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**ALTEGRIS ADVISORS, LLC**  
**FORM ADV PART 2A**  
**FIRM BROCHURE**

**January 1, 2015**

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**This Brochure provides information about the qualifications and business practices of Altegris Advisors, LLC ("Altegris Advisors," "Adviser," "us," or "we"). If you have any questions about the contents of this Brochure, please contact us at the information provided above. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission ("SEC") or by any state securities authority.**

**We may refer to Altegris Advisors, LLC as a "registered investment adviser." Registration with the SEC or with any state securities authority does not imply a certain level or skill or training.**

**Additional information about us also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

## ITEM 2: MATERIAL CHANGES

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See Attachment I of this Brochure for a summary of the material changes made to this Brochure since the last annual update on March 25, 2014.

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#### ITEM 4: ADVISORY BUSINESS

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The Adviser is a Delaware limited liability company formed in February 2010, and commenced its advisory operations in August 2010. The Adviser is registered as an investment adviser with the Securities and Exchange Commission (the “SEC”), though such registration should not be taken to imply a certain level of skill or training. The Adviser is also registered as a commodity pool operator (“CPO”) and commodity trading advisor (“CTA”) with the U.S. Commodities Futures Trading Commission (“CFTC”), and a member of the National Futures Association (“NFA”).

Effective December 31, 2014, the Adviser was merged with an affiliated investment adviser, Altegris Portfolio Management, Inc. (d/b/a Altegris Funds). The Adviser was the surviving entity of the merger. As a result of the merger, the Adviser assumed the rights, duties and obligations of Altegris Portfolio Management and now serves as the general partner/sponsor and investment adviser to the various Private Funds (as defined below) formerly advised by Altegris Portfolio Management. Similarly, as the surviving entity of the merger, the Adviser now serves as the sponsor and CPO for various “traditional” commodity pools previously sponsored and operated by Altegris Portfolio Management (the “**Commodity Pools**”). The Commodity Pools are operated in the Adviser’s capacity as a CPO, and not connected with its investment advisory business.

Additionally, effective December 31, 2014, Altegris Holdings, Inc., the former direct owner of the Adviser, was merged with and into its sole direct owner, Altegris Holdings II, Inc. Altegris Holdings II, Inc. was also reorganized as a Delaware limited liability company, and the direct owner of the Adviser is now Altegris Holdings II, LLC.

The Adviser is wholly-owned by Altegris Holdings II, LLC, a holding company which is indirectly owned by (i) private equity funds managed by Aquiline Capital Partners LLC and its affiliates (“**Aquiline**”), and by Genstar Capital Management, LLC and its affiliates (“**Genstar**”), and (ii) certain senior management of the Adviser and its affiliates.

The Adviser serves as an investment adviser to various registered investment companies, or series thereof:

1. Northern Lights Fund Trust, a Delaware statutory trust organized on January 19, 2005 (“**NLFT**”). NLFT is registered as an open-end series management investment company, for which the Adviser serves as investment adviser solely to seven separate series of NLFT (each such separate series of NLFT is a “**Mutual Fund**”, and collectively, are the “**Mutual Funds**”);
2. Altegris KKR Private Equity Master Fund, a continuously offered, non-listed, closed-end management investment company (“**Altegris KKR Master Fund**” or “**Master Fund**”);
3. Altegris KKR Private Equity Fund, a continuously offered, non-listed, closed-end management investment company (“**Altegris KKR Feeder Fund**” or “**Feeder Fund**”, and together with the Altegris KKR Master Fund, the “**Closed End Funds**”).

The Adviser also serves as the investment adviser to four non-registered, privately-offered, and wholly-owned and controlled subsidiaries, each of which is wholly-owned and controlled by a Mutual Fund also advised by the Adviser (each, a “**Subsidiary**” and collectively, the “**Subsidiaries**”). Each Subsidiary is subject to the same investment restrictions as its parent Mutual Fund when viewed on a consolidated basis.

Currently, the Adviser serves as investment adviser to the following Mutual Funds: Altegris Managed Futures Strategy Fund (and its Subsidiary, AMFS Fund Limited), Altegris Macro Strategy Fund (and its Subsidiary, AGMS Fund Limited), Altegris Futures Evolution Strategy Fund (and its Subsidiary, AFES Fund Limited), Altegris Multi-Strategy Alternative Fund (and its Subsidiary, AMSA Fund Limited), Altegris Equity Long Short Fund, Altegris Fixed Income Long Short Fund, and Altegris/AACA Real Estate Long Short Fund. The Mutual Funds are each a series of NLFT.

The Adviser manages the assets of the Mutual Funds in accordance with applicable law and the investment objectives, policies and restrictions as set forth in each Mutual Fund’s current Prospectus and SAI, and is subject to such further limitations as the Mutual Funds’ Board of Trustees may from time to time impose by written notice to the Adviser.

The Adviser serves as the general partner/sponsor to various domestic and offshore investment funds offered in reliance upon Rule 506 under the Securities Act of 1933 (each a “Private Fund” and collectively, the “Private Funds”), as follows: Altegris Global Macro Fund, L.P., APM - Global Macro Fund, Ltd., Altegris Global Macro II Fund, L.P., APM - Global Macro II Fund, Ltd., Altegris Millennium Fund, L.P., Altegris Millennium Fund, Ltd., Altegris Paulson Advantage Fund, L.P., APM-Paulson Advantage Fund, Ltd., Altegris Paulson Advantage Plus Fund, L.P., Altegris Multi-Strategy Fund, L.P., Altegris Multi-Strategy Fund, Ltd., Altegris Visium Fund, L.P., Altegris Visium Fund, Ltd, Altegris Hayman Capital Fund, L.P., Altegris Hayman Capital Fund, Ltd., and Altegris Income Opportunities Fund, L.P.

While each Private Fund will have its own investment strategy and other specifications, the arrangements between each Private Fund and the Adviser will be generally the same. In its role as general partner/sponsor, the Adviser allocates assets of each Private Fund for investment in other hedge funds or other collectively investment vehicles or for investments in separately managed accounts. Hedge funds or other collective investment vehicles in which Private Funds may invest are collectively referred to herein as “**Underlying Funds**”, and separately managed accounts to which Private Funds may allocate assets are referred to as “**Managed Accounts**.” Once allocated, the Adviser does not exercise discretion with respect to the underlying investments purchased for the Underlying Funds or Managed Accounts, by the Underlying Fund managers and/or the Managed Account managers. The specific investment program of each Private Fund will be described in the respective private placement memorandum.

The Adviser has been engaged by an affiliated investment adviser, AssetMark, Inc. (formerly known as Genworth Financial Wealth Management, Inc. (“**AssetMark**”)), to act as sub-adviser to the GuidePath Altegris Diversified Alternatives Allocation Fund (the “**GuidePath Fund**”), a registered open-end investment company advised by AssetMark.

The GuidePath Fund commenced trading operations in September 2012. The Adviser's role, as sub-adviser, is limited to providing investment advice to AssetMark, subject to the stated investment objectives, policies and restrictions of the GuidePath Fund, as well as investment advice necessary to the on-going program of investment, evaluation and/or sale and reinvestment of the GuidePath Fund's assets. As adviser to the GuidePath Fund, AssetMark, not the Adviser, is responsible for implementing its investment strategy and effecting related securities transactions. As of October 31, 2014, the GuidePath Fund had \$110,821,524 assets under management.

The Adviser also provides certain "impersonal advisory services" in its capacity as "Portfolio Strategist" to AssetMark. "Portfolio Strategist" services generally include recommendations with a specific strategy, described as "Asset Allocation Approaches" in AssetMark's Disclosure Brochure. The Adviser will provide to AssetMark specific asset allocation recommendations that will correspond to some or all of AssetMark's six Risk/Return Profiles, which may range from most conservative to most aggressive. As a Portfolio Strategist, the Adviser does not enter into advisory agreements directly with the clients of AssetMark or other affiliates who may participate in advisory services provided by AssetMark.

As of October 31, 2014, the Adviser advised Mutual Fund assets (including the Subsidiaries) of \$1,294,522,454 on a discretionary basis. As of December 31, 2014, the Closed End Funds have not yet launched operations. As of October 31, 2014, total assets under management of Private Funds were \$606,228,088, representing \$456,646,389 in discretionary assets, and \$149,581,645 of non-discretionary assets. This figure excludes assets of the Commodity Pools managed by the Adviser, in its capacity as a CPO, of \$459,880,568.

At this time, the Adviser does not provide investment advisory services to individual clients or offer wrap fee and similar account programs. Presently, advisory client accounts are limited to the Mutual Funds, the Closed End Funds, the GuidePath Fund, and the Private Funds. The Adviser's advisory fee, if applicable (see Item 5 – Fees and Compensation, below) and other expenses paid by each Mutual Fund, Private Fund, and their respective shareholders are set out in each Mutual Fund's respective Prospectus, and in each Private Fund's private placement memorandum.

## **ITEM 5: FEES AND COMPENSATION**

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Pursuant to an advisory agreement between the Mutual Funds, the Closed End Funds, and the Adviser, the Adviser is entitled to receive from each Mutual Fund and Closed End Fund, on a monthly basis, an annual advisory fee as detailed in each prospectus. A copy of the effective prospectus can be downloaded from [www.altegris.com](http://www.altegris.com). In addition, each Subsidiary has entered into a separate advisory contract with the Adviser for the management of its portfolio. The Adviser has contractually agreed to proportionately waive advisory fees charged to those Mutual Funds having a Subsidiary to avoid double charging on the same assets. This waiver may not be terminated by the Adviser unless the

Adviser first obtains the prior approval of the Mutual Funds' Board of Trustees for such termination.

