

# Power Floating Rate Index Fund: A Tactical Strategy

## FUND GOAL

The Fund's primary investment objective is total return from income and capital appreciation. Capital Preservation is a secondary objective of the Fund.

## POTENTIAL BENEFIT TO INVESTORS

- Lower Sensitivity to Interest Rate Risk
  - Defensive When Needed
  - Potential for Higher Yield
- There is no guarantee that any investment strategy will achieve its objectives, generate profits or avoid losses.

## PORTFOLIO STATISTICS

Class A Shares	Class C Shares	Class I Shares
Cusip Number: 66538J795	Cusip Number: 66538J787	Cusip Number: 66538J779
Ticker: FLOAX	Ticker: FLOCX	Ticker: FLOTX

	Class A Shares	Class C Shares	Class I Shares
Min. Investment	\$1,000	\$1,000	\$100,000
Subsequent Min.	\$100	\$100	\$0

Check with your platform or broker dealer for I share aggregation potential.

PROSPECTUS & ACCOUNT QUESTIONS:  
1-877-7-PWRINC 1-877-779-7462

MARKETING AND SALES QUESTIONS:  
1-800-642-4276

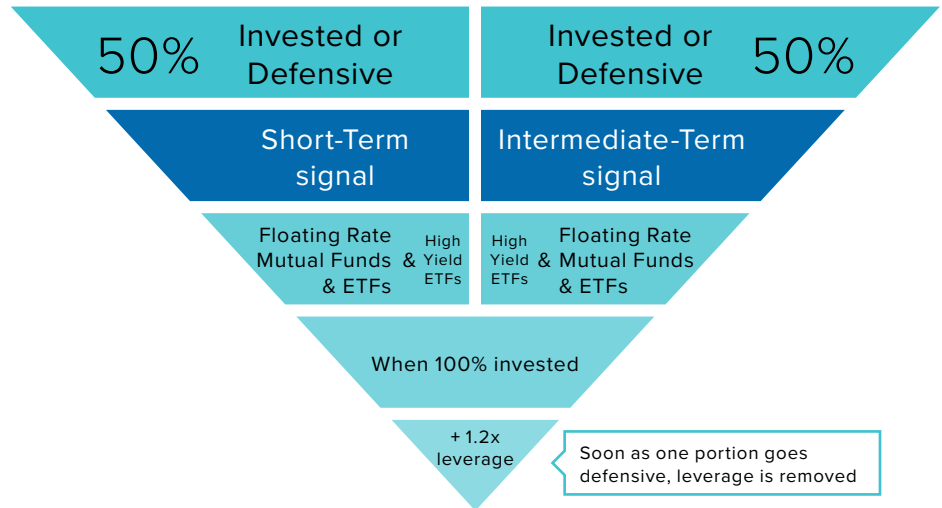
OR VISIT OUR WEBSITE:  
[www.POWERMUTUALFUNDS.com](http://www.POWERMUTUALFUNDS.com)

**W.E. DONOGHUE & CO., LLC**

TACTICAL ASSET MANAGEMENT

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## POWER FLOATING RATE INDEX FUND INVESTMENT PROCESS



The Power Floating Rate Index Fund tracks the W.E. Donoghue Floating Rate Index, a rules-based index calculated by Standard and Poor's Custom Indexes. The index will direct investments into a selection of floating rate mutual funds/ETFs and High Yield Bond ETFs when in a bullish position. When in a defensive position, the index will be invested in the S&P U.S. Treasury Bond 1-3 Year Index, thus the portfolio will be invested in short-term Treasury ETFs to obtain exposure.

The index employs a short-term and intermediate-term tactical overlay to determine whether to be in a bullish or defensive posture. Each tactical overlay will trigger 50% of the index into a defensive position, should market conditions warrant. When the index is in a 100% bullish posture, the fund will initiate 1.2x leverage within the fund. When any defensive position is taken in the index, the leverage will be removed. When in a bullish posture, the index and portfolio will rebalance holdings and re-constitute annually.

