

Zeo Strategic Income Fund

	NAV	1M	3M	6M	YTD	1Y	2Y	3Y	5Y	10Y	Since Inception (31-May-2011)
<i>Month End (30-Sep-2012)</i>											
Zeo Strategic Income Fund	10.14	0.50%	1.69%	2.06%	4.02%	4.70%	n/a	n/a	n/a	n/a	2.88%
Barclays Aggregate Bond Index	1840.49	0.14%	1.59%	3.68%	3.99%	5.16%	5.21%	6.19%	6.53%	5.32%	6.57%
Total Fund Net Assets: \$34.2m											
<i>Last Quarter End (30-Sep-2012)</i>											
Zeo Strategic Income Fund	10.14	0.50%	1.69%	2.06%	4.02%	4.70%	n/a	n/a	n/a	n/a	2.88%
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ZEOIX – Total Annual Operating Expense Ratio: 1.91%

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. The Fund's investment adviser has contractually agreed to reduce its fees and/or absorb expenses of the fund, at least until August 31, 2013, to ensure that the net annual fund operating expenses will not exceed 1.50% for the Fund, subject to possible recoupment from the Fund in future years. Please review the Fund's prospectus for more detail on the expense waiver. Results shown reflect the waiver, without which the results could have been lower. 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.

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 differing auditing and legal standards.

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Commentary

The Zeo Strategic Income Fund (the "Fund") generated a total return of 0.50% in September compared to 0.14% for the Barclays Capital U.S. Aggregate Bond Index (the "Benchmark"). This month, in many ways, looked a lot like the previous month, with a strong rally in most broad markets in the first half that fizzled in the second half, though almost all still finished positive by a good margin. Volumes remained light for much of the month, furthering our skepticism that meaningful conclusions can be drawn from the observed strength. This is especially notable given the headlines driving the market rally, including a one-two punch from central banks: the European Central Bank with an unlimited bond purchase program and the US Federal Reserve with QE3. One might have expected more conviction and, in turn, more activity as a result.

While volumes did not necessarily increase meaningfully, liquidity was much improved this month, especially in the corporate debt markets, as new issuance continued at an aggressive pace and beta high yield funds experienced their first meaningful outflows in some time. Readers of our previous commentaries will recall our expectation that profit taking could govern the markets in the third quarter. We had already seen the most interesting opportunities in some time during the summer despite low volumes, and taken together with our observations from this past month, we see little reason to deviate from our cautious approach to the current markets. In our case, for example, this means that we must be patient in redeploying cash received from maturities and redemptions as we look to better entry points. However, we think those entry points may be imminent, and we believe it will make sense to become more aggressive over the next couple of months.

To that end, we are seeing a renewed opportunity in investments that have been sold as a direct result of an even more prolonged low interest rate environment. Specifically, we believe the bank loan asset class is of particular interest, as this type of investment has all the characteristics we believe to be crucial in a highly uncertain environment: analysis that is fundamental rather than technical in nature; limited downside with positive correlation to a rise in interest rates; relatively low volatility due to capital structure seniority; and a liquidity profile that favors investors over traders. Similar opportunities exist in certain convertible bonds. In this way, our portfolio remains consistent with our view that it is prudent to focus less on "trading beta" and more on investing fundamentally to create a diversified, all-weather profile.

There is no guarantee that any investment will achieve its objectives, goals, generate positive returns, or avoid losses.

