Introducing the Next Generation in Managed Futures

**Altegris Futures Evolution Strategy Fund**

*For the first time, this actively managed Fund brings together what we believe are best-of-breed managed futures and fixed income managers.*

**Fixed Income**
- Utilize the capabilities of an experienced fixed income manager, DoubleLine Capital LP.
- Allocate between three principal fixed income strategies managed by the sub-adviser.

**Managed Futures**
- Access the capabilities of experienced managed futures managers, Winton Capital Management and ISAM.
- Utilize investment adviser asset allocation and investment skill to allocate to managed futures managers.
- Gain full exposure to managed futures managers through the use of notional funding.

*There is no guarantee that any investment product will achieve its objectives, generate profits or avoid losses. For a definition and an example of notional funding see page 15.*
Managed futures is an asset class managed by professional investment managers who use their own trading systems to invest in futures and options contracts. The flexible nature of this strategy gives managers the opportunity to potentially profit from both up and down markets.

**Long or Short Positions**
The ability to go long or short gives managers the opportunity to potentially profit from both positive and negative developments.

**Multiple Asset Classes**
Managed futures have the ability to gain exposure to four major asset classes: stocks, bonds, currencies, commodities.

**Various Trading Disciplines**
Managed futures managers utilize a variety of trading disciplines, including trend-following and specialized, across multiple global markets simultaneously.

Not all managed futures managers trade across all asset classes. Short: selling an asset/security that may have been borrowed from a third party with the intention of buying back at a later date. Short positions profit from a decline in price. Long: buying an asset/security that gives partial ownership to the buyer of the position. Long positions profit from an increase in price. If a short position increases in price, covering the short position at a higher price may result in a loss. Specialized: specialized managed futures strategy that generally seeks to make profits by capitalizing on the short-term fluctuations in a market. A wide variety of techniques may be employed, but are often similar to trend or counter-trend strategies applied with a shorter time horizon. Trend-following: core managed futures strategy that generally seeks to profit from the continuation of medium to long-term directional price moves in a market. For example, trend-following managers will generally be positioned long after prices in a market have moved higher for a period of time and they will generally be positioned short after prices in a market have moved lower for a period of time.

There is no guarantee that any investment product will achieve its objectives, generate profits or avoid losses. The success of an investment is dependent upon the ability of a managed futures manager 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. 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. Managers may trade highly illiquid markets, or on foreign markets, and may not be able to close or offset positions immediately upon request. You can lose all or a substantial amount of your investment. Managed futures and commodities accounts may be subject to substantial charges for management and advisory fees. PAST PERFORMANCE IS NOT INDICATIVE OF FUTURE RESULTS.
Why Managed Futures?

Managed futures have historically withstood a number of major market scenarios. Since 2000, US stocks gained 21%. Over the same time period, managed futures gained 125%, as exhibited below.

Managed futures have followed a different path and have exhibited historically low correlation versus US stocks. Adding low correlated assets to a portfolio has potential diversification benefits and may reduce the overall risk of a portfolio.

Of course, there is no guarantee that any investment will achieve its objectives, generate profits or avoid losses. The total return of an investment is only one measure of performance. See page 14 for performance returns over various time frames. Performance should never be the sole consideration when making an investment decision.

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**MANAGED FUTURES PERFORMANCE: VALUE OF AN INITIAL $1,000 INVESTMENT | July 2000–March 2012**

- **$0** to **$3000**
- **Tech Wreck** 09/00-09/02
- **Bull Market** 10/02-09/07
- **Credit Crisis** 10/07-02/09
- **Bull Market** 03/09-

**Managed Futures**
- $2,251
- 125%

**US Stocks**
- $1,207
- 21%

**PAST PERFORMANCE IS NOT INDICATIVE OF FUTURE RESULTS.** Correlation is a statistical measure of how two securities move in relation to each other. US stocks represented by S&P 500 Total Return Index; managed futures represented by Altegris 40 Index® (started in July 2000; data is available back to 1990). The referenced indices are shown for general market comparisons and are not meant to represent any particular Fund. An investor cannot invest directly in an index. Moreover, indices do not reflect commissions or fees that may be charged to an investment product based on the index, which may materially affect the performance data presented. There is no guarantee an investment will achieve its objective, generate profits or avoid losses. The S&P 500 Total Return Index is the total return version of the S&P 500 Index, which is unmanaged and generally representative of certain portions of the U.S. equity markets. The Altegris 40 Index tracks the performance of the 40 leading managed futures programs, by ending monthly equity (assets) for the previous month, as reported to Altegris. See page 16 for additional definitions, descriptions, and risks of managed futures and US stocks.
Sample Structure: Managed Futures

Managed futures funds allocate approximately **25%** to their managed futures strategy and **75%** to fixed income, which usually is invested in highly liquid, short-term, high-quality securities. The allocation to managed futures utilizes a principal called notional funding, which simply means that the **25%** allocation to managed futures is invested as if **100%** of the assets were invested.