Service providers of the Mutual Funds and the Closed End Funds calculate and pay the Adviser its advisory fees, which in some cases is subject to an expense limitation agreement whereby the Adviser has agreed to reduce its fees and/or absorb expenses of the Mutual Funds or Closed End Funds, subject to such expense limitation agreement, as outlined in each applicable Prospectus. This reduction or absorption is subject to possible recoupment in future years if such recoupment can be achieved within the agreed upon expense limitation term. The Adviser, out of its own advisory fee revenue, may pay other broker-dealers for wholesaling, platform distribution fees and other distribution-related services in connection with the Mutual Funds and Closed End Funds, including Altegris Investments, Inc. ("**Altegris**"), a securities broker-dealer affiliated with the Adviser. In addition, the Closed End Funds may pay distribution fees and sales loads to Altegris, which acts as distributor for the Closed End Funds. The sponsors or managers of certain investment funds in which the Closed End Funds invest may also pay servicing and support fees to Altegris in consideration for Altegris' support to the Closed End Funds in making such investments.

Because the Adviser and Altegris are affiliates, the Adviser will benefit indirectly from the fees paid to, and revenue generated by, Altegris as the distributor and provider of other services, directly or indirectly, to the Mutual Funds and Closed End Funds.

With respect to the Private Funds, the Adviser will receive monthly or quarterly management or sponsor fees from each Private Fund. Currently, the management or sponsor fees paid by Private Funds to the Adviser range from 0.50% to 1.5% depending on the investment minimum and respective class of the Private Fund. The Adviser may use a portion of its management or sponsor fees to pay referral fees to broker-dealers who refer investors to a Private Fund (a "**Selling Agent**"), including Altegris. Each Private Fund, as an investor in one or more Underlying Funds and/or Managed Accounts (if applicable), will also pay management fees to managers of the Underlying Funds and/or Managed Accounts (if applicable).

At its discretion, the Adviser may permit investors to subscribe to a Private Fund (or in a Commodity Pool) at a reduced investment minimum and/or reduced sponsor or management fees.

Each Private Fund will pay its own operating and other expenses in addition to the management or sponsor fee, as detailed in each Private Fund's private placement memorandum. These expenses will include the management fees and performance fees paid to the managers of the Underlying Funds or Managed Accounts. Altegris, an affiliate of the Adviser, may receive additional compensation from an Underlying Fund and/or Managed Account manager in connection with investments made by a Private Fund into such Underlying Fund and/or Managed Account. Selling Agents, including Altegris, also could be compensated by Underlying Funds through shareholder service fees or front-end selling commissions. None of any fees received by Altegris, its affiliates, or other Selling



Agents will be used to offset any fees paid to the Adviser. Therefore, the Adviser has a conflict of interest in purchasing Underlying Funds or Managed Accounts that pay fees to Altegris, because it may receive greater revenues from investing in certain Underlying Funds and Managed Accounts than in others available for investment. The Adviser will be required to, and intends to, select Underlying Funds and Managed Accounts which the Adviser believes will best meet the Private Fund's specific investment goals and objectives, rather than provide the highest fees to the Adviser and its affiliates.

All fees paid by the Private Funds, including the fees paid to the Adviser, are calculated by third party service providers engaged by each Private Fund, and paid to the Adviser pursuant to the terms of the governing documents and the relevant service agreements.

The Adviser is not paid an advisory fee for its services as a sub-adviser to the GuidePath Fund, or in its role as "Portfolio Strategist" to AssetMark. However, the investment advice provided to the GuidePath Fund and to AssetMark as a Portfolio Strategist will include asset allocation recommendations that will result in investments into the Mutual Funds, for which the Adviser receives advisory fees as described above.

#### **ITEM 6: PERFORMANCE BASED FEES**

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At this time, the Adviser does not charge performance based fees. The Private Funds will typically be charged an incentive fee by the managers of the Underlying Funds or Managed Accounts.

#### **ITEM 7: TYPES OF CLIENTS**

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As disclosed in Item 4 "Advisory Business", the Adviser serves as (i) the investment adviser to the Mutual Funds, and the Subsidiaries, (ii) investment adviser to the Closed End Funds, (iii) general partner/sponsor and investment adviser to the Private Funds, (iv) a sub-adviser to the GuidePath Fund, and (v) a Portfolio Strategist to AssetMark.

The Adviser does not currently provide advisory services to individual clients and has no current plans to provide such services, although there are no limitations on its ability to do so, should its business evolve over time to include individual advisory services. The Adviser intends to enter into advisory or sub-advisory agreements with other investment companies in the future, as well as sponsor other Private Funds.

#### **ITEM 8: METHODS OF ANALYSIS, INVESTMENT STRATEGIES, RISK OF LOSS**

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The Adviser advises the assets of the Mutual Funds and the Closed End Funds directly in accordance with applicable law and the investment objectives, policies and restrictions set forth in each current Prospectus and Statement of Additional Information ("SAI"), and subject to such further limitations as the Mutual Funds' or the Closed End Funds' Boards of Trustees may from time to time impose by written notice to the Adviser. **Please refer to each Mutual Fund's or Closed End Fund's Prospectus and SAI for a full description of**



**specific investment objectives, principal investment strategies and principal investment risks.**

With respect to the Private Funds, the Adviser acts in accordance with each Private Fund's private placement memorandum, and other governing documents. As stated, the Adviser does not exercise discretion with respect to the management of the Underlying Funds or Managed Accounts. **Please refer to each Private Fund's private placement memorandum for a full description of a Private Fund's specific investment objectives, principal investment strategies and principal investment risks.**

All investors in Mutual Funds, Closed End Funds and Private Funds should read all offering materials carefully, and consult their own advisers prior to investing.

As with all investments, there is the risk that a shareholder/investor could lose money in respect of any investment in the Mutual Funds, the Closed End Funds, the GuidePath Fund, or Private Funds. The discussion below highlights what the Adviser believes to be important aspects of the methods of analysis, investment strategies, and risks of loss presented by the Mutual Funds (to which the GuidePath Fund and AssetMark will allocate assets upon the advice and recommendation of the Adviser, as described above), the Closed End Funds, and the Private Funds.

#### **ADVISER'S SELECTION METHODOLOGY**

The Adviser's on-going strategy review process is summarized below, although each manager of a strategy is unique, and therefore will undergo a unique, customized review process with varying degrees of focus on the different aspects of investment and operational diligence – in each case dependent upon the facts and circumstances of the review undertaken by the Adviser.

Generally, the Private Funds are structured as "fund-of-funds," investing substantially all of their assets into one or more unaffiliated Underlying Funds or Managed accounts managed by other managers. In respect of the Mutual Funds and Closed End Funds, the Adviser makes determinations as to allocations of assets to be managed, directly or indirectly, by other managers. The Adviser's ongoing process for the identification, selection, and monitoring of such other managers is summarized below, although each manager, and its respective management is unique, and therefore will undergo a unique, customized review process with varying degrees of focus on the different aspects of investment and operational diligence – in each case dependent upon the facts and circumstances of the review undertaken by the Adviser.

With respect to a manager under review, the Adviser may not be able to investigate every investment made by the manager. All investments contain risks and alternative investments are subject to a set of unique risks. Of course, due diligence is not a panacea against investment failures or even against fraud.

***Investment Committee.*** A six-person Investment Committee consists of senior executives of the Adviser and certain of its affiliates. The Investment Committee generally (i) performs

an ongoing top-down strategy review to determine any gaps in the lineup of strategies recommended by or allocated to by the Adviser and (ii) directs the Adviser's research team as to a bottom-up approach to identification of potential managers or strategies that may meet the Adviser's performance objectives and investment strategy themes. The Investment Committee is ultimately responsible for approval and/or re-allocation to or among all managers of strategies accessed by the investment portfolios of the Private Funds, Mutual Funds, Closed End Funds, and the GuidePath Fund as directed by, or upon the recommendation of, the Adviser.

**Identification.** The Adviser continually searches the universe of alternative investment strategies and managers to identify new opportunities. Blending the Investment Committee's top-down viewpoints and the bottom-up analysis of the Adviser's research team helps the Adviser to continually bring new ideas into the investment review process.

**Assessment.** As strategy managers are identified, the Adviser's research team gathers initial information that includes reviewing key documents, interviewing managers, and analyzing performance. The results of this assessment are submitted to the Investment Committee for its initial review.

**Qualification and Approval.** After initial review by the Investment Committee, a decision is made whether to proceed with a formal manager/strategy review. The Adviser's research team conducts two separate levels of due diligence for a manager/strategy under review: investment due diligence and operational due diligence. Upon completion of all levels of review, the Adviser's research team presents its detailed due diligence findings to the Investment Committee for a final review and decision. All approvals of new or additional managers or strategies for allocation or investment by the Adviser require unanimous Investment Committee consent; any decision to remove a manager or strategy from those available for allocation or investment by the Adviser requires majority consent of the Investment Committee.

**Portfolio Management.** For multi-manager investment strategies, the Adviser's portfolio managers review various metrics, such as return analysis and risk profiles, to build a portfolio of approved managers and strategies based on the investment objectives of each individual strategy. The information utilized by portfolio managers is developed by the Adviser's research team, which also provides additional input from their findings. The Adviser believes that the application of these careful construction techniques is successful due to its portfolio management and research teams' decades of experience in alternative strategies.

**Ongoing Evaluation and Analysis.** Upon approval and portfolio allocation to managers and strategies, the Adviser's research team monitors each manager's strategy implementation through continued investment, operational and risk monitoring. Each monitoring group is directly involved in conducting formalized meetings, ongoing quantitative analysis, monitoring of material market events and any material changes. These ongoing reviews look for potential issues that may include material changes in processes, operations, service providers and personnel, abnormal returns or unexpected changes in the risk or profile for

the portfolio. The results of this review may trigger review by the Investment Committee, which may result in a withdrawal from a particular manager or strategy and potential re-allocation of assets to other approved managers of a strategy pursued by the Adviser on behalf of its clients.

