

Zeo Strategic Income Fund

| | NAV | 1M | 3M | 6M | YTD | 1Y | 2Y | 3Y | 5Y | 10Y | Since Inception (31-May-2011) |
|---------------------------------------|---------|-------|-------|-------|-------|-------|-------|-------|-------|-------|----------------------------------|
| <i>Month End (31-Mar-2015)</i> | | | | | | | | | | | |
| Zeo Strategic Income Fund | 10.02 | 0.27% | 1.57% | 1.96% | 1.57% | 2.59% | 3.47% | 3.59% | n/a | n/a | 3.27% |
| Barclays Aggregate Bond Index | 1945.63 | 0.46% | 1.61% | 3.43% | 1.61% | 5.72% | 2.77% | 3.10% | 4.41% | 4.93% | 3.73% |
| Total Fund Net Assets: \$138.8m | | | | | | | | | | | |
| <i>Last Quarter End (31-Mar-2015)</i> | | | | | | | | | | | |
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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 0.27% in the month of March, compared to 0.46% for the Barclays Capital U.S. Aggregate Bond Index (the "Benchmark"). Broad markets were mixed in March, with small-cap equities and high grade bonds higher and large-cap equities and high yield bonds lower. In our view, a more telling observation was the continued increase in volatility in all markets as investors reacted sharply to positive, negative and even seemingly neutral headlines. The S&P 500^{*} is a case in point. The index reached an all-time high on the first trading day of the month. Seven trading days later, it had declined 3.6%. Then, over the next seven days, it gained 3.3% before dropping 1.9% during the final seven trading days of the month. For the person with a seven day investment horizon, this month caused a lot of heartburn.

Of course, we are being facetious, as few people deliberately invest in the S&P 500 for exactly seven trading days. Generally, money designated for the equity markets is invested to earn an equity risk premium over many years. Fixed income capital, unfortunately, does not lend itself to such a generalization. Fixed income investors have a wide variety of objectives. Some take a similar long-term view, but many have shorter horizons, with some looking for places to invest capital for as little as a few days. Most perplexing are those fixed income mandates that have uncertain timeframes. For these investors, the hope is that they won't need the capital for a long period of time, thus requiring a return that exceeds longer-term inflation expectations. However, they don't want to realize a loss if their needs change and they must sell holdings at market value to get their capital sooner.

So what are fixed income investors to do? We believe the answer lies in asset/liability matching. Taken literally, this concept is often applied by institutions to make investments with timeframes that match the timing of cashflow needs. For example, a pension fund with annual distributions to its retired membership might make investments that earn cash income or that mature or otherwise become liquid around the time of those distributions, thus matching the timing of the assets and liabilities. We believe this concept has merit for all investors and should be a key consideration as they construct their own fixed income portfolios. The most difficult part of asset/liability matching for institutions - determining the timing and magnitude of capital needs - usually results in a call to the actuaries. But it is a natural result of the financial planning most individuals already do to some degree. So why, then, are most fixed income portfolios managed to a single risk tolerance goal, as if an investor's capital needs are singular and uniform?

An alternative approach embraces asset/liability matching using different kinds of duration measures. For a given investment, one should seek to determine both the length of time over which a holding has, at a minimum, preserved capital and the maturity of a treasury bond (or something similar) that has a comparable expected return. Combined with more traditional risk measures, such as volatility and max loss, these duration metrics can help identify what liabilities are best matched with that particular asset. More importantly, it is the range defined by these timeframes that determines how flexible that investment can be. It is inevitable that one will be wrong about the timing of future capital needs. The real challenge is finding those investments that aim for capital preservation while not causing buyer's remorse if the capital is invested longer (or shorter) than expected. By sorting potential holdings by these measures and matching portions of the portfolio to the potential demands on that fixed income capital, we believe investors may be able to construct a portfolio that more precisely serves their needs, even when they are wrong about what those needs are.

** The S&P 500® Index is an unmanaged composite of 500 large capitalization companies. This index is widely used by professional investors as a performance benchmark for large-cap stocks. You cannot invest directly in an index and unmanaged index returns do not reflect any fees, expenses or sales charges.*

