

Zeo Strategic Income Fund

	NAV	1M	3M	6M	YTD	1Y	2Y	3Y	5Y	10Y	Since Inception (31-May-2011)
<i>Month End (31-Jan-2014)</i>											
Zeo Strategic Income Fund	10.14	0.59%	1.69%	2.79%	0.59%	4.15%	4.46%	n/a	n/a	n/a	3.50%
Barclays Aggregate Bond Index	1833.76	1.48%	0.53%	1.78%	1.48%	0.12%	1.35%	3.73%	4.93%	4.62%	3.09%
<i>Total Fund Net Assets: \$63.7m</i>											
<i>Last Quarter End (31-Dec-2013)</i>											
Zeo Strategic Income Fund	10.08	0.50%	1.79%	3.05%	4.21%	4.21%	4.47%	n/a	n/a	n/a	3.38%
Barclays Aggregate Bond Index	1807.06	-0.57%	-0.14%	0.43%	-2.02%	-2.02%	1.05%	3.26%	4.44%	4.55%	2.61%

ZEOIX – Total Annual Operating Expense Ratio: 1.52%

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, 2014, 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") gained 0.59% for the month of January, compared to 1.48% for the Barclays Capital U.S. Aggregate Bond Index (the "Benchmark"). The U.S. equity markets had their first January decline since 2010, leaving many investors scrambling to reconcile their bullish equity outlooks for 2014. Emerging markets declined even more. In particular, Bloomberg reports that the basket of emerging market currencies they track has fallen to its lowest level since April 2009 as global investors flee to assets denominated in more stable currencies. Meanwhile, for the bearish investor, high grade bond indices experienced gains that recovered much of the price declines experienced in 2013 and interest rates once again ended lower. Even the broad high yield markets, traditionally correlated with equities, increased as investors renewed their search for the elusive balance between capital preservation and returns.

The good news for equity investors is that, while January is generally perceived as a reliably positive month, the reality is less clear, and a decline in the first month of the year hasn't historically had much predictive value. Similarly, fixed income investors may not want to project January as a sign of the year to come. It's just as likely, if not more so, that the decline in interest rates in January was an output of a temporary flight to quality as it was the result of a shift in market sentiment about the future of Fed policy. In addition, we were reminded of the unpredictable nature of the markets regardless of one's level of conviction. Specifically, what may be the coldest winter in twenty years sent natural gas prices to their highest levels in over two years, up 50% in just the last three months. We take this opportunity to remind readers of our long-held view that investors are best served by seeking strategies that aren't undermined by uncertainty.

To that end, we have observed an encouraging shift in favor of liquid alternative strategies that aim to be less reliant upon a directional view on interest rates or any given asset class, but as with any market trend, we urge caution. As we have written many times, it's important to remember that there is no free money. If it appears that a strategy can reduce a risk without an offsetting drop in expected return, it's highly likely that one is simply getting paid for a new and different risk. While we do not argue that this is bad in and of itself, it's prudent for investors to affirm the risks they are taking. For example, we are cautious of financing risk in a market where a rise in short-term rates or a reduction of low-cost capital could severely impair the economics of leveraged investments; we prefer the virtues of simplicity in uncertain times. But whatever risk profile you use to manage for uncertainty, it's critical that you get what you think you are getting. While we find it unwise to draw conclusions from January with respect to specific market directions, we believe the prudent investor can use the volatility to evaluate early on whether his non-traditional investments behaved as expected. After a few false corrections in the last few years, perhaps the rubber will finally meet the road in 2014, and if it does, it's wise to be prepared.

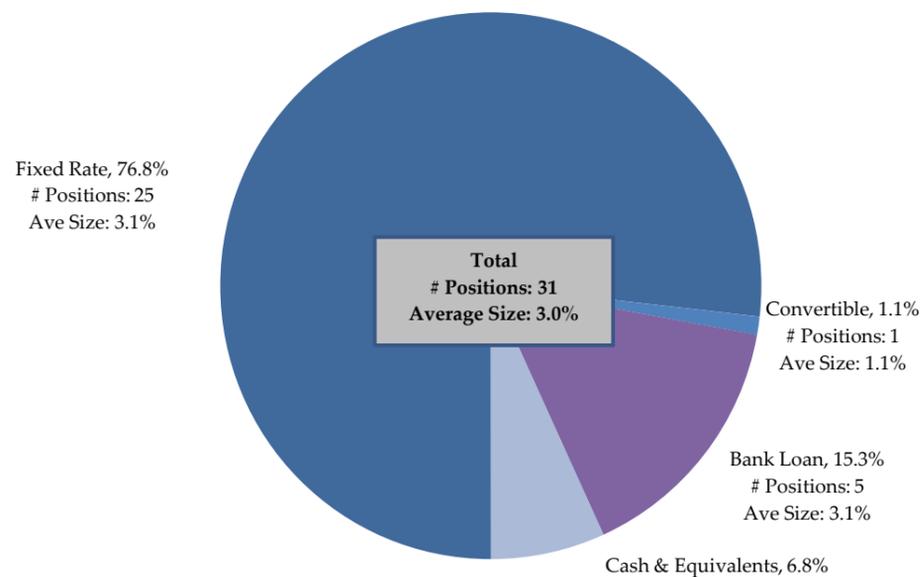
There is no guarantee that any investment will achieve its objectives, goals, generate positive returns, or avoid losses.

