



## Hatteras Long/Short Equity Fund

QUARTERLY FACT SHEET AS OF MARCH 31, 2012

### FUND HIGHLIGHTS

- Designed as an equity substitute
- Single hedge fund strategy
- Multiple hedge fund managers

### FUND BENEFITS

- Increase long/short equity exposure without compromising liquidity
- A hedged equity allocation designed to mitigate risk

### FUND FACTS

Fund Assets: \$98 Million

Strategy Assets: \$268 Million

Inception Date: 05/02/2011

Portfolio Managers: Michael P. Hennen, CFA  
Robert J. Murphy, CFA, FRM, CAIA

Manager Tenure: Since inception

Number of Underlying Managers: 6

Benchmark: HFRX Equity Hedge Index

Morningstar Category: Long/Short Equity

Lipper Category: Long/Short Equity Funds

Share Class	Ticker	CUSIP#
Class A	HLSAX	41902V708
Class I	HLSIX	41902V807

### TERMS

Minimum Investment: \$1,000

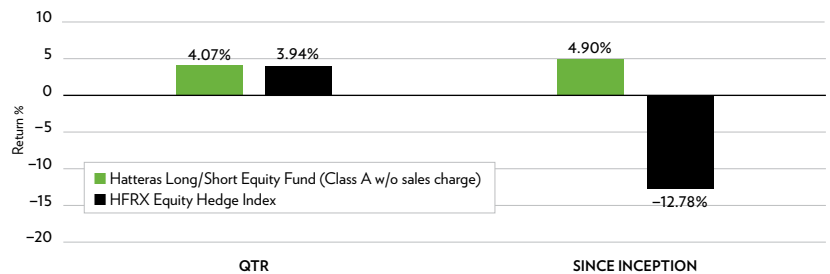
Subsequent Investment: \$250

Contribution Period: Daily

Lock-Up Period: None

Liquidity: Daily

### PERFORMANCE



### AVERAGE ANNUAL RETURNS AS OF MARCH 31, 2012

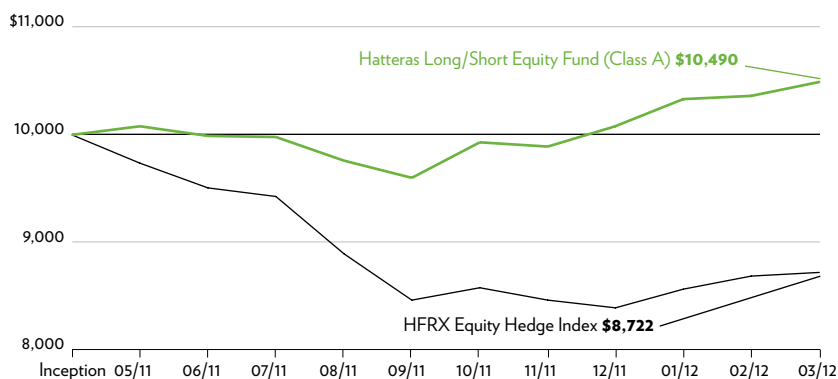
	CLASS A HLSAX		CLASS I HLSIX	HFRX EQUITY HEDGE INDEX <sup>1</sup>
	W/O SALES CHARGE	W/SALES CHARGE		
Qtr	4.07%	-0.85%	4.26%	3.94%
Since Inception	4.90	-0.10	5.30	-12.78
Net Expense Ratio	2.99	—	2.49	—
Gross Expense Ratio	3.74	—	3.24	—

Performance data quoted represents past performance; past performance does not guarantee future results. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance of the Fund may be lower or higher than the performance quoted. To obtain current performance information please call 866.388.6292. The average annual returns shown above are historical and reflect changes in share price, reinvested dividends and are net of expenses. The average annual returns for Class A Shares "with sales charge" give effect to the deduction of the maximum sales charge of 4.75%. Net Fund Operating Expenses noted above are contractually capped through September 30, 2012, and exclude dividends on short positions and interest on borrowing as well as other extraordinary items disclosed in the prospectus. Class I shares minimum investment is \$1 million. <sup>1</sup> The HFRX Equity Hedge Index is an uninvestable, unmanaged index that is compiled by Hedge Fund Research, Inc. It is comprised solely of hedge funds, and is designed to be representative of the overall composition of the hedge fund universe implementing a long/short equity strategy. Returns presented are net of underlying manager fees, but do not reflect the deduction of management fees, taxes and other expenses.

FOR MORE INFORMATION, CALL 866.388.6292 OR VISIT HATTERASFUNDS.COM

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**GROWTH OF \$10,000 SINCE INCEPTION**



This chart illustrates a hypothetical investment in Class A shares without the effect of sales charges and assumes all distributions have been reinvested. If a sales charge was included values would have been lower.

**CALENDAR YEAR PERFORMANCE\***

	Q1	Q2	Q3	Q4	YEAR
2012	4.07%	—%	—%	—%	—%
2011*	—	-0.10	-3.90	5.00	0.80

**TOP FIVE MANAGERS**

<b>Tamarack Capital Management</b> Strategy: Healthcare	Allocation: 17.2%
<b>OMT Capital Management</b> Strategy: Generalist	Allocation: 16.8
<b>ISF Management</b> Strategy: Generalist	Allocation: 16.3
<b>Chartwell Investment Partners</b> Strategy: Generalist	Allocation: 15.7
<b>Coe Capital Management</b> Strategy: Generalist	Allocation: 15.6

\*Q2 period is from May 2, 2011 to June 30, 2011. Performance shown is for Class A w/out sales charge. **The Fund's investment objectives, risks, charges and expenses must be considered carefully before investing. The summary prospectus and prospectus contain this and other important information about the investment company, and may be obtained by calling 877.569.2382 or visiting hatterasfunds.com. Read it carefully before investing.**

**Key Risk Factors:** Certain hedging techniques and leverage employed in the management of the Funds may accelerate the velocity of possible losses. Short selling involves the risk of potentially unlimited increase in the market value of the security sold short, which could result in potentially unlimited loss for the Funds. Derivatives involve investment exposure that may exceed the original cost and a small investment in derivatives could have a large potential impact on the performance of the Funds. Options held in the Funds may be illiquid and the fund manager may have difficulty closing out a position. The Funds may also invest in: smaller capitalized companies – subject to more abrupt or erratic market movements than larger, more established companies; foreign securities, which involve currency risk, different accounting standards and are subject to political instability; securities limited to resale to qualified institutional investors, which can affect their degree of liquidity; shares of other investment companies that invest in securities and styles similar to the Funds, resulting in a generally higher investment cost than from investing directly in the underlying shares of these funds. The Funds intend to utilize these individual securities and hedging techniques in matched combinations that are designed to neutralize or offset the individual risks of employing these techniques separately. Some of these matched strategies include merger arbitrage, long/short equity, convertible bond arbitrage and fixed-income arbitrage. There is no assurance that these strategies will protect against losses. The Funds are non-diversified and therefore may invest in the securities of fewer issuers than diversified funds at any one time; as a result, the gains and losses of a single security may have a greater impact on the Funds' share price. Because the Funds are fund-of-funds, your cost of investing in the Funds will generally be higher than the cost of investing directly in the shares of the mutual funds in which it invests. Mutual fund investing involves risk; loss of principal is possible. Please consult an investment professional for advice regarding your particular circumstances. An investment in the Funds may not be suitable for all investors.

The Funds are distributed by Hatteras Capital Distributors, LLC, an affiliate of Hatteras Alternative Mutual Funds by virtue of common control or ownership.