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 |
|--------------------------------------|------------------|--------------------|-------------------------|----------------|
| Esterline Technologies Corp | ESL 7 20 | 4.4% | 0.34 | 8.5% |
| Lions Gate Entertainment Corp | LGF 5.25 18 | 4.0% | 3.34 | 7.2% |
| Allison Transmission Inc | ALSN 7.125 19 | 1.2% | 0.13 | 6.7% |
| VWR Funding Inc | VWRINT 7.25 17 | 3.3% | 0.46 | 6.4% |
| Brown Shoe Co Inc | BWS 7.125 19 | 4.0% | 0.13 | 6.4% |
| Calcipar SA | CARMLI 6.875 18 | 7.2% | 1.13 | 5.2% |
| Gannett Co Inc | GCI 7.125 18 | 2.4% | 0.42 | 4.9% |
| Reynolds Group Issuer Inc / LLC / Lu | REYNOL 7.125 19 | 3.5% | 0.54 | 4.7% |
| Spectrum Brands Inc | SPB 6.75 20 | 0.4% | 0.09 | 4.1% |
| Star Gas Partners LP / Finance Co | SGU 8.875 17 | 4.1% | 0.09 | 3.9% |
| Smith & Wesson Holding Corp | SWHC 5 18 | 5.4% | 3.29 | 3.2% |
| OMNOVA Solutions Inc | OMN 7.875 18 | 6.8% | 1.59 | 3.1% |
| Horsehead Holding Corp | ZINC 9 17 | 8.5% | 2.17 | 3.0% |
| Mueller Water Products Inc | MWA TL B 1L USD | 4.9% | 6.51 | 2.9% |
| Michaels FinCo Holdings LLC / Inc | MIK 7.5 18 | 4.2% | 0.34 | 2.9% |
| Blue Coat Systems Inc | BCSI TL 2L USD | 9.6% | 5.29 | 2.6% |
| FTI Consulting Inc | FCN 6.75 20 | 2.3% | 0.50 | 2.6% |
| Hiland Partners LP / Finance Corp | KMI 7.25 20 | 3.7% | 1.50 | 2.4% |
| Landslide Holdings Inc | LANSOF TL 2L USD | 9.6% | 5.96 | 2.1% |
| Smith & Wesson Holding Corp | SWHC 5.875 17 | 5.2% | 1.21 | 2.1% |
| Sabine Pass LNG LP | CQP 7.5 16 | 3.6% | 1.67 | 2.1% |
| Horsehead Holding Corp | ZINC 10.5 17 | 6.1% | 2.17 | 2.0% |
| Sabine Pass LNG LP | CQP 7.5 16 | 3.6% | 1.67 | 1.8% |
| Levi Strauss & Co | LEVI 7.625 20 | 5.5% | 0.13 | 1.7% |
| DAE Aviation Holdings Inc | DAEAVI TL 2L USD | 8.1% | 4.38 | 1.7% |
| Dillard's Inc | DDS 6.625 18 | 3.2% | 2.79 | 1.6% |
| Alliance HealthCare Services Inc | AIQ TL DD 1L USD | 4.8% | 4.21 | 1.4% |
| Blue Coat Systems Inc | BCSI TL B 1L USD | 4.5% | 4.20 | 0.8% |
| Mobile Mini Inc | MINI 7.875 20 | 5.2% | 0.67 | 0.7% |
| Washington Mutual Inc | Various | 0.0% | 0.00 | 0.0% |

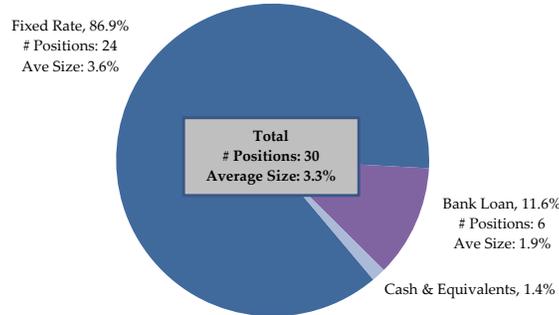
¹ Yield to worst before fees and expenses; see **yield to worst** definition below for more information. Expected life represents the period of time the bond would be held in a yield to worst scenario.

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

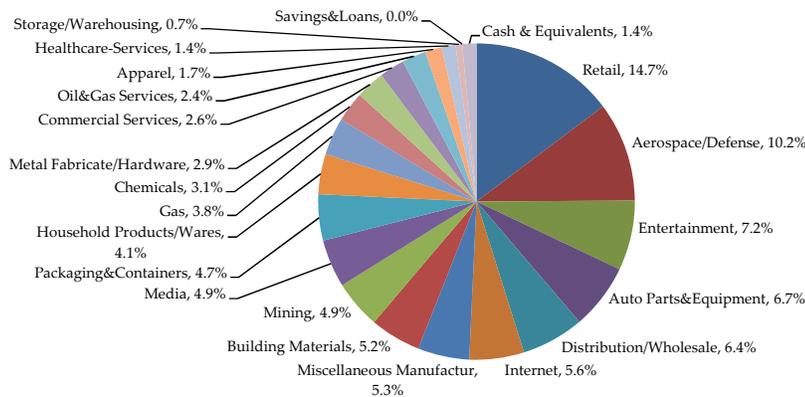


By Asset Class

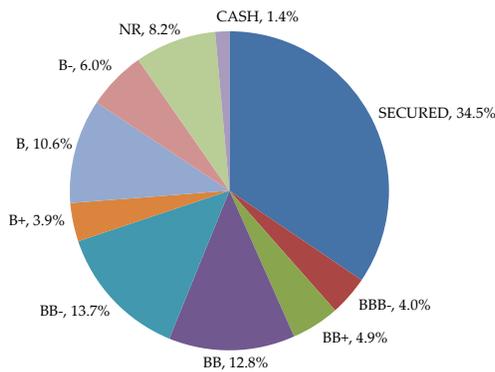


Each of these asset classes has its own set of investment characteristics and risks and investors should consider these risks carefully prior to making any investments.

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.