BTS Tactical Fixed Income Fund

Q3 | September 30th, 2017

FIND OPPORTUNITY

Class A Shares:	Class C Shares:	Class I Shares:	Class R Shares:
BTFAX	**BTFCX**	**BTFIX**	**BTFRX**

MORNINGSTAR ★★★★★

A Shares received an overall Morningstar Rating™ of 5 Stars out of 264 Nontraditional Bond funds as of 9/30/17 based on risk-adjusted return.

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About BTS

Founded in 1979, BTS Asset Management is one of the oldest nontraditional risk managers, managing traditional assets with a nontraditional approach. BTS:

- **Seeks to preserve capital**
- **Aims to offer downside protection and upside potential**
- **Strives to reduce volatility while delivering consistent long-term returns**

Investment Approach

Flexible approach designed to move 100% of assets between three uncorrelated asset classes:

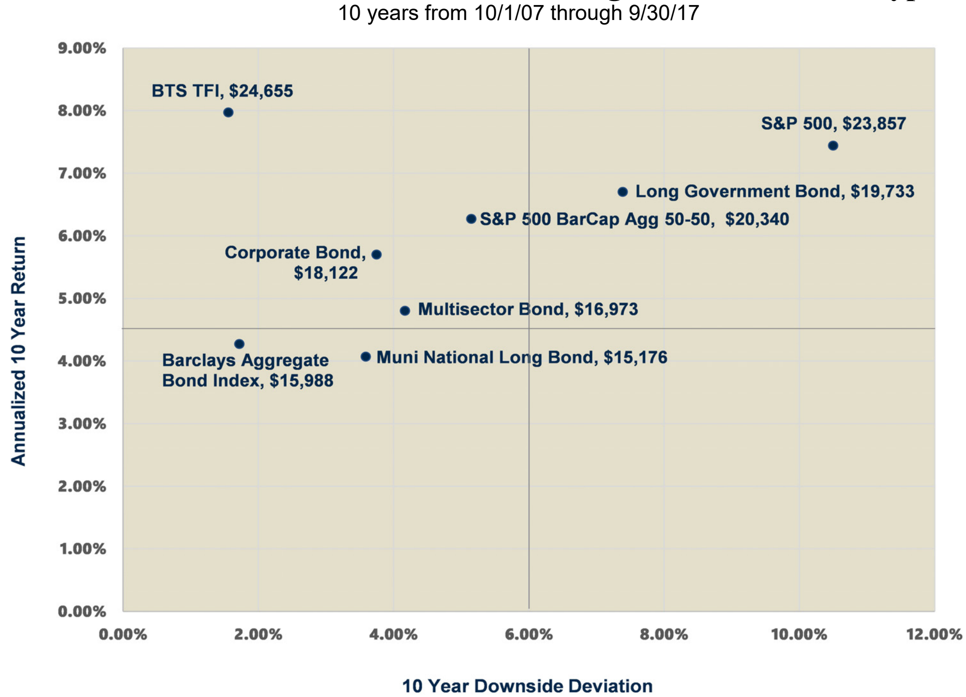
- **High Yield when risk is on, thus seeking to capture equity exposure**
- **Treasuries when risk is off, taking advantage of the flight to quality**
- **Cash if there is not a risk-on / risk-off opportunity, in an effort to preserve capital**

- **Investing involves taking risk. Investment returns have the potential to be higher than savings returns because investors are willing to take more risk than savers.**
- **Most investors believe their portfolio needs to fit in box 2 or 3 based on Modern Portfolio Theory.**
- **Blindly reaching for the highest rate of return without understanding risk may lead to disaster.**
- **Managing risk may be the key to long-term success.**
- **BTS seeks to be in box 1.**
- **The below chart compares the BTS Tactical Fixed Income Fund Class A (NAV) to the Barclays Capital Bond Index, Muni National Long Bond, Multisector Bond, Corporate Bond, S&P BarCap 50-50, Long Government Bond, and the S&P 500 index based on return relative to risk measured by Downside Deviation for 10 years from 10/1/07 through 9/30/17.**

For illustrative purposes only and not meant to represent the fund.

Hypothetical Return % - Downside Deviation % - Ending Value of $10,000 Hypothetical Investment

10 years from 10/1/07 through 9/30/17



There is no assurance that the Fund will achieve its investment objective. Past Performance is No Guarantee of Future Results. Investors cannot directly invest in an index and unmanaged index returns do not reflect any fees, expenses, or sales changes.

