

# ALTEGRIS MANAGED FUTURES STRATEGY FUND.

MFTAX | MFTCX | MFTIX | MFTOX

TRUSTED ALTERNATIVES.  
INTELLIGENT INVESTING.

# Altegris Managed Futures Strategy Fund

**The Choice for Flagship Managed Futures Exposure.** An actively managed, diversified mutual fund which allocates to trend following, hybrid-trend, and specialized managed futures trading strategies. The Fund accesses premier flagship managers, that when combined, provide what we believe to be the best representation of managed futures in a single, dynamic portfolio.

**REASONS TO INVEST** | Exposure to the potential key benefits of the Fund includes:



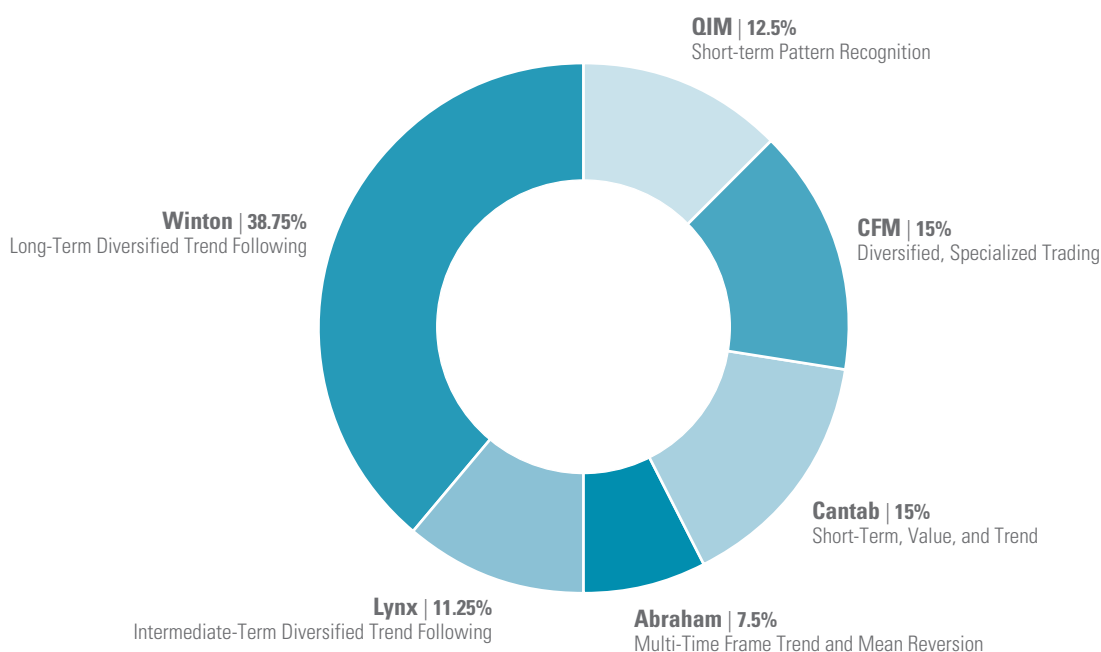
*The Fund is subject to various risks including, but not limited to, commodity risk, credit risk, derivatives risk, fixed income risk, foreign currency risk, foreign investment risk, leverage risk, liquidity risk, management risk, market risk, non-diversification risk, short position risk, taxation risk, and underlying pools risk. There is no guarantee that any investment product will achieve its objectives, generate profits or avoid losses.*

*Diversification does not ensure profit or protect against loss in a positive or declining market. Correlation is a statistical measure of how two securities move in relation to each other. Trend-following is a core managed futures strategy that generally seeks to profit from the continuation of medium to long-term directional price moves in a market. Specialized trading programs generally seek to capitalize on short-term market fluctuations often using trend or counter-trend strategies with a shorter time horizon. For example, being positioned long after market prices have moved higher for a period of time or positioned short after prices have moved lower for a period of time.*

# Portfolio Exposure

Investors are able to access a diverse group of managed futures trading disciplines, which may include long-term trend-following, short-term systematic trading, and counter trend or mean reversion strategies.

## MANAGED FUTURES MANAGER AND SUB-STRATEGY TARGET EXPOSURE<sup>1</sup> | As of December 31, 2013



The Fund may invest up to 25% of its total assets in a wholly-owned subsidiary, which in turn invests the majority of its assets in a portfolio of investments selected by an experienced portfolio management team at Altegris Advisors. These include investments in a combination of (1) securities of one or more commodity futures trading companies (e.g., underlying pools), (2) swaps, notes or similar derivatives structured to provide exposure to and the returns of managed futures strategies, and (3) investments intended to serve as collateral for such derivative positions (collectively, “managed futures investments”). These investments are selected with the aim of providing aggregate exposure to the managed futures managers shown below, as if 100% of the Fund’s total assets were invested in those managers.