Portfolio Snapshot

Issuer	Instrument	Yield ¹	Maturity (yrs)	% of Portfolio
FMG Resources August 2006 Pty Ltd	FMGAU 6.875 18	3.9%	0.09	7.7%
Hillman Group Inc/The	HILCOS 10.875 18	2.7%	0.34	7.0%
Columbus McKinnon Corp/NY	CMCO 7.875 19	3.0%	1.00	6.2%
Packaging Dynamics Corp	PKDY 8.75 16	1.5%	0.09	5.1%
Burger King Capital Holdings LLC / Burger King Capital Fina	BKC 0 19	4.4%	1.21	4.7%
ManTech International Corp/VA	MANT 7.25 18	1.4%	0.21	4.5%
Sizzling Platter LLC / Sizzling Platter Finance Corp	SIZPLT 12.25 16	4.1%	0.21	4.3%
DAE Aviation Holdings Inc	DAEAVI 11.25 15	10.4%	0.09	4.1%
Goldcorp Inc	GCN 2 14	0.6%	0.50	3.9%
Ascensus Inc	ASCENS TL 2L USD	9.8%	6.91	3.7%
Collective Brands Inc	PSS TL B 1L USD	7.8%	5.74	3.6%
Mueller Water Products Inc	MWA 7.375 17	1.1%	0.34	3.6%
Dillard's Inc	DDS 6.625 18	3.0%	3.96	3.5%
Great Lakes Dredge & Dock Corp	GLDD 7.375 19	5.5%	3.00	3.5%
Blue Coat Systems Inc	BCSI TL B 1L USD	5.2%	5.37	3.2%
Alliance HealthCare Services Inc	AIQ TL DD 1L USD	5.1%	5.38	3.2%
Sabine Pass LNG LP	CQP 7.5 16	4.3%	2.83	3.2%
Horsehead Holding Corp	ZINC 10.5 17	5.3%	2.34	2.7%
Expedia Inc	EXPE 7.456 18	3.2%	4.54	2.4%
AEP Industries Inc	AEPI 8.25 19	2.5%	0.21	2.3%
Smith & Wesson Holding Corp	SWHC 5.875 17	5.5%	2.38	2.2%
FMG Resources August 2006 Pty Ltd	FMGAU 7 15	1.1%	0.12	2.0%
Blue Coat Systems Inc	BCSI TL 2L USD	9.9%	6.47	1.7%
Catalina Marketing Corp	CHKOUT 11.625 17	5.5%	0.67	1.6%
Grifols Inc	GRFSM 8.25 18	5.1%	1.00	1.1%
Headwaters Inc	HW 2.5 14	2.5%	0.00	1.1%
Fly Leasing Ltd	FLY 6.75 20	6.4%	5.88	0.8%
Allison Transmission Inc	ALSN 7.125 19	3.0%	1.29	0.2%
Dillard's Inc	DDS 7.13 18	3.4%	4.50	0.1%
Ethan Allen Global Inc	ETH 5.375 15	2.6%	1.67	0.1%
Washington Mutual Inc	WM 0 09	0.0%	0.00	0.0%