Annual Return History, Average Drawdown, Correlation
Class A (NAV), 10 years from 10/1/07 through 9/30/17

	10-Year Annual Return	Average Drawdown	Correlation
BTS Tactical Fixed Income Fund Class A	7.97%	(1.70)	1.00
BofAML US HY Master II Index	7.72%	(6.70)	0.52
Citi Treasury Benchmark 10 Yr Index	4.71%	(5.17)	(0.12)
Long Government Bond	6.70%	(8.62)	(0.08)
Barclays Aggregate Bond Index	4.27%	(1.81)	0.18
S&P 500 Index	7.44%	(11.81)	0.33
Nontraditional Bond	2.13%	(3.02)	0.50
Multisector Bond	4.80%	(4.03)	0.49
Bank Loan Bond	3.44%	(4.88)	0.41
Inflation Protected Bond	2.98%	(3.75)	0.15
Corporate Bond	5.70%	(3.61)	0.45
Long Term Bond	6.62%	(4.64)	0.39
Intermediate Term Bond	3.95%	(2.31)	0.41
World Bond	3.45%	(3.96)	0.44
Emerging Markets Bond	4.48%	(7.88)	0.41
Muni National Long Bond	4.07%	(3.57)	0.21

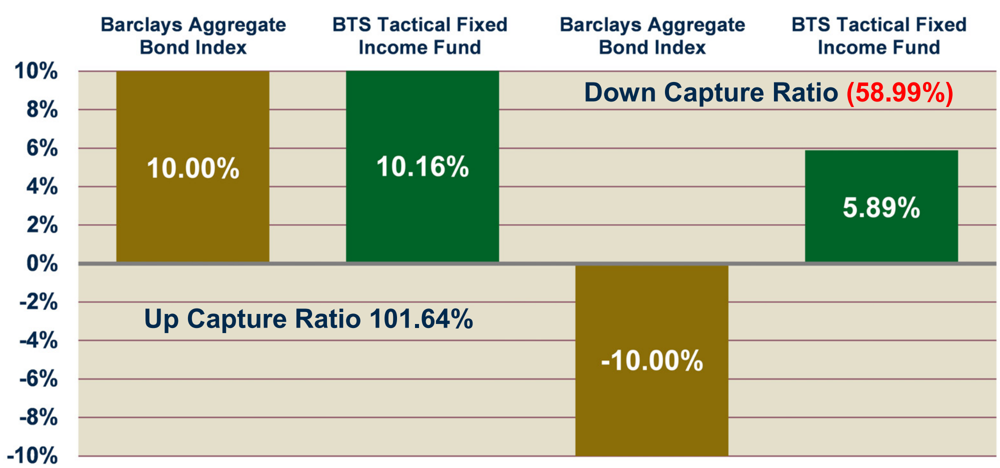
Annual Return History Class A (NAV)

Year	Fund 1-Year	BarAgg 1-Year
2016	13.79%	2.65%
2015	-2.31%	0.55%
2014	2.61%	5.97%
2013	0.12%	-2.02%
2012	6.46%	4.23%
2011	1.16%	7.86%
2010	8.60%	6.56%
2009	53.63%	5.93%
2008	2.20%	5.24%
2007	8.11%	6.96%
2006	7.70%	4.33%
2005	0.67%	2.43%
2004	-0.20%	4.34%
2003	29.40%	4.11%
2002	10.50%	10.27%
2001	16.73%	8.42%
2000	10.23%	11.63%

Statistical Analysis vs. Benchmarks Class A (NAV), 10 years from 10/1/07 through 9/30/17

	Cumulative Return	Downside Deviation	Sortino Ratio (0.0%)	Standard Deviation	Sharpe Ratio (3.0%)	Correlation	Beta	Alpha
BTS Tactical Fixed Income Fund	115.25%	1.56%	4.91	7.37%	0.68	-	-	-
Barclays Aggregate Bond Index	52.09%	1.72%	2.45	3.27%	0.40	0.17	0.39	6.48%
S&P 500 BarCap Agg 50-50	83.67%	5.15%	1.18	7.74%	0.44	0.36	0.34	5.92%

Hypothetical Up/Down Capture Ratio Converted to Total Return Class A (NAV), since inception 1/1/00 through 9/30/17 vs. Barclays Aggregate Bond Index



Up/Down Capture Ratio Converted to Total Return: If the fund's total return is the same amount as the benchmark, the Upside Capture Ratio is 100%. If the fund's return is 8% when the benchmark is up 10%, the Upside Capture Ratio is 80%. If the fund's return is 8% when the benchmark return is negative 10%, the Down Capture Ratio is negative –80%.

