

Zeo Strategic Income Fund

	NAV	1M	3M	6M	YTD	1Y	2Y	3Y	5Y	10Y	Since Inception (31-May-2011)
<i>Month End (30-Jun-2012)</i>											
Zeo Strategic Income Fund	10.05	0.40%	0.36%	2.29%	2.29%	2.13%	n/a	n/a	n/a	n/a	1.97%
Barclays Aggregate Bond Index	1811.77	0.04%	2.06%	2.37%	2.37%	7.47%	5.67%	6.93%	6.79%	5.63%	6.60%
<i>Total Fund Net Assets: \$33.4m</i>											
<i>Last Quarter End (30-Jun-2012)</i>											
Zeo Strategic Income Fund	10.05	0.40%	0.36%	2.29%	2.29%	2.13%	n/a	n/a	n/a	n/a	1.97%
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ZEOIX – Total Annual Operating Expense Ratio: 2.16%

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. The Fund's investment adviser has contractually agreed to reduce its fees and/or absorb expenses of the fund, at least until August 31, 2012, to ensure that the net annual fund operating expenses will not exceed 1.50% for the Fund, subject to possible recoupment from the Fund in future years. Please review the Fund's prospectus for more detail on the expense waiver. Results shown reflect the waiver, without which the results could have been lower. A Fund's performance, especially for very short periods of time, should not be the sole factor in making your investment decisions. For performance information current to the most recent month-end, please call toll-free 855-936-3863.

The Barclays Capital U.S. Aggregate Bond Index: covers the USD-denominated, investment-grade, fixed-rate, taxable bond market of SEC-registered securities. The index includes bonds from the Treasury, Government-Related, Corporate, MBS (agency fixed-rate and hybrid ARM pass-throughs), ABS, and CMBS sectors. The U.S. Aggregate Index is a component of the U.S. Universal Index in its entirety. Unmanaged index returns do not reflect any fees, expenses or sales charges.

Investors should carefully consider the investment objectives, risks, charges and expenses of the Zeo Strategic Income Fund. This and other important information about the Fund is contained in the prospectus, which can be obtained by calling 855-936-3863. The prospectus should be read carefully before investing. The Zeo Strategic Income Fund is distributed by Northern Lights Distributors, LLC member FINRA.

Zeo Capital Advisors, LLC and Northern Lights Distributors, LLC are not affiliated.

Mutual Funds involve risk including possible loss of principal.

The Fund will invest a percentage of its assets in derivatives, such as futures and options contracts. The use of such derivatives 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 losses experienced by funds that do not use futures contracts and options.

Typically, a rise in interest rates causes a decline in the value of fixed income securities. Overall fixed income market risk may affect the value of individual instruments in which the Fund invests. Lower-quality fixed income securities, known as "high yield" or "junk" bonds, present greater risk than bonds of higher quality, including an increased risk of default. As a non-diversified fund, the Fund may invest more than 5% of its total assets in the securities of one or more issuers. The Fund's performance may be more sensitive to any single economic, business, political or regulatory occurrence than the value of shares of a diversified investment company. Securities of small and medium capitalization companies may be subject to more abrupt or erratic market movements than those of larger, more established companies or the market averages in general. Market risk results from adverse changes in exchange rates in foreign currency denominated securities. Investing in securities of foreign issuers involves risks not typically associated with U.S. investments, including adverse fluctuations in foreign currency exchange rates, adverse political, social and economic developments, less liquidity, greater volatility, less developed or less efficient trading markets, political instability and differing auditing and legal standards.

0978-NLD-7/3/2012

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Commentary

The Zeo Strategic Income Fund (the "Fund") generated a total return of 0.40% in June compared to 0.04% for the Barclays Capital U.S. Aggregate Bond Index (the "Benchmark"). Equities and high yield showed a level of strength this month not seen since the first two months of the year, driven mainly by a positive swing in the news from Europe and the Supreme Court decision upholding an individual healthcare mandate. Coming on the back of one of the worst months since early 2009, one can only wonder whether the recently increased volatility in the markets won't be even more pronounced than investors might be prepared for. Meanwhile, equity trading volumes in 2012 as reported by the New York Stock Exchange are at their lowest levels in over a decade, well before the financial crisis in 2008. From our perspective, given the relatively unchanged economic fundamentals over the last month, this strength has the markings of a rally driven by investors unwinding short positions. What we seem to be missing are visible signs of conviction. Though the sources of uncertainty and how best to react remain topics for debate, there seems to be ample evidence that investors still lack confidence in today's investing environment.

