SIERRA MUTUAL FUNDS

TACTICAL ALL ASSET FUND

As of March 31, 2018

INSTITUTIONAL SHARES | CLASS R: **SIRRX**

INVESTMENT OBJECTIVE

The Sierra Tactical All Asset Fund is a low-volatility, highly diversified fund that is best suited for investors with a conservative risk tolerance. The primary focus of the Fund is to mitigate overall volatility while producing total investment returns consistent with a conservative allocation.

BENCHMARK

Morningstar Tactical Allocation Category

BENCHMARK DEFINITION

Effective December 31, 2017 the benchmark for the Sierra Tactical All Asset Fund has changed to the Morningstar Tactical Allocation Category, which seeks to provide capital appreciation and income by actively shifting allocations across investments.

MORNINGSTAR CATEGORY

Multisector Bond

PORTFOLIO CHARACTERISTICS

Inception Date:	December 24, 2007
Total assets (all classes):	$578.5 M
Total number of holdings:	27

MINIMUM INITIAL INVESTMENT

Class R	$100,000

PORTFOLIO MANAGEMENT

David C. Wright, JD
Co-Founder & Managing Director
Education: JD, University of Chicago; BS, Civil Engineering, Swarthmore College

Kenneth L. Sleeper, MBA, PhD
Co-Founder & Managing Director
Education: PhD, University of Southern California; MBA, Business Administration, University of Southern California

Terri Spath, CFA, CFP®
Chief Investment Officer
Education: MBA, Columbia Business School; AB, Economics & Psychology, University of Michigan

Fund Profile

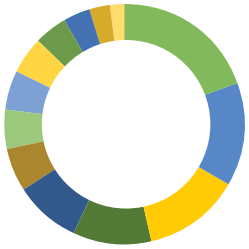
Experienced Investment Team: Managed by an investment team with more than 115 years of collective experience managing private accounts in the same investment style.

Well-Proven Risk Limiting Discipline: Trailing stops are manually implemented under every individual holding, and are manually reviewed daily, in order to moderate any sustained losses to the portfolio.

Access to Institutional Money Managers: By utilizing multiple leading institutional money managers, Sierra provides another level of broad diversification and expertise in their investment styles.

Allocations

Cash and Havens	24.5%
Tax Free Municipal Bonds	13.1%
Emerging Markets Bonds	12.0%
Preferred Stock	9.9%
Floating Rate Funds	8.4%
Alternative Strategies	5.5%
Multisector Bond Funds	5.0%
Domestic Equities	4.9%
International Equities	4.8%
High Yield Corp. Bonds	4.2%
Low-Duration Bonds	3.5%
Commodity Funds	2.5%
International Bonds	1.7%



Top Holdings

BBH Limited Duration Fund	18.5%
Nuveen High Yield Municipal Bond Fund	8.8%
Principal Preferred Securities Fund	8.5%
Oppenheimer Senior Floating Rate Fund	8.4%
Goldman Sachs Financial Square Government Fund	5.0%
Putnam Diversified Income Trust	5.0%
Virtus KAR Small-Cap Core Fund	4.9%
Prudential Muni High Income Fund	4.3%
TCW Emerging Markets Income Fund	4.3%
PIMCO Emerging Markets Bond Fund	4.3%
Subtotal	**72.0%**

Historical Performance

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Class R	-2.82%	30.81%	8.07%	2.63%	6.91%	-0.80%	5.46%	-2.46%	4.21%	7.73%
Benchmark	-23.59%	19.57%	12.43%	-2.91%	9.28%	8.47%	2.74%	-5.88%	6.16%	12.32%
Category	-15.41%	25.72%	10.59%	2.90%	11.60%	2.15%	3.42%	-2.03%	7.09%	6.13%

Past performance does not guarantee future results and there is no assurance that the Fund will achieve its investment objective.

Unless otherwise noted, all information is from Morningstar as of March 31, 2018, for Class R Shares. Allocations, top holdings, fund performance and characteristics are subject to change without notice.

TERMS & DEFINITIONS

Max Drawdown is an indicator of the risk of a portfolio chosen based on a certain strategy. It measures the largest single drop from peak to bottom in the value of a portfolio (before a new peak is achieved) using month-end data.

Beta is a measure of the volatility, or systematic risk, of a security or a portfolio in comparison to the market as a whole.

Standard Deviation is a statistical concept used in investment management to measure risk for the variability of return of a fund's performance. A high standard deviation represents greater risk.