**STRUCTURE OF A MANAGED FUTURES FUND**

- **$100 Investment**
  - Up to **$25** Managed Futures
  - **$75** Fixed Income
  - **$75** Liquid, Short-term Fixed Income

- Designed to generate interest income by investing in a variety of investment grade fixed income securities.
- Invested in highly liquid, short-term, high-quality securities.

- Designed to capture returns related to trends in the commodity and financial futures markets by investing in managed futures strategies.
- An investor is able to gain full exposure to managed futures managers through the use of notional funding.

*The above chart is for illustrative purposes only and is not meant to represent any particular fund. There is no guarantee that any investment will achieve its objectives, generate profits or avoid losses. The allocation ranges of any particular fund to each strategy may be higher or lower. For a definition and an example of notional funding see page 15.*
The Altegris Futures Evolution Strategy Fund (EVOAX) adviser may allocate up to 25% of fund assets to securities that access managed futures. This portion of the Fund will attempt to maintain 100%* exposure to managed futures strategies, similar to the structure of a typical managed futures fund.

The key differentiator of the Altegris Futures Evolution Strategy Fund is the fixed income allocation. The remaining allocation designated to fixed income is actively managed across various fixed income strategies by the sub-adviser, DoubleLine Capital LP. This active fixed income approach has the ability to invest in securities of varying credit quality or maturity.

For additional information about Fund allocations and exposures, see the Principal Investment Strategies section of the Prospectus.

* Typical managed futures strategy exposure in the Fund will be 100%, up to a maximum of 125%.
† Typically, 70%–80% of the Fund’s total net assets will be invested in fixed income strategies.

The Fund seeks to achieve its investment objectives by allocating its assets between a managed futures strategy and a fixed income strategy. The Fund may invest up to 25% of its total assets in a wholly owned subsidiary, which will invest in underlying managed futures securities. The remainder is invested in fixed income strategies. However, the allocation ranges to each strategy may be higher or lower. The Fund may invest in managed futures as if 100% to 125% of the portfolio is invested in managed futures programs. There is no guarantee that any investment product will achieve its objectives, generate profits or avoid losses. PAST PERFORMANCE IS NOT INDICATIVE OF FUTURE RESULTS. For additional information see the Prospectus. For a definition and an example of notional funding see page 15.
The Fund may invest up to 25% of its total assets in a wholly-owned subsidiary, which will invest in each of the following managed futures securities with the aim of providing 100%* aggregate exposure to the managed futures programs selected by Altegris Advisors.

For additional information about Fund allocations and exposures, see the Principal Investment Strategies section of the Prospectus.

* Typical managed futures strategy exposure will be 100%, up to a maximum of 125%.
† Typically, 70%—80% of the Fund’s total net assets will be invested in fixed income strategies.
‡ Total exposure of the Fund will range from 170% to no more than 200%.

Portfolio holdings, investment strategies, and managed futures exposures are presented to illustrate examples of allocations the adviser expects the Fund to have and the diversity of areas in which the Fund may be invested, and may not be representative of the Fund’s current or future holdings or exposures. Portfolio holdings and managed futures exposures are subject to change at any time and should not be considered investment advice.
Managed Futures Managers

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

Meet Winton Capital Management

› Founded in 1997, currently manages over $28 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
› Winner of “Best Hedge Fund over 10 Years on a Risk Adjusted Basis” at Hedge Funds Review European Performance Awards (2009 and 2008)
› Winner of “Best Operator in Managed Futures—Single Manager Hedge Funds” at Financial News Excellence in Hedge Funds Operations Awards (2008)

