Selling. Sierra engages in short selling strategies. In a short sale transaction, Sierra sells a security that it does not own in anticipation that the market price of that security will decline. Sierra makes short sales (i) as a form of hedging to offset potential declines in long positions in similar securities; (ii) in order to maintain flexibility and (iii) for profit.

Option Trading. Sierra engages in option trading strategies. Options are investments whose ultimate value is determined from the value of the underlying investment. Sierra engages in the following types of option trading strategies: puts and calls on companies and market indices, contracts on market indices and forward contracts and puts and calls on currencies.

Leverage. Sierra's investment program utilizes leverage which involves the borrowing of funds from brokerage firms, banks and other institutions in order to be able to increase the amount of capital available for marketable securities investments.

These methods, strategies and investments involve risk of loss to clients and clients must be prepared to bear the loss of their entire investment.

The material risks related to Sierra's investment strategy are as follows:

Hedging. There can be no assurances that a particular hedge is appropriate, or that certain risk is measured properly. Further, while Sierra may enter into hedging transactions to seek to reduce risk, such transactions may result in poorer overall performance and increased (rather than reduced) risk for Sierra's investment portfolios than if Sierra did not engage in any such hedging transactions.

Issuer-Specific Changes. Changes in the financial condition of an issuer or counterparty, changes in specific economic or political conditions that affect a particular type of security or issuer, and changes in general economic or political conditions can increase the risk of default by an issuer or counterparty, which can affect a security's or instrument's value. The value of securities of smaller, less well-known issuers can be more volatile than that of larger issuers. Smaller issuers can have more limited product lines, markets or financial resources.

Leverage. Performance may be more volatile if a client's account employs leverage.

Relative Value Risk. In the event that the perceived mispricings underlying Sierra's relative value trading positions were to fail to converge toward, or were to diverge further from, relationships expected by Sierra, client accounts may incur a loss.

Short Selling Risk. Sierra's investment program includes a significant amount of short selling. Short selling transactions expose Sierra to the risk of loss in an amount greater than the initial investment, and such losses can increase rapidly and without effective limit. There is the risk that the securities borrowed by Sierra in connection with a short sale would need to be returned to the securities lender on short notice. If such request for return of securities occurs at a time when other short sellers of the subject security are receiving similar requests, a "short squeeze" can occur, wherein Sierra may be compelled, at the most disadvantageous time, to replace the borrowed securities previously sold short with purchases on the open market, possibly at prices significantly in excess of the proceeds received earlier.

The material risks associated with the securities Sierra generally recommends are as follows:

Derivatives. Swaps, and certain options and other custom derivative or synthetic instruments are subject to the risk of nonperformance by the counterparty to such instrument, including risks relating to the financial soundness and creditworthiness of the counterparty. In addition, investments in derivative instruments require a high degree of leverage, meaning the overall contract value (and, accordingly, the potential for profits or losses in that value) is much greater than the modest deposit used to buy the position in the derivative contract. Derivative securities can also be highly volatile. The prices of derivative instruments and the investments underlying the derivative instruments may fluctuate rapidly and over wide ranges and may reflect unforeseeable events or changes in conditions, none of which can be controlled by the client or by Sierra. Further, transactions in derivative instruments are not undertaken on recognized exchanges, and will expose the client's account to greater risks than regulated exchange transactions that provide greater liquidity and more accurate valuation of securities.

Emerging Markets. The risks of foreign investments typically are greater in less developed countries, sometimes referred to as emerging markets. For example, political and economic structures in these countries may be less established and may change rapidly. These countries also are more likely to experience high levels of inflation, deflation, or currency devaluation, which can harm their economies and securities markets and increase volatility. Restrictions on currency trading that may be imposed by emerging market countries will have an adverse effect on the value of the securities of companies that trade or operate in such countries.

Equity Securities. The value of equity securities fluctuates in response to issuer, political, market, and economic developments. Fluctuations can be dramatic over the short as well as long term, and different parts of the market and different types of equity securities can react differently to these developments. For example, large cap stocks can react differently from small cap stocks, and "growth" stocks can react differently from "value" stocks. Issuer, political, or economic developments can affect a single issuer, issuers within an industry or economic sector or geographic region, or the market as a whole. Changes in the financial condition of a single issuer can impact the market as a whole. Terrorism and related geopolitical risks have led, and may in the future lead, to increased short-term market volatility and may have adverse long-term effects on world economies and markets generally.

