

Sentry Management, Inc
Form ADV-Part 2A
December 31, 2022



SENTRY MANAGEMENT, INC .
INVESTMENT ADVISERS

Item 1-Cover Page

Sentry Management, Inc.

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Email murphy@sentrymanagement.com
Website www.sentrymanagement.com
December 31, 2022

This brochure provides information about the qualifications and business practices of Sentry Management, Inc. ("Advisor"). If you have any questions about the contents of this brochure, please contact us at 940/696-2100 or email us at murphy@sentrymanagement.com . The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission ("SEC") or by any state securities authority.

Sentry Management, Inc. is a registered investment advisor in the state of Texas. Registration of an investment advisor does not imply any level of skill or training. The oral and written communications of an Advisor provides you with information you can use in deciding whether to hire or retain an Advisor.

Additional information about Sentry Management, Inc. is available on the SEC's website at www.adviserinfo.sec.gov.

Item 2-Material Changes

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We are required to deliver information about our qualifications and business practices to clients on account opening and at least annually thereafter. Pursuant to SEC regulations, we will ensure that you receive a summary of any material changes to this and subsequent brochures within 120 days of the close of our fiscal year, December 31st. We may further provide other ongoing disclosure information about material changes as necessary.

There have been no material changes during the previous year other than Niley Church fully retiring.

Our current brochure is available by contacting Murphy Davis, Sr., Chief Compliance Officer, at 940/696/2100 or Murphy@sentrymanagement.com .

Additional information about Sentry Management, Inc. is also available via the SEC's website www.adviserinfo.sec.gov. The SEC's website also provides information about any persons affiliated with Sentry Management, Inc. who are registered, or are required to be registered as investment advisor representatives of Sentry Management, Inc.

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Form ADV Part 2A, Appendix 1 (Wrap Fee Brochure)

Sentry Management, Inc. does not participate in any Wrap Fee Programs

Item 4-Advisory Business

Sentry Management, Inc. (Firm) is an investment advisory firm registered with the Securities and Exchange Commission under the Investment Advisers Act of 1940. The Firm manages over \$9.5 billion in assets for clients in seven states. Clients include financial institutions, trust departments, pension plans, individuals, foundations, tax-exempt agencies, municipalities and corporations.

The Firm is a privately held C-Corporation with Murphy Davis, Sr. as the primary shareholder. The money managers of the Firm have over ninety-three (78) years of combined experience in direct management of fixed income portfolios and specializes in fixed income management. The range of experience includes managing money for endowment funds, employee benefit plans, banks, trust departments, universities, municipalities, corporations, and individuals. The Firm also serves as a financial advisor to municipalities in preparing official statements and structuring and financing capital debt.

Initial meetings with clients are utilized to determine risk tolerance and return requirement objectives. Also discussed are the client's time horizon, liquidity needs, tax and legal matters, and any specific or unique considerations. Special attention is given to the proper asset allocation necessary to compliment the client's goals and constraints. An investment policy is then suggested as a guideline or plan-of-action for accomplishing the client's objectives.

The Firm's investment philosophy is conservative and dynamic. Quality and liquidity are prerequisites for investments. A heavy emphasis is placed on yield curve and historical, sector yield analysis in determining optimum maturity and security selection. Market and economic developments are continually monitored and dictate transaction activity. Credit analysis on corporate and municipal securities is completed prior to committing funds. Fundamental and technical analysis is utilized in timing of transactions. Because of the homogeneous nature of fixed income securities, technical analysis is significantly more effective as a management tool for bonds versus equities. Meaningful support and resistance levels, trend analysis, long and short-term moving averages and divergences are used to help determine timing while yield curve and sector yield spreads help determine the type security and maturity to be purchased or sold.

The Firm attempts to maximize risk-adjusted returns with reduced transaction expenses by concentrating on capturing the majority of significant market moves while maintaining a highly-liquid, high-quality portfolio. Sentry Management, Inc. has the expertise, experience, and resolve to meet the unique needs of a diverse client base seeking above-average, risk-adjusted returns from fixed income securities. The firm managed approximately \$233MM in discretionary assets and \$9.745MM in non-discretionary assets as of 12/31/2022.

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Item 5-Fees and Compensation

Sentry Management, Inc. fees are normally based on a percentage of assets under management or may be negotiated as a fixed fee based off services provided. On Municipal advisory, the fees are transaction based on the municipal bond issue. Clients may receive a refund on a pro-rata basis if a forward fee is paid and the contract is terminated prior to service provided.