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

Meet ISAM

› Founded in 2003, currently manages over $700 million in assets**
› Led by Stanley Fink, former CEO of Man Group
› Medium-term systematic trend follower
› Launched ISAM Systematic as its flagship fund in May 2010
› BarclayHedge Top 20 Performing CTA over past five years (ranked by compound annual return five years ending September 2011)
› Winner of HFM European Performance Awards 2011—Top Performing Managed Futures (CTA) under $500 million in 2010; nominated for Eurohedge Award in 2010—Top Performing Managed Futures (CTA); nominated for Hedge Funds Review European Performance Awards—Top Performing Managed Futures (CTA) in 2010

Stanley Fink, Chief Executive Officer

› Joined Man in 1987 with responsibility for planning, strategy, mergers and acquisitions
› Became Managing Director of the fund management business in 1996 and Group Chief Executive in 2000
› Fund management grew from just under $1 billion at the start of his stewardship to almost $80 billion by 2008
› Joined ISAM in 2008 as Chief Executive

* As of January 2012
** As of October 2011

The Fund currently pursues its managed futures strategy through investments in securities that access returns of the managed futures managers described above. The managed futures strategy portfolio holdings, investment strategies, and allocations are presented to illustrate examples of investment allocations the adviser expects the Fund to have and the diversity of areas in which the Fund may be invested, and may not be representative of the Fund’s current or future investments. Portfolio holdings are subject to change and should not be considered investment advice.
Sub-adviser: DoubleLine Capital LP

Meet DoubleLine

The fixed income component of the Altegris Futures Evolution Strategy Fund is managed by the sub-adviser, DoubleLine Capital LP. DoubleLine, cofounded by Jeffrey Gundlach, is an independent, employee-owned asset management firm, whose objective is to deliver better risk-adjusted fixed income returns to its clients. DoubleLine’s Fixed Income Asset Allocation team of portfolio managers have worked together for an average of 10+ years, each with over 20+ years of industry experience.

Jeffrey E. Gundlach, CEO and CIO, Co-founder

► Leading expert on fixed income investments and asset allocation
► Former TCW Chief Investment Officer and head of fixed income activities
► Graduate of Dartmouth College (summa cum laude) with BA in Mathematics and Philosophy
► Attended Yale University as PhD candidate in Mathematics
► Morningstar’s Fixed Income Manager of the Year (winner in 2006, nominated multiple years)
► Morningstar’s Fixed Income Manager of the Decade nomination (2009)
► SmartMoney Power 30 and one of seventeen most influential people by The Mutual Fund Wire
► Called the “King of Bonds” by Barron’s magazine
► Fund Leader of the Year (2010) by Fund Action and one of Fortune magazine’s Investor’s Guide “Mutual Fund All Stars”

DOUBLELINE INVESTMENT PROCESS

The following are general principles embedded across the various investment groups at DoubleLine.

Risk Analysis

► Quantitative and qualitative analysis
► Risk relationship between investments

Security Selection

► Offer greater potential payoff than potential loss
► Based on potential to build par value

Portfolio Construction

► Aim to outperform under a range of future scenarios
► Avoids risk-taking based on unidirectional forecasts

Active Management

► Portfolio managers actively head trading operations
► Experience provides examination of time-sensitive market opportunities

There is no guarantee that any investment will achieve its objectives, generate profits or avoid losses. Source: DoubleLine Capital LP.

1 February 21, 2011 edition
Sub-adviser: DoubleLine’s Strategies

Individual Fixed Income Sub-strategies

The Altegris Futures Evolution Strategy Fund invests approximately 75% of its assets in an active fixed income approach, which is managed by sub-adviser DoubleLine Capital LP. The amount allocated to any individual fixed income strategy may be between 0% and 100% of amounts allocated to the fixed income strategy. The adviser anticipates it will, under normal circumstances, allocate some portion to each of the sub-adviser’s strategies at any given time.

Core Fixed Income
Allocation: 0%-100%*

The sub-adviser uses a controlled risk approach to invest across various fixed income instruments. The sub-adviser utilizes active asset allocation in managing investments and monitors the duration of the securities allocated to the strategy to mitigate exposure to interest rate risk. Intends to seek to construct an investment portfolio with a weighted average effective duration of no less than two years and no more than eight years.

Low Duration
Allocation: 0%-100%*

The sub-adviser portfolio manager typically uses a controlled risk approach. Under normal circumstances, strategy assets are invested primarily in fixed income and other income-producing instruments rated investment grade and in unrated securities considered by the sub-adviser to be of comparable credit quality. The sub-adviser will normally seek to construct an investment portfolio with a dollar-weighted average effective duration of three years or less.

