

California Municipal Bond Program



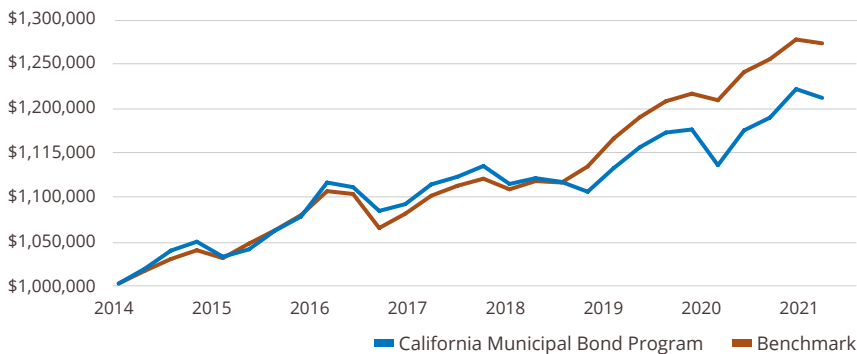
PROGRAM DESCRIPTION

The Sierra 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-free at the federal level. California municipal bond interest is also tax-free 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 stop-loss discipline 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.

HOLDINGS

FUND	TICKER	WEIGHT
Tax Free Money Market Fund	N/A	100.0%
Total of Program		100.0%

GROWTH OF \$1,000,000 – AFTER FEES



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



Doug Loeffler, MBA, CFA
Executive VP of Investment Management
Started in Industry: 1988

The benchmark for the Sierra California Municipal Bond Program is the Bloomberg Barclays Municipal Bond Index which is an unmanaged index that is considered representative of the broad market for investment grade, tax-exempt bonds with a maturity of at least one year. One cannot invest directly in an index or category, and unmanaged index or category returns do not reflect any fees, expenses, or sales charges.

Invest wisely. Rest easy.

QUARTERLY PERFORMANCE – AFTER FEES

CALIFORNIA MUNICIPAL BOND PROGRAM

	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER	FULL YEAR	CUMULATIVE RETURN
2014*	—	—	1.73%	2.10%	3.87%	3.87%
2015	1.02%	-1.69%	0.85%	2.11%	2.27%	6.23%
2016	1.56%	3.71%	-0.49%	-2.51%	2.19%	8.55%
2017	0.73%	2.13%	0.80%	1.13%	4.87%	13.84%
2018	-1.86%	0.61%	-0.39%	-1.03%	-2.66%	10.81%
2019	2.51%	2.16%	1.50%	0.31%	6.62%	18.15%
2020	-3.56%	3.59%	1.28%	2.81%	4.03%	22.91%
2021	-0.85%	—	—	—	-0.85%	21.87%
Average annualized compounded returns:					2.97%	

BENCHMARK

FULL YEAR	CUMULATIVE RETURN
2.88%	2.88%
3.30%	6.28%
0.25%	6.54%
5.45%	12.34%
1.28%	13.79%
7.53%	22.36%
5.21%	28.74%
-0.35%	28.28%
3.76%	

FEDERAL TAXABLE-EQUIVALENT RETURNS¹

	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER	FULL YEAR	CUMULATIVE RETURN
2014*	—	—	2.66%	3.16%	5.91%	5.91%
2015	1.97%	-0.79%	1.53%	3.18%	5.98%	12.24%
2016	2.30%	4.43%	0.18%	-2.31%	4.57%	17.37%
2017	1.35%	2.83%	1.47%	1.97%	7.82%	26.55%
2018	-1.45%	1.03%	0.20%	-0.43%	-0.67%	25.71%
2019	3.00%	2.69%	1.99%	0.88%	8.83%	36.81%
2020	-3.18%	4.00%	1.89%	3.42%	6.10%	45.15%
2021	-0.46%	—	—	—	-0.46%	44.49%
Average annualized compounded returns:					5.60%	

Taxable-equivalent returns at 43.40% federal income tax rate
Beginning in 2018, the highest federal income tax rate is 40.80%

FEDERAL & CALIFORNIA TAXABLE-EQUIVALENT RETURNS¹

	FIRST QUARTER	SECOND QUARTER	THIRD QUARTER	FOURTH QUARTER	FULL YEAR	CUMULATIVE RETURN
2014*	—	—	2.99%	3.54%	6.64%	6.64%
2015	2.31%	-0.47%	1.77%	3.56%	7.32%	14.45%
2016	2.57%	4.69%	0.42%	-2.23%	5.42%	20.65%
2017	1.56%	3.07%	1.70%	2.27%	8.88%	31.36%
2018	-1.30%	1.18%	0.42%	-0.20%	0.09%	31.49%
2019	3.19%	2.89%	2.17%	1.10%	9.67%	44.20%
2020	-3.04%	4.15%	2.12%	3.65%	6.89%	54.14%
2021	-0.31%	—	—	—	-0.31%	53.66%
Average annualized compounded returns:					6.57%	

For California residents - taxable-equivalent returns at 50.93% federal & CA combined maximum tax rate through December 31, 2017.
Beginning in 2018, for California residents the federal & CA combined maximum tax rate is 48.67%

*Indicates a partial year from June 30, 2014 through December 31, 2014.

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The "Growth of \$1,000,000 – After Fees" graph and the "Quarterly Performance – After Fees" chart show the performance which was achieved in the Sierra California Municipal Bond Program since the inception date of 7/1/2014. The performance presented is net of the annual fee rate of 1.800% through 12/31/2018, 1.457% from 1/1/2019 to 6/30/2020, and 1.800% thereafter, which is calculated and deducted during the first month of each quarter. The fee reduction represents the Sierra mutual funds' fee offset credit for that fraction of the account invested in one or more of the Sierra mutual funds managed by an affiliate of Sierra Investment Management. Fees are less for households with more than \$500,000 under management. U.S. Dollars are the currency used to express performance results.

Since 7/1/2014, the source of the performance data is from a marker account invested in the Sierra California Municipal Bond Program.

¹For purposes of illustration, the National and California Taxable Equivalent Returns tables assume the highest federal and California state income tax combined rate of 50.93% from inception through 12/31/2017. Beginning 1/1/2018, the tables assume the highest federal and California state tax combined rate of 48.67%. On that basis, the tables show the taxable return that an investor in the highest federal and California state tax bracket would have needed to achieve in order to net the same returns after federal and California state taxes. Contact your tax adviser to determine the specific impact of an investment in the Sierra California Municipal Bond Program on your individual tax situation.

The net performance data shown reflects the reinvestment of dividends.

The performance data does represent the impact that material economic and market factors had on the investment manager's decision-making. The performance shown represents past performance. Past performance does not guarantee future results. All investments involve risk, including loss of principal.

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