*The Fund’s access to the managers listed above are presented to illustrate examples of the diversity of managers accessed by the Fund through its managed futures investments, but may not be representative of the Fund’s past, or its future, access and exposure to managed futures managers. It should not be considered a recommendation or investment advice.*

*With respect to the remainder of Fund assets not invested in managed futures investments via a wholly-owned subsidiary, the Fund pursues a fixed income strategy intended to generate interest income and to diversify returns generated by the managed futures managers listed above. The Fund’s fixed income strategy investments, including holdings of fixed income securities, cash, and cash equivalents, are not reflected or included in the managed futures manager exposure pie chart above.*

<sup>1</sup> *The managed futures investments selected by Altegris Advisors to gain exposure to the managed futures managers, sub strategies and programs are subject to change at any time, and any such change may alter the Fund’s access and percentage exposures to each such manager, sub-strategy and program. Although the Fund currently pursues its managed futures strategy by investing up to 25% of its total assets in a wholly-owned subsidiary, the Fund may also make managed futures investments directly, outside of such subsidiary.*

# Managed Futures Managers

The Altegris Managed Futures Strategy Fund provides access to what we believe are premier managed futures investment managers in an actively managed mutual fund.

## Winton Capital Management

- Founded in 1997, currently manages over \$24.2 billion in assets\*
- Led by scientist, David Harding, with 25-year track record
- One of world's leading systematic trading managers
- Pursues long-term trend following strategy
- Leader in empirical scientific research and financial mathematics
- Research team of over 100

### Past Awards:

- Best Managed Futures/CTA. *Hedgeweek Awards 2013*
- Best Directional Hedge Fund over 10 Years (2012). *Hedge Funds Review European Awards*
- Fund of the Year (2012). *Investors Choice Awards*
- Best Global Macro and Managed Futures Fund (2012). *Investors Choice Awards*
- Outstanding Contribution to the Hedge Fund Industry – David Harding (2012). *HFM Week European Performance Awards*



### David Winton Harding, Founder, Chairman and Head of Research

- One of the pioneers of trend-following systematic trading in Europe
- Graduated from Cambridge University with a First Class Honours degree in Natural Sciences specializing in Theoretical Physics
- In 1987, he formed Adam, Harding and Lueck Ltd ("AHL")
- In 1997, Mr. Harding founded Winton and continues to lead Winton's research efforts

## Quantitative Investment Management (QIM)

- Founded in 2003, currently manages over \$3.3 billion in assets\*
- Systematic, computerized trading models used in predicting price movements
- Management team has 50+ years of cumulative investment experience
- Principals and employee investment account for over 15% of firm's trading level



### Jaffray Woodruff, Co-Founder, Chairman, Chief Executive Officer and Head of Research

- 25 years of experience developing mathematical models for the financial markets
- Former director in the Treasury department for Société Générale, trading proprietary funds in futures, currencies and US equities
- Responsible for innovation and model improvements that underlies the firm's predictions, risk management and trading
- Graduated from the University of Virginia with a BS in Commerce
- In 2003, established QIM with co-founders Michael Geismar and Greyson Williams to trade client accounts

*\*Manager AUM as of September 2013. The Fund currently pursues its managed futures strategy through investments in securities that access returns of the managed futures managers described above.*

# Managed Futures Managers

The Altegris Managed Futures Strategy Fund provides access to what we believe are premier managed futures investment managers in an actively managed mutual fund.

## Cantab Capital Partners

- Founded in 2006, currently manages over \$4.3 billion in assets\*
- Staff of 30+ professionals based in Cambridge, UK; over 20 of which are focused on Research and Development
- Multi-model, multi-asset class approach to systematic trading strategies
- Industrial strength technology and operational infrastructure
- Robust risk management systems dynamically reallocate to target a finely calibrated, constant risk profile

### Past Awards:

- Best Hedge Fund Manager in Managed Futures (Winner). *Financial News Awards for Excellence in Institutional Hedge Fund Management Europe 2012*
- Best Managed Futures Hedge Fund (Winner). *Hedge Funds Review European Single Manager Awards 2012*
- Best New Alternative UCITS Fund (Nominated). *Hedge Funds Review European Single Manager Awards 2012*
- Best Managed Futures (CTA) over \$500 million (Winner). *HFM Week European Performance Awards 2012*
- Best Performing Systematic Macro Fund (Winner). *Hedge Fund Journal's UCITS Hedge Awards 2012*
- Best Managed Futures Fund (Nominated). *EuroHedge Awards 2012*



