

MARCH 2023



Sierra Investment Management, Inc.
Form ADV
Part 2 Brochure

3420 OCEAN PARK BOULEVARD
SUITE 3060
SANTA MONICA, CALIFORNIA 90405
310-452-1887 (T)
310-452-2680 (F)
sierrainvestment.com

This brochure provides information about the qualifications and business practices of Sierra Investment Management, Inc. If you have any questions about the contents of this brochure, please contact us at 310/452-1887 or www.sierrainvestment.com.

The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Sierra Investment Management, Inc. is a Registered Investment Advisor. Registration with the United States Securities and Exchange Commission does not imply a certain level of skill or training.

MATERIAL CHANGES

This brochure, dated as of March 28, 2023, amends the brochure dated March 31, 2022. The material changes to this brochure are as follows:

- The Statement of Investment Goals for the Sierra managed accounts has been refined and updated.

The Adviser will update this brochure no less than annually.

TABLE OF CONTENTS

MATERIAL CHANGES	1
TABLE OF CONTENTS	2
ADVISORY BUSINESS	3-6
FEEES AND COMPENSATION	7-8
TYPES OF CLIENTS.....	8
METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS	8-11
DISCIPLINARY INFORMATION	11
OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS.....	11
CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING.....	12
CONFLICT DISCLOSURE FOR ROLLOVER RECOMMENDATION	12-13
BROKERAGE PRACTICES	13
REVIEW OF ACCOUNTS	13-14
CLIENT REFERRALS AND OTHER COMPENSATION	14
CUSTODY	14
INVESTMENT DISCRETION.....	14-15
VOTING CLIENT SECURITIES	15
FINANCIAL INFORMATION.....	15

ADVISORY BUSINESS

Sierra Investment Management, Inc. (Sierra) is a federally regulated registered investment advisor. Sierra and its employees are subject to the rules of the Securities and Exchange Commission (SEC) under the Investment Advisors Act of 1940, and subject to the anti-fraud provisions of the state jurisdictions.

ADVISORY SERVICE

Sierra manages client investment accounts for a quarterly management fee. The client grants us a limited power of attorney authorizing us to create and manage an investment account using no-load, load-waived and, when available, institutional class shares of mutual funds, and to transact purchases and sales in that account on their behalf. (To a limited extent, we perform comparable monitoring and risk management services for mutual fund “clones” held through variable annuity contracts.) We purchase funds in a very wide variety of asset classes, including, but not limited to, domestic and foreign stock, bond and commodity funds, as well as currency and real estate funds.

Through the use of proprietary risk-management strategies, Sierra tracks daily every fund held in client accounts. When a given holding declines enough to give a Sell signal under our proprietary strategies, we move all or a portion of that holding into a money market or similar “safe-haven” fund. When our system gives a Buy signal, we move assets back into the same fund unless we have made other choices in the interim.

PRINCIPALS

Kenneth L. Sleeper, MBA, PhD and David C. Wright, JD, are the beneficial owners, officers and Managing Directors of Sierra.

STATEMENT OF INVESTMENT GOALS

The investment goals for our managed accounts are:

1. To construct portfolios with the goal of limiting downside risk; and
2. To produce competitive risk-adjusted returns over a market cycle.

While there is no assurance that these goals can always be achieved, we believe that they are realistic based on our documented historical performance results.

INVESTMENT PROGRAMS

New clients meet with either one of our Managing Directors and/or a Client Relationship Manager for an in-depth discussion of their investment goals, risk tolerance and investment history. Together, they select one or more of the following investment programs:

1. Conservative Allocation Program

The Conservative Allocation Program has two investment objectives: to provide long-term total return and to limit volatility and downside risk. The Program’s multi-asset diversification strategy employs unusually broad diversification across asset classes, markets, and industries. A “Buy and Hold” strategy

is not employed and the overall asset allocation of the Program is tactical, not fixed. It can and does change significantly over time, re-allocating the Program in response to trend changes in the U.S. and global economies and various investment markets.