Non-U.S. Securities. Foreign securities, foreign currencies, and securities issued by U.S. entities with substantial foreign operations can involve additional risks relating to political, economic, or regulatory conditions in foreign countries. These risks include fluctuations in foreign currencies; withholding or other taxes; trading, settlement, custodial, and other operational risks; and the less stringent investor protection and disclosure standards of some foreign markets. All of these factors can make foreign

investments, especially those in emerging markets, more volatile and potentially less liquid than U.S. investments. In addition, foreign markets can perform differently from the U.S. market.

Security Derivatives and Options. In connection with the use of derivatives and options, there may be an imperfect correlation between the change in market value of a security and the prices of the derivatives and options in the client's account. In addition, Sierra's investments in derivatives and options may encounter a lack of a liquid secondary market for such derivative or option contract and the resulting inability to close a position prior to its maturity date.

Item 9. Disciplinary Information

This Item is not applicable as Sierra and its principals have not been, and are not currently the subject of any material legal proceedings required to be disclosed in this section.

Item 10. Other Financial Industry Activities and Affiliations

This Item is not applicable.

Item 11. Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

Sierra has adopted a Code of Ethics (the “Code”) that obligates Sierra and its related persons to put the interests of the Sierra clients before its own interests and to act honestly and fairly in all respects in their dealings with clients. All of Sierra’s personnel are also required to comply with applicable federal securities laws. Clients or prospective clients may obtain a copy of the Code by contacting Craig J. Peretz (the “Chief Compliance Officer”) by email at cperetz@sierraglobal.com or by telephone at 212-207-3234. See below for further provisions of the Code as they relate to the pre-clearing and reporting of securities transactions by related persons.

Sierra, in the course of its investment management activities may come into possession of confidential or material nonpublic information about issuers, including issuers in which Sierra or its related persons have invested or seek to invest on behalf of clients. Sierra is prohibited from improperly disclosing or using such information for its own benefit or for the benefit of any other person, regardless of whether such other person is a client. Sierra maintains and enforces written policies and procedures that prohibit the communication of such information to persons who do not have a legitimate need to know such information and to assure that Sierra is meeting its obligations to clients and remains in compliance with applicable law. In certain circumstances, Sierra may possess certain confidential or material, nonpublic information that, if disclosed, might be material to a decision to buy, sell or hold a security, but Sierra will be prohibited from communicating such information to the client or using such information for the client’s benefit. In such circumstances, Sierra will have no responsibility or liability to the client for not disclosing such information to the client (or the fact that Sierra possesses such information), or not using such information for the client’s benefit, as a result of following Sierra’s policies and procedures designed to provide reasonable assurances that it is complying with applicable law.

Sierra, its principals and employees and their related persons are investors in many of the Sierra Funds and will share in any profits and losses generated by the Sierra Funds. Such persons may also own some of the same investments as are held by the Sierra Funds and other clients of Sierra. Before Sierra makes a recommendation that a Sierra Fund buy or sell a security, any Sierra employee that has any direct ownership of such security at the time of such recommendation is required to disclose such interest to Sierra.

In addition, Sierra or its related persons may invest in the same securities (or related securities, e.g., warrants, options or futures) that Sierra or a related person of Sierra recommends to clients. Such practices present a conflict where, because of the information Sierra has, Sierra or its related person are in a position to trade in a manner that could adversely affect clients (e.g., place their own trades before or after client trades are executed in order to benefit from any price movements due to the clients’ trades). In addition to affecting Sierra’s or its related person’s objectivity, these practices by Sierra or its related persons may also harm clients by adversely affecting the price at which the clients’ trades are executed. Sierra has adopted the following procedures in an effort to minimize such conflicts: Sierra requires its employees to pre-clear trades in any securities in which Sierra does or may hold positions, as well as certain limited offerings and initial public offerings, in their personal accounts with the Chief Compliance Officer, who may deny permission to execute the transaction if such transaction will have any adverse economic impact on one of its clients. In the event that Sierra permits an employee to trade in a security