Opportunistic Income
Allocation: 0%-30%*

Invests primarily in fixed income instruments and other investments including mortgage-backed securities; corporate bonds, including high-yield bonds; municipal bonds; and securities of real estate investment trusts. Only when a potential investment has passed the sub-adviser’s careful screening, through qualitative and quantitative analysis, will it be added to this sub-strategy portfolio. The sub-adviser places no limits on the duration of this sub-strategy's investment portfolio.

See page 18 for the potential risks associated with these sub-strategies.

* The allocations above represent the allowable percentage that may be allocated to each sub-strategy within the Fund’s fixed income strategy. The Fund also holds managed futures securities, cash, and cash equivalents, which are excluded from the allocations shown above. There is no guarantee that any investment will achieve its objectives, generate profits or avoid losses.
The Altegris Futures Evolution Strategy Fund is a ground-breaking fund that combines active management of its managed futures managers with an active fixed income approach.

The Altegris Futures Evolution Strategy Fund’s fixed income strategy employs one of the premier fixed income investment managers, DoubleLine Capital, to identify and select potential opportunities in an ever-evolving market environment.

This Fund gives investors access to what we believe are premier managed futures managers.

Potential benefits include:

➤ Active managed futures management
➤ Active fixed income management
➤ Daily liquidity
➤ Low minimum investment
➤ No investor qualifications
➤ 1099 tax reporting
➤ Individual and institutional share classes available

The Fund utilizes two principal strategies: managed futures and fixed income. The Fund may invest up to 25% of its total assets in a wholly owned subsidiary, which will invest in underlying managed futures securities. The remainder is invested in fixed income strategies. However, the allocation ranges to each strategy may be higher or lower. The Fund may invest in managed futures as if 100% to 125% of the portfolio is invested in managed futures programs. There is no guarantee that any investment product will achieve its objectives, generate profits or avoid losses. PAST PERFORMANCE IS NOT INDICATIVE OF FUTURE RESULTS. For additional information see the Prospectus. For an example of notional funding see page 15.
**STRATEGY**

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

Utilizes investment adviser asset allocation and investment skill to allocate between managed futures strategies.

Capital allocated to fixed income will be invested in an active fixed income approach managed by the sub-adviser.

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<table>
<thead>
<tr>
<th>Class A</th>
<th>Class C</th>
<th>Class I</th>
<th>Class N</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fund Expenses Excluding Underlying Pool Expenses¹</td>
<td>2.30%</td>
<td>3.05%</td>
<td>2.05%</td>
</tr>
<tr>
<td>Fee Waiver</td>
<td>-0.05%</td>
<td>-0.05%</td>
<td>-0.05%</td>
</tr>
<tr>
<td>Fund Expenses As Limited by Fee Waiver</td>
<td>2.25%</td>
<td>3.00%</td>
<td>2.00%</td>
</tr>
<tr>
<td>Underlying Pool Fees and Expenses²</td>
<td>1.26%</td>
<td>1.26%</td>
<td>1.26%</td>
</tr>
<tr>
<td>Total Annual Fund Operating Expenses After Fee Waiver including Underlying Pool Expenses³</td>
<td>3.51%</td>
<td>4.26%</td>
<td>3.26%</td>
</tr>
</tbody>
</table>

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¹ Fund expenses include the estimated expenses of the Fund and the Fund’s consolidated wholly-owned subsidiary (“Subsidiary”), which are included in the expense cap, but exclude the estimated expenses of Underlying Pools in which the Fund may invest, which are not included in the expense cap.

² The underlying pool fees and expenses include the estimated investment advisory fees (excluding performance fees) and expenses incurred by underlying pools in which the subsidiary invests. It is anticipated that the expenses of the underlying pools will be reflected in the Fund’s consolidated financial statements. The estimate excludes performance fees which may be paid by the underlying pools. Performance fees cannot be meaningfully estimated and range from 15% to 25% of the profits of an underlying pool. More information regarding the subsidiary and investments made in underlying pools to pursue the Fund’s managed futures strategy can be found in the “Principal Investment Strategies” section of the Prospectus.

³ Fee waiver and reimbursement arrangements can decrease the Fund’s expenses and boost its performance. See the Fund’s prospectus for additional detail on the fee waiver.

