

Copeland Funds Sector Update - May 2019

The stock market's recovery from the severe Q4 correction continued through April (see Chart 1), but there are numerous reasons to be cautious about that performance. For example, consider April's US Manufacturing ISM report, in which the PMI remained above 50 (demonstrating expansion) for the 120th consecutive month. However, the result of 52.5 was down 2.8 points from March's 55.3, with new orders - often a good indicator of future economic growth - down particularly sharply. The Federal Reserve's flip-flop from a hawkish to dovish stance has provided support to equities in recent months, but also reflects the recently softer macroeconomic backdrop. The market rally also reflected optimism for a US trade deal with China, which we now know is going to take longer than expected to materialize. Meanwhile, the outlook for corporate earnings in 2019 continues to slip and management teams generally preach caution. While dividend actions accelerated in early 2018, aided by lower tax rates and a robust US economy, recent actions are weaker and suggest more caution from management. We believe this positions Copeland well to benefit from our differentiated exposure to companies poised to continue raising dividends at a healthy pace through this slower growth period.

May Positioning:

CDGRX: The Utilities sector continues to be the only positive sector entering May and will carry a 25% portfolio weighting. The remaining 75% of the portfolio will remain in cash equivalents or US Government Bonds.

IDVGX: Entering May, the Fund remains 50% invested in stocks across

the two positive equity sectors (Consumer Staples and Utilities) and 50% invested in cash equivalents, US Government Bonds or UK Government Bonds.

As a reminder, the strategy is designed to potentially offer lower downside participation when our models suggest there exists a high risk of a market decline, as they project today. Our further objective is to participate in the upside of the market when trends appear more favorable. The risk management focus is designed to avoid major market downside events, even at the risk of temporarily missing out on a short-term rebound. Today, we are in a substantially defensive position in both funds, fully aware that we will have a low participation rate in the near term regardless if that next move is higher or lower.

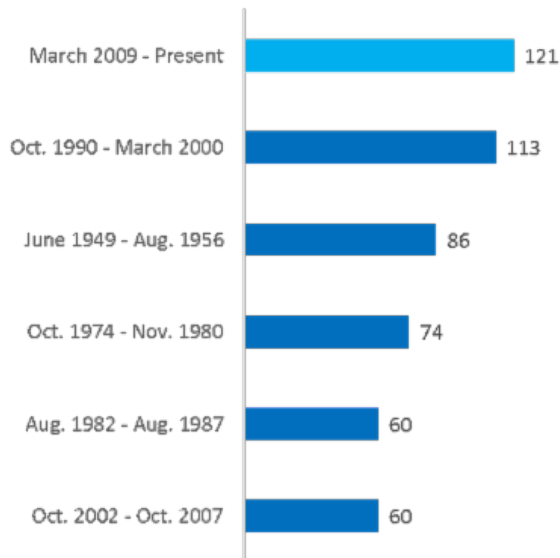
Chart 1



As Chart 2 illustrates the current bull market is now the longest in history with the second-best performance on record at 10 years, or 121 months old as of April 30, 2019. With the Funds positioned defensively in order to protect capital, we believe this is a great opportunity to build a position in the Copeland family of Risk Managed Dividend Growth Funds, where the benefits of both our tactical signals and dividend growth stocks can be realized.

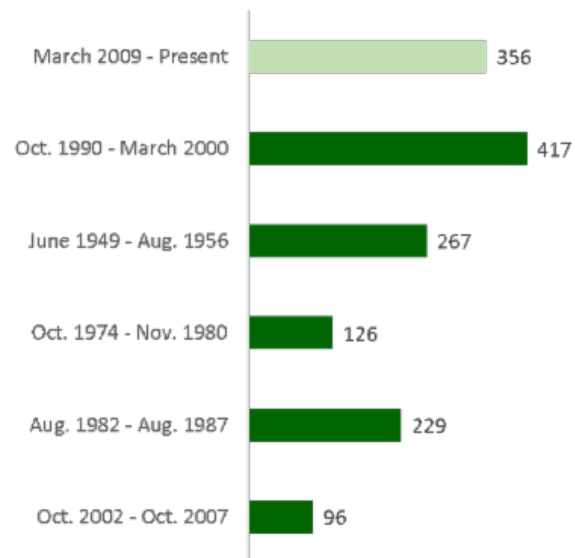
Chart 2

The six longest S&P 500 bull markets, in months



Source: FactSet Data Systems, Morningstar Direct
*As of 4/30/2019

The six largest S&P 500 bull markets, in % return



Source: FactSet Data Systems, Morningstar Direct
*As of 4/30/2019

Copeland Risk Managed Dividend Growth (CDGRX) ~

On a total return basis, the Fund returned +0.7% in April 2019, underperforming the S&P 500® Index's +4.1%. There were no changes in sector signals this month despite the broad market rally as trends overall remain negative. The portfolio's substantial cash position was the main headwind to returns. Such a defensive positioning in cash has not occurred since August of 2016, more than 30 months ago. While our positive performance in 2018 was driven almost exclusively by the beneficial impact of our dividend growth stock selection, our sector allocation model is set to drive performance in early 2019. The sector targets are approximately as follows: Utilities (25%), Consumer Staples (0%), Health Care (0%), Consumer Discretionary (0%), Financials/REITs (0%), Technology (0%), Industrials (0%), Energy (0%) and Materials (0%).