As managers whose primary driver of action is a change in the level of uncertainty of the metrics we monitor rather than changes in the metrics themselves, we tend to err on the side of caution in paradigms such as this. Regular readers will recall that we have taken defensive actions over the last several months, reducing the portfolio's already low beta and duration and showing a bias toward liquidity, and recent market actions don't argue to reverse this course heading into the fall. However, we are pleased to report that these actions haven't substantially impacted our ability to deliver for our investors results that are consistent with our objectives of capital preservation and low volatility. Despite the defensive nature of our portfolio, the Fund has nevertheless performed on pace with the Benchmark with a mere fraction of the volatility of the broader high income corporate debt markets. We believe the result is a fund that is well-positioned to capitalize on opportunities created by this uncertainty even as we focus on attractive and consistent income opportunities for our shareholders.

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



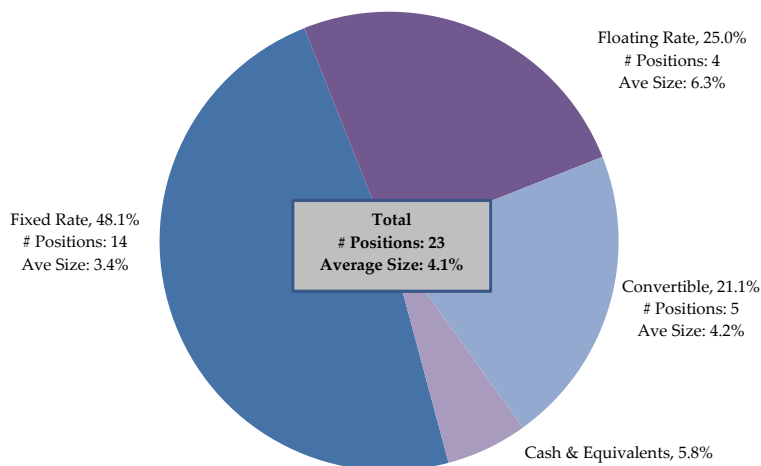
Portfolio Snapshot

Issuer	Instrument	Yield ¹	Maturity (yrs)	% of Portfolio
JetBlue Airways B-1 Spare Parts Pass Through Trust	JBLU 0 1/2/14	7.1%	1.51	10.6%
PEP Boys-Manny Moe & Jack	PBY 7.5 14	3.8%	0.08	7.1%
Collective Brands Inc	PSS 8.25 13	1.0%	0.08	6.8%
Expedia Inc	EXPE 7.456 18	4.6%	6.13	5.1%
General Cable Corp	BGC 0 4/1/15	5.9%	2.75	5.0%
Euronet Worldwide Inc	EEFT 3.5 25	1.8%	0.31	5.0%
Continental Airlines 2006-1 Class G Pass Through Trust	UAL 0 6/2/13	4.2%	0.92	4.9%
Iconix Brand Group Inc	ICON 1.875 12	1.9%	0.01	4.9%
Live Nation Inc	LYV 2.875 27	5.4%	2.04	4.8%
Hanesbrands Inc	HBI 0 12/15/14	4.2%	2.46	4.5%
Kinross Gold Corp	KCN 1.75 28	3.4%	0.71	4.5%
JC Penney Corp Inc	JCP 7.95 17	7.9%	4.75	4.4%
Lions Gate Entertainment Inc	LGF 10.25 16	6.6%	1.34	4.1%
Alcatel-Lucent USA Inc	ALUFP 2.75 25	4.4%	0.96	3.9%
MGM Resorts International	MGM 6.75 12	1.9%	0.17	3.1%
SanDisk Corp	SNDK 1 13	2.8%	0.88	2.7%
Clean Harbors Inc	CLH 7.625 16	0.3%	0.13	2.7%
Nash Finch Co	NAFC 1.6314 35	3.5%	0.71	2.6%
Dillard's Inc	DDS 6.625 18	5.7%	5.54	2.4%
United Air Lines Inc	UAL 12.75 12	3.7%	0.04	2.3%
Dillard's Inc	DDS 7.85 12	3.1%	0.25	2.1%
Neenah Paper Inc	NP 7.375 14	3.1%	0.38	0.8%
Washington Mutual Inc	WM 0 09	0.0%	0.16	0.0%

