

LONGBOARD LONG/SHORT MUTUAL FUND

December 2015

LONGX Fact Sheet

Fund Assets Under Management as of 12/31/15 **\$19,769,020**

This fund seeks a similar compounded return to the general U.S. stock market, with significantly less drawdown risk, and about half of the correlation and beta over a full market cycle.

There is no guarantee that any investment will achieve its objectives, generate positive returns, or avoid losses.

INVESTMENT OBJECTIVE

The primary investment objective seeks long-term capital appreciation.

INVESTMENT STRATEGY

Trend Following Applied to Stocks

The Longboard Long/Short Fund applies a trend following strategy to U.S. stocks, based on the existence of the "capitalism distribution" within equity markets.

- The strategy attempts to capture the spread between outperforming stocks and the broader U.S. equity market, using a trend following strategy.
- Seeks to deliver equity-like returns, while maintaining a lower risk profile vs. passive, long-only equity strategies.
- Seeks low correlation to the general U.S. stock market, especially during periods of negative stock market performance.

HOW TO INVEST

Visit longboardmutualfunds.com
Call us at 800.290.8319

Class A Inception Date is 12.9.15

Class I Inception Date is 3.19.15

FUND FACTS

Class	Unitary Fee*	TICKER	CUSIP
A	2.99%	LONAX	66538F728
I	2.99%	LONGX	66538F694

TERMS

Class	Minimum Investment	Subsequent Investment	Contribution Period
A	\$2,500	\$250	Daily
I	\$100,000	\$2,500	Daily

There is no guarantee that any investment will achieve its objectives, generate positive returns, or avoid losses.

* Total Annual Operating Expenses for the Longboard Long/Short Fund are 3.24% and 2.99% for class A and I, respectively.

Long: Buying an asset such as a stock, commodity or currency, with the expectation that the asset will rise in value.

Short: Selling an asset such as a stock, commodity or currency, with the expectation that the asset will decrease in value.

KEY FEATURES

Low Correlation Adds Diversification Value

Longboard's trend following strategy is fundamentally different than most value-oriented funds within the long/short category. This distinction creates significantly different exposure levels throughout the market cycle, which we expect will result in a meaningfully lower correlation and beta to the general U.S. stock market compared to most funds within the long/short category.

Active Risk Management

Risk management forms the foundation of the investment strategy and process. The risk budget is monitored daily, allowing the strategy to respond to changes in market conditions.

Experienced Management Team

Longboard's senior management team has researched and implemented strategies since the late 1990s and has operated Longboard's Long/Short strategy in a hedge fund format since 2005.

Communication

We help advisors gain understanding of our trend following strategy by providing insights into our investment process as well as ongoing communication of the strategy's response to changing market conditions.

PERFORMANCE

Class	TICKER	1M	3M	6M	Since Incep to 12/31/15
A (NAV)	LONAX	N/A	N/A	N/A	-1.18%
A (Max Load)	LONAX	N/A	N/A	N/A	-6.87%
I (NAV)	LONGX	-2.31%	2.16%	3.10%	0.53%

The performance data quoted here represents past performance. Current performance may be lower or higher than the performance data quoted above. Investment return and principal value will fluctuate, so that shares, when redeemed, may be worth more or less than their original cost. Past performance is no guarantee of future results. For performance information current to the most recent month-end, please call toll-free 855.294.7540.

LONGBOARD

INVESTMENT PROCESS

Russell 3000 Stocks

01 Filtering Process

Selection Process

- Stock Price Filter
- Companies Making New Highs
- Filter Out Directionless Stocks

1000 - 1500 Stocks

02 Portfolio Construction

Position Sizing

- Measure Volatility of Portfolio Constituents
- Size Each Position Based on Volatility
- Equalize Opportunity and Risk Across the Portfolio

03 Risk Management

Limiting Downside

- Seeks Lower Portfolio Beta by Maintaining Short Positions in Stock Indices
- Objective Risk Budget is the Foundation of Our Process

04 Rebalance

Portfolio Calibration

- Monitor Portfolio Risk and Volatility Daily
- Hold Winners, Cut Losers
- Continuously Filtering for New Price Trends

PROSPECTUS OFFERING DISCLOSURE

Investors should carefully consider the investment objectives, risks, charges and expenses of the Longboard Long/Short Fund. This and other important information about the Fund is contained in the prospectus, which can be obtained by calling 855.294.7540. The prospectus should be read carefully before investing.

The Longboard Long/Short Fund is distributed by Northern Lights Distributors, LLC, a FINRA/SIPC member. Longboard Asset Management, LLC., is not affiliated with Northern Lights Distributors, LLC.

MUTUAL FUND RISK DISCLOSURE

Mutual Funds involve risk including possible loss of principal.

There is a risk that issuers and counterparties will not make payment on securities and other investments held by the Fund, resulting in loss. The Fund's use of derivatives (including futures, forward contracts and swap agreements) involves risks different from and possibly greater than those associated with investing directly in securities including leverage risk, counterparty default risk, tracking risk and liquidity. The price of equity security fluctuates based on changes in a company's financial condition and overall market and economic conditions. Investments in ETF's may involve extra expenses and may not perform as expected and may not replicate the performance of the underlying index.

Fixed income securities could lose value due to interest rate changes. ADR's are subject to fluctuations in foreign currencies, political and economic instability, differences in financial reporting, security regulation, trading and taxation issues. The successful use of forward and futures contracts draws on the Adviser's skill and experience in predicting market movement. Risks include imperfect correlation, illiquid secondary markets, unanticipated market movements, counterparty default, and potentially selling securities when disadvantageous to do so. The success of the Fund's hedging strategy is subject to the Adviser's ability to correctly assess market performance and correlation of the instruments used in the hedging strategy and the investments in the portfolio.

The Fund may trade more, incurring higher brokerage fees and tax liability to shareholders. The Fund has a limited history of operation and an investment entails a high degree of risk. Large Cap companies may be unable to respond quickly to new competitive challenges such as changes in consumer tastes. Small Cap and Mid-Cap companies may be volatile and vulnerable to adverse business or economic events. The Fund is 'non-diversified' and changes in the value of a single security may have a significant effect on the Fund's value. The Fund may have investments that appreciate or decrease significantly over short periods. The value of REIT securities may be adversely affected by changes in the value of the underlying property the REIT holds. Short positions may be considered speculative and losses are potentially unlimited.

Russell 3000 Index: is a stock market index of US stocks. This index measures the performance of 3000 publicly held US companies based on total market capitalization, which represents approximately 98% of the investable US equity market. You cannot invest in an index.

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