

Zeo Strategic Income Fund

	NAV	1M	3M	6M	YTD	1Y	2Y	3Y	5Y	10Y	Since Inception (31-May-2011)
<i>Month End (31-Mar-2013)</i>											
Zeo Strategic Income Fund	10.15	0.30%	1.05%	1.73%	1.05%	3.83%	n/a	n/a	n/a	n/a	3.05%
Barclays Aggregate Bond Index	1842.14	0.08%	-0.12%	0.09%	-0.12%	3.77%	5.73%	5.52%	5.47%	5.02%	4.78%
<i>Total Fund Net Assets: \$41.9m</i>											
<i>Last Quarter End (31-Mar-2013)</i>											
Zeo Strategic Income Fund	10.15	0.30%	1.05%	1.73%	1.05%	3.83%	n/a	n/a	n/a	n/a	3.05%
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ZEOIX – Total Annual Operating Expense Ratio: 1.91%

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, 2013, 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.

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Commentary

The Zeo Strategic Income Fund (the "Fund") generated a total return of 0.30% in March compared to 0.08% for the Barclays Capital U.S. Aggregate Bond Index (the "Benchmark"). Strong equity markets led the charge this month, with almost every subset of the fixed income universe, regardless of duration, posting some level of gains. The biggest move in fixed income came from high yield, once again defying the growing chorus of fundamental bears; several research analysts have noted that short interest in high yield ETFs is at an all-time high. HYG, in particular, has doubled its short interest just since the start of the year, from a level on 12/31 that was already a record. Meanwhile, the equity markets are near or at record highs also, reaching levels not seen since the third quarter of 2007. In addition, both syndicated loans and high yield bonds are on pace for record levels of new issuance this year; the loan market in particular finished the quarter with \$150b of new syndications - only two quarters since 2006 have even come within \$40b of that level, notably the first two of 2007, just one quarter before the aforementioned equity market top and subsequent decline that culminated in the financial crisis in 2008.

These observations point out what readers already know: there is no shortage of mixed signals, with traders making large bets in both directions. Record short interest is met with unprecedented appetite for new issuance even as markets reach new peaks. But as with the housing crisis, which cost some by not happening soon enough, if one aims to be on the right side of the markets, timing is key. For bets on fundamental moves, in particular, we are reminded of the famous quote attributed to John Maynard Keynes: "The market can remain irrational longer than you can remain solvent." In particular, while bears may be justified in their skepticism of the high yield markets and bulls may be justified in their fondness for loans, the overwhelming consensus trades in each actually work against them. In particular, the urgency to cover a high-cost short positions in high yield (traders must pay out HYG's 6%+ dividend in addition to their financing costs) means, as happened in 2007/2008, we may not see large declines until that short interest drops and the natural bid in the market dissipates; and while one can find attractive fundamental credit investments among syndicated loans, the potential for continued price appreciation is limited even as a short-term decline is possible if traders find a new consensus trade du jour.

However, while we believe the markets today are set up to exhibit relatively small moves in either direction, we continue to believe that, if these opposing supply/demand factors are cleared, fundamentals ultimately win. The trick for traders is timing that shift, and as we have seen from the revolving door of managers who have publicly called for, and actively bet on, a rise in interest rates over the last few years, even "experts" can be wrong. It is our long-standing opinion that the best way for prudent investors focused on capital preservation to manage in such an uncertain environment is to focus on those fundamental investments whose expected returns are less dependent on market timing. Fortunately, we believe the factors discussed above may result in attractive entry points in the coming year for investors to earn income-driven returns while prioritizing principal protection over price appreciation.