The Fund’s adviser has contractually agreed to reduce its fees and to reimburse expenses, at least until October 31, 2012, to ensure that total annual Fund operating expenses after fee waiver and reimbursement (exclusive of any taxes, interest, brokerage commissions, expenses incurred in connection with any merger or reorganization, indirect expenses, expenses of other investment companies or Underlying Pools in which the Fund may invest, or extraordinary expenses such as litigation) will not exceed 2.25%, 3.00%, 2.00% and 2.25% of average daily net assets attributable to Class A, Class C, Class I and Class N 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.
### Index Historical Performance

#### ANNUALIZED RETURNS: 10-, 5-, 3-, AND 1-YEAR COMPARISON

As of 31 March 2012

<table>
<thead>
<tr>
<th></th>
<th>10-Year Apr 02–Mar 12</th>
<th>5-Year Apr 07–Mar 12</th>
<th>3-Year Apr 09–Mar 12</th>
<th>1-Year Apr 11–Mar 12</th>
</tr>
</thead>
<tbody>
<tr>
<td>Managed Futures</td>
<td>6.79%</td>
<td>4.79%</td>
<td>0.36%</td>
<td>-3.56%</td>
</tr>
<tr>
<td>US Stocks</td>
<td>4.11%</td>
<td>2.01%</td>
<td>23.41%</td>
<td>8.53%</td>
</tr>
</tbody>
</table>

#### ANNUALIZED STANDARD DEVIATION: 10-, 5-, 3-, AND 1-YEAR COMPARISON

As of 31 March 2012

<table>
<thead>
<tr>
<th></th>
<th>10-Year Apr 02–Mar 12</th>
<th>5-Year Apr 07–Mar 12</th>
<th>3-Year Apr 09–Mar 12</th>
<th>1-Year Apr 11–Mar 12</th>
</tr>
</thead>
<tbody>
<tr>
<td>Managed Futures</td>
<td>10.51%</td>
<td>9.64%</td>
<td>8.96%</td>
<td>8.34%</td>
</tr>
<tr>
<td>US Stocks</td>
<td>15.92%</td>
<td>18.92%</td>
<td>16.00%</td>
<td>16.08%</td>
</tr>
</tbody>
</table>

#### CORRELATION: 10-, 5-, AND 3-YEAR COMPARISON

As of 31 March 2012

<table>
<thead>
<tr>
<th></th>
<th>10-Year Apr 02–Mar 12</th>
<th>5-Year Apr 07–Mar 12</th>
<th>3-Year Apr 09–Mar 12</th>
</tr>
</thead>
<tbody>
<tr>
<td>Managed Futures–US Stocks</td>
<td>-0.10</td>
<td>-0.08</td>
<td>0.14</td>
</tr>
</tbody>
</table>

**PAST PERFORMANCE IS NOT INDICATIVE OF FUTURE RESULTS.** Correlation is a statistical measure of how two securities move in relation to each other. Standard deviation is a statistical measure of how consistent returns are over time; a lower standard deviation indicates historically less volatility. US stocks represented by S&P 500 Total Return Index; managed futures represented by Altegris 40 Index® (started in July 2000; data is available back to 1990). The referenced indices are shown for general market comparisons and are not meant to represent any particular Fund. Moreover, indices do not reflect commissions or fees that may be charged to an investment product based on the index, which may materially affect the performance data presented. There is no guarantee an investment will achieve its objective, generate profits or avoid losses. The S&P 500 Total Return Index is the total return version of the S&P 500 Index, which is unmanaged and generally representative of certain portions of the U.S. equity markets. The Altegris 40 Index tracks the performance of the 40 leading managed futures programs, by ending monthly equity (assets) for the previous month, as reported to Altegris. As of March 2012.
Notional Funding Example

Each Underlying Pool, or share classes of the Underlying Pool, is managed by a manager or trading adviser, pursuant to a proprietary strategy. The Underlying Pools use a form of leverage often referred to as “notional funding” - that is the nominal trading level for an Underlying Pool will exceed the cash deposited in its trading accounts. For example if the Underlying Pool manager wants the Underlying Pool to trade a $10,000,000 portfolio (the “nominal trading level”) the Underlying Pool’s margin requirement may be $500,000. The Underlying Pool can either deposit $10,000,000 to “fully fund” the account or can deposit only a portion of the $10,000,000, provided that the amount deposited meets the account’s ongoing minimum margin requirements. The difference between the amount of cash deposited in the account and the nominal trading level of the account is referred to as notional funding. The use of notional funding (i.e., leverage) will increase the volatility of the Underlying Pools. In addition, the leverage may make the Underlying Pools subject to more frequent margin calls. However, additional funds to meet margin calls are available only to the extent of an Underlying Pool’s assets and not from the Subsidiary or the Fund. Underlying Pool management fees are based on the nominal trading level and not the cash deposited in the trading account. For illustration purposes only, assume an Underlying Pool has assets of $50 million. The Underlying Pool is notionally funded and uses a nominal trading level of $200 million. The Underlying Pool pays its manager an annual management fee of 2% of the nominal account size, or $4,000,000. While the management fee represents 2% of the nominal account size ($200 million), the management fee represents 8% of the cash deposited ($50 million) in the Underlying Pool’s trading account.