Investing in securities and other instruments involves a risk of loss the investors in the Mutual Funds, Closed End Funds, Private Funds or other funds advised by the Adviser should be prepared to bear, and investors may lose all of their invested capital. These risks vary dependent on the strategy and investment objectives, and investors should carefully read the offering materials and consult their own advisers with respect to such investment.

### **INVESTMENT STRATEGIES**

The Adviser currently advises, and in the future will advise, Mutual Funds that pursue one or more strategies including managed futures, equity long short (including sector or industry focused, such as real estate), fixed income (including long short), and other liquid alternatives strategies. The Closed End Funds currently advised by the Adviser primarily pursue investments in private equity funds and strategies of various types, including investments in both primary and secondary offerings of private equity investment funds, and co-investment opportunities in private equity.

The Private Funds are generally are structured as "fund-of-funds" investing substantially all of their assets into one or more unaffiliated Underlying Funds and/or Managed Accounts, through which may be executed a variety of strategies including but not limited to: Global Macro, Event Driven, Emerging Markets, Equity Long Short, Managed Futures, Multi-Strategy, and Opportunistic Credit.

Certain Mutual Funds may, directly or via a Subsidiary, pursue investment strategies and investments providing exposure to commodities, commodity and financial futures and other derivatives through investments in a combination of one or more limited partnerships, limited liability companies and/or other types of pooled investment vehicles, as well as swap contracts and structured notes. Each Subsidiary used to gain such exposure is not registered under the Investment Company Act of 1940 (the "**1940 Act**"), and not generally subject to all of the investor protections of the 1940 Act, although each Subsidiary is operated by the Adviser in a manner such that it is subject to the same investment restrictions as its parent Mutual Fund, when viewed on a consolidated basis.

### **MUTUAL FUND RISKS**

Managed Futures. Certain Mutual Funds advised by the Adviser have investment objectives that include seeking exposure to commodities, commodity and financial futures and other derivatives including structured notes, swap contracts, securities, foreign exchange, commodities, futures contracts and other similar instruments. These instruments involve a risk of loss that advisory clients should be prepared to bear, and clients may lose all of their invested capital. Investing in the commodities markets may subject certain Mutual Funds to greater volatility than investments in traditional securities. Commodity prices may be influenced by unfavorable weather, animal and plant disease, geologic and

environmental factors as well as changes in government regulation such as tariffs, embargoes or burdensome production rules and restrictions. The Mutual Funds' use of derivative instruments involves risks different from, or possibly greater than, the risks associated with investing directly in securities including leverage risk and counterparty default risk.

As noted above, the Adviser has appointed a sub-adviser to manage that portion of assets allocated to the fixed income investment strategy of each Mutual Fund. With respect to fixed income securities, it is important to keep in mind that a rise in interest rates causes a decline in the value of fixed income securities. The fixed income securities are subject to credit risk described below.

In order to achieve all or a portion of the desired managed futures exposure, a Mutual Fund may directly or indirectly enter into swap agreements and/or purchase structured notes in which a counterparty agrees to directly or indirectly pay the Fund the return of a single reference asset (such as, for example, a specific pooled investment vehicle), or a basket of multiple reference assets, in exchange for, or net of, the Fund paying the counterparty a floating and/or fixed rate of interest or financing charge. Swaps and structured notes are marked to market daily based upon market quotations and fair value estimates of the value of their respective reference asset(s), and in accordance with NLFT's and the Mutual Funds' valuation procedures. These financial instruments are typically over-the-counter and not actively traded on financial markets. The values assigned to these instruments are based upon the best available information and because of the uncertainty of the valuation, these values can potentially differ significantly from the values that would have been realized had a ready market for these instruments existed, and the potential differences could be material. Payments received or made at the end of the measurement period for swaps, or made upon note redemption or maturity for structured notes, are typically based on independent valuations of the reference asset(s) and are recorded as realized gain or loss. Entering into swap agreements or purchasing structured notes involves, to varying degrees, elements of credit, market, and documentation risk. Such risks involve the possibility that there will be no independent valuation of the reference asset(s), that the counterparty to the agreements may default on its obligation to perform or disagree as to the meaning of contractual terms in the agreements to note documents, and that the return of the reference asset(s) relative to the floating and/or fixed rate may be below expectations. Using swaps, structured notes or other derivatives to increase the Mutual Funds' combined long and short exposure creates leverage, which can magnify the Mutual Funds' potential for gain or loss and, therefore, amplify the effects of market volatility on the Mutual Fund's share price.

Credit Risk. There is a risk that issuers and counterparties will not make payments on securities and other investments held by the Mutual Fund, resulting in losses to the Mutual Fund. In addition, the credit quality of securities held by the Mutual Fund may be lowered if an issuer's financial condition changes.

Leverage Risk. Leverage may be employed, such as borrowing money to purchase securities or the use of options, which may result in additional expenses and magnify gains or losses.

High Yield or Junk Bond Risk. Lower-quality debt securities, known as high yield or junk bonds, present greater risk including an increased risk of default, as compared to bonds of higher quality. An economic downturn or period of rising interest rates could adversely affect the market for these bonds and reduce liquidity. The lack of a liquid market for stocks or bonds can decrease their market price.

Derivatives Risk. The risk of investing in derivative instruments involves risks different from, or possibly greater than, the risks associated with investing directly in securities, including leverage risk, liquidity risk, interest rate, market and management risks, mispricing or improper value. Changes in the value of a derivative may not correlate perfectly with the underlying asset, reference rate or index and the Mutual Fund could lose more than the principal amount invested.

Equity Securities Risk. Common and preferred stocks are susceptible to general stock market fluctuations and to volatile increases and decreases in value as market confidence in and perceptions of their issuers change. The value of fixed income securities and derivatives, however, will fluctuate with changes in interest rates. Warrants and rights may expire worthless if the price of a common stock is below the conversion price of the warrant or right. Convertible bonds may decline in value if the price of a referenced common stock falls below the conversion price. Investor perceptions may also impact the price of securities, and are based on various and unpredictable factors, including expectations regarding government, economic, monetary and fiscal policies; inflation and interest rates; economic expansion or contraction and global or regional political, economic and banking crises.

Short Position Risk. Transactions for the purpose of hedging against changes in the price of other portfolio securities may include purchasing put options, selling securities short or writing covered call options. Short selling and short positions in derivatives are significantly different from the investment activities commonly associated with conservative, long only stock or fixed income strategies. Positions in shorted securities and derivatives are speculative and more risky than "long" positions (purchases) because the cost of the replacement security or derivative is unknown. Therefore, the potential loss on an uncovered short is unlimited, whereas the potential loss on long positions is limited to the original purchase price. You should be aware that any strategy that includes selling securities short could suffer significant losses. Shorting will also result in higher transaction costs (such as interest and dividends), which reduce a Mutual Fund's return, and may result in higher taxes.

Foreign Investment Risk. Foreign investing involves risks not typically associated with U.S. investments, including adverse fluctuations in foreign currency values, 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. Investing in emerging markets imposes risks different from, or greater than, risks of investing in foreign developed countries.

Issuer-Specific Risk. The value of a specific security can be more volatile than the market as a whole and can perform differently from the value of the market as a whole. The value of securities of smaller issuers can be more volatile than those of larger issuers. The value of



certain types of securities can be more volatile due to increased sensitivity to adverse issuer, political, regulatory, market, or economic developments.

Liquidity Risk. Liquidity risk exists when particular investments of the Mutual Fund would be difficult to purchase or sell, possibly preventing the Mutual Fund from selling such illiquid securities at an advantageous time or price, or possibly requiring the Mutual Fund to dispose of other investments at unfavorable times or prices in order to satisfy its obligations.

Management Risk. The Adviser's and sub-adviser's judgments about the attractiveness, value and potential appreciation of particular asset classes and securities in which the Mutual Fund invests may prove to be incorrect and may not produce the desired results. Additionally, the Adviser's judgments about the potential performance of the sub-adviser may also prove incorrect and may not produce the desired results.

Market Risk. Overall securities and derivatives market risks may affect the value of individual instruments in which the Mutual Fund invests. Factors such as domestic and foreign economic growth and market conditions, interest rate levels, and political events affect the securities and derivatives markets.

Fund of Funds Risk. Certain Mutual Funds advised by the Adviser, including the Altegris Multi-Strategy Alternative Fund, will pursue a "fund-of-funds" strategy allowing for flexible allocations of assets across a broad spectrum of alternative investments strategies and asset classes. Such fund-of-funds may at the direction of the Adviser execute their strategies via investments in other funds (for which the Adviser may or may not act as investment adviser), or in a combination of other mutual funds, private equity funds, exchange-traded funds, exchange traded notes and direct or indirect investments in securities, derivative instruments and other investments. To pursue a fund-of-funds strategy, in order to meet its investment objectives, the Adviser must rely to varying degrees on the success of the managers of the other funds or investment vehicles in which it invests, and there can be no assurance that such "other" funds or investment vehicles will successfully achieve their investment objectives.

Currency Risk. To the extent the Mutual Fund's currency exchange transactions do not fully protect the Mutual Fund against adverse changes in currency exchange rates, decreases in the value of currencies of the foreign countries in which the Mutual Fund will invest relative to the U.S. dollar will result in a corresponding decrease in the U.S. dollar value of the Mutual Fund's assets denominated in those currencies (and possibly a corresponding increase in the amount of securities required to be liquidated to meet distribution requirements). Conversely, increases in the value of currencies of the foreign countries in which the Mutual Fund invests relative to the U.S. dollar will result in a corresponding increase in the U.S. dollar value of the Mutual Fund's assets (and possibly a corresponding decrease in the amount of securities to be liquidated).

