

Class I Shares
CPIEX

Class A Shares
CPAEX

Class C Shares
CPCEX

OBJECTIVE

The Counterpoint Tactical Equity Fund:

- Seeks to provide capital appreciation while managing downside risk
- Invests in individual stocks that have exposure to multiple factors or anomalies
- Uses a tactical model to dynamically adjust total market beta exposure

FUND STRATEGY

The Counterpoint Tactical Equity Fund aims to outperform equity indexes through owning a global multi-factor portfolio with an algorithmic trend-following overlay. The multi-factor stock selection model seeks to identify companies with the most potential for beneficial outcomes with respect to the Fund's positioning. The algorithmic trend-following overlay seeks to avoid bear-market exposure within the portfolio.

POTENTIAL BENEFITS

Trend-following Overlay

Tactical market overlay gives investors the possibility to avoid the bulk of losses experienced in prolonged bear markets.

Holdings Diversification

Long-short global market-neutral (zero beta) portfolio holds hundred of names.

Alpha Potential

Market-neutral part of the portfolio provides meaningful exposure in under-competed international markets and positioning in shorts is large enough to provide substantial alpha potential.

Low Correlation

The stock-selection model exhibits low to zero correlation to the broad stock market.

Strategy Diversification

Stocks are ranked with a multifactor model with 20+ factors at all times.

Innovative & Recent Factors

Multi-factor model is based on evolving academic research on behavioral mistakes investors make over the long run.

FACTOR DRIVEN SECURITY SELECTION

- An investment factor, sometimes referred to as an anomaly, can either be compensation for a known risk or a market inefficiency.
- The behavioral finance literature seeks to explain excess returns coming from factors as behavioral inefficiencies.
- The academic finance literature has identified more than one hundred factors. Behavioral finance identifies investor mistakes which may explain the existence of many factors.
- The Funds seek to target the most effective, recent, and persistent factors.

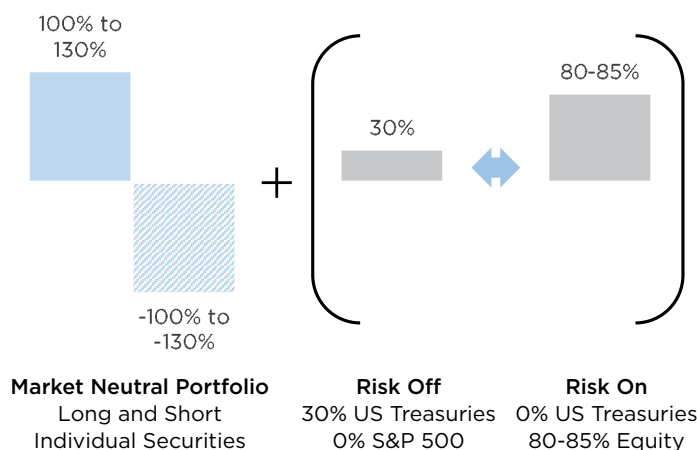
The Fund's strategy targets more than 20+ factors at any one time, creating strategic diversification. The Fund dynamically adjusts its model to include newer and more effective factors and pare down exposure to older, underperforming factors.

PORTFOLIO CONSTRUCTION

The Fund owns a global multi-factor portfolio in addition to an algorithmic trend-following equity market overlay. The trend-following market overlay seeks to avoid bear-market exposure within the portfolio.

Potential Benefits of Tactical Equity Strategy

- Tactical market overlay alternates in a systematic manner between a 80-85% U.S. stock index or up to 30% U.S. Treasury position
- The strategy can potentially avoid exposure to bear markets and periods of elevated market volatility.



PORTFOLIO MANAGERS



Joseph Engelberg, Ph.D.



Michael Krause, CFA

FUND FACTS

Tactical Equity CUSIPs

66538G395 (I)

66538G429 (A)

66538G411 (C)

Inception Date

November 30, 2015

GLOBAL MARKET-NEUTRAL MULTI-FACTOR PORTFOLIO

The Fund aims to outperform equity indexes through owning a global multi-factor portfolio.

- Stock-selection process produces a market-neutral portfolio with hundreds of globally diversified individual holdings from all market capitalization segments.
- Stock-selection model is optimized to reduce major sources of risk: market, sector, and currency risk. Risk management enables long and short exposure of approximately 100-130% on each side.
- The market-neutral portfolio targets an annual standard deviation of 6-7% (less than half of the market on a historical basis).
- The Fund gives shareholders exposure to inefficiencies in international market segments.
- The strategy employs short-selling to seek alpha. Historical returns to investment factors have typically benefited short sellers disproportionately more than long-only investors.

MANAGING DOWNSIDE VOLATILITY

The Fund seeks to avoid downside volatility by using an algorithmic tactical market model.

- The tactical model, which alternates between the two postures, is based on trend-following methodologies that use market price and economic data inputs.
- When risk-averse: the model suggests zero beta market-neutral exposure weighting of individual stocks, plus up to 30% allocation to U.S. treasury securities.
- When equity markets are above broad price-based moving averages: the model suggests up to a net long exposure to stocks of 80-85%. This may be achieved while maintaining its market-neutral portfolio in addition to a net positive position in stock index futures.
- Historical analysis suggests that when the model signaled to reduce equity risk, the following month's realized market volatility in avoided equities was on average 96% higher versus when the model signaled to hold equities.

IMPORTANT RISK INFORMATION

Mutual Funds involve risk including the possible loss of principal. The use of leverage by the Fund or an Underlying Fund, such as borrowing money to purchase securities or the use of derivatives, will indirectly cause the Fund to incur additional expenses and magnify the Fund's gains or losses. Derivative instruments involve risks different from, or possibly greater than, the risks associated with investing directly in securities and other traditional investments. There is a risk that issuers and counterparties will not make payments on securities and other investments held by the Fund, resulting in losses to the Fund. Past performance is no guarantee of future results. There is no assurance the Funds will meet their stated objectives.

Standard deviation is a measure of dispersion of returns from its mean return. Higher deviation represents higher volatility. Beta is a measure of the fund's sensitivity to market movements. Beta greater than 1 is more volatile than the market; beta lower than 1 is less volatile than the market. Alpha refers to excess returns earned on an investment above the benchmark return not explained by known risk factors.

Investors should carefully consider the investment objectives, risks, charges and expenses of the Counterpoint Tactical Equity Fund. This and other important information about the Fund is contained in the prospectus, which can be obtained at counterpointmutualfunds.com or by calling 844-273-8637. The prospectus should be read carefully before investing. The Counterpoint Tactical Equity Fund is distributed by Northern Lights Distributors, LLC member FINRA/SIPC.

2299-NLD-4/14/2021

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