### Dr. Ewan Kirk, CEO, CIO and Partner

- Focus on research and development, risk management and managing Cantab's quantitative team
- Previously ran Goldman Sachs Strategies Group in Europe, responsible for all quantitative technology
- One of The 20 Rising Stars of Hedge Funds (2009)
- First Class degree in Natural Philosophy and Astronomy from the University of Glasgow
- Certificate in Advanced Study in Applied Mathematics from the University of Cambridge
- PhD in Mathematics (General Relativity) from the University of Southampton

## Capital Fund Management

- Founded in 1991, currently manages \$4.9 billion in assets firm-wide\*
- Staff of 120+ in Paris, New York and Tokyo, including 35 person research team of PhDs (most of them physicists)
- Focus on developing trading strategies based on a global and quantitative approach
- Rigorous risk management culture and discipline
- Registered with the CFTC, SEC, and AMF (France); member of Hedge Fund Standards Board (HFSB) and Alternative Investment Management Association (AIMA)

*\*Manager AUM as of September 2013. The Fund currently pursues its managed futures strategy through investments in securities that access returns of the managed futures managers described above.*

# Managed Futures Managers

The Altegris Managed Futures Strategy Fund provides access to what we believe are premier managed futures investment managers in an actively managed mutual fund.

## Lynx Asset Management AB

- Founded in 1999, currently manages over \$4.6 billion in assets\*
- Quantitatively-driven investment strategy with a focus on trend following
- Blends four distinct sub-groups of models across multiple time frames from short- to long-term outlooks

### Past Awards:

- Best European Hedge Fund in Managed Futures (2010, 2003 winner; 2008, 2004 nomination). *EuroHedge Awards*



### Svante Bergström, Portfolio Manager

- 25+ years of industry experience
- Prior experience includes quantitative analysis and portfolio management at Nordbanken
- BS in Economics and Business Administration from the Stockholm School of Economics
- In 1999, co-founded Lynx with Co-Portfolio Managers Jonas Bengtsson and Martin Sandquist

## Abraham Trading Company

- Salem Abraham registered as a CTA in 1988 before founding Abraham Trading Co. in 1990, currently manages over \$303 million in assets\*
- Systematic approach blending long-term trend following, short-term trend following, short-term momentum and mean reversion strategies
- Filtering techniques in certain strategies to avoid trades with adverse risk/reward characteristics
- Track record of 23+ years investing in global commodity futures markets

### Past Awards:

- HFM Top Managed Futures Fund over \$500 million (2011)
- *Barron's* Top 100 Hedge Funds (2009, 2008) (Based on previous three year track record)



### Salem Abraham, Founder and Principal

- 23+ years of trading and research experience
- Sole person responsible for trading decisions and continues to conduct research on trading strategies
- Previously owned seats and held full memberships at both the Chicago Board of Trade and the Chicago Mercantile Exchange
- Graduated *cum laude* with a BBA in Finance from the University of Notre Dame

*\*Manager AUM as of September 2013. The Fund currently pursues its managed futures strategy through investments in securities that access returns of the managed futures managers described above.*

# Altegris Managed Futures Strategy Fund Facts

## OBJECTIVE

The Fund seeks to achieve positive absolute returns in rising and falling equity markets with less volatility than major equity market indices.

## FUND ADVISER

Altegris Advisors, LLC

## FUND SUB-ADVISER

J.P. Morgan Investment Management Inc.