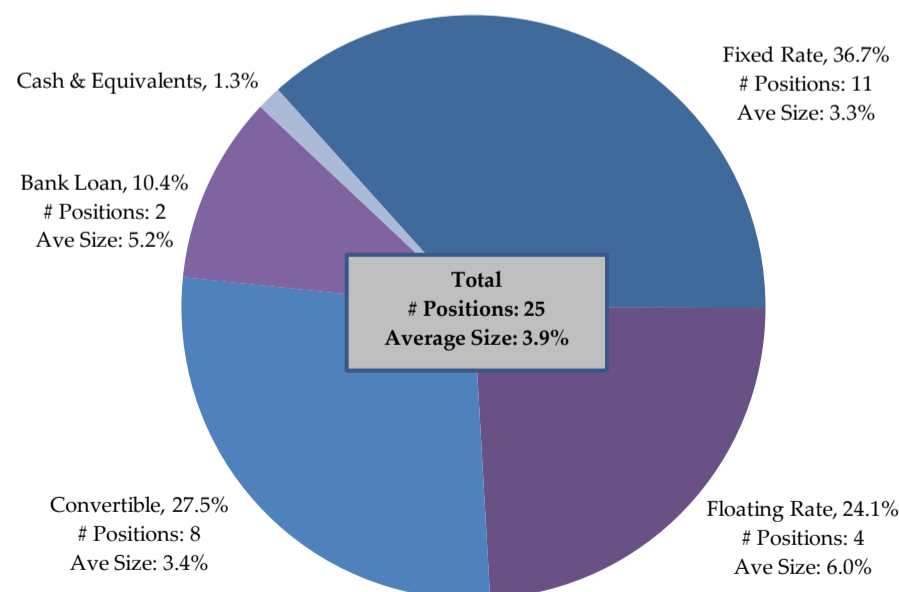
There is no guarantee that any investment will achieve its objectives, goals, generate positive returns, or avoid losses.

Portfolio Snapshot

Issuer	Instrument	Yield ¹	Maturity (yrs)	% of Portfolio
JetBlue Airways B-1 Spare Parts Pass Through Trust	JBLU 0 1/2/14	3.9%	0.76	10.2%
Lions Gate Entertainment Inc	LGF 10.25 16	3.0%	0.59	10.1%
Longview Fibre Paper & Packaging Inc	LONGVW 8 16	3.1%	0.17	6.0%
Collective Brands Inc	PSS TL B 1L USD	7.3%	6.50	5.5%
Dillard's Inc	DDS 6.625 18	4.2%	4.79	5.1%
Blue Coat Systems Inc	BCSI TL B 1L USD	5.6%	4.86	4.9%
Carrizo Oil & Gas Inc	CRZO 4.375 28	3.5%	0.17	4.8%
Live Nation Inc	LYV 2.875 27	2.6%	1.31	4.6%
Pinnacle Foods Finance LLC / Pinnacle Foods Finance Corp	PFHC 8.25 17	4.8%	0.42	4.6%
SanDisk Corp	SNDK 1 13	1.5%	0.13	4.6%
Continental Airlines 2006-1 Class G Pass Through Trust	UAL 0 6/2/13	2.1%	0.17	4.4%
Expedia Inc	EXPE 7.456 18	3.4%	5.38	4.3%
Fidelity National Information Services Inc	FIS 7.625 17	2.9%	0.29	3.9%
AngloGold Ashanti Holdings Finance PLC	ANGSJ 3.5 14	1.8%	1.14	3.9%
Omnicare Inc	OCR 3.25 35	3.3%	2.71	3.8%
Great Lakes Dredge & Dock Corp	GLDD 7.375 19	5.8%	3.84	3.8%
Western Alliance Bancorp	WAL 10 15	5.1%	2.42	3.7%
Wallace Theater Holdings Inc	WALTHC 0 6/15/13	9.6%	0.21	3.5%
Five Star Quality Care Inc	FVE 3.75 26	5.7%	0.54	3.3%
Neenah Paper Inc	NP 7.375 14	3.8%	0.08	1.6%
Headwaters Inc	HW 2.5 14	3.7%	0.84	1.6%
Viasystems Corp	VIAS 4 13	8.2%	0.13	0.2%
Dillard's Inc	DDS 7.13 18	4.5%	5.34	0.1%
Ethan Allen Global Inc	ETH 5.375 15	3.7%	2.50	0.1%
Washington Mutual Inc	WM 0 09	0.0%	0.00	0.0%

