

Lacerte Capital Advisers, LLC

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This brochure provides information about the qualifications and business practices of Lacerte Capital Advisers, LLC. If you have any questions about the contents of this brochure, please contact us at 214-922-9211. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about Lacerte Capital Advisers, LLC is available on the SEC's website at www.adviserinfo.sec.gov.

Lacerte Capital Advisers, LLC is a "Registered Investment Advisor", however this does not imply a certain level of skill or training.

Material Changes

Assets under management total updated to reflect totals as of December 31, 2011.

Modified language to include “option strategies” in Lacerte Capital’s area of specialization.

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Advisory Business

Lacerte Capital Advisers, LLC began managing assets March 1st, 2007. The principal owners of the firm are found in the table below.

Owner	Percent Ownership
Philip Lacerte	80%
Douglas Wynn	10%
Sovereign Trading Group, LLC	10%

Sovereign Trading Group, LLC is wholly owned and operated by Jeffrey Beamer.

Lacerte Capital Advisers, LLC serves as the investment adviser to the Lacerte Guardian Fund (the "Mutual Fund") as a series of the Northern Lights Fund Trust (the "Trust"), a registered investment company. The Mutual Fund seeks to provide capital appreciation by investing primarily in a portfolio of large capitalization equity securities, including exchange traded funds ("ETFs") that invest primarily in large capitalization equity securities, while purchasing protective put options on the portfolio using the adviser's propriety analysis methodology and writing call options.

In addition, Lacerte Capital Advisers, LLC serves as an investment adviser to individuals or other investment advisers. The firm specializes in "hedging solutions" wherein clients look to address their exposure to market drops as well as other option related strategies.

Lacerte Capital Advisers, LLC limits the advice to the above mentioned strategies.

Lacerte Capital Advisers, LLC does tailor their services to individual needs of the client on occasion. Any investing restrictions are vetted before the client is engaged.

As of December 31, 2011 Lacerte Capital Advisers, LLC has discretionary authority of \$7,875,000 USD.

Fees and Compensation

Lacerte Guardian Fund Fees

Pursuant to an advisory agreement between the Mutual Fund and Lacerte, the Mutual Fund pays Lacerte Capital Advisers, LLC a variable performance-based fee. This fee is comprised of an annual base rate of 1.75% of average daily net assets (fulcrum fee), subject to a performance adjustment, in accordance with a rate schedule. The performance adjustment either increases or decreases the management fee, depending on how well the Fund has performed relative to the

Standard and Poor's 500 Index ("S&P 500 Index") over a performance period. The performance period is the most recent 12-month period (rolling 12-month period).

Separately Managed Account Fees

The fee schedules below represent the sliding scale for fee arrangements at Lacerte Capital Advisers, LLC. Lacerte will make fee negotiations in some cases.

Separately Managed Overlay

Underlying Portfolio Value	Annual Management Fee
< \$1,000,000	1.00%
\$1,000,000 - \$10,000,000	.75%
\$10,000,001 - \$25,000,000	.60%
\$25,000,001 - \$50,000,000	.50%
\$50,000,000 +	Negotiable

Separately Managed Portfolio

Underlying Portfolio Value	Annual Management Fee
< \$1,000,000	1.25%
\$1,000,000 - \$10,000,000	1.00%
\$10,000,001 - \$25,000,000	.75%
\$25,000,001 - \$50,000,000	.60%
\$50,000,000 +	Negotiable

Lacerte Capital Advisers, LLC has the ability to deduct fees directly from accounts or invoice clients where appropriate. All fees are paid in arrears monthly, unless otherwise noted.

Methods of Analysis, Investment Strategies and Risk of Loss

The following are risks associated with the strategies employed at Lacerte Capital Advisers, LLC. Investors in the Lacerte Guardian Fund will find those applicable risks noted in the Fund Prospectus as well.

- *Call Option Risk.* When Lacerte Capital Advisers, LLC writes call options on its portfolio securities it limits its opportunity to profit and, consequently, could significantly underperform the market.