Sample fee agreements follow:

DISCRETIONARY
LETTER OF AGREEMENT



This Agreement is made, and entered into by _____
(Client) and Sentry Management, Inc. (Manager) on this _____ day of
_____, 2019.

Whereas, the Client requests the Manager to serve as Investment
Manager for specifically enumerated assets in Schedule I owned by the Client.

Now, therefore, it is covenanted and agreed as follows:

The Client appoints and employs the Manager as
investment manager for those assets itemized in Schedule
I (Assets) as of this ___ day of _____, 2017.

The Manager is given full discretion in managing the
Assets of the Client with respect to purchases, sales,
exchanges, and other generally accepted actions which, in
the opinion of the Manager, enhances the Assets' total
return. The Manager is specifically prohibited from
directing money to be transferred out of the Client's
account.

The Assets will be held in custody for the Client at
_____. The custodian is authorized to
accept instructions from the Manager in executions of
transactions for the Client's assets. All assets,
investments, and cash will remain with the Custodian.

The Manager shall maintain separate records of each
transaction executed for the Client. Additionally, the Client
will be furnished a confirmation on each transaction on a
timely basis. The Manager will provide a summary
performance report of the Client's assets no less frequently
than quarterly.

The fee for services described in this Agreement will be calculated from the attached Exhibit A. Fees are payable quarterly in advance, and based on the Assets' values as of the end of the previous quarter. The Assets' values shall be based on third party valuations and will include cash.

Fees for partial quarters shall be pro-rated based on the proportion of days in the quarter for which services are provided.

SMI recognizes the information received from the Client is private and for the expressed use of producing the above described reports and services and the information is not to be used by SMI for any other purposes without the expressed approval of the Client. SMI will take all reasonable actions to assure the privacy of the Client's information, including instructions to all employees and the safeguarding and segregation of the Client's files.

This Agreement may be canceled, without penalty, within five (5) business days of the date of this Agreement's execution. After five (5) business days, the Agreement may be canceled by the Client or Manager with thirty (30) days written notice.

This Agreement may not be assigned and need not be formally renewed.

ACKNOWLEDGED AND AGREED
SENTRY MANAGEMENT, INC.

By

Date

ACKNOWLEDGED AND AGREED

By

EXHIBIT A

FEE SCHEDULE - DISCRETIONARY

| TAXABLE FIXED INCOME PORTFOLIOS | | |
|--|-------------|--------------|
| .35% | On First | \$ 5,000,000 |
| .30% | On Next | \$20,000,000 |
| .25% | On All Over | \$25,000,000 |

| MUNICIPAL (TAX-FREE) PORTFOLIOS | | |
|--|-------------|---------------|
| .15% | On First | \$ 20,000,000 |
| .10% | On All Over | \$20,000,000 |

NOTE: Fees are payable quarterly, in advance.
Minimum Annual Fee - \$3,000.

- SAMPLE -

NON-DISCRETIONARY
LETTER OF AGREEMENT



This Agreement is made, and entered into, by _____ (Client) and Sentry Management, Inc. (Manager). The Client requests the Manager perform as investment adviser to the Client and, in serving as investment adviser, the Manager agrees to provide the following:

Initially, meet with Management and/or Board Members to discuss the Investment Portfolio's (IP) credit quality, maturity distribution, risk/reward considerations, generally strong and weak points, and suggested investment action.

Work with Management to develop a written investment policy and funds management policy consistent with the Client's overall goals while considering the economic and regulatory environment.

Develop a written investment strategy which will serve as a plan-of-action to implement the investment program. The written strategy will be updated at least quarterly, and more frequently as dictated by material market changes.

Provide a third-party monthly computer accounting/management report for the Client's IP. The report will include current market appraisals, accruals, and management summary schedules.

Provide a quarterly, third-party current and projected asset/liability (A/L) exposure analysis to measure potential interest rate risks (IRR). The Manager will assist the Client in interpreting and analyzing A/L or IRR reports, provide interest rate projections, assumptions, and structure the IP to compliment the A/L IRR.

Execute orders (purchases and sales) for the Client only at the direction of the Client. The Client retains exclusive authority to transfer funds and/or securities. Actively develop and maintain respected and reliable sources of market information.

Receive direct broker/dealer and dealer bank contact including verifying transaction figures, and serving as intermediary and facilitator on delivery problems.

Continuously monitor the portfolio for appropriate investment opportunities. Group orders, when possible, to provide the Client with volume negotiating power.

