

# DIVERSIFIED MUNICIPAL BOND MODEL

AS OF DECEMBER 31, 2023



Available at Orion Portfolio Solutions

## INVESTMENT OBJECTIVES & STRATEGY

The Ocean Park Diversified Municipal Bond Model seeks to produce satisfying long-term returns while limiting downside risk. Returns are created from interest income as well as fluctuations in bond prices. The interest income from municipal bonds is tax-exempt at the federal level, providing a valuable benefit for clients in relatively high income tax brackets. The Model diversifies a client's account directly and indirectly among a number of municipal bond mutual funds. Trends in the municipal bond market will determine when the Model and its underlying holdings will be either fully invested or in cash. Each holding is monitored daily, and during declines a proprietary trailing stop discipline is executed with the goal of limiting drawdowns.

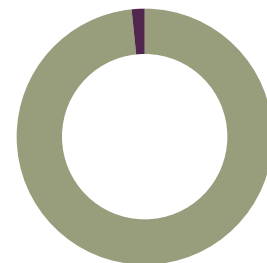
## TOP HOLDINGS

FUND	WEIGHT
Sierra Tactical Municipal Institutional	79.8%
BlackRock High Yield Municipal Instl	5.1%
PIMCO High Yield Municipal Bond I	5.1%
JPMorgan Ultra-Short Municipal I	4.8%
JPMorgan National Municipal Income I	4.0%
Td Ameritrade Money Market Fund	1.2%
<b>Total</b>	<b>100.0%</b>

Holdings and Asset Allocation are subject to change.

## ASSET ALLOCATION

■ Tax Free Municipal Bonds	98.4%
■ Cash and Equivalents	1.6%



Percentages have been rounded and may not total to 100%.

## PERFORMANCE METRICS

Since Inception (1/4/2016 - 12/31/2023)

	CUMULATIVE RETURN	RETURN	STANDARD DEVIATION	SHARPE RATIO	DOWNSIDE DEVIATION	SORTINO RATIO	MAXIMUM DRAWDOWN
Investment - Gross	33.53%	3.68%	5.01%	0.40	3.68%	0.54	-8.13%
Investment - Net	5.01%	0.61%	4.99%	-0.21	4.03%	-0.25	-12.34%
Benchmark†	19.69%	2.27%	5.53%	0.11	3.89%	0.15	-13.19%

† **Bloomberg Barclays Municipal Bond Index** - The Bloomberg Barclays Municipal Bond Index is considered representative of the broad market for investment grade, tax-exempt bonds with a maturity of at least one year.

QUARTERLY AND ANNUAL RETURNS

	Q1		Q2		Q3		Q4		FULL YEAR			MAXIMUM DRAWDOWN		
	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Benchmark†	Gross	Net	Benchmark†
2023	1.10%	0.35%	-1.15%	-1.89%	-2.38%	-3.11%	6.94%	6.14%	4.33%	1.24%	6.40%	-5.16%	-7.19%	-5.14%
2022	-2.54%	-3.27%	-3.42%	-4.15%	0.44%	-0.31%	2.36%	1.60%	-3.22%	-6.09%	-8.53%	-5.87%	-7.69%	-12.86%
2021	0.44%	-0.31%	2.94%	2.17%	-0.42%	-1.16%	0.53%	-0.22%	3.51%	0.45%	1.52%	-1.64%	-2.37%	-1.59%
2020	-3.56%	-4.28%	3.70%	2.93%	1.22%	0.47%	3.68%	2.91%	4.96%	1.86%	5.21%	-8.13%	-8.58%	-4.84%
2019	3.09%	2.32%	2.30%	1.53%	1.85%	1.09%	0.61%	-0.14%	8.06%	4.86%	7.54%	-0.69%	-1.23%	-0.80%
2018	-0.82%	-1.56%	1.73%	0.97%	0.27%	-0.48%	-0.73%	-1.47%	0.43%	-2.54%	1.28%	-1.83%	-2.58%	-1.47%
2017	1.34%	0.58%	2.45%	1.68%	1.69%	0.93%	1.73%	0.97%	7.40%	4.22%	5.45%	-0.16%	-0.40%	-0.80%
2016	2.53%	1.76%	4.11%	3.34%	0.48%	-0.27%	-2.62%	-3.35%	4.44%	1.35%	0.25%	-2.83%	-3.79%	-5.21%

AVERAGE ANNUAL RETURNS AND VOLATILITY

ANNUALIZED RETURNS	QTD	YTD	1 YEAR	PERIODS OVER A YEAR ARE ANNUALIZED				SINCE INCEPTION
				3 YEARS	5 YEARS	10 YEARS	15 YEARS	
Investment - Gross	6.94%	4.33%	4.33%	1.48%	3.46%	—	—	3.68%
Investment - Net	6.14%	1.24%	1.24%	-1.52%	0.40%	—	—	0.61%
Benchmark†	7.89%	6.40%	6.40%	-0.40%	2.25%	—	—	2.27%

STANDARD DEVIATION % (TRAILING PERIODS)

Investment - Gross	N/A	N/A	6.58	5.41	5.95	—	—	5.01
Investment - Net	N/A	N/A	6.56	5.39	5.93	—	—	4.99
Benchmark†	N/A	N/A	8.97	7.49	6.49	—	—	5.53

## SENIOR INVESTMENT TEAM



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



**Ryan Harder, CFA**  
Chief Investment Strategist & Portfolio Manager  
Started in Industry: 1998



**Doug Loeffler, CFA, CAIA**  
Executive VP of Investment Management, Portfolio Manager  
Started in Industry: 1988

## DEFINITIONS

**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.

**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.

**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.

† **Bloomberg Barclays Municipal Bond Index** - The Bloomberg Barclays Municipal Bond Index 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.

The currency used to express performance is USD.

Gross-of-fee returns are reduced by trading costs. Returns include the reinvestment of all income. Net-of-fee returns are calculated using a model fee of 3%. The annual model management fee is applied on a monthly basis, by deducting 1/12th of the model fee from the monthly gross returns. Because clients will have different fee arrangements and specific investments in the strategy may be made at different times, net performance for any individual client will vary from the net performance as stated herein.

The source of performance is based on a composite inceptioned January 4, 2016. A portion of the Diversified Municipal Bond Model may be allocated to proprietary mutual funds managed by an affiliate of Ocean Park. Since inception, the composite has been redefined twice: January 1, 2019 and May 1, 2019 to include changes in the allocations of the proprietary mutual funds.

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

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