- *ETF Risk.* ETFs are subject to investment advisory and other expenses, which will be indirectly paid by holder. Each ETF is subject to specific risks, depending on the nature of the ETF.
- *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.
- *Management Risk.* The ability of Lacerte Capital Advisers, LLC to meet its investment objective is directly related to the adviser's assessment of the attractiveness and potential appreciation of particular investments. The advisor's use of a "protected" option strategy is not a guarantee of positive performance.
- *Market Risk.* The investments may decline in value if the stock markets perform poorly.
- *Put Option Risk.* When Lacerte Capital Advisers, LLC purchases a put option it may lose the entire premium paid for a put option and, consequently, it could significantly underperform the market. In addition, the seller of the option may default and not purchase the security at the exercise price, in which case the "protection" of the put option will not be realized.
- *Tax Risk.* Lacerte Capital Advisers, LLC expects to generate premiums from its sale of call options. These premiums typically will result in short-term capital gains for federal income tax purposes. In addition, stocks that are protected with put options may not be eligible for long term capital gains.

Disciplinary Information

No disciplinary events to report

Other Financial Industry Activities and Affiliations

No management persons are registered or have applications pending to register as a broker-dealer at this time.

No management persons are registered or have applications pending to register as a futures commission merchant, commodity pool operator, commodity trading advisor or an associated person of the foregoing entities at this time.

Lacerte Capital Advisers, LLC is an advisor to the Lacerte Guardian Fund which is part of the Northern Lights Fund Trust. In addition they manage funds directly for individuals, Registered Investment Advisors and institutions. When trading these accounts Lacerte Capital Advisers, LLC implements a "Best Execution" policy to reduce any bias should portfolio holdings overlap.

Code of Ethics, Participation or Interest in Client Transactions and Personal Trading.

Lacerte Capital Advisers, LLC has adopted a Code of Ethics intended to set a high standard for the employees and interested parties of the firm. Its main purpose is to ensure that the client's best interest is placed ahead of personal interests of the firm and its employees. A full copy of this policy is available to any client or prospective client upon request. Call, email or write to the contact information on the cover of this document.

Lacerte Capital Advisers, LLC monitors personal trading to avoid conflicts of interest. Associated persons of the Firm are only required to obtain pre-clearance for Initial Public Offerings and Private Placements. The CCO and President will monitor all related persons trades, with particular emphasis on trades in the same securities in which the Firm deals. They will consider the trades and address any potential issues on a case-by-case basis.

Brokerage Practices

Lacerte Capital Advisers, LLC does not engage in any soft dollar arrangements as of the time of this publication. Should this change, appropriate disclosures will be added.

Lacerte Capital Advisers, LLC maintains an ongoing Best Execution Policy to ensure that their clients are receiving the best service at the best price. This policy is available to any client or prospective client upon request. Lacerte Capital Advisers, LLC will recommend vendors for brokerage and custody, but each client relationship requires a tailored set of vendors. These may or may not be vendors Lacerte Capital Advisers, LLC has previously engaged.

Lacerte Capital Advisers, LLC also allows clients to dictate their brokerage. In these cases the pricing and Best Execution Policy of the client or adviser will remain in effect.

Lacerte Capital Advisers, LLC maintains multiple market access points as a part of their Best Execution Policy as well as for redundancy.

Lacerte Capital Advisers, LLC may aggregate orders for better pricing and allocate across multiple accounts. This is done when made possible by the executing broker. It is implemented on a case-by-case basis and is part of the Best Execution Policy and broker evaluation conducted before Lacerte Capital Advisers, LLC is engaged.

Review of Accounts

In most cases Lacerte Capital Advisers, LLC does not review client accounts.

Client Referrals and Other Compensation

Lacerte Capital Advisers, LLC has engaged third-party marketers as well as internal wholesalers of their services. These parties are paid commissions for referring new clients as well as increasing existing clients' investment. Where necessary, these are investment adviser representatives.

Custody

Lacerte Capital Advisers, LLC does not custody funds and relies on outside firms for this service. In addition, the custodian will provide periodic statements as necessary.

Investment Discretion

Lacerte Capital Advisers, LLC does exercise investment discretion over client accounts. In these cases Lacerte Capital Advisers, LLC obtains either a *limited trading authority* or *power of attorney*.

Voting Client Securities

Where applicable, Lacerte Capital Advisers, LLC does engage in proxy voting for discretionary accounts. A full outline of proxy voting policies and procedures is available by contacting Lacerte Capital Advisers, LLC at number or location on the front of this document.

Financial Information

Lacerte Capital Advisers, LLC bills clients in arrears for services rendered and maintains discretionary *trading* authority over client accounts, but no custody of funds or securities.