Past Performance is Not Indicative of Future Results.

Fund Performance As of 9/30/17

Average Annualized Total Returns	YTD[2]	1 Year	3 Years	5 Years	10 Years	Since Inception 1/1/00
Class[1] A (NAV)	4.51%	5.18%	5.25%	3.72%	7.97%	9.14%
Class A (max. 5% load)	-0.68%	-0.09%	3.45%	2.66%	7.42%	8.82%
Class C	3.91%	4.33%	4.43%	-	-	3.28%
Class I (Inception 5/28/15)	4.72%	5.38%	-	-	-	5.98%
Class R (Inception 5/5/15)	4.28%	4.83%	-	-	-	5.43%
Barclays Agg Bond Index	3.14%	0.07%	2.71%	2.06%	4.27%	5.17%
Nontraditional Bond	3.84%	4.51%	1.95%	1.90%	2.13%	3.35%
S&P 500 BarCap Agg 50-50	8.61%	9.07%	6.79%	8.11%	6.27%	5.55%

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 1-877-287-9820.

Total Expense Ratios: Class A: 1.91%; Class C: 2.66%; Class I: 1.66%; Class R: 2.16%

[1]The BTS Tactical Fixed Income Fund does not have performance as a mutual fund prior to May 31, 2013. Performance prior to May 31, 2013 shown above is for the Fund's predecessor limited liability company (BTS Tactical Fixed Income Fund LLC, formerly known as BTS Asset Allocation/High Yield Fund LLC). The prior performance is net of management fees and other expenses. The predecessor limited liability company had been managed in the same style and by the same portfolio manager since the predecessor limited liability company's inception on January 1, 2000. The Fund's investment goals, policies, guidelines and restrictions are, in all material respects, equivalent to the predecessor limited liability company's investment goals, policies, guidelines and restrictions. The following information shows the predecessor limited liability company's annual returns and long-term performance reflecting the actual fees and expenses that were charged when the Fund was a limited liability company. From its inception on January 1, 2000 through the date of the prospectus, the predecessor limited liability company was not subject to certain investment restrictions, diversification requirements and other restrictions of the 1940 Act, which if they had been applicable, might have adversely affected its performance. In addition, the predecessor limited liability company was not subject to sales loads that would have adversely affected performance. The predecessor limited liability company's past performance is not necessarily an indication of how the BTS Tactical Fixed Income Fund will perform in the future.
[2]Performance for periods less than one year are not annualized.

There is no assurance that the Fund will achieve its investment objective.

For each fund with at least a three-year history, Morningstar calculates a Morningstar Rating™ based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a fund's monthly performance (including the effects of sales charges, loads, and redemption fees), placing more emphasis on downward variations and rewarding consistent performance. The top 10% of funds in each category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars and the bottom 10% receive 1 star. (Each share class is counted as a fraction of one fund within this scale and rated separately, which may cause slight variations in the distribution percentages.) The Overall Morningstar Rating™ for a fund is derived from a weighted average of the performance figures associated with its three-,five- and 10-year (if applicable) Morningstar Rating metrics. BTS Tactical Fixed Income Fund was rated against the following numbers of U.S.-domiciled Nontraditional Bond funds over the following time periods: 264 funds in the last three years. With respect to these Nontraditional Bond funds, BTS Tactical Fixed Income Fund A Shares received a Morningstar Rating of 5 stars. C Shares received a Morningstar rating of 4 stars, R Shares received a Morningstar extended performance rating of 4 stars, and I Shares received a Morningstar extended performance rating of 5 stars. Past performance is no guarantee of future results.

