PINNACLE
DYNAMIC FUNDS

PINNACLE TRENDRATING INNOVATIVE EQUITY FUND
Strategy Guide

CLASS A: APTRX | CLASS C: CPTRX | CLASS I: IPTRX

FUND INVESTMENT ADVISOR: Pinnacle Family Advisors, LLC

The strategy utilizes technology from Trendrating in an attempt to benefit from stocks in a positive trend.

PORTFOLIO OBJECTIVE

The Strategy is designed for investors seeking high total retun. The portfolio universe consists of the largest 500 trading on US markets. Using Trendrating's trend capture analytics, the universe is ranked by momenutum and the top 25 stocks are added to the portfolio and changes are made monthly in an attempt to keep the stongest trending stocks in the portfolio.

INVESTMENT PHILOSOPHY

There are countless accademic studies that show the benefits of employing a momentum factor based approach to investing. The problem is there are a number of different approaches to try to capture momentum. The Fund uses Trendratings innovative platform to identify stocks that have the highest momentum based on the thier proprietary scoring system. The Universe is composed of the top 500 US Stocks based on market cap. Stocks that are shown to be in a bullish trend are kept and those shown to be in a bearish trend are eliminated. When ranking stocks, we also use retracement as a tool to narrow the universe. The remaining stocks in the universe are then ranked by their Smart Momentum score, which is a Trendrating score that measures the strenght of the current trend. Only the 25 stocks with the strongest are included in the portfolio. Positions that have moved to a bearish trend are replaced with positive trending stocks monthly.

01 Systematic

A strategy that uses a computer generated scoring system in the investment in vestment selection process.

02 Innovative

The strategy uses an advanced trend analysis platform available.

03 Experienced

Trendrating founders have been leaders in the fintech world for 20 years and specialize in technical analysis and modeling.

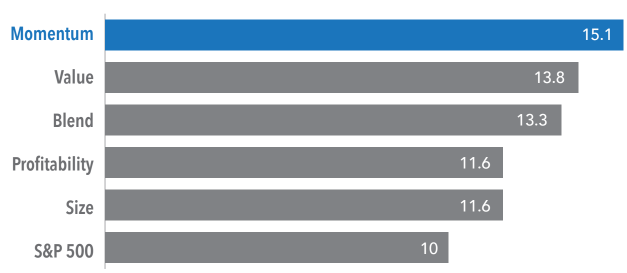
04 Specialized

Trendrating has focused their efforts on developing a master model that captures sustained momentum trends.

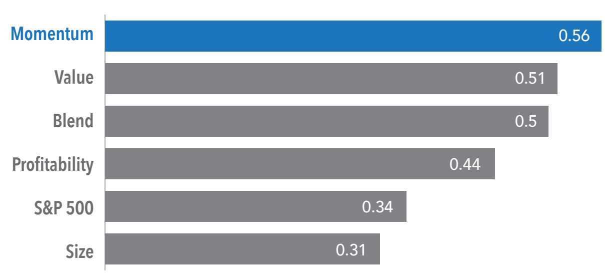
The Momentum Anomaly

Dozens of academic studies have concluded that momentum produces the best risk-adjusted returns.

ANNUAL RETURNS



SHARPE RATIO



Date Range: 1963-2015. Source: Kenneth R. French data library, Trendrating.

CLASS A: APTRX | CLASS C: CPTRX | CLASS I: IPTRX **FUND INVESTMENT ADVISOR:** Pinnacle Family Advisors, LLC

Trendrating Methodology

OBJECTIVE

- Capture trends lasting from a few months to a few years
- Filter out market noise (volatility, false break-outs, minor refractments)
- Seeks efficiency in different markets and economic cycles

CRITERIA

- Over 300 tested indicators related to momentum
- Universe of 20K instruments from 20 countries
- Minimum market cap of 100 million USD
- 25 years of EOD price data for in sample testing; 6 years for out of sample testing

OUTPUT

- Identified 8 indicators which were 58-62% reliable
- Combined them into a Master Model
- Reliability increased to 65% when 6-8 indicators were in sync
- Added self-adjusting model to factor in volatility
- Final result was a model with 71-83% accuracy

CLASS A: APTRX | CLASS C: CPTRX | CLASS I: IPTRX

FUND INVESTMENT ADVISOR: Pinnacle Family Advisors, LLC

Momentum Valuation

Trendrating offers a well validated rating methodology to measure momentum (A, B, C, D).