As part of Sierra's integrated risk-management methodology, the Program monitors each underlying holding daily, applying a proprietary trailing stop to each holding (other than affiliated funds which employ the same discipline internally) to help limit the impact of any further decline in that holding on the overall Program

2. High Yield Corporate Bond Program

The High Yield Corporate Bond Program seeks to produce satisfying long-term returns while limiting downside risk. Returns are created from interest income as well as increases in bond prices. The Program diversifies a client's account among at least four (often up to ten) high yield corporate bond mutual funds that are expected to generate returns superior to a simple high yield corporate bond benchmark. Each holding is monitored daily and during declines, a proprietary trailing stop methodology is implemented with the goal of limiting drawdowns. The Program will be fully invested when there are many Buy signals and will, at times, be fully in cash when the universe of high yield corporate bond mutual funds is showing Sell signals.

3. Municipal Bond Program

The Municipal Bond Program seeks to produce satisfying long-term returns while limiting downside risk. Returns are created from interest income as well as increases in municipal bond prices. The interest income from municipal bonds is tax-exempt at the federal level (and sometimes state) level providing a valuable benefit for clients in relatively high income tax brackets. The Program diversifies a client's account among at least four (often up to ten) municipal bond mutual funds, including national and state-specific. Each holding is monitored daily and, during declines, a proprietary trailing stop methodology is implemented with the goal of limiting drawdowns. The Program will be fully invested when there are many Buy signals and will, at times, be fully in cash when the universe of municipal bond mutual funds are showing Sell signals.

4. California Municipal Bond Program

The California Municipal Bond Program seeks to produce satisfying long-term returns while limiting downside risk. Returns are created from interest income and increases in bond prices. The interest income from municipal bonds is tax-exempt at the federal level. California municipal bond interest is also tax-exempt at the state level, providing a valuable benefit for California clients. The Program diversifies a client's account among at least four (often up to ten) California (and sometimes national) municipal bond mutual funds. Each holding is monitored daily. A proprietary trailing stop methodology is implemented with the goal of limiting drawdowns. The Program will be fully invested when there are many Buy signals and will, at times, be fully in cash when municipal bond mutual funds are showing Sell signals.

On occasion, there may be non-California tax-exempt municipal bond funds included in this Program when Sierra calculates that the non-California funds' total return is sufficiently better than that of California municipal bond funds to offset the extra benefit of the California tax exemption. Interest income generated from these funds will be tax exempt at the federal income tax level only.

5. Strategic Income Program

The Strategic Income Program seeks to achieve satisfactory total return – income and capital appreciation – over each market cycle, while limiting drawdowns. It is a globally diversified strategy, with asset allocation tactically adjusted to reflect changes in the economic and market cycles. The Program invests in a diverse selection of mutual funds to access a wide range of income-oriented asset classes.

As part of Sierra's proprietary risk-management methodology, the Program monitors each underlying holding daily, applying a proprietary trailing stop methodology to each holding (other than affiliated funds which employ the same discipline internally) to help limit the impact of any further decline in that holding on the overall Program. There are no set proportions or limits for the Program's allocations.

6. Tactical Bond Program

The Tactical Bond Program seeks to produce satisfying long-term returns while limiting downside risk. It uses a tactical approach to move between three uncorrelated asset classes: High Yield Corporate Bonds (HYCB), U.S. Treasuries, and Cash. Tactical Bond Program accounts are diversified directly and indirectly among a number of HYCB mutual funds. Each underlying HYCB holding is monitored daily, applying a proprietary trailing stop to each holding (other than the Sierra fund which employs the same discipline internally). When a HYCB holding hits its proprietary stop level, the position is sold, and the relevant assets are temporarily moved into a long-term Treasury bond fund (provided that the Treasury fund is in an uptrend) until the next set of Buy signals in the HYCB funds. If the Treasury fund is not in an uptrend, the assets will instead move temporarily into a money market fund until either the HYCB funds or Treasury fund gives a new Buy signal.

