CMG GLOBAL MACRO STRATEGY FUND

Morningstar Category:
Multialternative

Investment Objective:
Seeks capital appreciation

Fund Advisor:
CMG Capital Management Group, Inc.

Fund Details:

PEGAX A – Share* CUSIP 66538B289

PEGMX I - Share* CUSIP 66538B271

***Class A share minimum investment is $5,000 and the Class I share minimum investment is $15,000 - see Fund prospectus.**

Gross Expense Ratio:	Class A	Class I
Management Fee	1.00%	1.00%
Distribution Fee	0.25%	0.00%
Other Expenses	2.28%	2.28%
Acquired Fund Fees	0.02%	0.02%
Total Expense	3.55%	3.30%
Fee Waiver*	(0.25%)	(0.25%)
Total Expense After Waiver	3.30%	3.05%

***The Advisor has contractually agreed to waive a portion of its management fee (0.25%) for both Class A and Class I shares until at least, August 31, 2017.**

An investor should consider the Fund's investment objective, risks, charges, and expenses carefully before investing. This and other information about the CMG Global Macro Strategy Fund is contained in the Fund's prospectus, which can be obtained by calling 866-CMG-9456. Please read the prospectus carefully before investing. The CMG Global Macro Strategy Fund is distributed by Northern Lights Distributors, LLC. Member FINRA/SIPC. NOT FDIC INSURED. MAY LOSE VALUE. NO BANK GUARANTEE. CMG Capital Management Group, Inc. is not affiliated with Northern Lights Distributors, LLC.

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FUND OBJECTIVE

The CMG Global Macro Strategy Fund seeks to generate capital appreciation by investing in a global macro strategy based on the proprietary model developed by P/E Investments. The Global Macro strategy is designed to capture returns related to trends in currency exchange rates, equity indices and government bonds.

INVESTMENT PROCESS

The Global Macro strategy uses multiple factors and quantitative techniques to analyze macroeconomic and financial indicators to determine long and short positions in currencies, equity indices and government bonds that have the potential to generate positive returns over time. Utilizing Bayesian statistical models, the strategy predicts returns and volatilities for currencies, equity indices and government bonds around the world and then optimizes potential investments based on risk/reward trade-offs.

The Bayesian approach is adaptive, updating what it used to know with what it just learned, which allows the strategy to change the weightings of specific factors over time based on which factors the model identifies as more predictive of the current market environment. The Bayesian approach also facilitates risk allocations across the asset classes (currencies, equities and fixed income) based on relative opportunity over time. For each asset class that the Fund invests in, specific factors such as yield, risk and capital flows are analyzed. Further information on the factor is provided below.

Currency:

- Yield: Short-term rates, long-term rates, yield curve characteristics
- Risk: Liquidity conditions (corporate credit spreads, emerging market credit spreads, EU sovereign bond spreads, volatility of currencies), long-term interest rate movement, inflation and investor sentiment
- Capital Flows: Cross border investments and speculative positions

Equity:

- Yield: Short-term rates, long-term rates, yield curve characteristics
- Risk: Equity valuations, corporate bond behavior, relative performance of stocks and investor sentiment
- Capital Flows: Advance/decline, high/low, momentum and volume indicators

Fixed Income:

- Yield: Short-term rates, long-term rates, yield curve characteristics
- Risk: Liquidity conditions (corporate credit spreads, emerging market credit spreads, volatility of currencies), long-term interest rate movement and investor sentiment
- Capital Flows: Cross market price relationships

The Global Macro strategy is risk managed to a target 16% annual standard deviation and during periods of increased risk will reduce value at risk exposure and/or margin to equity ratios.

ABOUT THE FUND ADVISOR

Founded in 1992, CMG Capital Management Group, Inc. is a Registered Investment Advisor specializing in Tactical Investment Solutions. CMG has over 28 years of tactical and alternative investment experience. The CMG Family of Funds was created to deliver institutional level tactical and alternative investment solutions within a liquid 40 Act mutual fund structure.

Definitions of Terms and Indices: Standard Deviation: Measures the degree of variation of returns around the mean (average) return. The higher the volatility of the investment returns, the higher the standard deviation will be. Long Position: The buying of a security such as a stock, bond or currency, with the expectation that the asset will rise in the future. Short Position: The sale of a security, bond or currency with the expectation that the asset will fall in value. Futures Contract: A contractual agreement, generally made on the trading floor of a futures exchange, to buy or sell a particular commodity or financial instrument at a pre-determined price in the future.

Mutual Funds involve risk including the possible loss of principal. There is a risk that issuers and counterparties will not make payments on securities and other investments held by the Fund, resulting in losses to the Fund. Currency-related, equity-related and fixed income-related forward, futures and swap contracts involve leverage risk, tracking risk and counterparty default risk. Leverage through futures can magnify the Fund's gains or losses. Using derivatives to increase the Fund's or an Underlying Fund's combined long and short futures exposure creates leverage which can magnify the Fund's potential for gain or loss. The Fund may invest in short futures positions that could prevent the Fund from participating in market gains. The Fund may be required to segregate assets or enter into offsetting positions in connections with investments in derivatives but these may not limit exposure to loss. ETFs are subject to investment advisory and other expenses, which will be indirectly paid by the Fund. Typically, a rise in interest rates causes a decline in the value of fixed income securities. The Fund's investment in foreign securities may be affected by changes in exchange control regulations, application of foreign tax laws, changes in governmental administration, economic, or monetary policy, currency fluctuations relative to the U.S. dollar and changed circumstances between nations. Non-diversification is a risk, as the Fund is more vulnerable to events affecting a single issuer.