## SYMBOL & CUSIP

Class A: MFTAX-66537V351

Class C: MFTCX-66537V344

Class I: MFTIX-66537V336

Class O: MFTOX-66537X258

## MINIMUM INITIAL/SUBSEQUENT INVESTMENT

Class A: \$2,500 / \$250

Class C: \$5,000 / \$250

Class I: \$1,000,000 / \$250

Class O: \$2,500 / \$250

## INCEPTION DATE

Class A, Class I: August 26, 2010

Class C: February 1, 2011

Class O: March 13, 2013

## INCOME DISTRIBUTION

Annual

## ANNUAL FUND OPERATING EXPENSES

Expenses that you pay each year as a percentage of the value of your investment

	Class A*	Class C	Class I	Class O <sup>(1)</sup>
Management Fees	1.50%	1.50%	1.50%	1.50%
Distribution and/or Service (12b-1) Fees	0.25%	1.00%	0.00%	0.25%
Other Expenses <sup>(2)</sup>	0.45%	0.45%	0.45%	0.45%
Swap/Structured Note Fees and Expenses <sup>(3)</sup>	0.24%	0.24%	0.24%	0.24%
Remaining Other Expenses	0.21%	0.21%	0.21%	0.21%
Total Annual Fund Operating Expenses	2.20%	2.95%	1.95%	2.20%
Fee Waiver <sup>(4)</sup>	(0.06)%	(0.06)%	(0.06)%	(0.06)%
Total Annual Fund Operating Expenses After Fee Waiver	2.14%	2.89%	1.89%	2.14%
Expense Cap	1.90%	2.65%	1.65%	1.90%

\*The maximum sales charge (load) for class A is 5.75%. Class A share investors may be eligible for a reduction in sales charges.

<sup>(1)</sup> "Other Expenses" included for Class O shares are based on estimated amounts for the current fiscal year.

<sup>(2)</sup> "Other Expenses," include both the expenses of the Fund's consolidated wholly-owned subsidiary ("Subsidiary"), as well as any amounts paid to swap counterparties and structured note issuers, as investments in swaps and structured notes are the primary ways by which the Fund currently achieves exposure to managed futures strategies. Amounts paid to swap counterparties and structured note issuers will reduce the returns of the associated reference assets for such swaps and notes (generally "Underlying Pools" as defined below), which provide managed futures exposure.

<sup>(3)</sup> The cost of swap(s) and structured note(s) include only the costs embedded in the swap(s) and note(s) that reduce returns of the associated reference assets (i.e., Underlying Pools), but do not include the operating expenses of those reference assets. Returns of swap(s) and note(s) will be reduced, and their losses increased, by the operating expenses of the Underlying Pools used as reference assets, and such operating expenses may include management and performance fees of a Commodity Trading Advisor ("CTA") engaged by Underlying Pools, as well as Underlying Pool operation, administration and audit expenses. One or more of the Underlying Pools used as a reference asset for a swap(s) or note(s) may pay a performance fee to a CTA, even if the return of other reference assets associated with the swap(s)/note(s) is negative.

**The operating expenses of reference assets, which are not reflected in the Annual Fund Operating Expenses table above, are embedded in the returns of the associated swap(s)/note(s) and represent an indirect cost of investing in the Fund.** Generally, the management fees and performance fees of a CTA employed by the Underlying Pools that may be used as reference assets range from 0% to 2% of assigned trading level and 15% to 25% of the returns, respectively.

<sup>(4)</sup> The Fund's adviser has contractually agreed to reduce its fees and reimburse expenses of the Fund until at least October 31, 2014, to ensure the total Fund operating expenses after fee waiver and reimbursement will not exceed 1.90%, 2.65%, 1.65% and 1.90% of average daily net assets attributable to Class A, Class C, Class I and Class O shares, respectively, subject to possible recoupment in future years. This agreement may be terminated only by the Fund's Board of Trustees, on 60 days written notice to the adviser.

# Mutual Fund Risk

***Investors should carefully consider the investment objectives, risks, charges and expenses of the Altegris Managed Futures Strategy Fund. This and other important information about a Fund is contained in the Fund's Prospectus which can be obtained by calling (888) 524-9441. The Prospectus should be read carefully before investing. Funds are distributed by Northern Lights Distributors, LLC, member FINRA. Altegris Advisors and Northern Lights Distributors, LLC are not affiliated.***

## ***MUTUAL FUNDS INVOLVE RISK INCLUDING POSSIBLE LOSS OF PRINCIPAL.***

*Investing in commodity futures markets subjects the Fund to volatility as commodity futures prices are influenced by unfavorable weather, geologic and environmental factors, regulatory changes and restrictions. Trading on foreign exchanges and foreign investments including exposure to foreign currencies, involve risks not typically associated with U.S. investments, including fluctuations in foreign currency values, adverse social and economic developments, less liquidity, greater volatility, less developed or inefficient trading markets, political instability and differing auditing and legal standards. These risks are magnified in emerging markets.*

*The Fund's use of derivatives such as futures, swaps, structured notes, and options contracts expose the Fund to additional risks such as leverage risk, tracking risk and counterparty default risk that it may not be subject to if it invested directly in the underlying securities. Although futures contracts are generally liquid, under certain market conditions there may not always be a liquid secondary market. Option positions held may expire worthless and cause a loss. The use of leverage can increase share price volatility and magnify gains or losses, as well as cause the Fund to incur additional expenses.*

