Zeo Strategic Income Fund

	NAV	1M	3M	6M	YTD	1Y	2Y	3Y	5Y	10Y	Since Inception (31-May-2011)
Month End (31-Aug-2014)											
Zeo Strategic Income Fund	10.14	0.70%	0.62%	1.52%	2.32%	4.45%	3.87%	4.01%	n/a	n/a	3.40%
Barclays Aggregate Bond Index	1893.97	1.10%	0.90%	2.74%	4.81%	5.66%	1.51%	2.91%	4.48%	4.72%	3.55%
	Total Fund Net Assets: $109.3m										
Last Quarter End (30-Jun-2014)											
Zeo Strategic Income Fund	10.18	0.30%	0.79%	1.99%	1.99%	5.09%	4.32%	3.58%	n/a	n/a	3.49%
Barclays Aggregate Bond Index	1878	0.05%	2.04%	3.93%	3.93%	4.37%	1.81%	3.66%	4.85%	4.93%	3.47%

ZEOIX – Total Annual Operating Expense Ratio: 1.34%
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. 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/SIPC.

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

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Commentary

The Zeo Strategic Income Fund (the "Fund") gained 0.70% for the month of August compared to 1.10% for the Barclays Capital U.S. Aggregate Bond Index (the "Benchmark"). In general, gains across asset classes reflected a rebound from the sharp declines at the end of July. Within fixed income, observations from new issue markets for corporate debt lend some depth to the analysis of this month's recovery. For example, August saw the lowest level of issuance of high yield bonds in three years, with just over $3 billion in new bonds brought to market. Put into context, the already anemic level from last August of just over $13 billion was a low for the last two years that stands in contrast to an average monthly issuance level of ~$28 billion. The sharply reduced supply was admittedly helpful in offsetting a meaningful drop in demand, including a record week of mutual fund outflows at the start of this month (-$7.1b) that capped a four week stretch during which over $12 billion exited high yield bond funds. But all is not lost - the forward-looking pipeline of new issuance is making up for lost time, as large as $42 billion in high yield bonds and over $100 billion across all corporate bonds by some measures.

So what do we make of all this data? On the one hand, it is difficult to reconcile historically-low risk spreads with a multitude of signs that point to increased risk, especially in light of higher leverage, which has a mathematical magnifying effect on volatility. While the factors that drive supply, demand and pricing of high yield bonds are too many to name, the overhang of upcoming issuance would seem to require an extreme uptick in demand to not put downward pressure on the asset class. On the other hand, we find an optimistic data point in the syndicated loan market, where JPMorgan estimates that acquisitions account for a significantly higher percentage of new loans in 2014 (~34%) than in 2013 (~23%). This stands in contrast to headlines from last year that reported a sharp increase in new debt used to fund dividend payouts to equity holders. Both are leveraging transactions, but they send different signals to the investors expected to buy the bonds. Today, it would seem that corporate CEOs see opportunities to invest in growth, and there is no shortage of cash on the sidelines to help them if bondholders agree.

Indeed, there are reasonable economic cases to support those who believe that the future can be bright. For example, the rapid emergence of large portions of the world's population as global consumers and investors is cited by many as a new source of demand for real assets that can permanently reset asset values higher, leading to wealth creation and deleveraging through growth. But, as with any large-scale trends, the challenge to investors is one of timing. The fund managers who were short the housing market in 2005 experienced very different outcomes from those who where short the same assets in 2008. From our perspective, the hair-trigger nature of August's marked decline and recovery is evidence of a pervasive and concerning dependence on macroeconomic prognostication with alarmingly short-term investment horizons. In the absence of a crystal ball, we believe investors may sleep better at night and free up a lot of time spent fretting over when the music will stop by focusing on risk-managed strategies that embrace uncertainty and aim to deliver consistent risk profiles across a variety of economic environments, including the one we face today.