7. Moderate Allocation Program

The Moderate Allocation Program has two investment objectives: to provide long-term total return and to limit volatility and downside risk. The Program aims to provide investors a globally unconstrained, tactically managed, balanced portfolio. The Program's multi-asset diversification strategy employs broad diversification across equity and fixed income asset classes, markets, industries and issuers. A passive "Buy and Hold" strategy is not employed. The overall allocation is tactical, not fixed. It can and does change significantly, over time, re-allocating the Program in response to trend changes in the U.S. and global investment markets.

As part of Sierra's proprietary integrated risk-management methodology, the Program monitors each underlying holding daily, applying a proprietary trailing stop to each holding, (other than the affiliated funds which employ the same methodology internally) to help limit the impact of any further decline in that holding on the overall Program.

8. Private Placement Variable Annuity - Only Available to Accredited Investors and Qualified Purchasers

Lombard International Life Assurance Company (Lombard) has selected Sierra Investment Management, Inc., as an approved advisor for their tax-deferred Private Placement Variable Annuity (PPVA). The PPVA is available to Accredited Investors and Qualified Purchasers only, defined as having either \$300,000 of annual income (if married) or \$200,000 (if single) for the last two years or \$1,000,000 in investable assets. In addition, the client must have a household total of \$1,000,000 of assets under management with Sierra.

Sierra is responsible for portfolio construction using only no-load, load-waived or institutional class, publicly traded mutual funds and for the application of Sierra's risk-limiting strategies. We are required to follow specific guidelines as set forth by Lombard with respect to diversification, compliance and client communications.

Sierra is not affiliated with Lombard and does not receive any commission or compensation of any kind from the insurance company. Sierra's standard management fee is debited quarterly based on the account value as of the end of the prior quarter. Lombard charges an annual fee of 0.55% (on accounts up to \$3M for the first 10 contract years) debited quarterly.

9. The Schooner Program

Available on a limited basis at Sierra's sole discretion, Sierra provides investment management services to separate accounts that are below the typical stated minimums. These accounts differ from Sierra's other investment programs in that these Schooner Program accounts are comprised of, and solely allocated to, affiliated Sierra Mutual Funds. Moreover, these accounts charge fee's differently from other Sierra accounts as shown in "Fees and Compensation," below.

10. Tax-Deferred Investment Program – closed to new investors

The Tax-Deferred Investment Program is composed of 6-10 mutual fund "clones" which are investment options available through the Prudential Variable Annuity. The investments are selected (and periodically upgraded) by the Managing Directors.

AFFILIATED COMPANY DISCLOSURE

Most Sierra Programs hold a position in one or more of the Sierra Mutual Funds which are managed by Wright Fund Management, LLC (WFM), an affiliate of Sierra. And, as mentioned above, the Schooner Program invests exclusively in Sierra Mutual Funds.

Each fund is registered as a series trust of Northern Lights Fund Trust, an investment company registered under the Investment Company Act of 1940. Mr. Wright is the Managing Member and Dr. Sleeper participates in most investment management decisions. Mr. Wright and Dr. Sleeper each own a 50% beneficial interest in WFM.

A client may choose to "opt out" of holding a position in any Sierra Mutual Fund.

With the exception of the Schooner Program, to the extent that a Sierra account holds a position in any or all of the Sierra Mutual Funds, Sierra's quarterly investment management fee will be reduced by the Sierra Mutual Funds' fee offset credit which is an amount equal to the management fee within those Sierra Mutual Funds and paid to Wright Fund Management, LLC, (an affiliate of Sierra) for that fraction of the Sierra managed account. Accounts in the Schooner Program are not charged an asset-based fee by Sierra. Instead, Sierra's affiliate, Wright Fund Management, receives the management fees from the use of the Sierra funds within the Schooner Program.

ASSETS UNDER MANAGEMENT

As of December 31, 2022, the assets under management on a discretionary basis were \$415,631,220; the total assets under management among our three affiliates were over \$5.5 billion.

FEES AND COMPENSATION

Our fee schedule is based on the total household account value. The investment management fee covers account custodial and transaction expenses. Fees are calculated based on the market value of the applicable account(s) on the last day of the prior quarter, as determined by the Custodian. Fees are deducted in advance, during the first month of each calendar quarter, from the account(s) specified by the client and apply to all account holdings including money market and interest-bearing account allocations. For each new client, the first quarter's fees will be based on the client's initial assets under management and will be pro-rated from the date the client's assets are first invested or traded by Sierra. Sierra receives no other compensation, commissions or service fees.