BofAML US HY Master II tracks the performance of US dollar denominated below investment grade corporate debt publicly issued in the US domestic market. Qualifying securities must have a below investment grade rating (based on an average of Moody's, S&P and Fitch), at least 18 months to final maturity at the time of issuance, at least one year remaining term to final maturity as of the rebalancing date, a fixed coupon schedule and a minimum amount outstanding of $100 million. In addition, qualifying securities must have risk exposure to countries that are members of the FX-G10, Western Europe or territories of the US and Western Europe. The FX-G10 includes all Euro members, the US, Japan, the UK, Canada, Australia, New Zealand, Switzerland, Norway and Sweden. Citi Treasury Benchmark 10 Yr tracks the 10 Year Treasury. 10 Year Treasury is Citi Treasury Benchmark 10-year USD. Nontraditional Bond category contains funds that pursue strategies divergent in one or more ways from conventional practice in the broader bond -fund universe. Many funds in this group describe themselves as "absolute return" portfolios, which seek to avoid losses and produce returns uncorrelated with the overall bond market; they employ a variety of methods to achieve those aims. Another large subset are self-described "unconstrained" portfolios that have more flexibility to invest tactically across a wide swath of individual sectors, including high-yield and foreign debt, and typically with very large allocations. Funds in the latter group typically have broad freedom to manage interest-rate sensitivity, but attempt to tactically manage those exposures in order to minimize volatility. The category is also home to a subset of portfolios that attempt to minimize volatility by maintaining short or ultra-short duration portfolios, but explicitly court significant credit and foreign bond market risk in order to generate high returns. Funds within this category often will use credit default swaps and other fixed income derivatives to a significant level within their portfolios. Multisector Bond portfolios seek income by diversifying their assets among several fixed income sectors, usually U.S. government obligations, U.S. corporate bonds, foreign bonds, and high-yield U.S. debt securities. These portfolios typically hold 35% to 65% of bond assets in securities that are not rated or are rated by a major agency such as Standard & Poor's or Moody's at the level of BB (considered speculative for taxable bonds) and below. Bank Loan Bond portfolios primarily invest in floating-rate bank loans instead of bonds. In exchange for their credit risk, these loans offer high interest payments that typically float above a common short-term benchmark such as the London Interbank Offered Rate, or LIBOR. Inflation Protected Bond portfolios invest primarily in debt securities that adjust their principal values in line with the rate of inflation. These bonds can be issued by any organization, but the U.S. Treasury is currently the largest issuer for these types of securities. Corporate Bond portfolios concentrate on bonds issued by corporations. These tend to have more credit risk than government or agency-backed bonds. These portfolios hold more than 65% of their assets in corporate bonds, hold less than 40% of their assets in foreign bonds, less than 35% in high yield bonds, and have an effective duration of more than 75% of the Morningstar Core Bond Index. Long Term Bond portfolios invest primarily in corporate and other investment-grade U.S. fixed-income issues and typically have durations of more than 6.0 years. Because of their long durations, these portfolios are exposed to greater interest-rate risk. Morningstar calculates monthly breakpoints using the effective duration of the Morningstar Core Bond Index in determining duration assignment. Long-term is defined as 125% of the three-year average effective duration of the MCBI. Long Government has at least 90% of their bond holdings invested in bonds backed by the U.S. government or by government-linked agencies. This backing minimizes the credit risk of these portfolios, as the U.S. government is unlikely to default on its debt. They are not risk-free, though. Because these portfolios have durations of typically more than 6.0 years, they are more sensitive to interest rates, and thus riskier, than portfolios that have shorter durations. Morningstar calculates monthly breakpoints using the effective duration of the Morningstar Core Bond Index in determining duration assignment. Long term is defined as 125% of the three-year average effective duration of the MCBI. Intermediate Term Bond is a fund that focuses on corporate, government, foreign or other issues with an average duration of greater than or equal to 3.5 years but less than or equal to six years, or an average effective maturity of more than four years but less than 10 years. Morningstar calculates monthly breakpoints using the effective duration of the Morningstar Core Bond Index in determining duration assignment. Intermediate is defined as 75% to 125% of the three-year average effective duration of the MCBI. World Bond portfolios invest 40% or more of their assets in foreign bonds. Some world-bond portfolios follow a conservative approach, favoring high-quality bonds from developed markets. Others are more adventurous and own some lower-quality bonds from developed or emerging markets. Some portfolios invest exclusively outside the U.S., while others regularly invest in both U.S. and non-U.S. bonds. Emerging Markets Bond portfolios invest more than 65% of their assets in foreign bonds from developing countries. The largest portion of the emerging-markets bond market comes from Latin America, followed by Eastern Europe. Africa, the Middle East, and Asia make up the rest. Muni National Long portfolios invest in bonds issued by various state and local governments to fund public projects. The income from these bonds is generally free from federal taxes. To lower risk, these portfolios spread their assets across many states and sectors. These portfolios have durations of more than 7.0 years (or, if duration is unavailable, average maturities of more than 12 years).