the same day that one or more of Sierra's clients are trading in such security, Sierra requires its employees to aggregate their personal trades in such security with client trades. In addition, the Code prohibits Sierra or its employees from executing personal securities transactions of any kind in any securities that may be traded by the Fund, unless approved by the Chief Compliance Officer. A restricted list is also maintained for those positions that may not be traded by Sierra on behalf its clients or Sierra employees. All of Sierra's related persons are required to disclose their securities transactions on a quarterly basis and holdings on an annual basis. All of Sierra's related persons are also required to provide a monthly broker statement of the transactions that they have engaged in and a quarterly certification of such transactions. Trading in employee accounts will be reviewed by the Chief Compliance Officer and compared with transactions for the client accounts. The Chief Compliance Officer's personal trading will be monitored by Charles Michaels, President and Portfolio Manager

Sierra or a related person from time to time recommends securities to clients, or buys or sells securities for client accounts, at or about the same time that Sierra or related person buys or sell the same securities for its own account in accordance with the procedures described above in order to minimize the conflicts stemming from situations where the contemporaneous trading results in an economic benefit for Sierra or its related person to the detriment of the client.

Item 12. Brokerage Practices

Subject to the investment objective, policies and restrictions of each client, Sierra ordinarily has the discretionary authority to determine the type, amount, and price of securities and investments to be bought and sold on behalf of each client, including the selection of, and commission paid to, brokers.

All brokerage commissions and related transaction costs are paid by clients. Portfolio transactions are executed by brokers and dealers generally selected by Sierra based on their ability to provide the best available execution and in consideration of such broker's provision of, or payment of the costs of, certain services that are of benefit to Sierra and its clients.

Sierra considers a number of factors in selecting a broker-dealer to execute transactions (or series of transactions) and determining the reasonableness of the broker-dealer's compensation. Such factors include net price, reputation, financial strength and stability, efficiency of execution and error resolution, liquidity and block position capability, willingness to execute related and unrelated difficult transactions, the availability for stocks to borrow in short trades and other factors as Sierra considers relevant and beneficial to its clients. In selecting a broker-dealer to execute transactions (or series of transactions) and determining the reasonableness of the broker-dealer's compensation, Sierra need not solicit competitive bids and does not have an obligation to seek the lowest available commission cost. It is not Sierra's practice to negotiate "execution only" commission rates, thus a client may be deemed to be paying for research, brokerage or other services provided by a broker-dealer which are included in the commission rate. Sierra's investment team and the Chief Compliance Officer meet periodically to evaluate the broker-dealers used by Sierra to execute client trades using the foregoing transactions.

Sierra receives research or other products or services other than execution from a broker-dealer and/or third party in connection with client securities transactions. This is known as a "soft dollar" relationship. Sierra will limit the use of "soft dollars" to obtain research and brokerage services to services that constitute research and brokerage within the meaning of Section 28(e) of the Securities Exchange Act of 1934 ("Section 28(e)"). Research services within Section 28(e) may include, but are not limited to, research reports (including market research); certain financial newsletters and trade journals; software providing analysis of securities portfolios; corporate governance research and rating services; attendance at certain seminars and conferences; discussions with research analysts; meetings with corporate executives; consultants' advice on portfolio strategy; data services (including services providing market data, company financial data and economic data); advice from broker-dealers on order execution; and certain proxy services. Brokerage services within Section 28(e) may include, but are not limited to, services related to the execution, clearing and settlement of securities transactions and functions incidental thereto (i.e., connectivity services between an adviser and a broker-dealer and other relevant parties such as custodians); trading software operated by a broker-dealer to route orders; software that provides trade analytics and trading strategies; software used to transmit orders; clearance and settlement in connection with a trade; electronic communication of allocation instructions; routing settlement instructions; post trade matching of trade information; and services required by the SEC or a self-regulatory organization such as comparison services, electronic confirms or trade affirmations.