Client relationships of more than \$2,000,000: 0.25% of the account value initially and at the start of each quarter thereafter, based on the account value on the last day of the prior month.

Client household accounts under \$2,000,000 are debited according to the following schedule:

For the first \$500,000: 0.45% of the account value initially and at the start of each calendar quarter thereafter, based on the account value on the last day of the prior month.

From \$500,001 up to \$2,000,000: 0.30% of the account value initially and at the start of each calendar quarter thereafter, based on the account value on the last day of the prior month.

Accounts which hold a position in one or more of the Sierra Mutual Funds will have their Sierra quarterly investment management fee reduced by the Sierra Mutual Funds' fee offset credit which is an amount equal to the management fee within those Sierra funds and paid to Wright Fund Management, LLC, (an affiliate of Sierra) for that fraction of their Sierra managed account.

SCHOONER PROGRAM

Notwithstanding the above, accounts in the Sierra Schooner Program are not charged asset-based advisory fees. Instead, clients in this program are charged ongoing management fees which are paid to Sierra's affiliate, Wright Fund Management, LLC. Additionally, clients are responsible for certain money movement fees, transfer fees, and account termination fees, for accounts managed in this program.

ADDITIONAL EXPENSES/FEES

On occasion, the Managing Directors may purchase a mutual fund for client accounts that has a short-term redemption fee. If we receive a Sell signal in that fund or if the client sells that fund during the specified redemption period, the sale will result in a fee that is debited directly from the client's account. Where Sierra uses non-affiliated mutual funds in client accounts, the client will not receive an offset of those management fees and will pay all such fees, including management fees, as stated in the applicable fund's prospectus. Additionally, clients are responsible for certain money movement fees, transfer fees, and account termination fees.

TERMINATION

A client may terminate our investment advisory services at any time upon written notice (or telephone or verbal notice, in our sole discretion) and we will provide a pro-rata refund of that quarter's fee, less any actual costs

incurred upon termination. Sierra may terminate investment advisory services after providing the client with 30 days written notice. The account custodians, TD Ameritrade Clearing, Inc. (TDA) or AXOS Advisor Services, may charge fees for accounts that are transferred “in-kind” to another custodian, or termination fees, all of which will be paid by the client upon termination.

TYPES OF CLIENTS

We provide investment management services to retirees and other conservative investors. Accounts are typically registered as individual or joint, as IRA’s, as retirement plans such as profit-sharing and defined benefit pension plans, as charitable foundations, as non-profit and for-profit corporations and as estate trusts.

METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

METHODS OF ANALYSIS

Sierra primarily uses quantitative analysis to identify price trends among funds within each strategies’ respective fund universe. Additional analysis of economic, fundamental, and technical data may be considered in the portfolio construction process. We use third-party software and data packages, financial publications and third-party manager provided data, among other sources, to obtain information in order to analyze a wide variety of asset classes, mutual funds and ETFs.

INVESTMENT STRATEGIES

We are active managers for all of our strategies; we do not employ a passive “buy and hold” strategy. Each holding is monitored daily and during declines, a proprietary stop-loss discipline is implemented with the goal of limiting drawdowns. When our risk-management discipline gives a Sell signal, we will move all or a part of the client’s assets temporarily into a money market or similar “safe-haven” fund. When our discipline gives a Buy signal, we move assets back into the same fund unless, in the interim, the Portfolio Managers have identified a more attractive fund.

This strategy is applied to all accounts in all investment programs. Our strategy is not designed to buy at the bottom or to sell at the top of the market. Rather, we endeavor to participate in a substantial part of any sustained up-trend as well as step aside during most of a sustained downtrend.

Since the investment markets rise and fall in irregular patterns, most holding periods are less than one year and, on some occasions, may turn out to be as brief as 20 days or less. Our management approach typically results in being in and out of a particular fund twice each year, on average. As a result, taxable accounts may incur significant short-term capital gains and losses.

