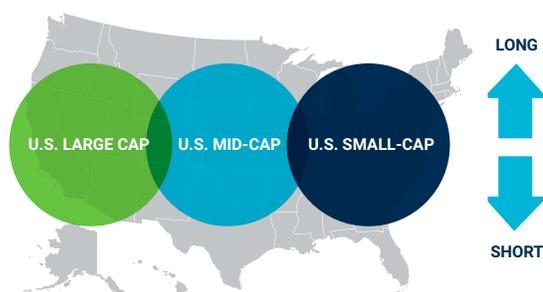


Alternative Growth Fund

Monthly Portfolio Update & Commentary | August 2019



The Longboard Alternative Growth Fund I (LONGX) received 3 stars from Morningstar out of 206 long/short equity funds for the 3-year period ending June 30, 2019 based on risk adjusted returns.

The Alternative Growth Fund posted positive returns of +5.38% for the month of August, while the S&P 500 Index returned -1.58%. This was accomplished as net holdings fell from 812 individual companies to 764 and net exposure of the fund decreased from roughly 176% to 133% month over month. Sectors that experienced the biggest declines included financials, healthcare, and information technology. Meanwhile, real estate and utilities saw a slight increase in exposure.

Recap

Volatility was in no short supply as trade war headlines were a primary driver of market direction. Global indexes started the month on the defensive as President Trump tweeted he would impose a new round of tariffs on Chinese goods. This was followed a few days later with the President calling China a currency manipulator. Within the first week of August, US major indexes erased two months of gains which included the worst single day of losses for the year on August 5th. On that day, the three main US stock markets each fell more than 2.9%. Although equities did receive some support mid-month after a US decision to delay or cancel some of the pending tariffs targeted for September first was announced, this proved to be a short reprieve when China announced a new round of tariffs of their own. A US spokeswoman for the administration responded that the President regretted not raising tariffs even more, causing the Dow to drop 2.4% for the day.

While trade wars were at the front of investors' minds, economic and geopolitical issues continued to have an impact on the markets. Global unease that weighed on equities included protests in Hong Kong, a no confidence vote in Italy for the sitting Prime Minister and ongoing uncertainty regarding Brexit in the UK. Meanwhile, equities were able to find some support later in the month from possible central bank intervention. In the US, expectations for future cuts by the Federal

FUND PERFORMANCE

AS OF 6/30/2019

CLASS	TICKER	1 YR AS OF 6/30/19	3 YR AS OF 6/30/19	SINCE INCEP TO 6/30/19
I (NAV)*	LONGX	-0.95%	6.04%	5.04%
A (NAV)**	LONAX	-1.39%	5.66%	5.24%
A (Max Load)***	LONAX	-7.09%	3.59%	3.50%

AUM (as of 8/31/19)	\$12,602,703
---------------------	--------------

*INCEPTION DATE: 3/19/15 **INCEPTION DATE: 12/09/15

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. For performance information current to the most recent month-end, please call toll-free 855.294.7540

***Inclusive of maximum sales load of 5.75%. Total annual operating expenses are 2.24% and 1.99% for Class A and I respectively.

Long: Buying an asset such as a stock, commodity or currency, with the expectation that the asset will rise in value.

Short: Selling an asset such as a stock, commodity or currency, with the expectation that the asset will decrease in value.

August 2019 Longboard Alternative Growth Fund: Monthly Commentary

Reserve by year end provided additional support for equities. In Europe, stocks were buoyed by the ECB signal in favor of a significant stimulus package to be released in September which would include “substantial and sufficient” bond purchases as well as cuts to the bank’s key interest rate.

Outlook

As mentioned above, volatility was prominent in August as the S&P delivered three separate down days of 2.6% as well as seven different sessions where the index rallied 1% or more. While trade war headlines, rumors and tweets will continue to move the markets, investors are still focused on what role central banks will play in the following months if the economy is headed into a recession.



©2018 Morningstar. All Rights Reserved. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information.

PAST PERFORMANCE IS NO GUARANTEE OF FUTURE RESULTS.

The Morningstar Rating™ for funds, or “star rating”, is calculated for managed products (including mutual funds, variable annuity and variable life subaccounts, exchange-traded funds, closed-end funds, and separate accounts) with at least a three-year history. Exchange-traded funds and open-ended mutual funds are considered a single population for comparative purposes. It is calculated based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a managed product’s monthly excess performance, placing more emphasis on downward variations and rewarding consistent performance. The Morningstar Rating does not include any adjustment for sales loads. The top 10% of products in each product category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars, and the bottom 10% receive 1 star. The Overall Morningstar Rating for a managed product is derived from a weighted average of the performance figures associated with its three-, five-, and 10-year (if applicable) Morningstar Rating metrics.

PROSPECTUS OFFERING DISCLOSURE

Investors should carefully consider the investment objectives, risks, charges and expenses of the Longboard Alternative Growth Fund. This and other important information about the Fund is contained in the prospectus, which can be obtained by calling 855.294.7540. The prospectus should be read carefully before investing.

The Longboard Alternative Growth Fund is distributed by Northern Lights Distributors, LLC, a FINRA/SIPC member. Longboard Asset Management, LP, is not affiliated with Northern Lights Distributors, LLC.

MUTUAL FUND RISK DISCLOSURE

Mutual funds involve risk including possible loss of principal.

There is a risk that issuers and counterparties will not make payment on securities and other investments held by the fund, resulting in

loss. The fund’s use of derivatives (including futures, forward contracts and swap agreements) involves risks different from and possibly greater than those associated with investing directly in securities including leverage risk, counterparty default risk, tracking risk and liquidity. The price of equity security fluctuates based on changes in a company’s financial condition and overall market and economic conditions. Investments in ETFs may involve extra expenses and may not perform as expected and may not replicate the performance of the underlying index.

Fixed income securities could lose value due to interest rate changes. ADRs are subject to fluctuations in foreign currencies, political and economic instability, differences in financial reporting, security regulation, trading and taxation issues. The successful use of forward and futures contracts draws on the Adviser’s skill and experience in predicting market movement. Risks include imperfect correlation, illiquid secondary markets, unanticipated market movements, counterparty default, and potentially selling securities when disadvantageous to do so. The success of the fund’s hedging strategy is subject to the Advisor’s ability to correctly assess market performance and correlation of the instruments used in the hedging strategy and the investments in the portfolio.

The fund may trade more, incurring higher brokerage fees and tax liability to shareholders. The fund has a limited history of operation and an investment entails a high degree of risk. Large Cap companies may be unable to respond quickly to new competitive challenges such as changes in consumer tastes. Small Cap and Mid-Cap companies may be volatile and vulnerable to adverse business or economic events. The fund is ‘non-diversified’ and changes in the value of a single security may have a significant effect on the fund’s value. The fund may have investments that appreciate or decrease significantly over short periods. The value of REIT securities may be adversely affected by changes in the value of the underlying property the REIT holds. Short positions may be considered speculative and losses are potentially unlimited.

Beta: A measure of a fund’s sensitivity to market movements.

S&P 500: A stock market index based on the market capitalization of 500 leading companies publicly traded in the U.S. stock market, as determined by Standard & Poor’s.