When Sierra uses client commissions to obtain Section 28(e) eligible research and brokerage products and services, Sierra's investment team and the Chief Compliance Officer meet periodically to review and evaluate its soft dollar practices and to determine in good faith whether, with respect to any research or other products or services received from a broker-dealer, the commissions used to obtain those products and services were reasonable in relation to the value of the brokerage, research or other products or services provided by the broker-dealer. This determination will be viewed in terms of either the specific

transaction or Sierra's overall responsibilities to the accounts or portfolios over which Sierra exercises investment discretion.

The use of client commissions (or markups or markdowns) to obtain research and brokerage products and services raises conflicts of interest. For example, Sierra will not have to pay for the products and services itself. This creates an incentive Sierra to select or recommend a broker-dealer based on its interest in receiving those products and services.

This may cause clients to pay commissions (or markups or markdowns) higher than those charged by other broker-dealers in return for soft dollar benefits (known as paying-up), resulting in higher transaction costs for clients.

Research and brokerage services obtained by the use of commissions arising from a client's portfolio transactions will only be used by Sierra for the benefit of that client's accounts.

During Sierra's last fiscal year, as a result of client brokerage commissions (or markups or markdowns), Sierra and/or its related persons acquired access to expert and general broker research reports and other research products and Bloomberg services.

In determining whether to direct client brokerage transactions to particular broker-dealers, Sierra's investment team with the Chief Compliance Officer meets periodically to review and evaluate the soft dollar practices of Sierra and to determine in good faith whether, with respect to any research or other products or services received from a broker-dealer, the commissions used to obtain those products and services were reasonable in relation to the value of the brokerage, research or other products or services provided by the broker-dealer.

Sierra may participate in "client commission arrangements" pursuant to which Sierra may execute transactions through a broker-dealer and request that the broker-dealer allocate a portion of the commissions or commission credits to another firm that provides research and other products to Sierra. Sierra excludes from use under these arrangements those products and services that are not eligible under Section 28(e) and applicable regulatory interpretations.

Although it does not currently do so, in some instances, Sierra may obtain a product or service that is used, in part, by Sierra for Section 28(e) eligible purposes and, in part, for other purposes. In such instances, Sierra will make a good faith effort to determine the relative proportion of the product or service used to assist Sierra in carrying out its investment decision-making responsibilities and the relative proportion used for administrative or other purposes outside Section 28(e). Such determination will be made based on the actual use of the product or service by Sierra's personnel. The proportion of the product or service attributable to assisting Sierra in carrying out its investment decision-making responsibilities will be paid through brokerage commissions generated by client transactions and the proportion attributable to administrative or other purposes outside Section 28(e) will be paid for by Sierra from its own resources. The determination of the appropriate allocation of "mixed use" products and services creates a potential conflict of interest between Sierra and its clients.

Under certain circumstances, Sierra may ask clients to direct Sierra to execute the client's trades with a specified broker-dealer. When a client directs Sierra to use a specified broker-dealer to execute all or a portion of the client's securities transactions, Sierra treats the client direction as a decision by the client to retain, to the extent of the direction, the discretion Sierra would otherwise have in selecting broker-dealers to effect transactions and in negotiating commissions for the client's account. Although Sierra attempts to effect such transactions in a manner consistent with its policy of seeking best execution, there may be occasions where it is unable to do so, in which case Sierra will continue to comply with the client's

instructions. Transactions in the same security for accounts that have directed the use of the same broker will be aggregated. When the directed broker-dealer is unable to execute a trade, Sierra will select broker-dealers other than the directed broker-dealer to effect client securities transactions. A client who directs Sierra to use a particular broker-dealer to effect transactions should consider whether such direction may result in certain costs or disadvantages to the client. Such costs may include higher brokerage commissions (because Sierra may not be able to aggregate orders to reduce transaction costs), less favorable execution of transactions, and the potential of exclusion from the client's portfolio of certain foreign ordinary shares and/or small capitalization or illiquid securities due to the inability of the particular broker-dealer in question to provide adequate price and execution of all types of securities transactions. By permitting a client to direct Sierra to execute the client's trades through a specified broker-dealer, Sierra will make no attempt to negotiate commissions on behalf of the client and, as a result, in some transactions such clients may pay materially disparate commissions depending on their commission arrangement with the specified broker-dealer and upon other factors such as number of shares, round and odd lots and the market for the security. The commissions charged to clients that direct Sierra to execute the client's trades through a specified broker-dealer may in some transactions be materially different than those of clients who do not direct the execution of their trades. Clients that direct Sierra to execute the client's trades through a specified broker-dealer may also lose the ability to negotiate volume commission discounts on batched transactions that may otherwise be available to other clients of Sierra. Not all advisers require clients to direct the adviser to execute client trades with a specific broker-dealer.