1. Conservative Allocation

The Conservative Allocation strategy has two investment objectives: to provide long-term total return and to limit volatility and downside risk. The Programs’ multi-asset diversification strategy employs unusually broad diversification across asset classes, markets, industries, and issuers.

2. High Yield Corporate Bond

The High Yield Corporate Bond strategy seeks satisfying long-term returns while limiting downside by investing in high yield corporate bond mutual funds. Returns are created from interest income as well as increases in high yield corporate bond mutual fund prices.

3. Moderate Allocation

The Moderate Allocation strategy seeks long-term total return through a multi-asset diversification strategy across equity and fixed income asset classes. This tactical approach is responsive to trend changes in the U.S. and global investment markets.

4. Municipal Bond

The Municipal Bond strategy seeks satisfying federal tax-exempt returns while limiting downside risk by investing primarily in federal tax-exempt municipal bond mutual funds, though occasionally, the strategy will hold state tax-exempt municipal bond funds. Interest income from the holdings is primarily tax-exempt at the federal level. Returns are created from interest income as well as increases in bond prices.

5. California (CA) Municipal Bond

The California Municipal Bond strategy seeks satisfying returns while limiting downside, by investing primarily in California tax-exempt municipal bond funds. Returns are created from interest income as well as increases in bond prices. The interest income generated is tax-exempt at the federal and state level.

On occasion, there may be non-California municipal bond funds included when Sierra calculates that the non-California funds' total return is sufficiently better than that of California municipal bond funds to offset the extra benefit of the California tax exemption. Interest income from these funds will still be tax-exempt only at the federal level.

6. Strategic Income

The Strategic Income strategy seeks Total Return – income plus capital appreciation. It is a globally diversified strategy, managed in a tactical style. The strategy invests in a diverse selection of mutual funds to access a wide range of income-oriented asset classes. There are no set proportions or limits for the Program's allocations.

7. Tactical Bond

The Tactical Bond strategy seeks to produce satisfying long-term returns while limiting downside risk. It uses a tactical strategy to move between three uncorrelated asset classes: high yield corporate bonds, U.S. Treasuries, or cash.

8. Schooner Program

The Schooner Program is globally diversified to the extent of the underlying holdings, the Sierra All Asset and The Sierra Tactical Core Income Funds, are. The fixed asset allocation holds 50% in each of the two Sierra mutual funds managed by an affiliate of Sierra. Accounts are rebalanced quarterly.

RISK OF LOSS

Market Risks: Investing involves risk, including the potential loss of principal, and all investors should be guided accordingly. The profitability of a significant portion of Sierra's recommendations and/or investment decisions may depend, to a great extent, upon correctly assessing the future course of price movements of stocks, bonds and other asset classes. In addition, investments may be adversely affected by financial markets and economic conditions throughout the world. There can be no assurance that Sierra will be able to predict these price movements accurately or capitalize on any such assumptions.

Volatility Risks: The prices and values of investments can be highly volatile, and are influenced by, among other things, interest rates, general economic conditions, the condition of the financial markets, the financial condition of the issuers of such assets, changing supply and demand relationships, and programs and policies of governments.

Interest Rate Risks: Sierra utilizes funds that invest in fixed-income assets. The value of the fund's fixed-income assets will decline because of rising interest rates. The magnitude of this decline will often be greater for longer-term fixed-income securities than shorter-term fixed-income securities.

Cash Management Risks: Sierra can invest some of a client's assets temporarily in money market funds or other similar types of investments, during which time an advisory account may be prevented from achieving its investment objective.

Active Management Risk: An account is subject to the risk that judgments about the attractiveness, value, or potential appreciation of the account's investments may prove to be incorrect. If the selection of securities or strategies fails to produce the intended results, the account could underperform other accounts with similar objectives and investment strategies.

Asset Allocation Risk: An account's risks directly correspond to the risks of the asset classes in which it invests. Investing in multiple asset classes (either directly or indirectly, such as through pooled investment vehicles) can facilitate diversification, but also create exposure to the risks of many different areas of the market. The direct or indirect allocation of an account's assets among various asset classes and market sectors could cause the account to underperform other accounts with a similar investment objective.

