

“By actively seeking to not lose big, we believe that investors will be better off in the long run.”

– RANDY SWAN, CEO AND LEAD PORTFOLIO MANAGER

Opportunity in Emerging Markets Equities

Emerging Markets (EM) equities can serve various roles in a portfolio, and investors have many reasons to be excited about EM:

- Higher upside potential
- Demographic and consumption trends
- Growing share of global GDP
- Diversification of global allocations

The Trouble with ‘Buy and Hold’

Seeking portfolio growth through EM equities may expose investors to a volatile ride with unpredictable periods of severe losses along the way, as shown in the table on the right.

Periods of severe losses can trigger emotional reactions—many ‘buy and hold’ investors struggle to hold on when losing money, leading them to ‘buy and fold’.

Therefore, we seek to help investors hold on by avoiding big losses with our distinct long-term hedge.

Did you know?

When losses in EM occur, they can be severe. See the largest drawdowns for MSCI EEM since inception*:

Max Drawdown	Beginning	Ending
-61.44%	Nov - 2007	Feb - 2009
-55.98%	Aug - 1997	Aug - 1998
-47.76%	Apr - 2000	Sep - 2001
-29.43%	Sep - 2014	Feb - 2016
-29.21%	Aug - 1990	Nov - 1990

*Source: Swan Global Investments and Zephyr StyleADVISOR. Max drawdowns for the MSCI EEM Index from January 1988 through December 2018. Past performance is no guarantee of future results.

Long-Term Hedge for Long-Term Investing

For long-term investors there are distinct benefits to using a long-term hedge.



Seeking Defense
A hedge is a way to mitigate undiversifiable market risk.



Reduce Emotional Reactions
Seek to help investors avoid big losses and emotional reactions.



A Long-Term Hedge
A hedge that may last throughout long bear markets.



May Acquire More Equity
During a selloff, the LEAPS gain value and may be sold to potentially buy more equity at a low.

The Defined Risk Strategy - Investing Redefined®

Launched in 1997, the Defined Risk Strategy is a distinct and proven goals-based approach that seeks to generate consistent long-term returns by actively seeking to not lose big.

Always Invested We believe that markets tend to go up over time, so we remain always invested.

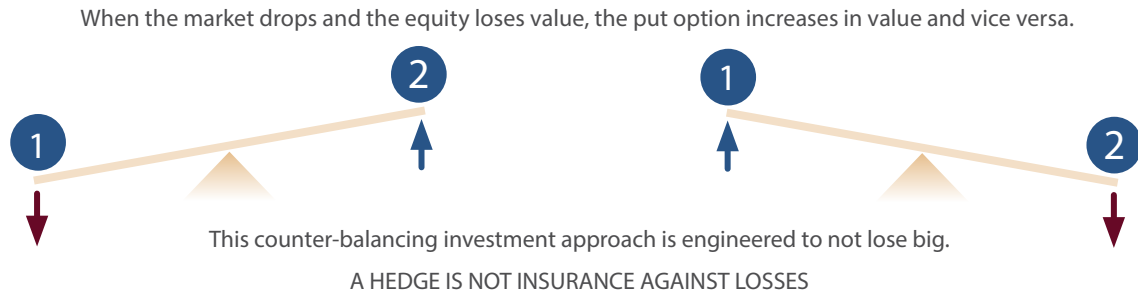
Always Hedged We also believe severe losses can derail investors from their goals, so we remain always hedged.

Defining Risk to Seek Improved Outcomes—That’s Investing Redefined®.

Defined Risk Strategy seeks to redefine long-term investing by passively investing for growth while actively seeking to minimize the impacts of bear markets. This may result in a less volatile investor experience and more consistent long-term results.

Investment Process

- 1 Invest in Equities**
WHY?
To participate in equity markets.
ALWAYS INVESTED in low-cost equity ETFs. No stock picking or market timing.
- 2 Hedge the Equities**
WHY?
To mitigate risks of bear markets.
ALWAYS HEDGED using long-term put options to mitigate risks of bear markets.
- 3 Seek Additional Return**
WHY?
To offset the cost of the hedge.
Actively managing shorter-term options portfolio, utilizing a disciplined, rules-based approach.



The Swan Defined Risk Emerging Markets Fund

Class A: SDFAX | Class C: SDFCX | Class I: SDFIX

Based on the Defined Risk Strategy, this fund seeks long-term capital appreciation to help investors achieve positive returns while mitigating downside risk in and volatility in emerging markets. The Fund invests in low-cost ETFs that track the MSCI Emerging Markets Index.

Key Elements of the Fund's strategy include:

- Always invested to participate in market appreciation
- Always hedged using put options
- No reliance on market timing
- Designed to seek consistent returns

There is no guarantee that any investment strategy will achieve its objectives, generate profits, or avoid losses. Past performance is not indicative of future results.

Consider adding the Swan Defined Risk Emerging Markets Fund to your portfolio.

For more information visit swandefinedriskfunds.com or call 970.382.8901.

Important Risk Information and Disclosures: Swan Global Investments, LLC is a SEC registered Investment Advisor that specializes in managing money using the proprietary Defined Risk Strategy ("DRS"). SEC registration does not denote any special training or qualification conferred by the SEC. Mutual Funds involve risk, including possible loss of principal. ETFs are subject to investment advisory and other expenses, which will be indirectly paid by the Fund. As a result, the cost of investing in the Fund will be higher than the cost of investing directly in ETFs and may be higher than other mutual funds that invest directly in stocks. ETFs are subject to specific risks, depending on the nature of the fund. Investments in underlying funds that own small and mid-capitalization companies may be more vulnerable than larger, more established organizations. Investments in foreign securities could subject the Fund to greater risks including, currency fluctuation, economic conditions, and different governmental and accounting standards.

The use of leverage, such as that embedded in options, could magnify the Fund's gains or losses. Written option positions expose the Fund to potential losses many times the option premium received. A Put Option is an option contract giving the owner the right, but not the obligation, to sell a specified security at a specified price within a specified time. A Call Option is an option contract giving the owner the buy, but not the obligation, to sell a specified security at a specified price within a specified time. The adviser's dependence on its DRS process and judgments about the attractiveness, value and potential appreciation of particular ETFs and options in which the Fund invests or writes may prove to be incorrect and may not produce the desired results. Purchased put options may expire worthless and may have imperfect correlation to the value of the Fund's sector ETFs. Written call and put options may limit the Fund's participation in equity market gains and may amplify losses in market declines. The Fund's losses are potentially large in a written put or call transaction. If un-hedged, written calls expose the Fund to potentially unlimited losses. The effectiveness of the hedge and degree of downside risk mitigation varies with market conditions.

The benchmarks used for the Fund is the MSCI Emerging Markets Index, which is designed to measure the equity market performance in global emerging markets. An investment cannot be made directly in an index. Indexes are unmanaged and have no fees or expenses.

Investors should carefully consider the investment objective, risks, charges and expenses of the Swan Defined Risk Emerging Markets Fund. This and other information is contained in the prospectus and should be read carefully before investing. For a prospectus please call (877) 896-2590. The Fund is distributed by Northern Lights Distributors, LLC, member FINRA/SIPC. Northern Lights Distributors, LLC and Swan Capital Management, LLC are not affiliated. There is no guarantee the fund will meet its objective. 6496-NLD-06/07/2019 EM-FUND-1PS-20