Sierra often purchases or sells the same security for many clients at or near the same time and using the same executing broker. It is Sierra's practice, where possible, to aggregate client orders for the purchase or sale of the same security submitted at or near the same time for execution using the same executing broker. Sierra will also aggregate in the same transaction the same securities for accounts where Sierra has brokerage discretion. Such aggregation may enable Sierra to obtain for clients a more favorable price or a better commission rate based upon the volume of a particular transaction. However, in cases where the client has negotiated the commission rate directly with the broker, Sierra will not be able to obtain more favorable commission rates based on an aggregated trade. In such cases, the client will be precluded from receiving the benefit of any possible commission discounts that might otherwise be available as a result of the aggregated trade. In cases where trading or investment restrictions are placed on a client's account, Sierra may be precluded from aggregating that client's transaction with others. In such a case, the client may pay a higher commission rate and/or receive less favorable prices than clients who are able to participate in an aggregated order. When an aggregated order is completely filled, Sierra allocates the securities purchased or proceeds of sale pro rata among the participating accounts, based on the purchase or sale order. Adjustments or changes may be made under certain circumstances, such as to avoid odd lots or excessively small allocations. All such adjustments are reviewed by the Chief Compliance Officer. If the order at a particular broker is filled at several different prices, through multiple trades, generally all such participating accounts will receive the average price and pay the average commission, subject to odd lots, rounding, and market practice. If an aggregated order is only partially filled, Sierra's procedures provide that the securities or proceeds are to be allocated in a manner deemed fair and equitable to clients. Depending on the investment strategy pursued and the type of security, this may result in a pro rata allocation to all participating clients.

Sierra or its related persons may also participate in an aggregated order if such transactions are pre-cleared by the Chief Compliance Officer.

Item 13. Review of Accounts

To ensure conformity with investment guidelines and objectives, all accounts are reviewed on a daily, monthly and quarterly basis. On a daily basis, the investment team monitors all account activity, including positions, exposures, trading activity and profit and loss. Our operational team performs reviews of investment performance, investment compliance and operational controls.

On a monthly basis, the administrator for each account calculates the net asset value of the account and/or Fund, subject to reconciliation, review and approval by the Sierra operations team. Sierra monitors the activity of the Fund administrators and reviews and approves the monthly net asset value prepared by the administrator.

The administrator of each Sierra Fund furnishes each investor with written monthly statements detailing their account information. Sierra, where required, also provides investors in the Sierra Funds and certain separately managed account clients with monthly reports including performance, commentary, exposures, positions and other portfolio characteristics. For those accounts that require it, investors also receive tax statements and audited financial reports for their respective account investment, within 120 days of fiscal year end.

Item 14. Client Referrals and Other Compensation

Sierra receives certain research or other products or services from broker-dealers through “soft-dollar” arrangements. These “soft-dollar” arrangements create an incentive for Sierra to select or recommend broker-dealers based on Sierra’s interest in receiving the research or other products or services and may result in the selection of a broker-dealer on the basis of considerations that are not limited to the lowest commission rates and may result in higher transaction costs than would otherwise be obtainable by Sierra on behalf of its clients. Please see Item 12 of this brochure for further information on Sierra’s “soft-dollar” practices, including Sierra’s procedures for addressing conflicts of interest that arise from such practices.

Sierra makes cash payments to third-party solicitors for client referrals, provided that, to the extent required, each such solicitor has entered into a written agreement with Sierra pursuant to which the solicitor will provide each prospective client with a copy of Sierra’s Form ADV Part 2, and a disclosure document setting forth the terms of the solicitation arrangement, including the nature of the relationship between the solicitor and Sierra and any fees to be paid to the solicitor. Where applicable, cash payments for client solicitations will be structured to comply fully with the requirements of Rule 206(4)-3 under the Advisers Act and related SEC staff interpretations.

