

Team-Based Portfolio Management

Disclosures



Co-founders Dr. Kenneth Sleeper and David Wright developed our rules-based, completely quantitative formulas for Buy and Sell signals in the mid-1980s, using the prior 20 years of daily data for several asset classes.

Past performance does not guarantee future results and there is no guarantee that any investment strategy will achieve its objectives, generate profits or avoid losses.

Investors should carefully consider the investment objectives, risks, charges, and expenses of the Sierra Mutual Funds. This and other information about the Funds is contained in the prospectuses and should be read carefully before investing. The prospectuses can be obtained on our website sierramutualfunds.com or by calling toll free 1-866-738-4363 (1-866-RETI-FND). The Sierra Mutual Funds are distributed by Northern Lights Distributors, LLC, member FINRA/SIPC.

Sierra Mutual Funds is not affiliated with Northern Lights Distributors, LLC.

Underlying Fund Risk. Each Underlying Fund is subject to specific risks, depending on its investments. Underlying Funds are also subject to investment advisory fees and other expenses, which are indirectly borne by the Fund. As a result, your overall cost of investing in the underlying stocks, bonds and other basic assets will be higher than the cost of investing directly in them, and may be higher than other mutual funds that invest directly in stocks and bonds.

Disciplined Risk Management

Our Truly Tactical Rules-Based Investment Disciplines

Engineered To Keep Clients Comfortably Invested



WHEN TO BUY



Trend Following

- We buy only when our decision rules show an uptrend has begun or is in progress.
- Once a given asset class or sector begins an uptrend that is adequate to generate a “Buy” signal under our proprietary discipline, we analyze all mutual funds and ETFs in that asset class or sector to determine which to buy.
- “Buy” signals are quantitative, and the discipline is contrary to our trailing stops for “Sell” signals.

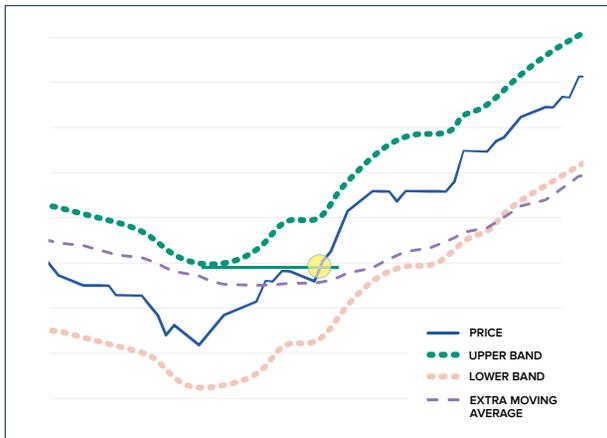


Chart Source: YCharts, Sierra Investment Management

WHAT TO BUY



Security Selection

- As part of our risk-mitigation discipline, we seek to buy securities with the best risk-adjusted returns. Our trailing stop bands are generally tighter for less volatile securities, and when a trend reverses from up to down, we will give back less.
- When there are multiple securities in uptrends, preference is given to those that are not highly correlated to each other or the overall portfolio.
- After identifying areas that are in an uptrend, we stack-rank them based on an analysis of:

- annualized strength of the new uptrend
- historic volatility
- correlation to the S&P and Treasury markets
- recent correlation to existing holdings
- a broad range of metrics we update daily.

WHEN TO SELL



Trailing Stops

- We monitor and review our stop-loss discipline daily for every holding.
- When the price of a holding declines below the trailing stop, we sell and move temporarily to cash.
- Our trailing stops are completely quantitative and proportionate to the historic volatility of each asset class/sector.
- Our stop-loss discipline helps to limit the impact of any sustained decline on the overall portfolio.

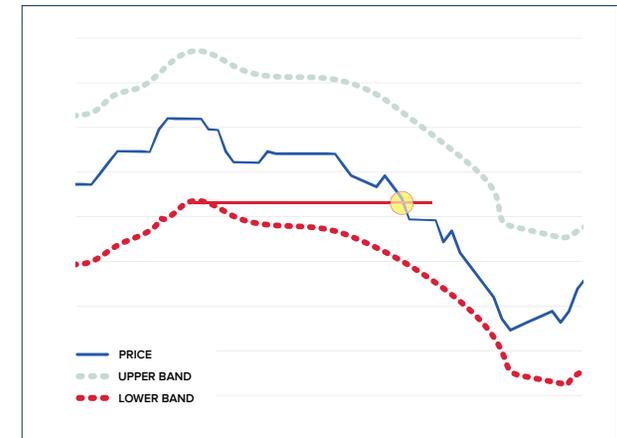


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