EXAMPLE OF NOTIONAL FUNDING

There is no guarantee that any investment will achieve its objectives, generate profits or avoid losses. To stay flexible and to respond to various changes in market conditions, the allocation ranges to each strategy may be higher or lower. For additional information see page 16 of the Prospectus.
Index Definitions, Characteristics and Risks

**US Stocks / S&P 500 Total Return Index.** The S&P 500 Total Return Index is the total return version of S&P 500 index. The S&P 500 index is unmanaged and is generally representative of certain portions of the U.S. equity markets. For the S&P 500 Total Return Index, dividends are reinvested on a daily basis and the base date for the index is January 4, 1988. All regular cash dividends are assumed reinvested in the S&P 500 index on the ex-date. Special cash dividends trigger a price adjustment in the price return index.

*Characteristics:* 500 US stocks; weighted towards large capitalizations

*Key Risks:* stock market risk—stock prices may decline

**Managed Futures / Altegris 40 Index®.** The Altegris 40 Index® tracks the performance of the 40 leading managed futures programs, by ending monthly equity (assets) for the previous month, as reported to Altegris by the over 500 managed futures programs that report performance to Altegris’ proprietary database. The Altegris 40 index represents the dollar-weighted average performance of those 40 constituent programs. Each month, Altegris ranks its database of managed futures programs that report to it, based on ending monthly equity (assets) for the previous month, and then calculates the dollar-weighted average composite performance of the 40 largest managed futures programs to arrive at the monthly Altegris 40 Index performance. There are no limits as to the number of different managed futures programs that an individual manager may have in the Altegris 40 Index in any given month. The Altegris 40 Index is constructed based on current performance information obtained by Altegris for Index constituent. Altegris will evaluate and make any potential edits to the Index only at the time that new or different information about Index constituents becomes available. The Index started in July 2000; data is available back to 1990.

*Characteristics:* 40 top AUM (assets under management) managed futures programs, monthly, as reported to Altegris

*Risks:* market risk—prices may decline; leverage risk—volatility and risk of loss may magnify with use of leverage; country/regional risk—world events may adversely affect values

**Glossary**

**Correlation.** A statistical measure of how two securities move in relation to each other. Correlation is computed into what is known as the correlation coefficient, which ranges between -1 and +1. Perfect positive correlation (a correlation coefficient of +1) implies that as one security moves, either up or down, the other security will move in lockstep, in the same direction. Alternatively, perfect negative correlation means that if one security moves in either direction the security that is perfectly negatively correlated will move by an equal amount in the opposite direction. If the correlation is 0, the movements of the securities are said to have no correlation; they are completely random.

**Nominal Trading Level.** The amount needed to “fully fund” an account.

**Notional Funding.** The difference between the amount of cash deposited in the account and the nominal trading level of the account.

**Standard Deviation.** A statistical measure of how consistent returns are over time; a lower standard deviation indicates historically less volatility.
Disclosures

Mutual Fund Disclosure

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

MUTUAL FUNDS INVOLVE RISK INCLUDING POSSIBLE LOSS OF PRINCIPAL.