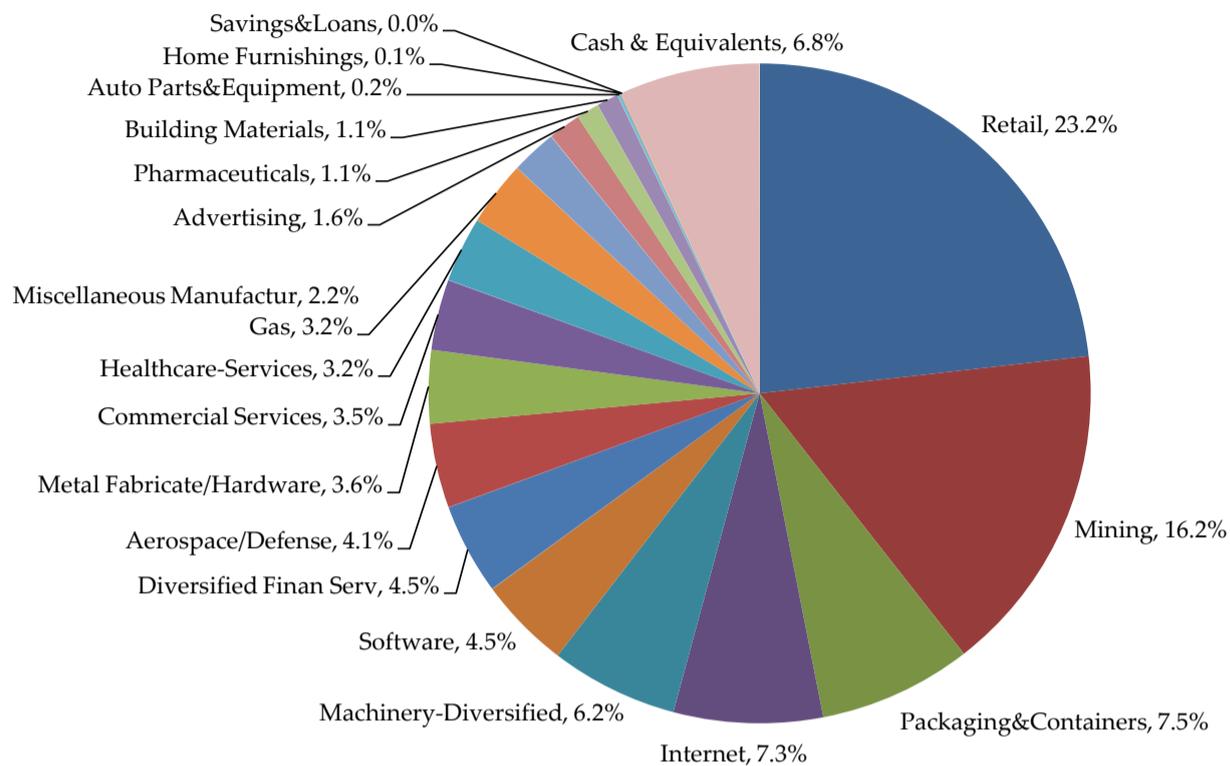
¹ Before fees and expenses

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.

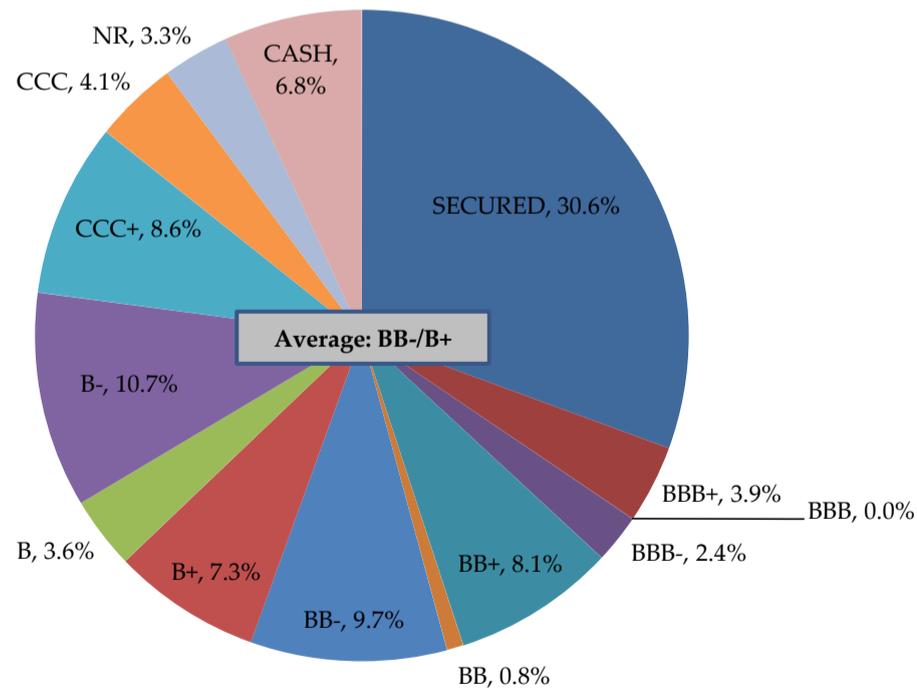
By Asset Class


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.