

# MANAGED FUTURES STRATEGY FUND

Quarterly  
Fact Sheet  
DECEMBER 2015

## INVESTMENT STRATEGY

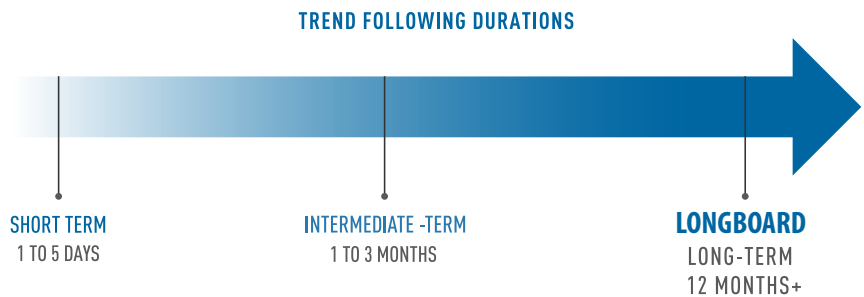
### Long-Term Trend Following

Longboard is rethinking managed futures by offering access to our flagship managed futures trend following strategy with the convenience of a traditional mutual fund.

- Long-Term Trend Following Strategy
- Ability to take both Long and Short positions in 100+ liquid global markets
- Active Risk Control Process
- Seeks to deliver returns that are not correlated to traditional asset classes

### Long-Term Strategy

The Longboard managed futures strategy seeks to capture long duration trends, with hold times averaging greater than one year.



## KEY FEATURES

### Portfolio Diversification

Managed futures trend following strategies seek to generate returns that are not correlated to traditional asset classes and can increase a portfolio's diversification.

### Experienced Management Team

Longboard's senior management has researched and implemented trend following strategies since the late 1990s.

### Research

Investment approach is grounded in academic and practitioner research dating back several decades.

### Infrastructure

Longboard's trading and operations infrastructure allows efficient access to more than 100 liquid global markets.

### Communication

We help advisors gain understanding of our managed futures trend following strategy by providing deep insights into our investment process.

## HOW TO INVEST

Visit [longboardmutualfunds.com](http://longboardmutualfunds.com)  
Call us at **800.290.8319**

**LONGBOARD**

**Quarterly  
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**Investment Objective**

Seeks positive absolute returns.

**Fund Facts**

|  |                                |
|--|--------------------------------|
| <b>Assets as of 12/31/15<br/>(all classes)</b> | \$474,563,055                  |
| <b>Morningstar<br/>Classification</b>          | Managed<br>Futures             |
| <b>Lipper<br/>Classification</b>               | Hedge/ Managed<br>Futures/CTAs |

| Share Class | Inception Date | Unitary Fee* |
|-------------|----------------|--------------|
| A           | 3/22/13        | 2.99%        |
| I           | 6/27/12        | 2.99%        |

| CLASS | TICKER | CUSIP     |
|-------|--------|-----------|
| A     | WAVEX  | 66538A430 |
| I     | WAVIX  | 66538A422 |

**Terms**

|                              | A Shares | I Shares |
|------------------------------|----------|----------|
| <b>Minimum Investment</b>    | \$2,500  | \$10,000 |
| <b>Subsequent Investment</b> | \$250    | \$2,500  |
| <b>Contribution Period</b>   | Daily    | 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 Managed Futures Strategy 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.

**PERFORMANCE**

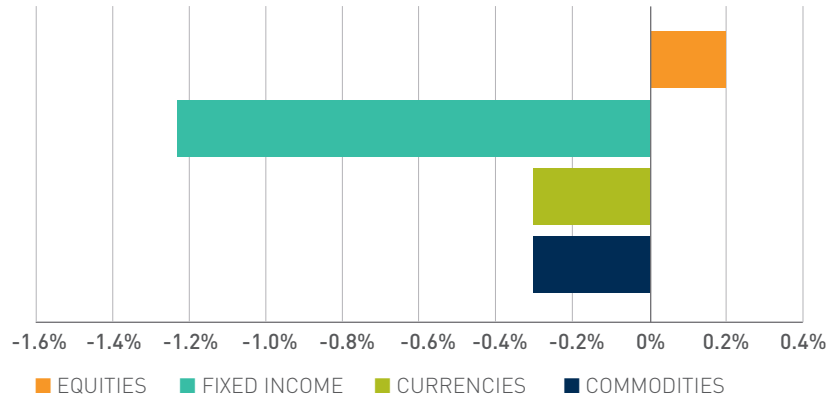
as of 12/31/15

|                            | Class I (NAV) | Class A (NAV) | Class A (Max Load)** |
|----------------------------|---------------|---------------|----------------------|
| TICKER                     | WAVIX         | WAVEX         | WAVEX                |
| 1M                         | -1.24%        | -1.22%        | -6.92%               |
| 3M                         | -2.39%        | -2.46%        | -8.09%               |
| 1Y                         | 8.91%         | 8.63%         | 2.37%                |
| 2Y                         | 11.84%        | 11.57%        | 8.30%                |
| 3Y                         | 9.02%         | N/A           | N/A                  |
| SINCE INCEP TO<br>12/31/15 | 7.19%         | 7.69%         | 5.41%                |

\*\* Inclusive of maximum sales load of 5.75%.