- **A** Strong Bull Trend
- **B** Beginning of Bull Trend
- **C** Inception of Bear Trend
- **D** Strong Bear Trend

Smart Momentum Score

Trendrating's Smart Momentum Score (SMS) is a continuous rating scale between -3 and 3, measuring the strength of the trend since that trend began. The metric allows the model to differentiate between securities of the same ratings, whether that is an A, B, C or D rated security.

Fund Security Selection Process

UNIVERSE: 500 LARGEST US COMMON STOCKS

Exclude outliers. Securities with weak retracement and high volatility.

IDENTIFY POSITIVE MOMENTUM

Use Trendrating's A, B, C, D rating scale to identify companies with positive momentum.

SELECT THE TOP 25

Rank the remaining universe using Trendrating's Smart Momentum Score (SMS) to identify the 25 companies exhibiting the strongest trends.

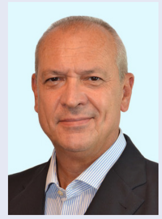
REBALANCE MONTHLY

On the first trading day of each month, replace any securities downgraded to a C or D, signaling a bear trend.

CLASS A: APTRX | CLASS C: CPTRX | CLASS I: IPTRX **FUND INVESTMENT ADVISOR:** Pinnacle Family Advisors, LLC

Portfolio Manager

Paul Carroll is the Chief Investment Officer for Pinnacle Family Advisors and Portfolio Manager for different Pinncale strategies and funds. He joined PFA in November 2008. Paul began his financial services career with Wachovia Securities in early 2000 and moved to Raymond James Financial Services in 2005, prior to joining PFA. Paul graduated from Missouri State University in 1991 with a BS in Accounting.



Model Provider

Rocco Pellegrinelli, Trendrating founder & CEO, began his career as a portfolio manager and has since been a proven fintech entrepreneur for the past 20 years. His first fintech venture, Brainpower, became a standard in portfolio analytics and was acquired by Bloomberg in 2006. Rocco and his team of data scientists have spent the last ten years researching and developing models capable of capturing price trends with more effectiveness than traditional trend following and momentum approaches.

*It is not possible to invest directly in an index or category average. The maximum sales charge for Class A Shares is 5.75%. Class A Share investors may be eligible for a reduction in sales charges. The total annual fund operating expense ratio, gross of any fee waivers or expense reimbursements, are **Class A 1.91%, Class C 2.66%**, and **Class I 1.66%**. The net operating expenses are **Class A 1.24%, Class C 1.99%**, and **Class I 0.99%**. The Fund's investment adviser has contractually agreed to reduce its fees and/or absorb expenses of the fund, at least until January 31, 2021, to ensure that the net annual fund operating expenses, excluding acquired fund fees and expenses, will not exceed **Class A 1.24%, Class C 1.99%**, and **Class I 0.99%**, subject to possible recoupment from the Fund in future years. Please review the Fund's Prospectus for more detail on the expense waiver.*

* The S&P 500 Total Return® is the S&P 500 cap weighted index calculated on a total return basis with dividends reinvested. Indexes and category averages are not available for direct investment.

Definitions:
Long - The buying of a security with the expectation that the security will rise in value

Investors should carefully consider the investment objectives, risks, charges and expenses of the Pinnacle Trendrating Innovative Equity Fund. This and other important information about the Fund is contained in the prospectus, which can be obtained at pinnacledynamicfunds.com or by calling 888-985-9830. The prospectus should be read carefully before investing. The Pinnacle Trendrating Innovative Equity Fund is distributed by Northern Lights Distributors, LLC, member FINRA.

IMPORTANT FUND INFORMATION

Mutual Funds involve risk including the possible loss of principal. ETF's are subject to specific risks, depending on the nature of the underlying strategy of the fund. These risks could include liquidity risk, sector risk, as well as risks associated with fixed income securities, real estate investments, and commodities, to name a few. In general, the price of a fixed income security falls when interest rates rise. The Fund may invest, directly or indirectly, in "junk bonds". Such securities are speculative investments that carry greater risks than higher quality debt securities. Investments in lesser-known, small and medium capitalization companies may be more vulnerable than larger, more established organizations. Investments in foreign securities could subject the Fund to greater risks including, currency fluctuation, economic conditions, and different governmental and accounting standards. Increased portfolio turnover may result in higher brokerage commissions, dealer mark-ups and other transaction costs and may result in taxable capital gains.

There is no guarantee that any investment strategy will achieve its objectives or avoid losses.
4253-NLD-2/6/2019