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

Portfolio Snapshot

Issuer	Instrument	Yield[1]	Time (yrs)[1]	% of Portfolio
FMG Resources August 2006 Pty Ltd	FMGAU 6.875 18	2.5%	0.42	7.3%
Columbus McKinnon Corp/NY	CMCO 7.875 19	3.2%	0.42	5.0%
Calcipar SA	CARMLI 6.875 18	5.2%	2.67	4.7%
Lions Gate Entertainment Inc	LGF TL 2L USD	5.8%	5.94	4.7%
Burger King Capital Holdings LLC / Finance Inc	BKC 0 19	3.1%	0.63	4.4%
Reynolds Group Issuer Inc / LLC / Lu	REYNOL 8.5 18	2.9%	0.08	4.2%
Brown Shoe Co Inc	BWS 7.125 19	4.1%	0.71	3.9%
Horsehead Holding Corp	ZINC 9 17	8.0%	2.75	3.8%
Blue Coat Systems Inc	BCSI TL B 1L USD	5.0%	4.79	3.8%
Dillard's Inc	DDS 6.625 18	3.4%	3.38	3.5%
Ball Corp	BLL 5.75 21	3.4%	1.21	3.2%
Mueller Water Products Inc	MWA 7.375 17	3.4%	0.08	3.2%
Allison Transmission Inc	ALSN 7.125 19	3.8%	0.71	3.2%
Packaging Dynamics Corp	PKDY 8.75 16	2.8%	0.42	3.0%
Esterline Technologies Corp	ESL 7 20	3.0%	0.92	2.8%
Landslide Holdings Inc	LANSOF TL 2L USD	9.3%	6.56	2.8%
Hanesbrands Inc	HBI 6.375 20	2.9%	1.29	2.7%
Sally Holdings LLC / Capital Inc	SBH 6.875 19	3.1%	1.21	2.3%
Avis Budget Car Rental LLC / Finance Inc	CAR 0 12/1/17	4.2%	3.26	2.3%
Ascensus Inc	ASCENS TL 2L USD	9.6%	6.32	2.1%
DAE Aviation Holdings Inc	DAEAVI TL 2L USD	8.2%	4.97	2.1%
Horsehead Holding Corp	ZINC 10.5 17	4.9%	1.75	2.1%
Sabine Pass LNG LP	CQP 7.5 16	3.5%	2.25	2.0%
Chinos Intermediate Holdings A Inc	JCG 7.75 19	8.3%	4.67	1.9%
Milestone Aviation Group Ltd/The	MLEAVI 8.625 17	4.8%	2.29	1.8%
Alliance HealthCare Services Inc	AIQ TL DD 1L USD	5.1%	4.80	1.8%
Sabine Pass LNG LP	CQP 7.5 16	4.2%	2.25	1.8%
Smith & Wesson Holding Corp	SWHC 5.875 17	3.8%	1.79	1.3%
Blue Coat Systems Inc	BCSI TL 2L USD	9.9%	5.88	0.9%
FTI Consulting Inc	FCN 6.75 20	4.5%	1.09	0.5%
Washington Mutual Inc	Various	0.0%	0.00	0.0%

[1] *Yield to worst before fees and expenses; see* ***yield to worst*** *definition below for more information. Expected life represents the period of time the bond would be held in a yield to worst scenario.*

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.

Yield to worst *is the lowest potential yield that can be received on a bond without the issuer actually defaulting. The yield to worst is calculated by making worst-case scenario assumptions on the issue by calculating the returns that would be received if provisions, including prepayment or early redemption options, are used by*

Zeo Capital Advisors

PORTFOLIO REPORT
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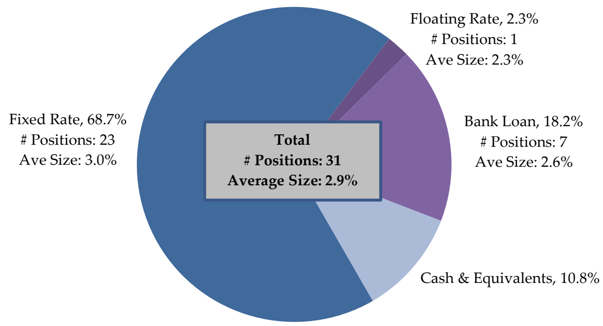
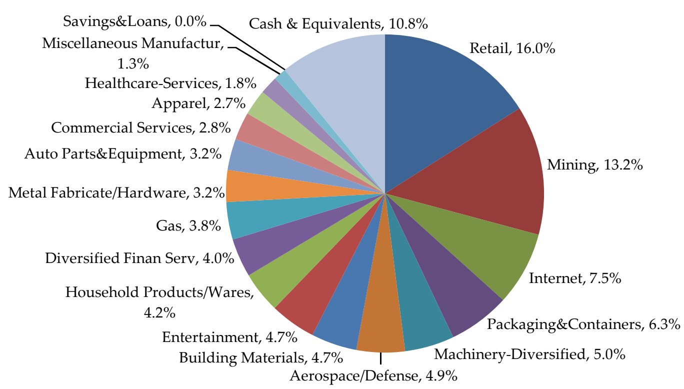
By Asset Class

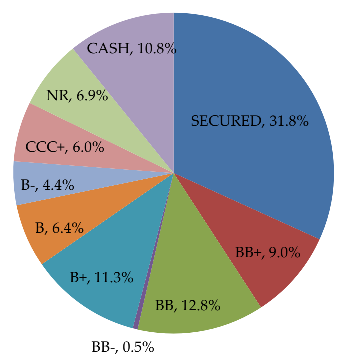


Each of these asset classes has its own set of investment characteristics and risks and investors should consider these risks carefully prior to making any investments.

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.*