

**Fund Objective:**

The Fund seeks to provide capital appreciation through exposure to the U.S. Large Cap equity market while hedging overall market risk.

**Fund Description:**

A goals-based, risk-managed hedged equity approach designed for growth investors with higher risk tolerance focused more on upside gains than mitigating downside risk. The Fund seeks superior risk-adjusted returns over a full market cycle with potentially less downside risk and volatility than the S&P 500 Index.

**Distinguishing Characteristics:**

- Distinct, innovative approach to address market risk since 1997
- Always hedged using long-term put options (LEAPs) to hedge against large stock market declines
- Diverse and time-tested options strategies
- No reliance on market timing or stock selection

**Fund Facts:**

Total Net Assets = \$47.70M

Investment Objective = Hedged Equity

Inception = December 27, 2018

**Portfolio Management Team:**

Randy Swan: Lead Portfolio Manager, Founder & President

Rob Swan: Portfolio Manager, Chief Operations Officer

Chris Hausman: Portfolio Manager, Managing Director-Risk

Class A: [SDAAX](#) | Class C: [SDACX](#) | Class I: [SDAIX](#)

Return (%) as of 6/30/2025				Average Annualized Returns			
Returns	Inception Date	3M	YTD	1Yr	3Yr	5Yr	Since Inception
Class A	12/27/18	7.00%	3.64%	9.03%	11.83%	9.70%	10.49%
Class A with load*	12/27/18	1.14%	-2.07%	3.07%	9.74%	8.46%	9.54%
Class C	12/27/18	6.86%	3.28%	8.21%	10.96%	8.88%	9.84%
Class I	12/27/18	7.04%	3.73%	9.20%	12.09%	9.97%	10.73%
S&P 500	-----	10.94%	6.20%	15.16%	19.71%	16.64%	16.96%

Calendar Returns								
	2018	2019	2020	2021	2022	2023	2024	YTD
Class I at NAV	N/A	23.13%	11.87%	22.93%	-17.87%	16.24%	16.11%	3.73%
S&P 500	N/A	31.49%	18.40%	28.71%	-18.11%	26.29%	25.02%	6.20%

Risk Metrics (since Fund inception)			
	Std. Deviation	Beta	Sharpe Ratio
Class I at NAV	12.12%	0.68	0.69
S&P 500	17.08%	1.00	0.84

Fund Details						
	Ticker	CUSIP	Inception Date	Minimum Investment	Gross Expense Ratio	Net Expense Ratio
Class A	SDAAX	66538R821	12/27/2018	\$2,500	1.88%	1.68%
Class C	SDACX	66538R813	12/27/2018	\$2,500	2.63%	2.43%
Class I	SDAIX	66538R797	12/27/2018	\$100,000	1.63%	1.43%

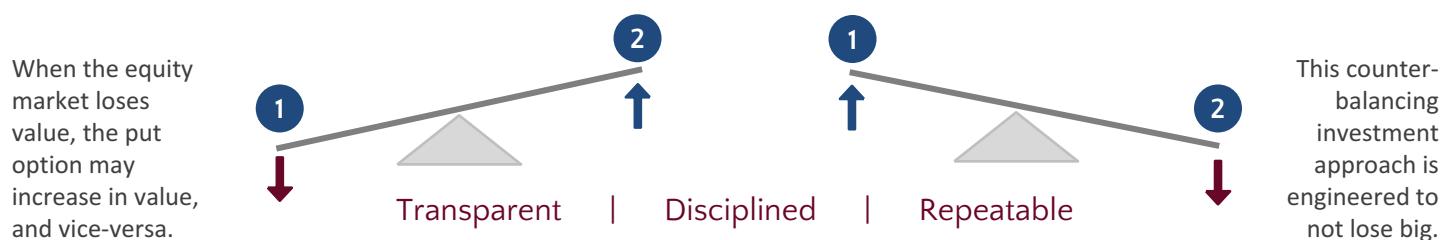
\* The Fund's investment advisor has contractually agreed to reduce its fees and/or absorb expenses of the Fund, at least until *November 1, 2025* (exclusive of any taxes, interest, brokerage commissions, dividend expense on securities sold short, acquired fund fees and expenses, or extraordinary expenses such as litigation or reorganization costs). The Fund's total gross annual fund operating expenses are 1.88% for Class A; 2.63% for Class C; 1.63% for Class I. After the fee waiver these expenses are 1.68% for Class A, 2.43% for Class C, and 1.43% for Class I shares, respectively.

**The performance data quoted represents past performance. Current performance may be lower or higher than the performance data quoted above. Past performance is no guarantee of future results. The investment return and principal value of an investment will fluctuate so that investor's shares, when redeemed, may be worth more or less than their original cost. For performance information current to the most recent month-end, please call toll-free 877-896-2590.**

**Performance shown is historical and does not guarantee future results.** Because share price, principal value, and return will vary, you may have a gain or loss when you sell fund shares. There is no assurance the fund will pay dividends or capital gains in the future. Performance assumes the reinvestment of dividends and capital gains. "Without sales charge" performance does not reflect the current maximum sales charge. Had the sales charge been included, the Fund's returns would have been lower. Class I shares have no sales charge and may be purchased by specified classes of investors. You cannot invest directly in an index or average. Maximum sales charge for Class A Shares is 5.50%.

Class A: [SDAAX](#) | Class C: [SDACX](#) | Class I: [SDAIX](#)

## The Defined Risk Investment Process



HEDGE IS NOT INSURANCE. MAY LOSE VALUE.

There is no guarantee that any investment strategy will achieve its objectives, generate profits, or avoid losses.

### Footnotes, Definitions, and Disclosures

**Benchmarks:** The S&P 500 Index, which consists of approximately 500 large cap stocks, and a 60/40 blended monthly-rebalanced composite, weighted 60% in the aforementioned S&P 500 Index and 40% in the Bloomberg US Aggregate Bond Index. The Bloomberg US Aggregate Bond Index is a broad-based flagship benchmark that measures the investment grade, US dollar-denominated, fixed-rate taxable bond market. The index includes Treasuries, government-related and corporate securities, MBS (agency fixed-rate and hybrid ARM pass-throughs), ABS and CMBS (agency and non-agency).

**Definitions:** A put option is an option contract giving the owner the right, but not the obligation, to sell a specified amount of an underlying security at a specified price within a specified time. At the Money refers to an options contract where an option's strike price, or the price at which the option contract can be exercised, is identical to the price of the underlying security. Near the Money refers to an options contract where an option's strike price is close to the current market price of the corresponding underlying security. The Sharpe Ratio is used for calculating risk-adjusted return by measuring the average return earned in excess of the risk-free rate per unit of volatility or total risk. Standard Deviation is a measure of the dispersion of a set of data from its mean. The more spread apart from the benchmark, the higher the deviation. Beta is a measure of the volatility, or dispersion, of a security or a portfolio in comparison to the market as a whole. The effectiveness of the hedge and degree of downside mitigation varies with market conditions. The DRS can and does have periods of losses.

*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.*

*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.*

**Investors should carefully consider the investment objective, risks, charges and expenses of the Swan Defined Risk 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.**

FS-DRGRFUND-Q2-25

YYYYMMDD-XXXXXX