OCEAN PARK
ASSET MANAGEMENT

STRATEGIC INCOME PROGRAM

AS OF MARCH 31, 2018

INVESTMENT OBJECTIVES & STRATEGIES

The Ocean Park Strategic Income Program seeks to achieve satisfactory Total Return – income and capital appreciation – over each market cycle, while limiting drawdowns, an approach that has in recent years been called absolute return. 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. A stop is placed under each holding that rises as its price rises, and the holding is sold when price declines below the stop to limit drawdowns even during periods of severe market declines. There are no set proportions or limits for the Program's allocations.

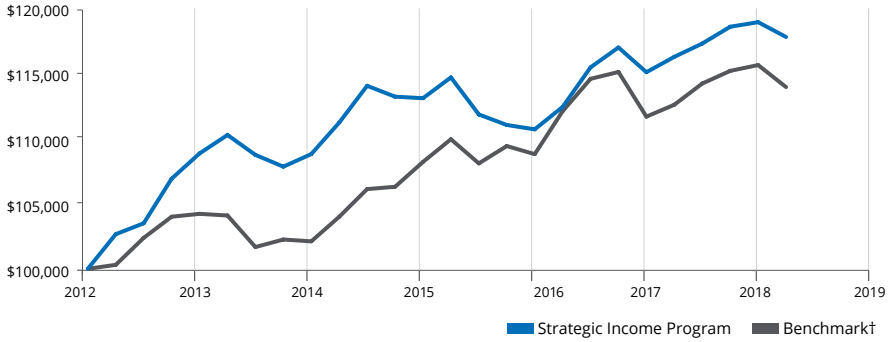
SENIOR INVESTMENT TEAM

Kenneth L. Sleeper MBA, PhD
Co-Founder, Portfolio Manager
Started in Industry: 1984

David C. Wright, JD
Co-Founder, Portfolio Manager
Started in Industry: 1985

Terri Spath, CFA, CFP®
CIO, Portfolio Manager
Started in Industry: 1989

GROWTH OF $100,000 – AFTER FEES‡

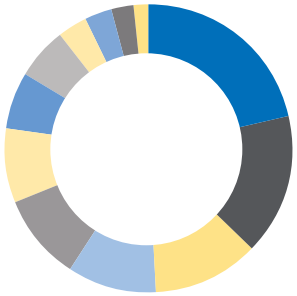


TOP TEN HOLDINGS

FUND	WEIGHT
Sierra Tactical Core Income Fund	50.0%
Oppenheimer Senior Floating Rate Fund	9.9%
DoubleLine Emerging Markets Fixed Income Fund	9.9%
Putnam Diversified Income Trust	5.9%
Principal Preferred Securities Fund	5.4%
Nuveen High Yield Municipal Bond Fund	5.0%
Semper MBS Total Return Fund	4.5%
Osterweis Strategic Income Fund	3.5%
AQR Equity Market Neutral Fund	2.5%
PIMCO Foreign Bond USD Hedged Fund	1.5%
Subtotal	**98.1%**

ASSET ALLOCATION

Emerging Markets Bonds	21.4%
Floating Rate Funds	15.9%
Multisector Bond Funds	11.9%
Preferred Stock	10.1%
Tax Free Municipal Bonds	9.6%
High Yield Corp. Bonds	8.5%
Temporary Havens	6.3%
Low-Duration Bonds	6.0%
Alternative Strategies	3.2%
International Bonds	3.1%
Convertibles	2.4%
Cash and Equivalents	1.6%



Top Ten Holdings and Asset Allocation are subject to change.

† The benchmark for the Ocean Park Strategic Income Program is the Bloomberg Barclays U.S. Aggregate Bond Index, which is a broad-based flagship benchmark that measures the investment grade, US dollar-denominated, fixed-rate taxable bond market.

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STRATEGIC INCOME PROGRAM

AS OF MARCH 31, 2018

QUARTERLY PERFORMANCE – AFTER FEES‡

	STRATEGIC INCOME PROGRAM						BENCHMARK†	
	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER	FULL YEAR	CUMULATIVE RETURN	FULL YEAR	CUMULATIVE RETURN
2012	2.65%	0.81%	3.30%	1.81%	**8.85%**	**8.85%**	4.21%	4.21%
2013	1.30%	-1.39%	-0.83%	0.90%	**-0.05%**	**8.80%**	-2.02%	2.11%
2014	2.22%	2.54%	-0.73%	-0.10%	**3.94%**	**13.08%**	5.97%	8.20%
2015	1.41%	-2.48%	-0.72%	-0.30%	**-2.11%**	**10.70%**	0.55%	8.79%
2016	1.56%	2.70%	1.32%	-1.62%	**3.96%**	**15.08%**	2.65%	11.67%
2017	1.02%	0.88%	1.10%	0.30%	**3.34%**	**18.92%**	3.54%	15.63%
2018	-0.96%	—	—	—	**-0.96%**	**17.78%**	-1.46%	13.94%
Average annualized compounded returns:					**2.65%**		**2.11%**	

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The inception date of the Ocean Park Strategic Income Program is April 1, 2013.

***‡** The performance shown reflects a fee rate of 2.40% per year through 12/31/2016, then 2.03% thereafter. The fee reductions represent the Sierra Mutual Funds fee offset credit, which equals the management fees paid to an affiliate of Ocean Park for those fractions of the account. Fees are lower for households with more than $500,000 at Ocean Park.*

From 1/1/2012 to 3/31/2013, the source of the performance data shown was from a marker SMA account invested the Strategic Income Program but managed by an affiliate of Ocean Park. From 4/1/2013 to 12/31/2017, the source of the performance data shown was from an SMA marker account invested in the Strategic Income Program and managed by Ocean Park. Effective 1/1/2018, the source of the performance data shown is from a composite of SMA accounts invested in the Strategic Income Program and managed by Ocean Park.

The SMA marker accounts and the composite have been allocated up to 50% to a mutual fund managed by an affiliate of Ocean Park since 1/1/2017. The Strategic Income Program may also have been allocated up to 50% to a mutual fund managed by an affiliate of Ocean Park since that date.

The performance quoted herein represents past performance. Past performance does not guarantee future results.

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