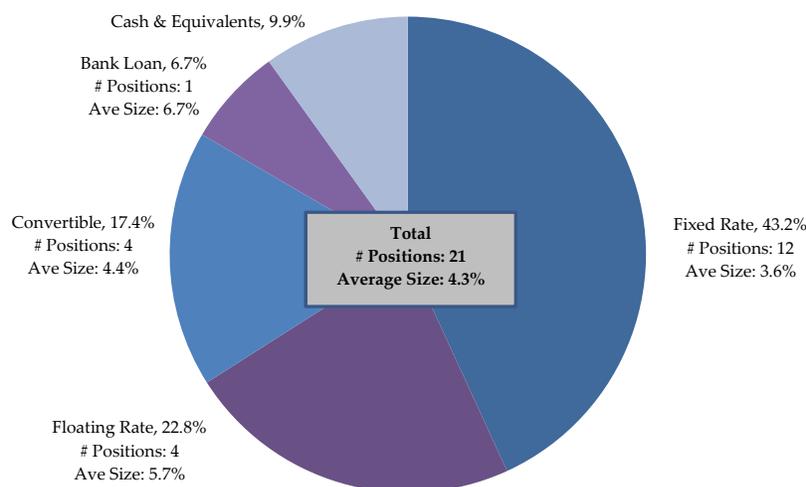
Portfolio Snapshot

Issuer	Instrument	Yield ¹	Maturity (yrs)	% of Portfolio
JetBlue Airways B-1 Spare Parts Pass Through Trust	JBLU 0 1/2/14	4.7%	1.26	10.7%
PEP Boys-Manny Moe & Jack	PBY 7.5 14	1.2%	0.21	6.9%
Collective Brands Inc	PSS TL B 1L USD	7.5%	6.96	6.7%
Collective Brands Inc	PSS 8.25 13	4.7%	0.08	6.6%
Lions Gate Entertainment Inc	LGF 10.25 16	3.8%	1.09	5.8%
Alcatel-Lucent USA Inc	ALUFP 2.75 25	5.8%	0.71	5.3%
Expedia Inc	EXPE 7.456 18	3.9%	5.88	5.2%
General Cable Corp	BGC 0 4/1/15	4.1%	2.50	5.1%
Live Nation Inc	LYV 2.875 27	4.0%	1.79	4.8%
Continental Airlines 2006-1 Class G Pass Through Trust	UAL 0 6/2/13	3.8%	0.67	4.8%
Euronet Worldwide Inc	EEFT 3.5 25	14.6%	0.04	4.8%
Kinross Gold Corp	KCN 1.75 28	1.6%	0.47	4.4%
SanDisk Corp	SNDK 1 13	3.0%	0.63	4.0%
Nash Finch Co	NAFC 1.6314 35	4.6%	0.46	2.5%
Dillard's Inc	DDS 6.625 18	5.4%	5.29	2.4%
Neenah Paper Inc	NP 7.375 14	0.9%	0.13	2.4%
Hanesbrands Inc	HBI 0 12/15/14	4.0%	0.05	2.2%
Dillard's Inc	DDS 7.85 12	7.9%	0.00	2.1%
Sabine Pass LNG LP	CQP 7.25 13	1.6%	1.17	1.7%
Rentech Inc	RTK 4 13	5.9%	0.54	1.6%
Washington Mutual Inc	WM 0 09	0.0%	0.25	0.0%

¹ Before fees and expenses

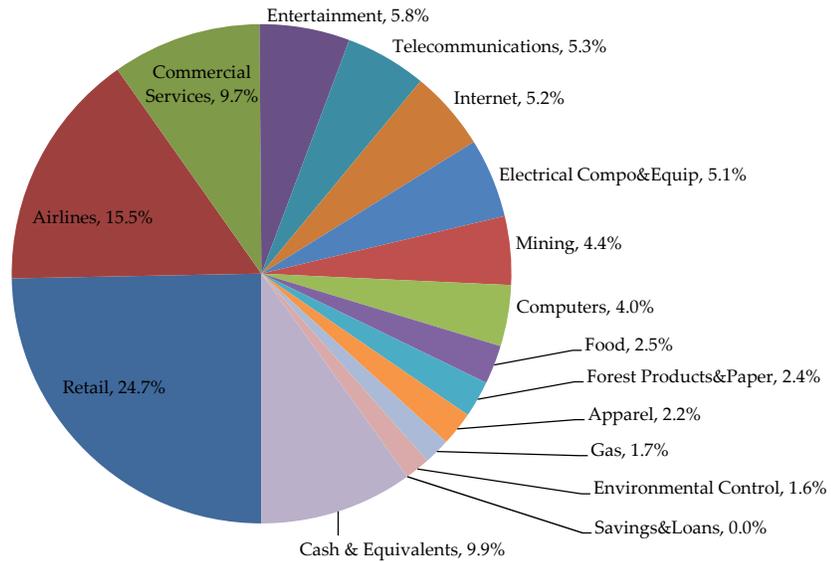
Portfolio holdings are subject to change at any time and should not be considered investment advice. Yields presented are those of portfolio holdings and do not represent that of the Fund.

By Asset Class

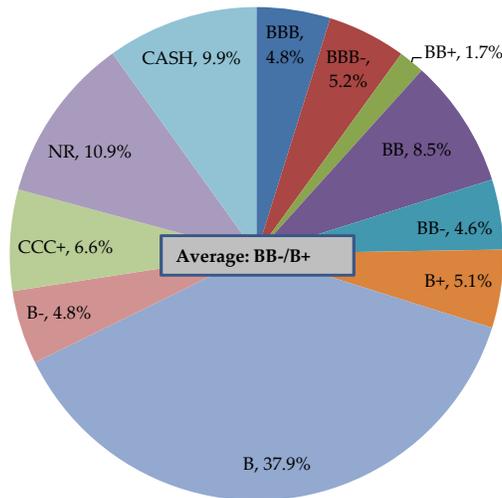


Each of these asset classes has its own set of investment characteristics and risks and investors should consider these risks carefully prior to making any investments.

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.