S&P 500 includes 500 leading companies in leading industries of the U.S. economy and is a proxy for the total stock market. Barclays Capital Aggregate Bond Index is comprised of government securities, mortgage-backed securities, asset-backed securities and corporate securities with maturities of one year or more to simulate the universe of bonds in the market. S&P 500 BarCap Agg 50-50 is a blended benchmark made up of 50% S&P 500 TR and 50% Barclays Capital Aggregate Bond Index and uses indexes to represent a stock/bond allocation that a conservative or moderate investor might have. Up Capture Ratio measures the portfolio's compound return when the benchmark was up divided by the benchmark's compound return when the benchmark was up. Down Capture Ratio measures the portfolio's compound return when the benchmark was down divided by the benchmark's compound return when the benchmark was down. Up/Down Capture Ratio Converted to Total Return: If the funds total return is the same amount as the benchmark, the upside capture ratio is 100%. If the funds return is 8% when the benchmark is up 10%, the Upside Capture Ratio is 80%. If the funds return is 8% when the benchmark return is negative 10%, the Down Capture ratio is negative –80%. Cumulative Return is the total gain, expressed as a percentage of the initial value. Standard Deviation measures the degree of variation of returns around the average return; the higher the volatility, the higher the standard deviation. Sharpe Ratio is a risk-adjusted performance measure (the incremental average return over the risk-free rate - represented as 3% - divided by risk), where risk is defined by standard deviation. A higher Sharpe ratio may indicate higher risk-adjusted returns. Sortino Ratio is a risk-adjusted performance measure (the incremental average return over the minimum acceptable return - represented as 0% - divided by risk), where risk is defined by downside deviation. A higher Sortino ratio may indicate higher risk-adjusted returns. Downside Deviation considers returns that fall below the minimum acceptable return. 0% is used for the minimum acceptable return. Correlation measures how two securities move in relation to one another. Alpha measures a manager's value-added return over a benchmark index by comparing its actual return to the return expected based on the risk level. Beta measures sensitivity to market movements relative to a benchmark index. Alpha, Beta, and Correlation show the value for the BTS portfolio versus the listed benchmark. Average Drawdown is the arithmetic average of all drawdowns over a given period of time.

Mutual funds involve risk, including possible loss of principal.

Investors cannot directly invest in an index and unmanaged index returns do not reflect any fees, expenses, or sales charges.

The use of Credit Default Swaps involves investment techniques and risks different from those associated with ordinary portfolio security transactions, such as potentially heightened counterparty, concentration and exposure risks. 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. The Fund may invest in derivatives. Even a small investment in options may give rise to leverage risk, and can have a significant impact on the Fund's performance. Derivatives are subject to credit risk and liquidity risk. The values of foreign investments may be affected by changes in exchange control regulations, application of foreign tax laws changes in governmental administration or economic or monetary policy or changed circumstances in dealings between nations. In addition to the risks generally associated with investing in securities of foreign companies, countries with emerging markets also may have relatively unstable governments, social and legal systems that do not protect shareholders, economies based on only a few industries, and securities markets that trade a small number of issues. The Fund invests in fixed income securities, derivatives on fixed income securities or Underlying Funds that invest in fixed income securities.

The value of the Fund will fluctuate with changes in interest rates. Defaults by fixed income issuers in which the Fund invests could also harm performance. Lower-quality bonds known as "high yield" or "junk" bonds, present greater risk than bonds of higher quality, including an increased risk of default. An economic downturn or period of rising interest rates could adversely affect the market for these bonds and reduce the Fund's ability to sell its bonds. The lack of a liquid market for these bonds could decrease the Fund's share price. The use of leverage by the Fund or an Underlying Fund will indirectly cause the Fund to incur additional expenses and magnify the Fund's gains or losses. The Fund may engage in short selling activities which are significantly different from the investment activities commonly associated with conservative fixed income funds. Underlying Funds are subject to investment advisory and other expenses, which will be indirectly paid by the Fund. As a result, your cost of investing in the Fund will be higher than the cost of investing directly in the Underlying Funds.

Investors should carefully consider the investment objectives. risks, charges, and expenses of the BTS Tactical Fixed Income Fund. This and other information about the Fund is contained in the prospectus and should be read carefully before investing. The prospectus can be obtained on our web site, www.btsfunds.com, by calling toll free 1-877-287-9820 (1-877-BTS-9820), or by calling your financial representative. The BTS Tactical Fixed Income Fund is distributed by Northern Lights Distributors, LLC, Member FINRA/SIPC. BTS Asset Management, Inc. is not affiliated with Northern Lights Distributors, LLC.

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