MBS/ABS Risk. Investing in MBS and ABS involves underlying collateral risk, which is the risk that the impairment of the value of the collateral underlying a security in which the Fund invests such as non-payment of loans, will result in a reduction in the value of the security. Investing in MBS also involves prepayment risk and extension risk. Prepayment risk involves the risk that in times of declining interest rates, the Mutual Funds higher

yielding security will be prepaid and the Fund will have to replace them with securities having a lower yield. Extension risk involves the risk that in times of rising interest rates mortgage prepayments will slow causing portfolio securities considered short or intermediate term to be long-term securities, which fluctuate more widely in response to changes in interest rates than shorter term securities.

Regulatory Risk. In respect of certain Mutual Funds executing a portion of its strategy via its Subsidiary (and the Altegris Multi-Strategy Alternative Fund which invests in such Mutual Funds), changes in the laws of the United States and/or the Cayman Islands, under which the Subsidiaries are organized, could result in the inability of the Mutual Funds and/or the Subsidiaries to operate as described in their respective current Prospectuses, and could negatively affect a Mutual Fund and its shareholders.

Non-Diversification Risk. Currently, certain Mutual Funds are "non-diversified" for purposes of the 1940 Act, as amended, which means that, with respect to those Mutual Funds that are non-diversified, each may invest more than 5% of its total assets in the securities of one or more issuers, and have its investments focused in fewer securities at any one time than a diversified fund. Therefore, these Mutual Funds' performance may be more sensitive to any single economic, business, political or regulatory occurrence than the value of shares of a diversified investment company.

Mispricing Risk. Assets, such as private placements, interests in commodity pools, other non-traded securities or temporarily illiquid securities, for which market quotations are not readily available or are determined to be unreliable are valued at "fair value" in accordance with procedures approved by the Board of Trustees of NLFT. Fair value pricing involves subjective judgments, and it is possible that the fair value determined for a security is materially different than the value that could be realized upon the sale of that security. This fair value may also vary from valuations determined by other funds using their own fair valuation procedures. The fair value prices can differ from market prices when they become available or when a price becomes available. Independent pricing services may be used to assist in calculating the value of the Mutual Funds' securities. In addition, market prices for any foreign securities held by the Mutual Funds are not determined at the same time of day as the Mutual Funds are valued, and therefore the value of some Mutual Funds' portfolio securities may change on days when investors may not be able to buy or sell a Mutual Fund's shares. Assets invested in open-end investment companies registered under the 1940 Act are valued based on the particular investment company's valuation procedures.

Portfolio Turnover Risk. A change in the securities and assets held by a Mutual Fund is known as "portfolio turnover." Long short strategies often involve frequent trading of portfolio securities, and a higher portfolio turnover rate can result in higher transactional and brokerage costs.

## **CLOSED END FUNDS – PRIVATE EQUITY AND OTHER RISKS**

The Closed End Funds are advised by the Adviser, and sub-advised by an unaffiliated registered investment adviser (the Adviser and the sub-adviser, in the context of and in relation to the Closed End Funds, are referred to collectively as "**Closed End Fund Advisers**"). The Closed End Funds primarily pursue investments in private equity funds



and strategies of various types, including investments in both primary and secondary offerings of private equity investment funds, and co-investment opportunities in private equity. However, they may also from time to time make investments similar to those made by the Mutual Funds.

*Therefore, in addition to the all of the Mutual Funds' Risks described above, which may also apply to investments made by the Closed End Funds, the Closed End Funds also entail risks specific to investments in private equity and structural risks uniquely related to private equity, which are generally described below and are applicable to an investment in shares ("Shares") of the Closed End Funds.*

The Closed End Funds expect to invest a substantial portion of assets in "Investment Funds" managed by "Investment Managers" affiliated with Kohlberg, Kravis and Roberts ("KKR"), a leading private equity management firm, and therefore may be less diversified, and more subject to concentration risk and/ or Investment Manager-specific risk, than other funds of private equity funds.

Management Risk. The Closed End Funds' performance depends upon the performance of the Investment Managers and selected strategies, the adherence by such Investment Managers to such selected strategies, the instruments used by such Investment Managers and the Closed End Fund Advisers' ability to select Investment Managers and strategies and effectively allocate Fund assets among them. The Closed End Funds are organized to provide shareholders with a multi-strategy investment program and not as an indirect way to gain access to any particular KKR or other Investment Fund.

Private Equity Investments Risk. The Closed End Funds' investment portfolio will consist of Investment Funds which hold securities issued primarily by privately held companies, and operating results for the portfolio companies in a specified period will be difficult to predict. Such investments involve a high degree of business and financial risk that can result in substantial losses.

Issuer-Specific Risk. An Investment Manager's investments, depending upon strategy, may be in companies whose capital structures are highly leveraged. Such investments involve a high degree of risk in that adverse fluctuations in the cash flow of such companies, or increased interest rates, may impair their ability to meet their obligations, which may accelerate and magnify declines in the value of any such portfolio company investments in a down market. The securities in which an Investment Manager may invest may be among the most junior in a portfolio company's capital structure and, thus, subject to the greatest risk of loss. Generally, there will be no collateral to protect an investment once made.

Leverage. Subject to the limitations and restrictions of the 1940 Act, the Master Fund may use leverage by borrowing money for investment purposes, to satisfy repurchase requests and for other temporary purposes, which may increase the Master Fund's volatility. Leverage is a speculative technique that exposes the Master Fund to greater risk and higher costs than if it were not implemented. The Master Fund will have to pay interest and dividends on its borrowings, which may reduce the Master Fund's current income.

Failure to Qualify as a Registered Investment Company. The Closed End Funds intend to qualify as a registered investment company under the Internal Revenue Code, but may be subject to substantial tax liabilities if they fail to so qualify.

Regulatory Changes. The Closed End Funds are subject to, and indirectly invest (via the Master Fund) in Investment Funds that are subject to, risks associated with legal and regulatory changes applicable to private equity funds. The SEC has been inspecting and continues to inspect advisers and general partners of private equity funds, which inspections to date have identified issues concerning, among other things, whether certain advisers and general partners have misallocated certain fees and expenses to the private equity funds to the detriment of their limited partners and/or may have breached their fiduciary duties to their limited partners, whether private equity funds or their portfolio companies are paying the costs of consultants or “operating partners” as opposed to the adviser or general partner, whether the adviser or general partner is charging portfolio companies “monitoring fees” without adequate disclosure to fund investors, whether advisers or general partners are using valuation methodologies in fund reports and marketing materials that are different from those disclosed to fund investors, the voluminous and complex limited partnership agreements of private equity funds, a lack of transparency during the life of a private equity fund, and “zombie” advisers—advisers that are unable to raise additional funds and continue to manage legacy funds long past their expected life. The SEC has initiated enforcement proceedings against certain advisers and general partners and may initiate other enforcement proceedings in the future.

Tax Legislation Risk. Proposed tax legislation in Congress, if adopted into law, could alter the favorable tax treatment of the carried interest earned by advisers and general partners of private equity funds, which could adversely affect the business of these advisers and general partners.

Investment Style Risk. The Master Fund may invest indirectly a substantial portion of its assets in Investment Funds that follow a particular type of investment strategy, which may expose the Fund to the risks of that strategy.

Valuation of Master Fund’s Interest in Investment Fund Risk. The Master Fund’s investments in Investment Funds (which will constitute a vast majority of the Closed End Funds’ investments), and many of the investments held by the Investment Funds, will be priced in the absence of a readily available market and may be priced based on determinations of fair value, which may prove to be inaccurate. Neither the Closed-End Fund Advisers nor the Board of Trustees will be able to confirm independently the accuracy of the Investment Managers’ valuations (which are unaudited, except at year-end). This risk is exacerbated to the extent that Investment Funds generally provide valuations only on a quarterly basis. While such information is provided on a quarterly basis, the Closed End Funds will provide valuations, and will issue Shares, on a monthly basis.

Inability to Vote. The Closed End Funds may not be able to vote on matters that require the approval of Investment Fund investors, including matters that could adversely affect the Closed End Funds’ investment in such Investment Fund.

In-Kind Distributions. The Master Fund may receive from an Investment Fund an in-kind distribution of securities that are illiquid or difficult to value and difficult to dispose of.

Illiquidity of Investment Fund Interests. There is no market exchange available for Shares of the Closed End Funds thereby making them illiquid and difficult to dispose of.

Fund Structure Risk. The Master Fund will allocate to multiple Investment Funds, resulting in investment-related expenses, such as additional layers of expenses, including management fees and performance fees, that may be higher than if the Master Fund invested in other types of securities.

Non-US Risk. Investment Funds located outside of the US may be subject to withholding taxes in such jurisdictions, which may reduce the return of the Master Fund and thus indirectly the holders of Shares.

Investments in Non-1940 Funds. Investment Funds in which the Closed End Funds invest will not be registered as investment companies under the 1940 Act and, therefore, the Closed End Funds and holders of their Shares, as indirect limited partners or members in such Investment Funds, may not avail themselves of 1940 Act protections.

Limited Investment Flexibility. The Closed End Funds are registered as investment companies under the 1940 Act, which may limit their investment flexibility compared to a fund that is not so registered.

Venture Capital. Investment Managers may invest the Investment Funds' assets in securities of early-stage venture investments which may result in or contribute to significant losses to the Master Fund.