Accounts Investing In The Sierra Funds: Risks associated with investment in any of the Sierra Funds are described in the applicable disclosure document for each fund (a copy of which is provided to each client prior to investment of an account's assets in a Sierra Fund).

Accounts Investing In Unaffiliated Mutual Funds: Sierra selects certain Independent Managers to manage a portion of its clients' assets. In these situations, Sierra continues to conduct ongoing due diligence of such managers, but such recommendations rely to a great extent on the Independent Managers' ability to successfully implement their investment strategies. In addition, Sierra does not have the ability to supervise the Independent Managers on a day-to-day basis.

Risks For All Forms Of Analysis: Our securities analysis methods rely on the assumption that companies provide accurate and unbiased data regarding the securities that we buy and sell including the rating agencies that review these securities, and other publicly available sources of information about these securities. While we are alert to indications that data may be incorrect, there is always a risk that our analysis may be compromised by inaccurate or misleading information. Information used in these analyses include economic conditions, historical data, industry outlook, inflation and interest rates, and income tax regulations, as well as fiscal and monetary policies of the United States and foreign countries.

Mutual Funds: An investment in a mutual fund involves risk, including the loss of principal. Mutual fund shareholders are necessarily subject to the risks stemming from the individual issuers of the fund's underlying portfolio securities. Such shareholders are also liable for taxes on any fund-level capital gains, as mutual funds are required by law to distribute capital gains in the event they sell securities for a profit that cannot be offset by a corresponding loss.

Shares of mutual funds are generally distributed and redeemed on an ongoing basis by the fund itself, or a broker acting on its behalf. The trading price, at which a share is transacted, is equal to a fund's, stated daily, per share net asset value ("NAV"), plus any shareholders fees (e.g., sales loads, purchase fees, redemption fees). The per share NAV of a mutual fund is calculated at the end of each business day, although the actual NAV fluctuates with intraday changes to the market value of the fund's holdings. The trading prices of a mutual fund's shares may differ significantly from the NAV during periods of market volatility, which may, among other factors, lead to the mutual fund's shares trading at a premium, or discount, to actual NAV.

Clients should review the respective offering or similar documents of each Mutual Fund in its portfolio recommended by us for a detailed description of risk factors associated with a particular investment.

Performance: Performance of individual client accounts during future periods will definitely vary. Some months and some quarters will result in negative performance; indeed, some future years may have negative performance.

However, using our proprietary risk-limiting disciplines, we seek to weather significant market declines through downside protection strategies for our separately managed accounts in comparison to our benchmarks. However, past performance is no guarantee of future results.

DISCIPLINARY INFORMATION

Since inception, Sierra Investment Management, Inc. and its affiliates have had no legal or disciplinary events to report that are material to a client or prospect's evaluation of our firm's advisory business or our management integrity.

OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

Sierra has two affiliates which are also Registered Investment Advisors: Ocean Park Asset Management, Inc. (Ocean Park) and Wright Fund Management, LLC (WFM).

Neither Sierra, nor any of its management persons, are registered with, or have a pending application for registration with, a broker-dealer or future commission merchant, commodity pool operator, or commodity trading adviser.

For a quarterly management fee, Ocean Park manages investment accounts for clients of unaffiliated Financial Advisors and shares the fees with those advisors or their firms. In addition, Ocean Park provides investment advisory services to third-party Turnkey Asset Management Platforms (TAMPs) under contractual agreements.

WFM manages the Sierra Mutual Funds. Each fund is registered as a series trust of Northern Lights Fund Trust, an investment company registered under the Investment Company Act of 1940. Mr. Wright is the managing member and Dr. Sleeper participates in most investment management decisions. Mr. Wright and Dr. Sleeper each own a 50% beneficial interest in WFM.

Sierra receives administrative fees and reimbursement of certain business expenses from the two affiliates.

CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

CODE OF ETHICS

Our Code of Ethics has been adopted pursuant to the requirements of rule 204A-1 under the Investment Advisors Act of 1940. A complete copy of our Code of Ethics is available upon request to any client or prospective client.