The Fund is “non-diversified” for purposes of the Investment Company Act of 1940, which means that the Fund may invest in fewer securities at any one time than a diversified fund. When the Fund invests in fixed income securities or derivatives, the value of your investment in the Fund will fluctuate with changes in interest rates. Typically, a rise in interest rates causes a decline in the value of fixed income securities or derivatives owned by the Fund. In general, the market price of debt securities with longer maturities will increase or decrease more in response to changes in interest rates than shorter-term securities. Other risk factors include credit risk (the debtor may default) and prepayment risk (the debtor may pay its obligation early, reducing the amount of interest payments). These risks could affect the value of a particular investment by the Fund possibly causing the Fund’s share price and total return to be reduced and fluctuate more than other types of investments. To respond to adverse market, economic, political or other conditions, the Fund may invest 100% of its total assets, without limitation, in high-quality short-term debt securities and money market instruments. The Fund’s indirect and direct exposure to foreign currencies subjects the Fund to the risk that those currencies will decline in value relative to the U.S. Dollar, or, in the case of short positions, that the U.S. Dollar will decline in value relative to the currency that the Fund is short. Currency rates in foreign countries may fluctuate significantly over short periods of time for a number of reasons, including changes in interest rates and the imposition of currency controls or other political developments in the U.S. or abroad. In addition, the Fund may incur transaction costs in connection with conversions between various currencies.

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. There may be an imperfect correlation between the changes in market value of the securities held by the Fund and the prices of futures and options on futures. Although futures contracts are generally liquid instruments, under certain market conditions there may not always be a liquid secondary market for a futures contract. As a result, the Fund may be unable to close out its futures contracts at a time which is advantageous. Trading restrictions or limitations may be imposed by an exchange, and government regulations may restrict trading in futures contracts and options. Because option premiums paid or received by the Fund are small in relation to the market value of the investments underlying the options, buying and selling put and call options can be more speculative than investing directly in securities. Over-the-counter transactions are subject to little, if any, regulation and may be subject to the risk of counterparty default. A portion of the Fund’s assets may be used to trade OTC commodity interest contracts, such as forward contracts, option contracts in foreign currencies and other commodities, or swaps or spot contracts.

A substantial portion of the trades of the programs are expected to take place on markets or exchanges outside the United States. Some foreign markets present additional risk, because they are not subject to the same degree of regulation as their U.S. counterparts. Trading on foreign exchanges is subject to the risks presented by exchange controls, expropriation, increased tax burdens and exposure to local economic declines and political instability. An adverse development with respect to any of these variables could reduce the profit or increase the loss earned on trades in the affected international markets. International trading activities are subject to foreign exchange risk.

The Fund may employ leverage and may invest in leveraged instruments. The more the Fund invests in leveraged instruments, the more this leverage will magnify any losses on those investments. Leverage will cause the value of the Fund’s shares to be more volatile than if the Fund did not use leverage. The Fund may take short positions, directly and indirectly through the Subsidiary, in derivatives. If a derivative in which the Fund has a short position increases in price, the underlying Fund may have to cover its short position at a higher price than the short sale price, resulting in a loss. Structured notes involve leverage risk, tracking risk and issuer default risk. Taxation Risk involves investing in commodities indirectly through the Subsidiary, through which the Fund will obtain exposure to the commodities markets within the federal tax requirements that apply to the Fund. However because the Subsidiary is a controlled foreign corporation, any income received from the Subsidiary’s investments in Underlying Funds/Pools will be passed through to the Fund as ordinary income, which may
be taxed at less favorable rates than capital gains. Underlying Funds/Pools in which the Subsidiary invests will retain investment managers and be subject to investment advisory and other expenses which are indirectly paid by the Fund. As a result, the cost of investing in the Fund may be higher than other mutual funds that invest directly in stocks and bonds. Each Underlying Fund/Pool will pay management fees, brokerage commissions, operating expenses and performance based fees to each manager it retains. Performance based fees will be paid without regard to the performance of any other managers retained or to the overall profitability of the Underlying Fund/Pool. Underlying Funds/Pools are subject to specific risks, depending on the nature of the managers they retain. There is no guarantee that any of the trading strategies used by the managers retained by an Underlying Fund/Pool will be profitable or avoid losses.

Lower-quality fixed income securities, known as “high yield,” 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.

Mortgage backed securities are sensitive to overall economic conditions and are subject to prepayment risk, which may lower their value, and credit risk because the underlying loan borrowers may default.

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. In addition, the credit quality of securities held by the Fund may be lowered if an issuer’s financial condition changes.

The value of fixed income securities typically falls when an issuer’s credit quality declines and may even become worthless if an issuer defaults. Typically, a rise in interest rates causes a decline in the value of fixed income securities.

The value of securities issued by a REIT may be affected by changes in the value of the underlying property owned by the REITs and the value of mortgage REITs may be affected by the quality of loan assets. Investment in REITs involves risks similar to those associated with investing in small capitalization companies, and REITs (especially mortgage REITs) are subject to interest rate risks.

