

# Tactical Allocation Model

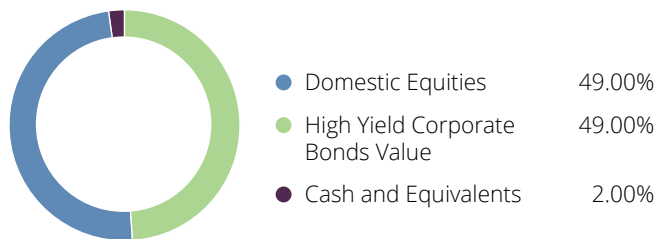
## INVESTMENT OBJECTIVES AND STRATEGY

By combining the strengths of two managers, the Tactical Allocation Model provides a solution to investors, with the objectives of maintaining a component of downside risk protection while participating in equity returns. The Model blends the downside protection discipline employed by Ocean Park Asset Management (Ocean Park) through the use of the Sierra Tactical Bond\* Fund with the dynamic equity investment process of Advanced Asset Management Advisors (AAMA), as follows:

**Ocean Park** uses the same buy-and-sell disciplines to manage holdings that have been in place at the firm for three decades. The Sierra Tactical Bond Fund moves between high yield corporate bond (HYCB) funds, long-duration Treasury bond funds, and cash. The Sierra Tactical Bond Fund utilizes a trailing stop discipline on each HYCB fund holding and a position is sold when its price declines below its stop level. Those proceeds are re-invested in long-term Treasury Bond funds, if those are in an uptrend, or in cash, until an uptrend in HYCB funds resumes.

**AAMA's** management employs a multi-step process that combines stocks of any market capitalization using research, valuation, and stock selection. Relative valuation and market environment views are coupled to develop rankings by relative attractiveness and to determine weighting in the portfolio. This combination of aggressive equity and income-oriented asset classes is designed to participate in the most attractive areas of the U.S. stock market while providing some cushion against severe decline.

## ASSET ALLOCATION



Source: Ocean Park Asset Management, December 2023  
Holdings and allocations are subject to change.

## HOLDINGS

FUND	WEIGHT
Sierra Tactical Bond Fund	49.0%
AAMA Equity	39.2%
Wasatch Core Growth Institutional	5.2%
Fidelity Advisor® Biotechnology I	2.9%
Cash and Equivalents	2.0%
Cohen & Steers Realty Shares L	1.7%
<b>Total</b>	<b>100.0%</b>

# Ocean Park Asset Management

**Ocean Park believes in disciplined risk management.** The firm's tactical, rules-based process takes the guesswork and emotion out of making investment decisions and seeks to protect clients and their portfolios. For over 35 years, Ocean Park has remained committed to its truly tactical, rules-based investment approach with the specific objectives of limiting downside risk and producing returns that a conservative investor would deem satisfying.

**Team-based portfolio management** is an important part of Ocean Park's risk-management discipline. The Investment Management Team meets daily to review each holding in every account seeking to limit drawdowns, reach a consensus on buy decisions, and act on sell signals. A collaborative approach helps ensure the investment ideas we believe to be the best are raised for consideration and that navigation through all market and economic conditions is possible.

### Senior Investment Team



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



**Ryan Harder**  
*Chief Investment Strategist*  
Started in Industry: 1985



**Doug Loeffler, CFA, CAIA**  
*Executive VP of Investment Management, Portfolio Manager*  
Started in Industry: 1984

#### WHEN TO BUY



#### Trend Following

- We evaluate buying opportunities when our quantitative decision rules identify an uptrend in the price of a security.
- An uptrend is determined by a security's price rising above both the recent low of its upper band and a secondary moving average.
- A security's bands are related to its historic volatility and are offset above and below a short-term exponential moving average.

#### WHAT TO BUY



#### Security Selection

- We seek to buy securities exhibiting strong risk-adjusted returns during a recent uptrend.
- Additional metrics, such as strength of the recent uptrend, historical volatility, and correlation to existing holdings, are considered in portfolio construction.
- If there are multiple securities with buy signals in the same asset class, preference is towards buying securities with better, recent risk-adjusted performance.
- For multi-asset-class portfolios, if there are a number of securities with buy signals across different asset classes, risk and diversification are also considered, with the goal of preventing one asset class from having an outsized impact on the portfolio.

#### WHEN TO SELL



#### Trailing Stop Discipline

- We will sell a security when our quantitative decision rules identify a downtrend in the price of a security.
- A downtrend is determined by a security's price falling below the recent high of its lower band – an event which triggers a sell signal.
- Our Trailing Stop Discipline seeks to limit the impact of a further decline in value of a security on the overall portfolio.
- Our Trailing Stop Discipline is applied across positions in each of our managed portfolios and monitored daily.
- When a position is sold, we may keep the proceeds in cash or buy another security.

