

# Risk Managed Global Sectors

Class A: NFGAX  
Class I: NFGIX

## Dynamic Global Equity Solution

The Fund provides a turnkey strategy for dialing global (U.S. and non-U.S.) equity exposure up and down.

## Focus on Sectors, Not Regions

The portfolio foregoes traditional region-based analysis for a sector-based asset allocation model.

## A Focus on Managing Volatility

Trend-following signals seek to invest in appreciating sectors while avoiding sectors at an elevated risk of capital loss.

## Fund Objective

The Newfound Risk Managed Global Sectors Fund gives investors access to the **growth potential of global equities while seeking to preserve the capital base during significant market declines**. The Fund aims to deliver attractive returns with lower volatility, beta, and correlation over full market cycles.

**Morningstar Classification:**  
Tactical Allocation

**Lipper Classification:**  
Flexible Portfolio

**There is no guarantee that the Fund will achieve its objectives, generate positive returns or avoid losses.**

## Fund Facts

(all share classes)

Class	Ticker	CUSIP	Inception Date
A	NFGAX	66538G700	5/19/2014
I	NFGIX	66538G882	5/19/2014

Class	Minimum Investment	Subsequent Investment	Contribution Period
A	\$2,500	\$250	Daily
I	\$100,000		Daily

## Fund Performance

(class A performance at NAV<sup>1,2,3</sup>; performance as of 12/31/2018)

	3 Months	6 Months	1 Year	3 Year	Inception
NFGIX NAV	-9.46%	-6.49%	-7.63%	4.85%	1.73%
NFGAX NAV	-9.55%	-6.74%	-7.96%	4.59%	1.44%
NFGAX LOAD	-14.76%	-12.12%	-13.28%	2.56%	0.15%
50/50 MSCI ACWI / 1-3 Year U.S. Treasuries	-5.83%	-3.73%	-3.85%	3.89%	2.55%

## Key Statistics<sup>4</sup>

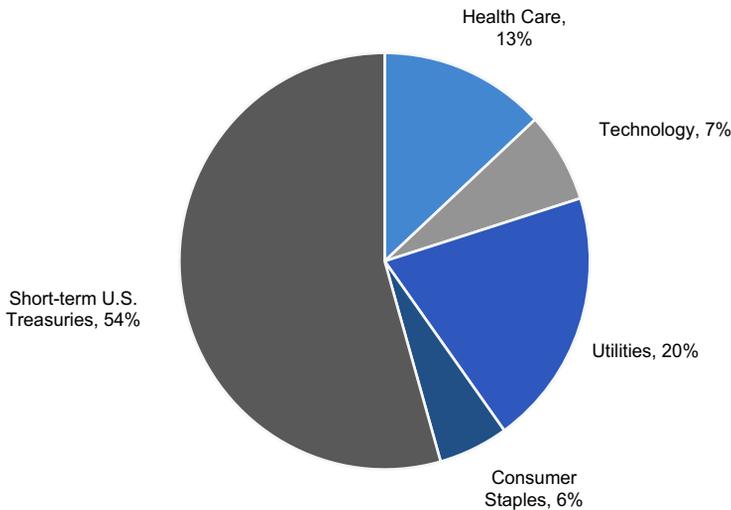
(since inception)

	Volatility	Drawdown	Relative to MSCI ACWI	
			Beta	Correlation
NFGAX	8.7%	14.0%	0.7	0.9
50/50 MSCI ACWI / 1-3 Year U.S. Treasuries	5.4%	6.4%	0.5	1.0
MSCI ACWI	11.1%	14.3%	1.0	1.0

*Inception for NFGAX and NFGIX is May 19, 2014. Inception for MSCI ACWI is calculated from May 19, 2014. The maximum sales charge (load) for NFGAX is 5.75%. The performance data quoted here represents past performance. For more current information, please call toll-free 1-855-394-9777 or visit our website, [www.thinknewfoundfunds.com](http://www.thinknewfoundfunds.com). Current performance may be lower or higher than the performance data quoted above. Past performance is no guarantee of future results. The investment return and principal value of an investment in the Fund will fluctuate so that investors' shares, when redeemed, may be worth more or less than their original cost. The Fund's investment advisor has contractually agreed to reduce its fees and/or absorb expenses until at least July 31, 2020. Without these waivers, the Class A and I Shares total annual operating expenses would be 2.43% and 2.18%, respectively. The fee waivers ensure that the net annual, operating expenses of the Class A and I Shares will not exceed 1.75% and 1.50%, respectively, subject to possible recoupment from the fund in future years. Please review the Fund's prospectus for more information regarding the Fund's fees and expenses.*

## Portfolio Composition

(as of 12/31/2018; holdings subject to change)



## About Newfound

Newfound Research was founded in August 2008 to offer quantitative investment research.