Analyze the Client's financial statements, asset allocation, past and projected local economic activity and future liquidity requirements to develop an active investment strategy for taking advantage of current markets' investment alternatives. Individual investment recommendations will be made which the Manager determined would complement the Client's existing investments and most efficiently reach the Client's long-term goals given current and projected market opportunities.

Meet with the Client's Management and/or Board of Directors at least annually to describe the past, present, and projected economic environment and interest rate movements in general. Also to be analyzed is previous investment activity, current status of the IP, and recommended investment action.

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The fee for the above described services is a function of the par value of the Client's IP (See Exhibit A). The IP includes marketable securities such as Treasuries, agencies, municipals, corporates, mortgage-backed securities, and derivatives, but excludes certificates of deposit, bankers acceptances, and Federal Funds.

The fee is reviewed each calendar quarter and adjusted to reflect the IP's then current size. The initial rate of _____ per month is based on the Client's current IP of _____.

This agreement authorizes all regulatory agencies of the Client to enter the offices of Sentry Management, Inc. and inspect all records related to the Client. The visit or inspection may be with or without prior notice and does not require approval of Sentry Management, Inc. or the Client. However, any visit or inspection must be made during normal business hours of Sentry Management, Inc. between 8:00a.m. and 5:00p.m. Central Standard Time (CST). The regulatory agencies include, but are not limited to, the FDIC, OCC, Federal Reserve, and State banking regulatory agencies.

Sentry Management, Inc (SMI) provides investment and asset advisory services, investment portfolio appraisal and accounting reports, and dynamic interest rate risk analysis reports for the Client. It is necessary for the Client to share certain information concerning individual investments within the investment portfolio and general balance sheet information for the interest rate risk analysis in order for SMI to process the reports and provide the services described above.

SMI recognizes the information received from the Client is private and for the expressed

use of producing the above described reports and services and the information is not to

be used by SMI for any other purposes without the expressed approval of the Client.

SMI will take all reasonable actions to assure the privacy of the Client's information,

including instructions to all employees and the safeguarding and segregation of the

Client's files.

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This Agreement may be canceled, without penalty, within five (5) business days of the date of the Agreement's execution. After five (5) business days, the Agreement may be canceled by the Client or Manager with sixty (60) days written notice.

This Agreement may not be assigned and need not be formally renewed.

SENTRY MANAGEMENT, INC.

By Murphy Davis, Sr.
CFA/Chairman

Date

ACKNOWLEDGED AND AGREED

By

Date

EXHIBIT A

NON-DISCRETIONARY FEE SCHEDULE

MINIMUM - \$625

| INVESTMENT PORTFOLIO | MONTHLY FEE | FEE INCREASE PER MILLION DOLLAR INCREASE |
|-------------------------|-------------|---|
| \$ 10,000,000 | \$ 625 | \$20 |
| \$ 20,000,000 | \$ 825 | \$15 |
| \$ 25,000,000 | \$ 900 | \$10 |
| \$ 50,000,000 | \$1,150 | \$ 8 |
| \$100,000,000 | \$1,550 | \$ 6 |

| INTEREST RATE RISK ANALYSIS | |
|-----------------------------|--------|
| PER ANALYSIS | \$ 400 |

**NOTE: MONTHLY FEE IS ROUNDED TO NEAREST \$5.00 AND
ADJUSTED QUARTERLY.**

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Item 6-Performance based Fees and Side-by-Side Management

Sentry Management, Inc. does not utilize any performance based fees.

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Item 7-Type of Clients

Sentry Management, Inc. provides fixed income investment advice to financial institutions, trust departments, charitable organizations, municipalities, high net-worth individuals, individuals, insurance companies and corporations. While we have a minimum fee of \$3000 per year, the minimum may be negotiated on a client-by-client basis.

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

Initial meetings with clients are utilized to determine risk tolerance and return requirement objectives. Also discussed are the client's time horizon, liquidity needs, tax and legal matters, and any specific or unique considerations. Special attention is given to the proper asset allocation necessary to compliment the client's goals and constraints. An investment policy is then suggested as a guideline or plan-of-action for accomplishing the client's objectives.

The Firm's investment philosophy is conservative and dynamic. Quality and liquidity are prerequisites for investments. A heavy emphasis is placed on yield curve and historical, sector yield analysis in determining optimum maturity and security selection. Market and economic developments are continually monitored and dictate transaction activity. Credit analysis on corporate and municipal securities is completed prior to committing funds. Fundamental and technical analysis is utilized in timing of transactions. Because of the homogeneous nature of fixed income securities, technical analysis is significantly more effective as a management tool for bonds. Meaningful support and resistance levels, trend analysis, long and short-term moving averages and divergences are used to help determine timing while yield curve and sector yield spreads help determine the type security and maturity to be purchased or sold.