## Advanced Asset Management Advisors

Advanced Asset Management Advisors (AAMA) was founded with one goal in mind: Create a better investment experience for advisors and investors. To do that, AAMA manages portfolios through a fundamental market pricing and sector valuation process. Through this process, which is grounded in black and white statistics and guided by an extensive asset management history (AAMA was founded in 1999 and the investment team carries an average of 30+ years of asset management experience), AAMA seeks to tilt portfolio allocations toward more attractive segments of the market and away from segments with higher perceived risk. This meticulous process is designed to seek performance that is reliable, understandable, and in line with your long-term investment goals.

### Senior Investment Team



**Robert D. Baker**  
*President*  
Started in Industry: 1981



**Phillip Voelker**  
*Chief Investment Officer*  
Started in Industry: 1974

## Portfolio Design Built Upon Three Disciplined Considerations



### Investor And Portfolio Risk

Risk is at the foundation of each portfolio AAMA builds, providing clear parameters for every investment decision.



### Sector Valuation And Fundamental Pricing

Attractive risk-adjusted returns are pursued through straightforward market pricing and sector valuation strategies. This hands-on approach helps AAMA to identify undervalued areas of the market (positioned for growth) and pursue high quality Investments within those market segments.



### Macro And Contemporary Factors

Major market, economic, and political events can greatly impact portfolio risk and returns. AAMA's investment team, in collaboration with an in-house economist, diligently monitors and evaluates these trends, seeking to leverage cyclical growth opportunities or avoid undue risks within each portfolio.

## Benchmark

The benchmark for the Ocean Park Tactical Allocation Model is a custom blended benchmark and is equally weighted 50% Bloomberg US Aggregate Bond Index and 50% S&P 500® Index.

## Important Disclosures

Investors cannot directly invest in an index and unmanaged index returns do not reflect any fees, expenses or sales charges.

\*Sierra Tactical Bond Fund

**Trailing Stop Discipline (“Discipline”).** This proprietary Discipline has the objective of limiting the magnitude for portfolio drawdowns. The Discipline is based on a manual process that defines sell levels/signals for security holdings in decline, as measured by its price falling below the recent high of its lower band. These are not market orders. Ocean Park utilizes this Discipline directly in the management of non-affiliated holdings. Ocean Park invests in its affiliated Sierra Mutual Funds (“Funds”) and the Discipline is applied at the Underlying Funds level, not on the Funds themselves. Please see our Form ADV Part 2A for information on conflicts of interest that exist as a result of Ocean Park investing in affiliated Funds.

The **Sierra Tactical Bond Fund** is managed by Ocean Park Asset Management, LLC, and affiliate of Ocean Park Asset Management, Inc. Since February 1, 2017, the Ocean Park & AAMA Tactical Allocation Model has been allocated to this Fund. The primary benchmark of this Fund is the Bloomberg US Aggregate Bond Index, and the secondary benchmark is the ICE BofA US High Yield Index. The Sierra Tactical Bond Fund has fixed income risk as a rise in interest rates cause a decline in the value of the underlying funds owned by the Fund. Other risk factors impacting fixed income securities include credit risk, maturity risk, market risk, extension risk, illiquid security risks, foreign securities risk and prepayment risk. These risks could affect the value of a particular investment by the Fund, possibly causing the Fund's share price and total return to be reduced and fluctuate more than other types of investments. In addition, some of the underlying funds in which the Fund will from time to time invest are sometimes referred to as high-yield or junk bonds. Because the Fund will seldom hold an underlying fund for 12 months or more, investors who own the Fund in taxable accounts will be subject to federal income tax at short-term rates.

Ocean Park Asset Management, LLC is a registered investment adviser (“RIA”) regulated by the U.S. Securities and Exchange Commission (“SEC”). The advisory services are only offered in jurisdictions where the RIA is appropriately registered. The use of the term “registered” does not imply any particular level of skill or training and does not imply any approval by the SEC. For information pertaining to the registration status of Ocean Park, please call 1-844-727-1813 or refer to the Investment Adviser Public Disclosure website ([www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov)).

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 their prospectuses and should be read carefully before investing. The prospectuses can be obtained by visiting [sierramutualfunds.com](http://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 / Ocean Park Asset Management, LLC and Ocean Park Asset Management, Inc. are not affiliated with Northern Lights, LLC.

Orion Portfolio Solutions requires the Ocean Park & AAMA Tactical Allocation Model to maintain a minimum of 2% of the portfolio's value in cash which may affect the portfolio's performance.

Since February 1, 2017, the Ocean Park & AAMA Tactical Allocation Model has been allocated to a mutual fund managed by an affiliate of Ocean Park.

***Past performance is not an indication of future results. All investments involve risk, including loss of principal.***

**Ocean Park Asset Management, Inc. (Ocean Park) is an SEC registered investment adviser. Registration does not imply a certain level of skill or training. For information pertaining to the registration status of Ocean Park, please call 1-844-727-1813 or refer to the Investment Adviser Public Disclosure website ([www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov)).**

Advanced Asset Management Advisors, Inc., (AAMA) is an SEC registered investment adviser. Registration does not imply a certain level of skill or training. For information pertaining to the registration status of AAMA, please call 1-614-726-3622 or refer to the Investment Adviser Public Disclosure website ([www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov)).

Ocean Park and AAMA are not affiliated.