Low volatility: due to the previous defensive sector positioning, cash levels and ownership of dividend growth stocks, the strategy has produced less volatility over the last five years than the benchmark. During the trailing five year period as of 4/30/19, beta was only 0.7 and the strategy's standard deviation (volatility) was 9.2% vs. the S&P 500 Index at 11.3%.

Copeland International Risk Managed Dividend Growth (IDVGX) ~

The Fund's +0.5% return underperformed the MSCI World ex USA Index, which gained +2.8% in April. The Fund remains invested in just two equity sectors which leaves a 50% investment in cash or government securities, with targeted sector weights approximately as follows: Consumer Staples (29%), Utilities (21%), Health Care (0%), Consumer Discretionary (0%), Technology (0%), Financials (0%), Materials (0%), Industrials (0%) and Energy (0%).

The Fund continues to have lower risk metrics vs. the benchmark for the trailing five year period, with a beta of 0.6 and standard deviation of 8.5% vs. 11.7% for the Index.

	YTD as of 4/30/19	1 Year as of 3/31/19	3 Years as of 3/31/19	5 Years as of 3/31/19	Since Inception 12/28/2010 as of 3/31/19
Copeland Risk Managed Dividend Gr A	3.57	1.94	7.84	4.40	8.09
S&P 500 TR USD	18.25	9.50	13.52	10.91	12.67
Russell 3000 TR USD	18.60	8.77	13.49	10.36	12.38
US OE Tactical Allocation	9.13	0.72	5.41	2.52	3.53
	Load-Adj Ret YTD 4/30/19	Load-Adj Ret 1 Yr as of 3/31/19	Load-Adj Ret 3 Yr as of 3/31/19	Load-Adj Ret 5 Yr as of 3/31/19	Load-Adj Ret Inception as of 3/31/19
Copeland Risk Managed Dividend Gr A with Load	-2.39	-3.92	5.72	3.17	7.32

The maximum sales charge (load) for Class A is 5.75%. The performance data quoted here represents past performance. Current performance may be lower or higher than the performance data quoted above. Investment return and principal value will fluctuate, so that shares, when redeemed, may be worth more or less than their original cost. Past performance is no guarantee of future results. Total annual operating expense ratio for Class A shares is 1.82%. The Fund's adviser has contractually agreed to waive its fees and/or absorb expenses of the Fund, until at least March 31, 2020, to ensure that total annual fund operating expenses after fee waiver and/or expense reimbursement (exclusive of any taxes, leverage interest, borrowing interest, brokerage commissions, expenses incurred in connection with any merger or reorganization, dividend expense on securities sold short, acquired fund fees and expenses or extraordinary expenses such as litigation) will not exceed 1.45% of the daily average net asset value of Class A shares, 2.20% of the daily average net asset value of Class C shares and 1.30% of the daily average net asset value of Class I shares; subject to possible recoupment from the Fund in future years on a rolling three year basis (within the three years after the fees have been

waived or reimbursed) if such recoupment can be achieved without exceeding the lesser of the expense limitation in effect at the time of the deferral and at the time of the repayment. This agreement may be terminated by the Fund's Board of Trustees on 60 days' written notice to the adviser. Please review the Fund's prospectus for more detail on the expense waiver. Results shown reflect the waiver, without which the results could have been lower. A Fund's performance, especially for very short periods of time, should not be the sole factor in making your investment decisions. You cannot invest directly in an index. For performance information current to the most recent month-end, please call toll-free 1-888-9-COPELAND.

	YTD as of 4/30/19	1 Year as of 3/31/19	3 Years as of 3/31/19	5 Years as of 3/31/19	Since Inception 12/18/2012 as of 3/31/19
Copeland International Risk Managed Dividend Gr A	5.08	-4.32	3.75	0.66	2.85
MSCI World ex USA NR USD	13.58	-3.14	7.30	2.20	5.15
	Load-Adj Ret YTD as of 4/30/19	Load-Adj Ret 1 Yr as of 3/31/19	Load-Adj Ret 3 Yr as of 3/31/19	Load-Adj Ret 5 Yr as of 3/31/19	Load-Adj Ret Inception as of 3/31/19
Copeland Intl Risk Mgd Dividend Gr A with Load	-0.97	-9.82	1.71	-0.53	1.89