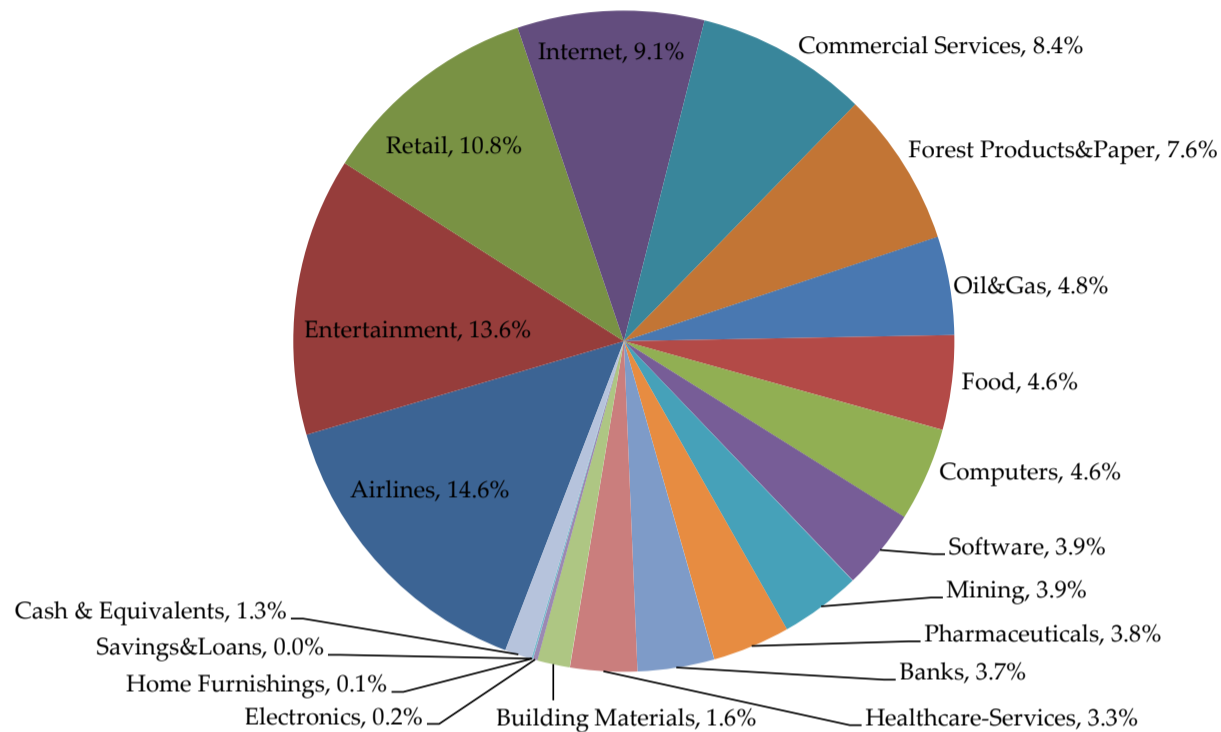
¹ Before fees and expenses

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.

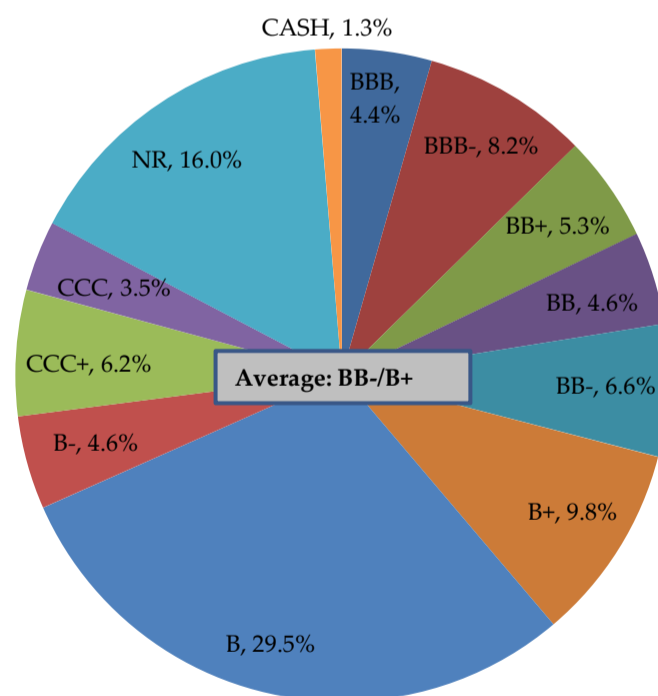
By Asset Class


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 Rating ²



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.