Commitment Strategy. The Master Fund may maintain a sizeable cash position in anticipation of funding capital calls. As a result, the Master Fund generally will not contribute the full amount of its commitment to an Investment Fund at the time of its admission to the Investment Fund. Instead, the Master Fund will be required to make incremental contributions pursuant to capital calls issued from time to time by the Investment Fund. The overall impact on performance due to holding a portion of the investment portfolio in cash or cash equivalents could be negative. The Master Fund will employ an "over-commitment" strategy, which could result in an insufficient cash supply to fund Investment Fund commitments. Such a short fall would have negative impacts on the Master Fund, including an adverse impact on the Master Fund's ability to pay for repurchases of Shares tendered by shareholders or to meet expenses generally. Moreover, if the Master Fund defaults on its commitment or fails to satisfy capital calls in a timely manner then, generally, it will be subject to significant penalties, including the complete forfeiture of the Master Fund's investment in the Investment Fund. Any failure by the Master Fund to make timely capital contributions in respect of its commitments may (i) impair the ability of the Master Fund to pursue its investment program, (ii) force the Master Fund to borrow, (iii) indirectly cause the Master Fund, and, indirectly, the shareholders to be subject to certain penalties from the Investment Funds (including the complete forfeiture of the Master Fund's investment in an Investment Fund), or (iv) otherwise impair the value of the Master Fund's investments (including the devaluation of the Master Fund).

Emerging Markets and Currency Risk. Investment Managers may invest the Investment Funds' assets in securities of non-US issuers, including those in emerging markets, and the Master Fund's assets may be invested in Investment Funds that may be denominated in non-US currencies, thereby exposing the Master Fund (and thus the Closed End Funds overall and their shareholders) to various risks that may not be applicable to US securities.

Industry or Sector Concentration Risk. An Investment Manager may focus on a particular industry or sector (e.g., energy, utilities, financial services, healthcare, consumer products, industrials and technology), which may subject the Investment Fund, and thus the Master Fund and the Fund, to greater risk and volatility than if investments had been made in issuers in a broader range of industries.

Geographic Concentration Risk. An Investment Manager may focus on a particular country or geographic region, which may subject the Investment Fund, and thus the Master Fund and the Fund, to greater risk and volatility than if investments had been made in issuers in a broader range of geographic regions.

Limited Number of Investments. An Investment Fund's assets may be invested in a limited number of securities or portfolio companies which may subject the Investment Fund, and thus the Master Fund and the Fund, to greater risk and volatility than if investments had been made in a larger number of securities.

Secondary Investments. Secondary investments may be acquired based on incomplete or imperfect information, and may expose the Master Fund to contingent liabilities, counterparty risks, reputational risks and execution risks. Additionally, the absence of a recognized "market" price means that the Master Fund cannot be assured that it is realizing the most favorable price in connection with trades in secondaries.

Due Diligence Risk. While the Closed End Fund Advisers will conduct independent due diligence before entering into a co-investment opportunity, the Master Fund's ability to realize a profit on such investments will be particularly reliant on the expertise of the lead investor in the transaction. To the extent that the lead investor in such a co-investment opportunity assumes control of the management of the private company, the Master Fund will be reliant not only upon the lead investor's ability to research, analyze, negotiate and monitor such investments, but also on the lead investor's ability to successfully oversee the operation of the company's business. The Master Fund's ability to dispose of such investments is typically severely limited, both by the fact that the securities are unregistered and illiquid and by contractual restrictions that may preclude the Master Fund from selling such investment.

## **PRIVATE FUNDS' RISKS**

Private Funds are subject to numerous risks and conflicts of interest. Each Private Fund invests substantially all of its assets into one or more Underlying Funds sponsored and advised by an independent third party ("**Underlying Fund Manager**") that is not affiliated with the Adviser. Set out below is a summary of risks and conflicts specifically applicable to an investment(s) in Private Funds advised by the Adviser.

YOU SHOULD ONLY INVEST RISK CAPITAL. ANY RETURNS FROM AN INVESTMENT IN A PRIVATE FUND MAY NOT ADEQUATELY COMPENSATE YOU FOR THE RISKS ASSUMED. YOU CAN LOSE ALL OR A SUBSTANTIAL AMOUNT OF YOUR INVESTMENT IN A PRIVATE FUND. THE VALUE OF YOUR INVESTMENT WILL FLUCTUATE AND YOU MAY EXPERIENCE A GAIN OR A LOSS UPON REDEMPTION. BEFORE DECIDING TO INVEST, YOU ARE URGED TO CAREFULLY READ THE PRIVATE FUND'S ENTIRE OFFERING MEMORANDUM FOR A MORE

COMPLETE DISCUSSION OF RISKS AND CONFLICTS, AND CONSULT YOUR OWN LEGAL, INVESTMENT AND TAX ADVISORS AS TO WHETHER A PRIVATE FUND IS APPROPRIATE FOR YOUR PARTICULAR INVESTMENT OBJECTIVES AND FINANCIAL CIRCUMSTANCES.

Limited Liquidity. There is no secondary market for, or exchange trading of, Private Fund interests, and they are non-transferable. Redemptions are permitted only at specific intervals, and only upon substantial advance written notice. Only partial liquidity may be available at each redemption opportunity. This may result in a potentially lengthy time period before an investor is able to entirely redeem from the Private Fund, during which time the investor remains subject to all risks associated with the Private Fund, including the risk of losing capital. Redemption proceeds may also be subject to reserves for contingent liabilities and be limited for other reasons at the discretion of the Adviser.

Manager Risk. The success of a Private Fund is dependent upon the ability of the Underlying Fund Manager to identify profitable investment opportunities, which is difficult, requires skill, and involves a significant degree of uncertainty. The Underlying Fund Manager has wide discretion to select strategies and invest without the approval of the Private Fund or its investors. A Private Fund does not have custody of the assets invested in the Underlying Fund, and the brokerage firms and banks used by the Underlying Fund for trading and custodial purposes may encounter financial difficulties which could negatively impact the Underlying Fund, and in turn the Private Fund. There also exists the possibility of loss due to fraud, deviation from disclosed investment strategies, or simply poor judgment, by an Underlying Fund Manager. This is a significant risk for a Private Fund as it invests substantially all of its assets in an Underlying Fund.

Lack of Diversification. Because a Private Fund invests substantially all of its assets into an Underlying Fund, this creates a lack of diversification, and potentially increased risk. The varying levels of diversification within an Underlying Fund's investment portfolio, and among the various strategies employed by the Underlying Fund Manager, may not effectively mitigate this risk.

Substantial Fees and Expenses. A Private Fund is subject to substantial layers of fees and expenses, which will reduce profitability and your returns. Fees and expenses are charged both by the Private Fund and at the Underlying Fund level. The overall fees and expenses you pay will be higher than if you invested directly in the Underlying Fund. Fees and expenses at the Underlying Fund level include applicable management, performance, incentive or other direct fees, as well as a pro-rata portion of the operating expenses of the Underlying Fund. Performance-based incentive fees charged by the Underlying Manager creates an incentive for it to engage in riskier trading than it might otherwise pursue in the absence of an incentive fee arrangement. In addition, the Adviser charges a management or sponsor fee. Each investor also pays a pro rata portion of a Private Fund's operating expenses, including expenses associated with formation, operations, legal, accounting, auditing, administration, clerical, marketing and the continuous offering of Private Fund interests, and any extraordinary expenses.

Lack of Transparency and Valuation Risk. Because a Private Fund has limited access to information about specific transactions placed by an Underlying Fund, there is limited



opportunity to confirm or monitor whether investments made by the Underlying Fund are consistent with its stated investment objectives, limitations and risk characteristics. A Private Fund is also limited in its ability to confirm the accuracy of asset valuations provided for an Underlying Fund's investment portfolio, which the Private Fund relies on in order to value its investment in the Underlying Fund, and in turn, its own net asset value.

Foreign Investment Risk. A Private Fund may invest in or trade with non-U.S. entities and transact on non-U.S. exchanges. Such activities involve risks not typically associated with, and potentially greater than, those associated with US investments, including adverse fluctuations in foreign currency values, 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. Derivatives trading in foreign markets may be outside the jurisdiction of U.S. regulators and the potency of regulation by local authorities may vary greatly, thereby increasing the risk of non-U.S. counterparty default or bankruptcy.

Leverage. A Private Fund will be exposed to leverage, including borrowing to purchase securities and the use of options, swaps or other financial derivatives that have inherent or imbedded leverage, or other forms of direct or indirect borrowing. This will cause the Private Fund to incur additional expenses, will magnify the Private Fund's potential gains or losses, and in turn increase the volatility of Private Fund returns.

Credit Risk. Investments by a Private Fund in fixed income securities will expose it to credit risk, meaning the risk that issuers and counterparties to the Private Fund's investments in debt securities will not make scheduled payments, resulting in losses to the Private Fund. In addition, the credit quality of fixed income securities may be lowered if an issuer's financial condition changes, which also could cause losses to a Private Fund.

Derivatives Risk. A Private Fund's exposure to swaps or other derivative instruments, directly or indirectly, involves risks different from, or possibly greater than the risks associated with investments directly in securities, including leverage risk and counterparty default risk in the case of over the counter derivatives. Option positions held may expire worthless, exposing the Fund to potentially significant losses.

Commodity Risk. Investments in commodity futures markets may subject a Private Fund to greater volatility than investments in traditional securities. Commodity futures prices may be influenced by unfavorable weather, animal and plant disease, geologic and environmental factors as well as changes in government regulation such as tariffs, embargoes or burdensome production rules and restrictions.

Absence of Regulation. The Interests issued by Private Funds, and those issued by an Underlying Fund, are not registered with the SEC nor with any state regulator. Similarly, none of the Private Funds or the Underlying Funds is subject to SEC regulation under the 1940 Act as an investment company. Therefore, an investment in a Private Fund is not subject to the same registration and disclosure requirements, and does not benefit from the same investor protection regulations, as are applicable to the Mutual Funds or Closed End Funds. For example, unlike Mutual Funds, there are no specific rules on hedge fund pricing or pricing over-the-counter instruments.