Item 15. Custody

Funds and securities of all client accounts, in the Sierra Funds, are held by qualified custodians.

Certain managed account clients may receive account statements from a broker-dealer, bank or other qualified custodian and clients should carefully review those statements.

Item 16. Investment Discretion

Sierra provides investment advisory services on a discretionary basis to clients. Prior to assuming discretion in managing a client's assets, Sierra enters into an investment management agreement or other agreement that sets forth the scope of Sierra's discretion.

Unless otherwise instructed or directed by a discretionary client, Sierra has the authority to determine (i) the securities to be purchased and sold for the client account (subject to restrictions on its activities set forth in the applicable investment management agreement and any written investment guidelines) (ii) the amount of securities to be purchased or sold for the client account. Because of the differences in client investment objectives and strategies, risk tolerances, tax status and other criteria, there may be differences among clients in invested positions and securities held. Sierra submits an allocation statement to Sierra's trading desk describing the allocation of securities to (or from) client accounts for each trade/order submitted.

Sierra has established allocation and aggregation procedures for the allocation of portfolio investment transactions among its clients, including the Sierra Funds. The allocation and aggregation procedures are designed to ensure that each client is treated fairly and that transactions are allocated in a manner that is fair and equitable to each client relative to all other clients, taking into account each the investment objectives and policy of each client in the allocation procedures. Sierra may consider the following factors, among others, in allocating securities among clients: (i) client investment objectives and strategies; (ii) client risk profiles; (iii) tax status and restrictions placed on a client's portfolio by the client or by applicable law; (iv) size of the client account; (v) nature and liquidity of the security to be allocated; (vi) size of available position; (vii) current market conditions; and (viii) account liquidity, account requirements for liquidity and timing of cash flows. Although it is Sierra's policy to allocate investment opportunities to eligible client accounts on a pro rata basis (based on the value of the gross assets of each participating account relative to value of the gross assets of all participating accounts), these factors may lead Sierra to allocate securities to client accounts in varying amounts. Even client accounts that are typically managed on a pari-passu basis may from time to time receive differing allocations of securities based on total assets of each account eligible to invest in the particular investment type (e.g., equities) divided by the total assets of all accounts eligible to invest in the particular investment.

Allocations will be made among client accounts eligible to participate in initial public offerings (IPOs) and secondary offerings on a pro rata basis, except when Sierra determines in its discretion that a pro rata allocation is not appropriate, which may include a client's investment guidelines explicitly prohibiting participation in IPOs or secondary offerings and a client's status as a "restricted person" under applicable regulations.

Certain circumstances such as investor capital activity (i.e., subscription and redemptions) may result in capital weightings for individual securities within client accounts to be disproportionate. When this occurs, Sierra will effect rebalancing transactions within the same strategy. Rebalancing of client accounts occurs by executing cross trades the market accounts via executing brokers.

Sierra uses the utmost care in transacting investment decisions. If a trade error occurs it is formally documented and raised to the President and Chief Compliance Officer and rectified immediately to the extent possible. The client's account will ordinarily be responsible for any losses or gains from trading errors and simple human errors, absent bad faith, willful misconduct or gross negligence.

Item 17. Voting Client Securities

When Sierra has discretion to vote the proxies of its clients, it is the policy of Sierra either to not vote or to defer the power to that of the management of the issuer company, unless Sierra feels that vote should be different than that of the issuer company's management, in which case Sierra will document the reason for that difference and vote accordingly. Such differences are documented by the Chief Compliance Officer.

Clients or prospective clients may obtain information on any voting by contacting Craig Peretz (the "Chief Compliance Officer") by email at cperetz@sierraglobal.com or by telephone at 212-207-3234.

Item 18. Financial Information

This Item is not applicable as Sierra has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to clients, and has not been the subject of a bankruptcy proceeding.

Item 19: Material Changes

There have been no material changes made to the Brochure since Sierra's last annual update, which was filed on March 28, 2013, however Sierra has made some routine updates and clarifying changes to the Brochure.