Performance Disclosure: Total Annual Operating Expenses for the Longboard Managed Futures Strategy Fund are 3.24% and 2.99% for Class A and I, respectively. 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. Performance information current to the most recent month-end can be obtained at [www.longboardmutualfunds.com](http://www.longboardmutualfunds.com) or by calling toll-free 855.294.7540.

## PERFORMANCE ATTRIBUTION BY ASSET CLASS: DECEMBER 2015

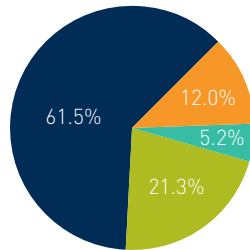


Past results are not necessarily indicative of future results. There is no guarantee that any investment will achieve its goals and generate profits or avoid losses.

The returns shown are presented as a percentage of overall fund performance attributed to the named asset class. Holdings are subject to change at any time and should not be considered investment advice.

## PORTFOLIO

Risk Allocation By Asset Class as of 12/31/15

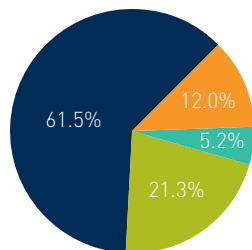


### ■ EQUITIES 12.03%

| LARGEST HOLDINGS     | POSITION | % OF RISK <sup>1</sup> |
|----------------------|----------|------------------------|
| MSCI Singapore Index | Short    | 2.57%                  |
| S&P CNX Nifty Index  | Short    | 1.72%                  |
| S&P TSX 60 Index     | Short    | 1.49%                  |
| <b>Total</b>         |          | <b>5.78%</b>           |

### ■ CURRENCIES 21.32%

| LARGEST HOLDINGS                    | POSITION | % OF RISK <sup>1</sup> |
|-------------------------------------|----------|------------------------|
| Australian Dollar / Canadian Dollar | Long     | 2.84%                  |
| Canadian Dollar / Japanese Yen      | Short    | 2.53%                  |
| U.S. Dollar / South African Rand    | Long     | 2.43%                  |
| <b>Total</b>                        |          | <b>7.80%</b>           |



**FIXED INCOME 5.19%**

| LARGEST HOLDINGS          | POSITION | % OF RISK <sup>1</sup> |
|---------------------------|----------|------------------------|
| 3-Month Euro (Euribor)    | Long     | 1.03%                  |
| Eurodollar                | Long     | 0.94%                  |
| 5-Year German Bond (Bobl) | Long     | 0.77%                  |
| <b>Total</b>              |          | <b>2.74%</b>           |

**COMMODITIES 61.46%**

| LARGEST HOLDINGS        | POSITION | % OF RISK <sup>1</sup> |
|-------------------------|----------|------------------------|
| Heating Oil Financial   | Short    | 3.26%                  |
| Gasoil                  | Short    | 2.81%                  |
| Natural Gas - Henry Hub | Short    | 2.64%                  |
| <b>Total</b>            |          | <b>8.71%</b>           |

<sup>1</sup> The % of Risk is the estimated maximum equity a position could lose, divided by the estimated aggregate equity currently at risk of loss across all positions in the portfolio. Portfolio holdings are subject to change at any time and should not be considered investment advice. There is no assurance that the identified level of risk will occur or be maintained as risk cannot be predicted with certainty.

**PROSPECTUS OFFERING DISCLOSURE**

Investors should carefully consider the investment objectives, risks, charges and expenses of the Longboard Managed Futures Strategy Fund. This and other important information about the Fund is contained in the prospectus, which can be obtained at [www.longboardmutualfunds.com](http://www.longboardmutualfunds.com) or by calling 855.294.7540. The prospectus should be read carefully before investing.

The Longboard Managed Futures Strategy 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. The Fund will invest a percentage of its assets in derivatives, such as commodities, futures and options contracts. The use of such derivatives and the resulting high portfolio turn-over, may expose the Fund to additional risks that it would not be subject to, if it invested directly in the securities and commodities underlying those derivatives. The Fund may experience losses that exceed those experienced by funds that do not use futures contract, options and commodities.

Changes in interest rates and the liquidity of certain investments could affect the Fund's overall performance. The Fund is non-diversified and as a result, changes in the value of a single security may have significant effect on the Fund's value. Other risks include credit risks and investments in fixed income securities, structured notes, asset-back securities, and foreign investments.

Furthermore, the use short positions and leveraging can magnify the potential for gain or loss and amplify the effects of market volatility on the Fund's share price. The Fund is subject to regulatory change and tax risks. Changes to current regulation or taxation rules could increase costs associated with an investment in the Fund.