Tax Complexity and Reporting Delays. A Private Fund's tax structure is complex and investors should expect delays in receiving annual tax information and reports from a Private Fund. Investors are likely to be required to seek extensions of their deadline for filing annual income tax returns. A Private Fund may also generate unrelated business taxable income ("UBTI") attributable to debt-financed income at the Underlying Fund level.

Benefit Plan, IRA and Other Tax Exempt Investors. Fiduciaries of benefit plan investors, IRAs and other tax-exempt investors in particular should carefully consider the suitability and prudence of an investment in Private Funds in light of any potential for generation of UBTI, lack of diversification, volatility, and/or illiquidity.

Conflicts of Interest. Altegris, a broker-dealer affiliated with the Adviser, recommends the Private Funds to its clients, and acts as a selling agent and wholesaling agent with respect to the distribution of Private Fund interests. Altegris, the Adviser and their affiliates and employees (the "**Altegris Companies**") have a financial interest in raising assets through the distribution of Private Fund interests and in operating the Private Funds, for which they may receive management fees, selling commissions, potential fee-sharing with other managers or marketing firms, and other compensation. Given this affiliation, representatives of Altegris may receive more for recommending Private Fund investments than for recommending investments in other products, and the Altegris Companies have a financial incentive to recommend the Private Funds to prospective investors, and to recommend that existing investors not redeem their interests in Private Funds. The Adviser and Underlying Fund Managers sponsor and manage other funds and accounts, which creates potential conflicts of interest between their duties and obligations to their Private Funds and Underlying Funds (respectively), and to their other funds or accounts. Such conflicts may not always be resolved in favor of the Private Fund (or Underlying Fund in which a Private Fund invests).

Mauldin Referrals. If you were referred to the Altegris Companies by John Mauldin, through Millennium Wave Advisors, LLC ("**MWA**") or Millennium Wave Securities, LLC ("**MWS**") (each doing business as Millennium Wave Investments), you should be aware that Mr. Mauldin is the President of MWA, an investment advisory firm registered with multiple States, and is the President and a registered representative of MWS, an SEC-registered broker-dealer firm and a member of Financial Industry Regulatory Authority. MWS is also a CFTC-registered commodity pool operator, commodity trading advisor and introducing broker and a member of the NFA. Altegris pays MWS 1/3 of its securities-related revenue earned as a selling agent for hedge funds and commodity pools sold to investors who were referred to Altegris by MWS. Additionally, Altegris pays MWS up to 1/3 of its commodity brokerage commission and interest income revenue earned from managed futures accounts of customers who were referred to the Altegris Companies by MWS. Altegris may in some circumstances also pay MWS a finder's fee or similar compensation on sales of certain products the managers of which were introduced to Altegris by MWS. Mr. Mauldin may participate in the marketing of certain hedge funds, commodity pools or managed futures trading programs of CTAs recommended by Altegris. As such, Mr. Mauldin has an incentive to only market and discuss financial products for which he receives compensation for referrals.



A COMPLETE DISCUSSION OF THE POTENTIAL RISKS INHERENT IN AN INVESTMENT IN ANY OF THE MUTUAL FUNDS, CLOSED END FUNDS, AND PRIVATE FUNDS CAN BE FOUND IN THE RELEVANT CURRENT PROSPECTUS AND SAI, OR PRIVATE PLACEMENT OFFERING MEMORANDUM, AS APPLICABLE. PLEASE REFER TO THESE DOCUMENTS FOR A FULL DESCRIPTION OF SPECIFIC INVESTMENT OBJECTIVES, PRINCIPAL INVESTMENT STRATEGIES AND PRINCIPAL INVESTMENT RISKS. ALL INVESTORS SHOULD READ ALL OFFERING MATERIALS CAREFULLY, AND CONSULT THEIR OWN ADVISERS PRIOR TO INVESTING.

#### **PORTFOLIO STRATEGIST AND GUIDEPATH FUND**

In providing “Portfolio Strategist” services to AssetMark, the Adviser generally uses either technical or fundamental analysis techniques in formulating asset allocation recommendations and/or incorporates strategies with specific income distribution objectives from within an investment strategy pursued directly with the Mutual Funds. The Adviser provides asset allocation recommendations within various asset classes. Such recommendations include allocations in varying levels to the Mutual Funds.

The GuidePath Fund operates as a fund-of-funds, investing primarily in the Mutual Funds. In acting as a sub-adviser to the GuidePath Fund, the Adviser generally uses either technical or fundamental analysis techniques in formulating investment recommendations, as well as investment advice necessary to the ongoing program of investment, evaluation and, or appropriate, sale and reinvestment of the GuidePath Fund’s assets. The Adviser, acting as sub-adviser to the GuidePath Fund, will use portfolio construction techniques to optimize the portfolio mix with specific consideration to the GuidePath Fund’s objective. The same general risks of loss applicable to a fund-of-funds strategy, as summarized above, are also applicable to the GuidePath Fund. A complete discussion of the potential risks inherent in an investment in the GuidePath Fund can be found in its current Prospectus and SAI.

#### **ITEM 9: DISCIPLINARY HISTORY**

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There are no material legal or disciplinary events to disclose for the Adviser, or its management persons.

#### **ITEM 10: OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS**

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In some instances certain Private Funds may invest in another, non-affiliated hedge fund that is advised by an investment adviser (or its affiliate) which may also be engaged as a sub-adviser to a Mutual Fund and/or whose investment strategies are accessed by a Mutual Fund, directly or indirectly, through portfolio investments in securities, swaps, structured notes or other instruments. Similarly, certain Commodity Pools may in some instances engage a non-affiliated commodity trading advisor to pursue a trading program on its

behalf, and that same commodity trading advisor (or its affiliate), and/or trading program, may be accessed by a Mutual Fund, directly or indirectly, through portfolio investments in securities, swaps, structured notes or other instruments. These circumstances may also create conflicts of interest, as to compensation, trade allocation practices and possibly other conflicts, across these accounts managed by non-affiliated commodity trading advisors and/or investment advisers that may be engaged or accessed, directly or indirectly, by the Mutual Funds, as well as the Private Funds or the Commodity Pools.

**Broker-Dealers.** Altegris Investments, LLC ("**Altegris**") is a broker-dealer affiliate of the Adviser and pursuant to an agreement with the Mutual Funds' principal underwriter, acts as a selling agent of the Mutual Funds. As disclosed in the Mutual Funds' Prospectuses, Altegris and other selling agents will receive compensation in connection with their respective sales of the Mutual Funds, and such compensation will be paid by the Mutual Funds' principal underwriter out of its 12b-1 fee revenue. Altegris also acts as a wholesaler of the Mutual Funds pursuant to an agreement with the Adviser whereby Altegris is compensated for its wholesaling efforts out of Mutual Fund advisory fee revenue of the Adviser.

Altegris has been engaged as the distributor to the Closed End Funds to facilitate the placement of shares of the Closed End Funds. Altegris will be compensated by the Altegris KKR Feeder Fund through a distribution fee payable by that Fund, and may also receive sales loads on its sales of shares of the Altegris KKR Feeder Fund. Altegris will also act as a wholesaler of the Closed End Funds pursuant to an agreement with the Adviser whereby Altegris is compensated for its wholesaling efforts out of Closed End Fund advisory fee revenue of the Adviser. The sponsors or managers of certain investments funds in which the Closed End Funds invest may also pay servicing and support fees to Altegris in consideration for Altegris' support to the Closed End Funds in making such investments.

Altegris also acts as a selling agent and wholesaling agent for Private Funds (and Commodity Pools) sponsored and/or advised by the Adviser, and is compensated for such sales and services it provides to those funds. Certain of the executive officers are deemed to be (i) management persons of the Adviser (ii) registered representatives of Altegris, and (iii) executive officers of the two affiliated introducing brokers described below. These executive officers do not receive any direct sales-related compensation in their capacity as registered representatives, though certain executive officers have a financial interest in the overall profitability of the Adviser and its affiliates.

AssetMark Brokerage, LLC ("**AssetMark Brokerage**") is a broker-dealer under common control. AssetMark Brokerage does not provide execution or distribution services for the Mutual Funds, Closed End Funds or the Private Funds. AssetMark Brokerage and AssetMark have entered into a marketing services agreement with the Adviser, whereby AssetMark Brokerage and AssetMark receive compensation from the Adviser for certain marketing support distribution services they provide to the Adviser. While this does not present a direct conflict of interest to the advisory services the Adviser provides to the Mutual Funds or the GuidePath Fund, the Adviser may receive an indirect benefit from the support in its capacity as investment adviser to the Mutual Funds.

As discussed in Item 4, the Adviser is indirectly owned by Aquiline and Genstar, as well as certain senior management of the Adviser and its affiliates. Aquiline has an ownership interest in CRT Capital Group, LLC (“CRT”), a registered broker-dealer. Sub-advisers to the Mutual Funds may execute a portion of a Mutual Fund’s transactions through CRT, which may present a potential conflict of interest given (i) its indirect affiliation with the Adviser, and (ii) Mr. Jack Rivkin, the Adviser’s Chief Investment Officer, serves as a director of CRT. The Adviser and its personnel, including the Chief Investment Officer, do not choose or influence the choice of broker-dealers used by the sub-advisers.

**Commodities Registrations.** The Adviser is registered as a CPO and CTA with the CFTC and a member of the NFA. Certain of the Adviser’s executive or senior officers are deemed to be management persons of the Adviser and are registered as associated persons of the Adviser. These management persons of Adviser do not receive any direct sales-related compensation in their capacity as an associated person, though certain executive officers have a financial interest in the overall profitability of the Adviser and its affiliates. See Item 4 above.