Our philosophy states that the client's interest is always foremost; we will always strive to do what is right for the client.

RECOMMENDATION OF AFFILIATED SECURITIES

As noted herein, Sierra recommends the purchase of various Sierra Mutual Funds within its investment programs. The Sierra Mutual Funds are advised and controlled by Sierra's affiliate, WFM. This creates an inherent conflict because Sierra is incentivized to allocate assets to the Sierra Mutual Funds for additional fees. To mitigate this conflict, Sierra offsets the advisory asset-based fees in those investments by the management fees of the Funds. In the case of the Schooner Program, Sierra waives its advisory asset-based fees in lieu of its affiliate WFM, collecting fees based on the management fees of the funds.

PARTICIPATION IN CLIENT TRANSACTIONS

Sierra and its personnel, may, on occasion, buy and sell for their own accounts some of the same mutual funds utilized in Sierra managed accounts, and mutual funds or ETFs used in the Sierra Mutual Funds. There is no possible conflict with client transactions pertaining to mutual funds since they are priced daily after the markets close. As to ETF transactions, trading shortly ahead of clients (front-running) is prohibited. Access Persons are required to pre-clear personal securities transactions in ETFs with Compliance.

All Access Persons are required to disclose all relevant personal securities holdings upon commencement of employment and annually thereafter. In addition, quarterly reports of personal securities transactions must be submitted whether or not any transactions have occurred. These reports are reviewed to identify potential conflicts of interest; if a conflict is identified, steps will be taken to address it. We strive not to violate our fiduciary responsibility to our clients in any way.

CONFLICT DISCLOSURE FOR ROLLOVER RECOMMENDATION

A conflict of interest arises when we make recommendations about retirement plan distributions and rollovers to IRAs, IRA to IRA transfers, IRA to plan rollovers, plan to plan rollovers and changes of account types for a retirement plan or IRA (each, a "rollover recommendation") if it results in us receiving compensation that we would not have received absent the recommendation – for example, fees for advising or managing the investments in a rollover IRA. We mitigate this conflict through a prudent process to develop an informed recommendation that a rollover is in the best interest of the client. No client is under an obligation to roll over retirement plan or IRA assets to an account advised or managed by us.

When we make a rollover recommendation, it is fiduciary advice under the Investment Advisers Act of 1940 (the "Advisers Act"). Also, when we provide investment advice to a plan participant about his/her retirement

plan account or to an IRA owner about his/her IRA, which includes rollover recommendations, we are a fiduciary within the meaning of Title I of the Employee Retirement Income Security Act ("ERISA") and/or the Internal Revenue Code (the "Code"), as applicable, which are laws governing retirement accounts. In addition to being a conflict of interest, it is also a prohibited transaction under ERISA and/or the Code when we receive compensation as a result of the rollover. In that circumstance, we will comply with the conditions of exceptions to the prohibited transaction rules (e.g., an applicable prohibited transaction exemption such as PTE 2020-02).

BROKERAGE PRACTICES

Sierra primarily utilizes TD Ameritrade to maintain custody of discretionary clients' assets and to effect trades for their accounts.

Sierra is independently owned and operated and not affiliated with TD Ameritrade.

Factors which Sierra considers in recommending any broker-dealer/Custodian to clients include, among other things, their respective financial strength, reputation, execution, pricing and service. The transaction fees charged by TD Ameritrade may be higher or lower than those charged by other financial institutions. However, as noted herein, Sierra absorbs transaction-based fees for discretionary clients of Sierra as part of its management fee.

Sierra invests in no-load, load-waived and institutional class shares of publicly-traded mutual funds. Shares of these funds are purchased and redeemed at the net asset value (NAV).

Neither Sierra nor our affiliates select or recommend broker-dealers for commission-based client transactions.

Neither Sierra nor our affiliates receive research or other products or services in connection with client securities transactions ("soft dollar" benefits).

Neither Sierra nor our affiliates have any economic relationship with a broker-dealer that creates any type of material conflict of interest.

REVIEW OF ACCOUNTS

Each client account is reviewed at least quarterly by a supervised person, and, upon request, by the client.