Over time, our capabilities evolved to include the design of custom mandate portfolios, the development of tactical overlay solutions, and sub-advisory services.

In December 2013, we began offering discretionary asset management services with portfolios directly advised by Newfound.

In all of our capabilities, we are dedicated to helping clients achieve their long-term goals with research-driven, quantitatively-managed portfolios, while simultaneously acknowledging that the quality of the journey is just as important as the destination.

Newfound was awarded 2016 ETF Strategist of the Year by ETF.com.

**For more information call 617-531-9773 or visit [thinknewfoundfunds.com](http://thinknewfoundfunds.com).**

Investors should carefully consider the investment objectives, risks, charges and expenses of the Newfound Risk Managed Global Sectors Fund. This and other important information about the Fund is contained in the prospectus, which can be obtained by calling 1-855-394-9777. The prospectus should be read carefully before investing. The Newfound Risk Managed Global Sectors Fund is distributed by Northern Lights Distributors, LLC, Member FINRA/SIPC. Newfound Research LLC is not affiliated with Northern Lights Distributors, LLC.

- 1) Performance at net asset value ("NAV") does not include the effect of sales charges.
- 2) The MSCI ACWI Net Return Index is the version of the MSCI ACWI Index that includes the reinvestment of dividends after the deduction of withholding taxes, using a tax rate applicable to non-resident institutional investors who do not benefit from double taxation treaties. The MSCI ACWI Index is a capitalization-weighted index that includes large and mid cap companies from 23 Developed Markets and 23 Emerging Markets countries. With 2,468 constituents as of November 30, 2014, the index covers approximately 85% of the global investable equity opportunity set. The Barclays US 1-3 Year Treasury Bond Index is an index that includes U.S. Treasury bonds with a remaining maturity between one and three years. The 50/50 MSCI ACWI / Barclays US 1-3 Year Treasury Bond benchmark consists of a hypothetical portfolio that is 50% allocated to the MSCI ACWI Net Return Index and 50% allocated to the Barclays US 1-3 Year Treasury Bond index, rebalanced monthly.
- 3) Performance results include the effect of expense reduction arrangements for some or all of the periods shown. If those arrangements had not been in place, the performance results for those periods would have been lower.
- 4) **Volatility** is a statistical measure of the dispersion of returns for a given security or market index. Volatility is measured using the standard deviation of returns for that security or index. Commonly, the higher the volatility, the riskier the security. Drawdown is a measure of the decline of a security from its historical peak over a reference period. In this case, drawdown is measured for the month of the report. **Correlation** is a measure of how two securities move relative to each other. Positive (negative) correlations imply that the securities tend to move in the same (different) directions relative to their average returns. The **beta** of a security or an index is a measure of the risk arising from exposure to general market movements as opposed to factors that are unique to that security or index. A positive beta implies that the security or index will tend to move in the same direction as the general market. A negative beta implies that the security or index will tend to move in the opposite direction from the general market.

Investors are not able to invest directly in the indices referenced in this material and unmanaged index returns do not reflect any fees, expenses or sales charges. The referenced indices are shown for general market comparisons and are not meant to represent the Fund.

### Risk Factors

Adverse changes in currency exchange rates may erode or reverse any potential gains from the Fund's investments. ETF's are subject to specific risks, depending on the nature of the underlying strategy of the fund. These risks could include liquidity risk, sector risk, as well as risks associated with fixed income securities, real estate investments, and commodities, to name a few. Typically, a rise in interest rates causes a decline in the value of fixed income securities. A higher Fund turnover will result in higher transactional and brokerage costs. Like all quantitative analysis, the adviser's investment model carries a risk that the mathematical model used might be based on one or more incorrect assumptions. No assurance can be given that the fund will be successful under all or any market conditions. Investments in foreign securities could subject the Fund to greater risks including, currency fluctuation, economic conditions, and different governmental and accounting standards. 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.