**Investment Advisers.** The Adviser is affiliated with AssetMark, an investment adviser registered with the SEC, a CPO registered with the CFTC, and a member of the NFA. Please see Item 4 for further information regarding AssetMark, and the Adviser’s role as a “Portfolio Strategist.” While this does not present a direct conflict of interest to the advisory services the Adviser provides to the Mutual Funds, or the GuidePath Fund, asset allocation recommendations will include the Mutual Funds, from which the Adviser receives an advisory fee.

As also noted in Item 4, the Adviser has also been engaged by AssetMark to act as sub-adviser to the GuidePath Fund. While this does not present a direct conflict of interest to the advisory services it provides to the Mutual Funds, investment recommendations will include the Mutual Funds, from which the Adviser receives an advisory fee. The asset allocation recommendations provided in its capacity as a “Portfolio Strategist” to AssetMark may vary from investment recommendations the Adviser may provide in its capacity as a sub-adviser to the GuidePath Fund and as an adviser to the Mutual Funds.

As noted above, AssetMark Brokerage and AssetMark have entered into a marketing services agreement with the Adviser. The Adviser and Altegris also have entered into a referral agreement with AssetMark. Pursuant to this agreement, AssetMark may refer advisory firms to the Adviser or Altegris, for potential investments by clients of AssetMark in the Private Funds. The agreement does not provide for compensation to any parties for such referrals, although the potential for benefit to the Adviser or Altegris from such referrals does exist.

As discussed in Item 4, the Adviser is indirectly owned by Aquiline and Genstar, as well as certain senior management of the Adviser and its affiliates. Aquiline Holdings, LLC and Genstar Capital indirectly control the Adviser, and are SEC registered investment advisers. Aquiline Holdings, LLC has numerous affiliated advisers acting as “relying advisers.”

**Introducing Brokers.** Altegris Clearing Solutions, L.L.C. (“ACS”), is an affiliated futures introducing broker (“IB”) and CTA registered with the CFTC. As an IB and CTA, ACS and certain of its associated persons, for compensation, introduce customers’ futures trading accounts to futures commission merchants, and also advise those customers as to the engagement of other commodity trading advisors and their trading programs. As described above, certain Mutual Funds invest, directly or indirectly, in securities issued by underlying commodity pools, swaps, structured notes and/or other instruments for the purpose of gaining exposure to the commodity and financial futures markets. In some instances, such investments by the Mutual Funds could gain exposure to a trading program of a commodity trading advisor which is also recommended by ACS to its customers. This may create a conflict of interest among the Adviser and its clients, the Mutual Funds, on the one hand, and ACS and its customers on the other, in respect of compensation received across the different businesses of the Adviser and ACS, as affiliates.

ACS does not provide services to the Adviser, the Mutual Funds, the Closed End Funds, or the GuidePath Fund. ACS does however act as the IB to the Commodity Pools, and as such receives revenue associated from the futures brokerage activities of the Commodity Pools. None of the executive or senior officers who are deemed to be management persons of the Adviser and are registered associated persons or principals with respect to ACS’s IB activities receive any direct sales-related compensation in their capacity as an associated person of ACS, though certain executive officers have a financial interest in the overall profitability of ACS.

**Trust Company.** The Adviser is also affiliated with AssetMark Trust Company, an Arizona chartered trust company (“AMTC”). AMTC has signed various service and distribution agreements with NLFT and receives compensation for its services to the Mutual Funds. The Mutual Funds’ principal underwriter and its affiliates, and the Adviser and its affiliates, may at their own expense and out of their own assets including their legitimate profits from Mutual Fund-related activities, provide additional cash payments to financial intermediaries, including AMTC and other affiliates of the Adviser, who sell shares of the Mutual Funds. These payments may be in addition to the Rule 12b-1 fees and any sales charges that are disclosed in the Prospectus. These payments are generally made to financial intermediaries that provide shareholder or administrative services, or marketing support. Marketing support may include access to sales meetings, sales representatives and financial intermediary management representatives, inclusion of the Mutual Funds on a sales list, including a preferred or select sales list, or other sales programs. These payments also may be made as an expense reimbursement in cases where the financial intermediary provides shareholder services to Mutual Fund shareholders. The Mutual Fund’s principal underwriter may, from time to time, provide promotional incentives to certain investment firms. Such incentives may, at the principal underwriter’s discretion, be limited to investment firms who allow their individual selling representatives to participate in such additional compensation.

**Other Affiliates.** Other affiliates under common control with the Adviser, by virtue of their direct or indirect ownership or control by private equity investment funds managed by

Aquiline and/or Genstar, are also regulated financial services firms. The Adviser does not deem the businesses of such affiliates, merely by virtue of their being under common control, to be material to its advisory operations, as it has no direct business dealings with such affiliates, does not refer to or share clients with such affiliates, and does not share or rely on any management or personnel to or from such other affiliates in conducting its advisory business as described herein. Therefore, the Adviser does not consider such affiliations to create material conflicts of interest for the Adviser or its clients.

#### **ITEM 11: CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING**

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The Adviser has adopted a Code of Ethics (the “**Code**”) under 17j-1 of the 1940 Act (with respect to the Mutual Funds, their respective Subsidiaries, and the Closed End Funds), and Rule 204A-1 of the Investment Advisers Act of 1940 (“**Advisers Act**”) for certain access persons (“**Access Persons**”) of the Adviser. The Code is designed to guide Access Persons in their ethical obligations and to provide rules for their personal securities transactions. Specifically, the Code requires Access Persons to (i) place the interests of the Advisers’ clients first, (ii) conduct all personal securities transactions in a manner consistent with the Code and in such a manner as to avoid any actual or potential conflict of interest or any abuse of their position of trust and responsibility, (iii) not take inappropriate advantage of their positions or of their relationship with the Advisers’ clients, (iv) maintain the confidentiality of client information, (v) not misuse non-public information, and (vi) comply at all times with all applicable federal securities laws and other governmental rules and regulations.

The Code contains (i) certain reporting requirements applying to the purchase of securities and security holdings, and (ii) securities trading clearance procedures applying to the purchase of securities. The Code also requires all Access Persons to pre-clear investments in private placements and initial public offerings with a compliance officer.

The Code also prohibits an Access Person from (i) serving on the board of a publicly traded company without preapproval, (ii) making any political contributions which are designed to influence a political official or government entity to direct investment advisory business or services to the Adviser, or (iii) accepting or making gifts that are outside the normal course of business. All Access Persons are responsible for reporting any known violations of the Code to the Chief Compliance Officer.

The Adviser will provide a copy of the Code to any fund investor or prospective fund investor upon request.

## **ITEM 12:     BROKERAGE PRACTICES**

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Under its advisory agreements, the Adviser, under the supervision of the Mutual Funds' and Closed End Funds' respective Boards of Trustees, agrees to invest the assets of the Mutual Funds and the Closed End Funds directly in accordance with applicable law and the investment objectives, policies and restrictions set forth in the respective Prospectus and SAI, and subject to such further limitations as the Mutual Funds' or Closed End Funds' respective Boards of Trustees may from time to time impose by written notice to the Adviser.

As applicable to the Adviser's current operations, the Adviser will seek best execution for securities transactions executed on behalf of the Mutual Funds and Closed End Funds, as applicable. For purposes of this disclosure, best execution means that the Adviser will execute securities transactions in such a manner that the total cost or proceeds in each transaction is the most favorable under the circumstances. The Adviser will consider the full range and quality of a broker's services in placing brokerage, including, among other things, execution capability, trading expertise, accuracy of execution, commission rates, reputation and integrity, fairness in resolving disputes, financial responsibility and responsiveness.

The Mutual Funds' sub-advisers have their own best execution policies and procedures which have been reviewed by the Adviser and the Mutual Funds' Board of Trustees. The sub-advisers to the Mutual Funds will, subject to the supervision and control of the Adviser, determine in their respective discretion which issuers and securities will be purchased, held, sold or exchanged by the Mutual Funds, and will place orders with and give instruction to brokers and dealers for execution in a manner consistent with their respective best execution obligations.

Relating to the Private Funds, the Adviser does not exercise discretion with respect to the underlying investments purchased for the Underlying Funds or Managed Accounts.

In its capacity as a sub-adviser to the GuidePath Fund, AssetMark, as adviser to the GuidePath Fund, is responsible for implementing the GuidePath Fund's investment strategy and effecting related securities transactions, which includes seeking best execution for transactions of the GuidePath Fund.

## **ITEM 13:     REVIEW OF ACCOUNTS**

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On an on-going basis, Mutual Fund and Closed End Fund activity is reviewed by the Adviser's portfolio managers as well as contracted service providers and sub-advisers. On an ongoing basis, the Adviser performs quantitative analysis of performance against predefined parameters, looking for unexplained variances. The Adviser monitors volatility and trading frequency, and changes in correlation, operations or management.



With respect to its role as sponsor to the Private Funds, the Adviser periodically reviews the Underlying Funds and Managed Accounts. The Investment Committee comprised of the executive officers of the Adviser and its affiliates, as well as senior research personnel of the Adviser, make the initial investment decisions, as well as periodic reviews of these investments on an ongoing basis. The Investment Committee may review their decisions for various reasons, including events relating to the manager, strategy or general market conditions.

With respect to its “Portfolio Strategist” services, the Adviser will guide AssetMark or other advisory affiliates with instructions to rebalance portfolios (return back to policy mix) and/or reallocate (change the target mix), either periodically or as deemed appropriate over time, depending on the specific asset allocation approach and investment process.

With respect to its role as sub-adviser to the GuidePath Fund, the Adviser will review and reallocate the GuidePath Fund’s portfolio over time as the environment or characteristics of the portfolio change, additional Mutual Funds and strategies become available and/or underlying managers are changed within underlying funds and strategies.