The maximum sales charge (load) for Class A is 5.75%. The performance data quoted here represents past performance. Current performance may be lower or higher than the performance data quoted above. Investment return and principal value will fluctuate, so that shares, when redeemed, may be worth more or less than their original cost. Past performance is no guarantee of future results. Total annual operating expense ratio for Class A shares is 2.58%. The Fund's adviser has contractually agreed to waive its fees and/or absorb expenses of the Fund, until at least March 31, 2020, to ensure that total annual fund operating expenses after fee waiver and/or expense reimbursement (exclusive of any taxes, leverage interest, borrowing interest, brokerage commissions, expenses incurred in connection with any merger or reorganization, dividend expense on securities sold short, acquired fund fees and expenses or extraordinary expenses such as litigation) will not exceed 1.60%, 2.35%, or 1.45% of the daily average net asset value of Class A, Class C, and Class I shares, respectively, subject to possible recoupment from the Fund in future years on a rolling three year basis (within the three years after the fees have been waived or reimbursed) if such recoupment can be achieved without exceeding the lesser of the expense limitation in effect at the time of the deferral and at the time of the repayment. This agreement may be terminated by the Fund's Board of Trustees on 60 days' written notice to the adviser. Please review the Fund's

prospectus for more detail on the expense waiver. Results shown reflect the waiver, without which the results could have been lower. A Fund's performance, especially for very short periods of time, should not be the sole factor in making your investment decisions. You cannot invest directly in an index. For performance information current to the most recent month-end, please call toll-free 1-888-9-COPELAND.

[Click here for the
Sector Weighting Methodology](#)

The value of an investment in the Funds and the return on investment both will fluctuate and redemption proceeds may be higher or lower than an investor's original cost. Total return is calculated assuming reinvestment of all dividends. Total returns would have been lower had the Adviser, the Distributor, the Administrator, and Custodian not waived or reimbursed a portion of their fees. For performance numbers current to the most recent month-end please call 1-888-9-COPELAND.

Important Risk Disclosures

Investors should carefully consider the investment objectives, risks, charges and expenses of the Copeland Risk Managed Dividend Growth Fund and the Copeland International Risk Managed Dividend Growth Fund. This and other important information about the Fund is contained in the prospectus, which can be obtained by calling 1-888-9-COPELAND (1-888-926-7352). The prospectus should be read carefully before investing. The Copeland Risk Managed Dividend Growth Fund the Copeland International Risk Managed Dividend Growth Fund are distributed by Northern Lights Distributors, LLC member FINRA/SIPC. Copeland Capital Management, LLC and Northern Lights Distributors, LLC are not affiliated.

Mutual Funds involve risk including possible loss of principal. There is no assurance that the funds will achieve their investment objectives. There is no guarantee that companies will declare dividends or, if declared, that they will remain at current levels or increase over time. The funds may invest in MLP's. Holders of MLP units have limited control and voting rights on

matters affecting the partnership. In addition, there are certain tax risks associated with an investment in MLP units and conflicts of interest exist between common unit holders and the general partner, including those arising from incentive distribution payments. The funds may invest in REIT's. A REIT's performance depends on the types and locations of the rental properties it owns and on how well it manages those properties. Real estate values rise and fall in response to a variety of factors, including local, regional and national economic conditions, interest rates and tax considerations.

The funds may invest in small and medium capitalization companies and the value of these company securities may be subject to more abrupt or erratic market movements than those of larger, more established companies or the market averages in general. A higher portfolio turnover will result in higher transactional and brokerage costs.

Foreign Investing Risk: Investments in foreign countries are subject to country-specific risks such as political, diplomatic, regional conflicts, terrorism, war, social and economic instability and policies that have the effect of decreasing the value of foreign securities. Foreign investments may experience greater volatility than U.S. investments.

Index Disclosures - You cannot invest directly in an Index. Indexes are unmanaged and do not account for any fees, commissions or other expenses that would be incurred. The portfolio characteristics of the indexes may differ from other providers due to the source of the data and differences in calculation methodology. Historical analytics are not indicative of future results.

The ***S&P 500® Index*** consists of 500 stocks chosen for market size, liquidity and industry group representation. It is a market value weighted index with each stock's weight in the Index proportionate to its market value.

The ***Russell 3000® Index*** measures the performance of the 3000 largest

U.S. companies based on total market capitalization, which represents approximately 98% of the investable U.S. equity market.

*The **MSCI World ex USA® Index** captures large and mid cap representation across 22 of 23 Developed Markets (DM) countries--excluding the United States. With 1,020 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country.*

***Beta** is a measure of the volatility, or systematic risk, of a security or a portfolio in comparison to the market as a whole.*

***Standard Deviation** is a measure of the variability of returns--the higher the standard deviation, the greater the range of performance (i.e., volatility).*

Returns for periods greater than one year are annualized.

The information presented was prepared by Copeland or other sources believed to be reliable. All reasonable care has been taken to ensure accuracy.

The fund is not FDIC insured, may lose value and is not guaranteed by a bank.

NLD Review Code: 1107-NLD-5/15/2019

Why Dividend Growth?

Please visit the Copeland Funds website for our latest research and marketing presentations.

[***Click here for the Copeland Funds website***](#)

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