Investors should carefully consider the investment objectives, risks, charges, and expenses of the Power Floating Rate Index Fund. This and other information about the Fund is contained in the prospectus and should be read carefully before investing. The prospectus can be obtained by calling toll free 1-877-779- 7462 (1-877-7-PWRINC). The Power Floating Rate Index Fund is distributed by Northern Lights Distributors, LLC. Member FINRA/SIPC. W.E. Donoghue & Co., LLC is not affiliated with Northern Lights Distributors, LLC.

As with all mutual funds, there is the risk that you could lose money through your investment in the Fund. The net asset value of the Fund will fluctuate based on changes in the value of the equity securities in which it invests. Hedging strategies may not perform as anticipated by the adviser and the Fund could suffer losses by hedging with underlying money market funds if stock prices do not decline. If money market funds are utilized, such Underlying Funds are subject to investment advisory and other expenses, which will be indirectly paid by the Fund. As a result, your cost of investing in the Fund will be higher than the cost of investing directly in Underlying Funds and may be higher than other mutual funds that do not invest in Underlying Funds.

**Leverage Risk.** The use of leverage by the Fund, such as borrowing money to purchase securities or the use of options, will cause the Fund to incur additional expenses and magnify the Fund's gains or losses.

## INVESTMENT ADVISER TO THE FUND

W.E. Donoghue & Co., LLC is a tactical investment firm that has specialized in risk-managed portfolios since 1986. The firm currently manages over \$3.2 billion\* in assets under management or advisement. Our tactical strategies are based upon rigorous analysis of decades of historical data. The Power Mutual Fund series utilizes technical indicators to recognize shifts in market momentum and uses proprietary tactical signals to help preserve capital in down trending markets and potentially offer strong client-centric risk-adjusted returns over a full market cycle.

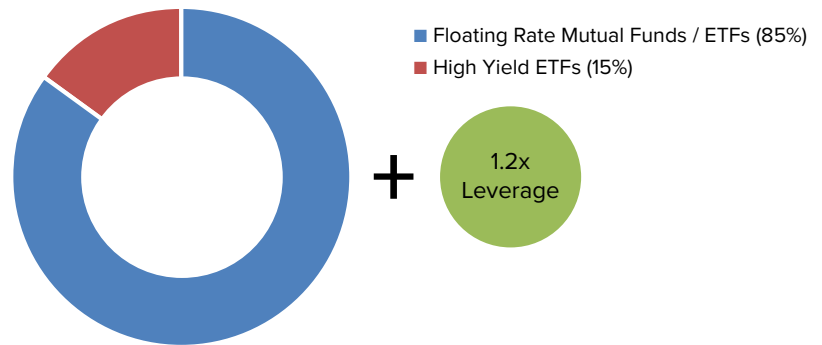
\*As of 6/30/2018

## INVESTMENT COMMITTEE

- Jeffrey R. Thompson
- William B. Dowler
- Richard E. Molari

## CURRENT SECTOR TARGET ALLOCATIONS WHEN FULLY INVESTED (As of 9/30/2018)

### Power Floating Rate Index



Investors cannot directly invest in an index and unmanaged index returns do not reflect any fees, expenses or sales charges.

The W.E. Donoghue Power Floating Rate Index (Ticker: PWRFLXTR) is a service mark of W.E. Donoghue & Co., LLC. One cannot invest directly in an index. The Index is a rules based index, which reflects the theoretical performance an investor would have obtained had it invested in the manner shown and does not represent returns actually obtained and does not represent returns an investor actually attained, as investors cannot invest directly in an index. No representation is being made that any client will or is likely to achieve results similar to those presented herein. The Index performance includes the reinvestments of all dividends and distributions. Past performance is no guarantee of future results or returns. The inclusion of the all indices are for comparison purposes only.

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