#### **ITEM 14: CLIENT REFERRALS AND OTHER COMPENSATION**

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The Adviser does not obtain any direct economic benefit for providing investment advice to any parties other than the Mutual Funds, the Closed End Funds, the Private Funds (and to the Commodity Pools, operating as a CPO). The Adviser does obtain an indirect benefit from acting as a sub-adviser to the GuidePath Fund, and in its role as a “Portfolio Strategist”, since investment recommendations and asset allocation advice in those capacities will result in investment allocations to the Mutual Funds for which the Adviser receives an advisory fee.

The Adviser, the Mutual Funds’ principal underwriter and Millennium Wave Securities, LLC (“MWS”) have entered into an agreement pursuant to which the Adviser compensates MWS for certain marketing efforts performed by John Mauldin with respect to the Mutual Funds.

Altegris and ACS have entered into a joint marketing agreement with Millennium Wave Advisors, LLC (“MWA”) and MWS. John Mauldin is the President of MWA, which is an investment advisory firm registered with multiple states. John Mauldin is a registered representative of MWS, an SEC-registered broker-dealer, as well as a CPO, CTA and IB registered with the CFTC. Pursuant to this agreement, Altegris pays MWS 1/3 of the fees Altegris receives from Private Funds it sells to clients referred to Altegris by MWS, and ACS pays MWS up to 1/3 of the commodity brokerage commissions and interest income it receives from managed futures accounts of clients referred to it by MWS.

The Adviser will also pay fees (out of its Mutual Funds’ and Closed End Funds’ advisory fee revenue) to certain mutual fund distribution platforms sponsored by non-affiliated broker-dealers (e.g., “mutual fund supermarkets”), in order for those platforms to include



the Mutual Funds and/or Closed End funds among the funds available for purchase thereon. The Mutual Funds' principal underwriter in some instances may reimburse the Adviser a portion of the platform fees the Adviser may pay on behalf of the Mutual Funds, to a mutual fund supermarket, with such reimbursement in each instance made out of the principal underwriter's 12b-1 fee revenue from Mutual Fund sales.

The Adviser, out of its own advisory fee revenue, will also pay other broker-dealers, including Altegris, for wholesaling and other distribution-related services in connection with the Mutual Funds, Closed End Funds, and Private Funds. In addition, the Closed End Funds may pay distribution fees and sales loads to Altegris, which acts as distributor for the Closed End Funds. The sponsors or managers of certain investment funds in which the Closed End Funds invest may also pay servicing and support fees to Altegris in consideration for Altegris' support to the Closed End Funds in making such investments.

Because the Adviser and Altegris are affiliates, the Adviser will benefit indirectly from the fees paid to, and revenue generated by, Altegris as the distributor and provider of other services, directly or indirectly, to the Mutual Funds and Closed End Funds, and as a selling agent and wholesaler to the Private Funds.

#### **ITEM 15: CUSTODY**

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The Adviser does not have custody of any Mutual Fund or Closed End Fund assets or securities, as defined under Rule 206(4)-2 of the Advisers Act.

Because the Adviser serves as general partner and/or sponsor of the Private Funds, the Adviser is deemed to have "custody" over the Private Funds within the meaning of Rule 206(4)-2 under the Advisers Act. Each investor in a Private Fund receives audited financial statements within 120 days (180 days for private fund-of-funds) following the Private Fund's fiscal year end. The Adviser and/or the Private Fund have engaged a qualified custodian (the "**Custodian**") to provide custody services for the Private Funds. The Custodian, or an affiliate of the Custodian, will provide statements directly to the investors of the Private Fund at least quarterly. Private Fund investor should carefully review these statements upon receipt from the Custodian.

#### **ITEM 16: INVESTMENT DISCRETION**

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Under the advisory agreement, the Adviser, under the supervision of the Mutual Funds' and the Closed End Funds' respective Boards of Trustees, has been granted investment discretion and agrees to invest the assets of the Mutual Funds and the Closed End Funds directly in accordance with applicable law and the investment objectives, policies and restrictions set forth in the applicable Prospectus and SAI, and subject to such further limitations as the Mutual Funds' or Closed End Funds' respective Board of Trustees may from time to time impose by written notice to the Adviser.

The Adviser may engage a sub-adviser to manage all or a portion of the assets of any Mutual Fund or Closed End Fund on a discretionary basis. In this event, the Adviser would convey investment discretion to a sub-adviser. The Adviser may in some instances engage a sub-adviser on a non-discretionary basis to make recommendations to the Adviser in respect of investments made on behalf of a Closed End Fund.

Under the terms of the organizational and governing documents for each Private Fund, the Adviser has been granted investment discretion to allocate Private Fund assets. Once allocated, the Adviser does not exercise discretion with respect to the investments purchased for the Underlying Funds or Managed Accounts.

The Adviser's role, as sub-adviser to the GuidePath Fund, is not discretionary, but rather, limited to providing investment advice to AssetMark, subject to the stated investment objectives, policies and restriction of the GuidePath Fund, as well as investment advice necessary to the on-going program of investment, evaluation and/or sale and reinvestment of the GuidePath Fund's assets. As adviser to the GuidePath Fund, AssetMark, not the Adviser, is responsible for implementing its investment strategy and effecting related securities transactions.

#### **ITEM 17: VOTING CLIENT SECURITIES**

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With respect to the Mutual Funds and Closed End Funds, their respective Board of Trustees has adopted Proxy Voting Policies and Procedures (the "**Policies**") on their behalf, which delegate the responsibility for voting proxies to the Adviser or its designee, subject to the Board of Trustees' continuing oversight. The Policies require that the Adviser or its designee vote proxies received in a manner consistent with the best interests of the Mutual Funds, Closed End Funds and their respective shareholders. The Policies also require the Adviser or its designee to present to the Board of Trustees, at least annually, the Adviser's Proxy Policies, or the proxy policies of the Adviser's designee, and a record of each proxy voted by the Adviser or its designee on behalf of the Mutual Funds or Closed End Funds, as applicable, including a report on the resolution of all proxies identified by the Adviser as involving a conflict of interest.

Solely with respect to proxies received by the Mutual Funds in relation to securities managed by sub-advisers to the Mutual Funds, the Adviser has conveyed all proxy voting authority and responsibility to each such Mutual Fund's sub-adviser(s), as applicable. Each sub-adviser has its own policies and procedures regarding the voting of proxies, which have been reviewed by the Adviser and the Mutual Funds' Board of Trustees, and which are included in the SAI for each Mutual Fund. However, should a sub-adviser not be in a position to vote a proxy relating to a Mutual Fund security, the Adviser stands prepared, upon notice and in accordance with applicable proxy voting policies, to take the necessary action.

With respect to the Private Funds, the Adviser does not exercise discretion with respect to the underlying investments purchased for the Underlying Funds or Managed Accounts.

Therefore, it is anticipated that the managers of the Underlying Funds or Managed Accounts will vote all proxies on behalf of the Private Funds.

AssetMark, as adviser to the GuidePath Fund, retains the right to vote all proxies received on behalf of the GuidePath Fund.

**ITEM 18: FINANCIAL INFORMATION**

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The Adviser does not have any financial condition that is likely to impair its ability to meet contractual commitments to its clients.

## **ATTACHMENT I**

### **SUMMARY OF MATERIAL CHANGES**

#### **ITEM 4: Advisory Business**

Item 4 was amended to reflect a corporate reorganization. On December 31, 2014 the Adviser was merged with and into an affiliated investment adviser, Altegris Portfolio Management, Inc. ("Altegris Funds"). The Adviser was the surviving entity. Effective at the closing of the merger, all rights, receivables, assets, obligations and liabilities of Altegris Funds was assumed by the Adviser. The Adviser now serves as investment adviser and sponsor to various privately offered domestic and offshore investment funds, as well as a sponsor to certain commodity pools not connected with its advisory business. Additionally, on December 31, 2014, Altegris Holdings, Inc., the direct owner of the Adviser, was merged with and into its sole shareholder, Altegris Holdings II, Inc. As a result of the merger and subsequent entity conversion, the direct owner of the Adviser is Altegris Holdings II, L.L.C.

As of September 12, 2014, the Adviser entered into advisory agreements for Altegris KKR Private Equity Master Fund, and Altegris KKR Private Equity Fund, though these funds are not yet operational.

#### **ITEMS 5, 8, 13, 14, 15, 16 and 17**

This Form ADV Part 2A was generally updated as necessary to reflect the changes connected to the reorganization and assumption of new services. The following items were materially updated: Item 5 (Fees and Compensation), Item 8 (Methods of Analysis, Investment Strategies, Risk of Loss), Item 13 (Review of Accounts), Item 15 (Custody), Item 16 (Investment Discretion), and Item 17 (Voting Client Securities).

This Form ADV Part 2A was generally updated as necessary to reflect the changes connected to the Adviser's services to the "Closed End Funds". The following items were materially updated; Item 5 (Fees and Compensation), Item 8 (Methods of Analysis, Investment Strategies, Risk of Loss), Item 14 (Client Referrals and Other Compensation), and Item 16 (Investment Discretion).

#### **ITEM 10: Other Financial Industry Activities and Affiliations**

In addition to revisions to reflect the corporate reorganization and the new advisory relationship, Item 10 was amended to reflect a newly registered affiliated broker-dealer, AssetMark Brokerage, Inc., and its engagement for certain marketing services to the Mutual Funds. As part of the corporate reorganization noted above, Item 10 was updated to reflect a reorganization of Altegris Investments, Inc., from an Arkansas company to a Delaware limited liability company. Additionally, this now reflects and the merger of two affiliated CFTC registered introducing brokers: Altegris Futures, LLC was merged by operation of law with Altegris Clearing Solutions, LLC as of December 31, 2014.