Sentry Management, Inc. limits the fixed income investments it recommends to a minimum of investment grade securities in both discretionary and non-discretionary accounts. The majority of our assets are held by financial institutions which are limited to investments approved by bank regulators. Sentry utilizes the same guidelines for all client accounts, and recommends only fixed income securities where principal return is the highest priority. While all securities have some chance of loss due to credit conditions, Sentry attempts to minimize this risk through the selection of the highest quality assets. Clients may also experience a loss if a security is liquidated before maturity due to changes in interest rates, but all securities purchased are highly liquid.

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Item 9 Disciplinary Information

Sentry Management, Inc. has no information applicable to this item.

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Item 10 Other Financial Industry Activities and Affiliations

Sentry Management, Inc. does not have any affiliation or activities with any other companies or associations.

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

Sentry Management, Inc. maintains a strict code of ethics that we will ensure best execution of a client transactions and that selected securities will be appropriate for the client's portfolio. In addition, the three advisers are prohibited from any transactions that involve securities purchased for clients in the adviser's personal accounts. Our code of ethics is available to any client or potential client upon request.

Item 12 Brokerage Practices

Sentry Management, Inc. currently has approximately 50 broker/dealers(B/D) on its approved broker dealer list to ensure that we execute at the best level for all clients. Sentry utilizes Bloomberg to access dealer inventories, messaging B/D groups for different types of fixed income purchases if there is a specialty such as municipals or mortgage-backed securities, searching messages for specific types of investments, and electronic execution on generic item's such as Treasuries. Sentry uses the information we receive to ensure that we see the entire market and execute at the best level for our clients.

Sentry maintains a soft-dollar agreement with Capital Institution Services (CAPIS) to provide Bloomberg terminals for execution of transactions and general economic/fixed income research. Although Sentry received soft dollar benefits for Bloomberg services and could have a conflict of interest in recommending CAPIS, Sentry applies the same standard on every transaction to put the client's best interest first. After researching the market among all broker dealers, transactions are only executed if CAPIS ties or beats other available offers.

Because we only execute with CAPIS if their offer ties or beats other brokers in competition, we do run deficits and make up any shortcomings for Bloomberg services. Bloomberg is the premier platform for fixed income research and execution, and all clients benefit from the use of the service.

Sentry receives no client referrals from broker dealers.

Sentry executes trades at the best level on every client transaction. Because we work with financial institutions, there may be times a client does a transaction directly with a broker dealer or instructs us to use a certain broker dealer. In those cases, Sentry cannot guarantee best execution, because we have not put all dealers in competition.

Item 13 Review of Accounts

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Sentry Management, Inc. has two investment advisers that discuss client accounts on a regular basis. The advisers will also meet regularly (once to twice a month) to review all accounts' cash positions, current strategy and any regulatory issues associated with financial institutions. Sentry is also in regular contact with clients and maintains a call/meeting list in the meetings to ensure regular client contact.

Sentry provides clients with portfolio reports from Hilltop Securities on a monthly or quarterly basis which includes all information that is relevant to fixed income portfolios including but not limited to yield-to-call, yield-to-maturity, duration, weighted average life, full accrual and accretion, cash flow scenarios in a +/- 400bp rate shock and book and market values. Sentry pays Hilltop a direct fee to provide portfolio reports.

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Item 14 Custody

Sentry Management, Inc. does not have custody of any client assets. Clients chose their custodian, and Sentry's portfolio reports are for management and informational purposes. Clients should review reports from custodians to ensure that assets held match the securities listed in the Hilltop portfolio reports.

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Item 16 Investment Discretion

Sentry Management, Inc. does accept discretionary authority on behalf of some clients. Before we accept this authority, we require a discretionary letter of agreement to provide limited trading authority. We also form an investment strategy to fit the client's risk profile and notify the client if there is any variance from the initial strategy. Sentry never maintains custody over any client assets, and the discretion is limited to executing the strategy agreed to by the client. All bank clients have non-discretionary letters of agreement.

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Item 17 Voting Client Securities

Sentry Management, Inc. does not accept authority to vote client securities. Clients will receive proxy statements or other solicitations directly from their custodian.

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Item 18 Financial Information

(Not Required)

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Form ADV Part 2A Appendix 1 (Wrap Fee Brochure)

Sentry Management, Inc. Does not participate in any WRAP Fee agreements.