**Important Disclosure**

Hedge funds, commodity pools and other 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. Compared to mutual funds, hedge funds and commodity pools are subject to less regulation and often charge higher fees. 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 cause greater risks than trading on U.S. exchanges and in U.S. markets. PAST RESULTS ARE NOT NECESSARILY INDICATIVE OF FUTURE RESULTS.

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. Returns generated from a CTA’s trading, if any, may not adequately compensate you for the business and financial risks you assume. CTAs may trade highly illiquid markets, or on foreign markets, and may not be able to close or offset positions immediately upon request. You may have market exposure even after the CTA has a request for closure or liquidation. You can lose all or a substantial amount of your investment.

Managed futures and commodities accounts 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. The disclosure document contains a complete description of each fee to be charged to your account by a CTA. If you use notional funding, you may lose more than your initial cash investment. If you purchase a commodity option you may sustain a total loss of the premium and of all transaction costs. If you purchase or sell a commodity future or sell a commodity option you may sustain a total loss of the initial margin funds and any additional funds that you deposit with your broker to establish or maintain your position. If the market moves against your position, you may be called upon by your broker to deposit a substantial amount of additional margin funds, on short notice, in order to maintain your position. If you do not provide the requested funds within the prescribed time, your position may be liquidated at a loss, and you will be liable for any resulting deficit in your account. This brief statement cannot disclose all the risks and other significant aspects of the commodity markets, and you should carefully study the disclosure document before you trade, including the description of the principal risk factors of an investment.

Altegris Advisors L.L.C. is an SEC-registered investment adviser that advises alternative strategy mutual funds that may pursue investment returns through a combination of managed futures, equities, fixed income and/or other investment strategies.

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Altegris Advisors

About Altegris

Altegris searches the world to find what we believe are the best alternative investments. Our suite of private funds, actively managed mutual funds and managed accounts provides an efficient solution 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 Companies,* wholly owned subsidiaries of Genworth Financial, Inc., include Altegris Investments, Altegris Advisors, Altegris Funds, and Altegris Clearing Solutions. Altegris currently has approximately $3.27 billion in client assets, and provides clearing services to $327 million in institutional client assets.

*Altegris and its affiliates are subsidiaries of Genworth Financial, Inc. and are affiliated with Genworth Financial Wealth Management, Inc., and include: (1) Altegris Advisors, L.L.C., an SEC-registered investment adviser; (2) Altegris Investments, Inc., an SEC-registered broker-dealer and FINRA member; (3) Altegris Portfolio Management, Inc. (dba Altegris Funds), a CFTC-registered commodity pool operator, NFA member and SEC-registered investment adviser; and (4) Altegris Clearing Solutions, LLC, a CFTC-registered futures introducing broker and commodity trading advisor and NFA member. The Altegris Companies and their affiliates have a financial interest in the products they sponsor, advise and/or recommend, as applicable. Depending on the investment, the Altegris Companies and their affiliates and employees may receive sales commissions, a portion of management or incentive fees, investment advisory fees, 12b-1 fees or similar payment for distribution, a portion of commodity futures trading commissions, margin interest and other futures-related charges, fee revenue, and/or advisory consulting fees.

Genworth Financial, Inc. (NYSE: GNW) is a leading Fortune 500 insurance holding company dedicated to helping people secure their financial lives, families and futures. Genworth has leadership positions in offerings that assist consumers in protecting themselves, investing for the future and planning for retirement—including life insurance, long term care insurance, financial protection coverages, and independent advisor-based wealth management—and mortgage insurance that helps consumers achieve home ownership while assisting lenders in managing their risk and capital.

Genworth has approximately 6,400 employees and operates through three divisions: Insurance and Wealth Management, which includes U.S. Life Insurance, Wealth Management, and International Protection segments; Mortgage Insurance, which includes U.S. and International Mortgage Insurance segments; and the Corporate and Runoff division. Its products and services are offered through financial intermediaries, advisors, independent distributors and sales specialists. Genworth Financial, Inc., which traces its roots back to 1871, became a public company in 2004 and is headquartered in Richmond, Virginia. For more information, visit genworth.com. From time to time, Genworth Financial, Inc. releases important information via postings on its corporate website. Accordingly, investors and other interested parties are encouraged to enroll to receive automatic email alerts and Really Simple Syndication (RSS) feeds regarding new postings. Enrollment information is found under the “Investors” section of genworth.com.