Sharpe Ratio uses standard deviation to measure a fund's risk-adjusted returns. The higher a fund's Sharpe Ratio, the better a fund's returns have been relative to the risk it has taken on.

Downside Deviation is a risk statistic measuring volatility. It is a variation of Standard Deviation that focuses only upon the "bad" volatility.

Sortino Ratio is a modification of the Sharpe Ratio that differentiates harmful volatility from general volatility by taking into account the Standard Deviation of negative asset returns, called Downside Deviation.

Trailing Stops are a special type of trade order where the stop-loss price is not set at a single, absolute dollar amount, but instead is set at a certain percentage or a certain dollar amount below the market price.

ANNUAL OPERATING EXPENSES

	Class R
Management Fees & Other Expenses	1.45%
12b-1 Fees	—
Total Annual Fund Operating Expenses	**2.19%**

The expense ratios shown are as of January 30, 2018. Expenses include the underlying fund expenses. Please see the Fund's prospectus for more details.

The Total Annual Fund Operating Expenses includes the fees and expenses of the underlying funds, which are estimated at 0.74% per year.

Fund Performance

	QTD	YTD	1 Year	3 Year	5 Year	10 Year	Since Inception
Class R	-0.88%	-0.88%	5.37%	2.11%	2.37%	5.62%	5.38%
Benchmark	-1.46%	-1.46%	7.10%	2.79%	3.42%	3.28%	2.80%
Cumulative Returns							
Class R	—	—	—	6.47%	12.41%	72.69%	71.30%
Benchmark	—	—	—	8.61%	18.29%	38.22%	32.81%

Performance By Quarter

	Q1	Q2	Q3	Q4
2008	-0.88%	1.27%	-3.51%	0.34%
2009	-2.01%	20.12%	9.14%	1.82%
2010	3.61%	0.33%	3.89%	0.07%
2011	2.34%	0.80%	-0.69%	0.18%
2012	1.94%	1.23%	2.57%	1.01%
2013	1.01%	-1.67%	-0.69%	0.58%
2014	2.83%	2.82%	-0.61%	0.36%
2015	1.94%	-2.58%	-1.48%	-0.31%
2016	1.26%	3.14%	1.80%	-1.99%
2017	1.34%	2.01%	2.46%	1.71%
2018	-0.88%	—	—	—

Performance Characteristics

	Since Inception
Best Year	30.81%
Worst Year	-2.82%
Best Quarter	20.12%
Worst Quarter	-3.51%
Best Month	11.09%
Worst Month	-2.40%

Risk Characteristics

	3 Year	5 Year	Since Inception
Max Drawdown	-4.54%	-4.63%	-6.23%
Beta	0.52	0.50	0.44
Standard Deviation	3.22	3.30	5.44
Sharpe Ratio	0.49	0.62	0.92
Downside Deviation	2.17	2.09	2.04
Sortino Ratio	0.72	0.97	2.46

Cumulative performance from inception is the total increase in value of an investment in the Class R Shares assuming reinvestment of dividends and capital gains.

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

The performance quoted herein represents past performance for Class R Shares (SIRRX). For performance numbers to the most current month end, please call toll-free 1-866-738-4363 or visit our website, sierramutualfunds.com. Current performance may be lower or higher than the performance data quoted above. Past performance is no guarantee of future results. The investment return and principal value of an investment in the Fund will fluctuate, so that investors' share, when redeemed, may be worth more or less than their original cost.

The Sierra Tactical All Asset Fund invests in underlying fund investments including mutual funds, closed-end-funds and ETFs. In some instances it may be less expensive for an investor to invest in the Underlying Funds directly. There is also a risk that investment advisers of those underlying funds may make investment decisions that are detrimental to the performance of the Fund. Investments in underlying funds that own small and mid-capitalization companies may be more vulnerable than larger, more established organizations to adverse business or economic developments. Investments in underlying funds that invest in foreign equity and debt securities could subject the Fund to greater risks including currency fluctuation, economic conditions, and different governmental and accounting standards.

Investors should carefully consider the investment objectives, risks, charges, and expenses of the Fund. This and other information about the Fund is contained in the prospectus and should be read carefully before investing. The prospectus can be obtained at sierramutualfunds.com or by calling 1-866-738-4363. The Sierra Mutual Funds are distributed by Northern Lights Distributors, LLC, Member FINRA/SIPC.

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