*The value of an investment in fixed income securities and derivatives will typically fall when interest rates rise. Other risks include credit risk which refers to an issuer's ability to make interest and principal payments when due. Below investment grade and high yield or junk bond debt is subject to heightened credit risk, liquidity risk, and risk of default.*

*The Fund may engage in short selling and short position derivative activities which are considered speculative and involve significant financial risk. Short positions profit from a decline in price so the Fund may incur a loss on a short position if the price increases. The potential for loss in shorting is unlimited. Shorting may also result in higher transaction costs which reduce return.*

*Investing in commodities through a controlled foreign corporation Subsidiary involves taxation and regulatory risk. Where applicable, income received from commodities-related investments will be passed through to the Fund as ordinary income, which may be taxed at less favorable rates than capital gains. Changes in applicable foreign and domestic laws could result in the inability of the Fund and/or Subsidiary to operate.*

*Underlying Pools in which the Subsidiary invests will pay management fees, commissions, operating expenses and performance based fees to each manager it retains. As a result, the cost of investing in the Fund may be higher than a mutual fund that invests directly in securities. There is no guarantee that any of the trading strategies used by the managers retained will be successful. The adviser's judgments about the investment expertise of each manager accessed may prove to be inaccurate and may not produce the desired results.*



# Important Considerations

*Alternative investments involve a high degree of risk and can be illiquid due to restrictions on transfer and lack of a secondary trading market. They can be highly leveraged, speculative and volatile, and an investor could lose all or a substantial amount of an investment. Alternative investments may lack transparency as to share price, valuation and portfolio holdings. Complex tax structures often result in delayed tax reporting. Alternative investment managers typically exercise broad investment discretion and may apply similar strategies across multiple investment vehicles, resulting in less diversification. Trading may occur outside the United States which may pose greater risks than trading on U.S. exchanges and in U.S. markets.*

*There are substantial risks and conflicts of interests associated with managed futures and commodities accounts, and you should only invest risk capital. The success of an investment is dependent upon the ability of a commodity trading advisor (CTA) to identify profitable investment opportunities and successfully trade. The identification of attractive trading opportunities is difficult, requires skill, and involves a significant degree of uncertainty. CTAs have total trading authority, and the use of a single CTA could mean a lack of diversification and higher risk. The high degree of leverage often obtainable in commodity trading can work against you as well as for you, and can lead to large losses as well as gains. Alternative investments may be subject to substantial charges for management and advisory fees. It may be necessary for accounts that are subject to these charges to make substantial trading profits in order to avoid depletion or exhaustion of their assets.*

## Altegris Advisors

*Altegris Advisors LLC is a CFTC-registered commodity pool operator, commodity trading advisor, NFA member, and SEC-registered investment adviser that advises alternative strategy mutual funds that may pursue investment returns through a combination of managed futures, global macro, long/short equity, long/short fixed income and/or other investment strategies.*

# About Altegris

Altegris searches the world to find what we believe are the best alternative investments. Our suite of alternative investment solutions are designed for financial professionals and individuals seeking to improve portfolio diversification.

With one of the leading research and investment groups focused solely on alternatives, Altegris follows a disciplined process for identifying, evaluating, selecting and monitoring investment talent across a spectrum of alternative strategies including managed futures, global macro, long/short equity, event-driven and others.

Veteran experts in the art and science of alternatives, Altegris guides investors through the complex and often opaque universe of alternative investing. Alternatives are in our DNA. Our very name, Altegris, highlights our singular focus on **alternatives**, the highest standards of **integrity**, and a process that constantly seeks to minimize investor **risk** while maximizing potential returns.

*The Altegris group of affiliated companies is wholly-owned and controlled by (i) private equity funds managed by Aquiline Capital Partners LLC and its affiliates ("Aquiline"), and by Genstar Capital Management, LLC and its affiliates ("Genstar"), and (ii) certain senior management of Altegris and other affiliates. Established in 2005, Aquiline focuses its investments exclusively in the financial services industry. Established in 1988, Genstar focuses its investment efforts across a variety of industries and sectors, including financial services. The Altegris companies include Altegris Investments, Altegris Advisors, Altegris Funds, and Altegris Clearing Solutions. As of December 31, 2013, Altegris had \$2.49 billion in client assets, and provided clearing services to \$623 million in institutional assets.*

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**ALTEGRIS ADVISORS**

888.524.9441

[www.altegris.com/mutualfunds](http://www.altegris.com/mutualfunds)

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