¹ Before fees and expenses

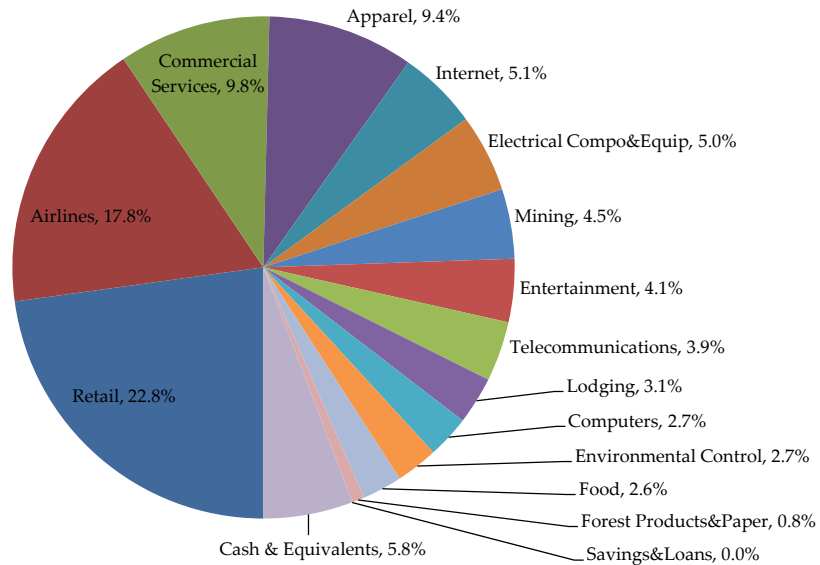
Portfolio holdings are subject to change at any time and should not be considered investment advice. Yields presented are those of portfolio holdings and do not represent that of the Fund.

By Asset Class

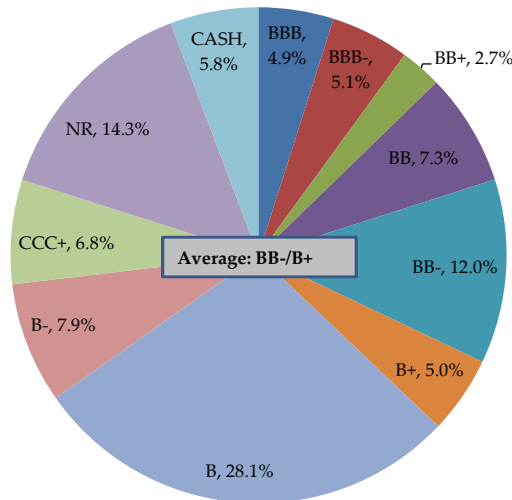


Each of these asset classes has its own set of investment characteristics and risks and investors should consider these risks carefully prior to making any investments.

By Sector



By Credit Rating²



² Rating source: Standard & Poor's; see **credit rating** definition below for more information.

A **credit rating** is an assessment provided by a nationally recognized statistical rating organization (NRSRO) of the creditworthiness of an issuer with respect to its debt obligations. Standard & Poor's ratings are measured on a scale that ranges from AAA (highest) to D (lowest), with ratings of BBB- and above considered investment grade; ratings are subject to change without notice. "NR", or Not Rated, indicates the issuer or specific security has not been rated and does not necessarily indicate low credit quality.