Each month, Sierra mails a current position report to each Sierra client. This report identifies all current holdings in the account, the number of units, the price per share and the total value for each position. Each quarter, Sierra also mails a statement showing the calculation of the client's investment management fee.

Quarterly, clients are encouraged to notify Sierra if their investment goals, financial situation and/or life circumstances change. They are also reminded about their option to opt-out of any of the mutual funds used in their account(s).

TD Ameritrade Clearing, Inc. (TDA), the independent custodian of most Sierra accounts, provides written confirmation to all clients of each transaction in their account, usually within a week. TDA also provides a monthly statement to each client showing all positions and all transactions that have occurred during the month. AXOS Advisor Services and variable annuity companies provide similar quarterly statements detailing activity within the account for that time period.

Each client can opt to receive trade confirmations and/or monthly account statements by email rather than U.S. postal delivery. Such transactions include confirmation of an account opening, each transaction that occurs in the account, and each addition to or withdrawal from the account by the client. In addition, each client can, if they so choose, view their account(s) 24/7 on the Internet.

During client review meetings, or upon verbal or written request, Sierra provides performance reports for the client's account(s).

CLIENT REFERRALS AND OTHER COMPENSATION

Sierra has several soliciting agreements with broker-dealers, financial planners, investment advisory firms and others, under terms that are fairly standard for such arrangements and in compliance with SEC Rule 206(4)-3, to provide investment management services for clients referred by such firms or individuals. We charge our standard fee schedule (see Fees and Compensation) with a share (ranging from 10% to 50%) of each collected fee going to the referring person or firm.

The referred client signs the "Financial Advisor Relationships: Disclosure of Compensation" form which states that the client is aware that there is an independent contractor relationship between Sierra and the referring firm or individual, that the referrer receives a specified percentage of the quarterly investment management fee paid to Sierra, and that no client is charged any differential for such arrangement. On occasion, an officer, Director or employee of Sierra may refer a client to the firm and may be compensated for this referral.

Sierra receives no economic benefit from any firm or individual (other than our clients) for providing investment management services.

CUSTODY

Sierra Investment Management, Inc. (Sierra) never takes physical custody or direct control of client securities or mutual funds, which are always in the custody of a qualified custodian such as TD Ameritrade, Institutional (TDA) or AXOS Advisor Services, or in the case of variable annuity accounts, the relevant insurance company.

Sierra is deemed to have custody of client assets through the authority granted Sierra by the client in the Sierra Investment Advisory Agreement to debit the client account(s) for its quarterly investment management fee.

Sierra may also be deemed to have custody if the client has signed a standing letter of authorization (SLOA) enabling Sierra to direct the custodian to issue funds to a third-party. In such cases, Sierra and the custodian have implemented controls to protect against unauthorized distribution or misappropriation of client funds.

TD Ameritrade sends monthly account statements directly to all clients detailing all transactions within the account for the month; AXOS Advisor Services and the variable annuity companies send quarterly reports. Monthly, Sierra sends a Current Portfolio Values Report to each client that lists the account holdings, number of shares, the price per share and asset values. We encourage our clients to compare the account values between their custodian and Sierra's statements.

INVESTMENT DISCRETION

Sierra's separate account clients grant us a Limited Power of Attorney in order to execute buy and sell transactions within their accounts and to debit our quarterly investment management fees. The account

custodians oversee the debiting of our fees from client accounts. A percentage of most client accounts are invested in the Sierra Mutual Funds. The client can choose to opt out of any specific fund or asset class with reason; however, this option is rarely exercised.

VOTING CLIENT SECURITIES

Sierra does not vote proxies for any client holdings. Clients will receive proxies or other solicitations from the account custodian or the mutual fund company. We do not provide information or support for or against any solicitation.

FINANCIAL INFORMATION

Sierra does not require or accept prepayment of more than \$1,200 in fees per client, six months or more in advance.

Sierra is not subject to any financial condition that is reasonably likely to impair its ability to meet contractual commitments to clients.

Sierra has not been subject to a bankruptcy petition at any time during the past ten years.

