



# Hatteras Alpha Hedged Strategies Fund

QUARTERLY FACT SHEET AS OF JUNE 30, 2017

## FUND HIGHLIGHTS

**Total Portfolio Diversifier** – Designed as a complete, turnkey alternative investment allocation

**Multi-Strategy** – Provides exposure to 4 hedge fund strategies with a single investment

**Multi-Manager Approach** – Managed by multiple hedge fund managers specializing in alternative investment strategies

## INVESTMENT OBJECTIVE

The Hatteras Alpha Hedged Strategies Fund seeks long term capital appreciation.

## FUND FACTS

Fund Assets: \$37 Million

Inception Date: 09/23/2002

Portfolio Manager: Michael P. Hennen, CFA

Benchmark: 3M T-Bills

Share Class	Ticker	CUSIP#
Class A	APHAX	89833F201
Class C	APHCX	89833F102
Class I	ALPIX	89833F680

## TERMS

Minimum Investment (Class A): \$1,000

Minimum Investment (Class I): \$1,000,000

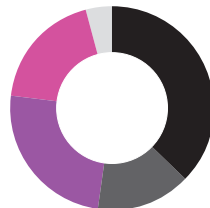
Subsequent Investment: \$250

Contribution Period: Daily

Lock-Up Period: None

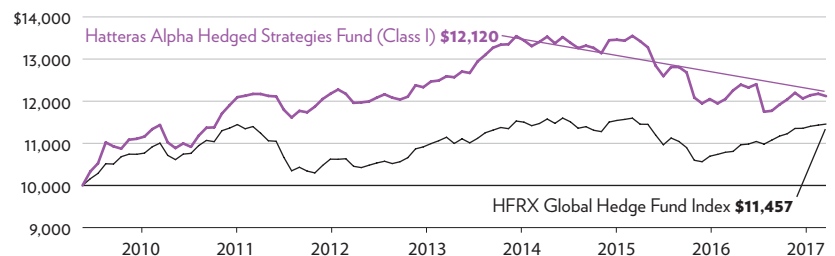
Liquidity: Daily

## STRATEGY ALLOCATION



Long/Short Equity	37.4%
Long/Short Debt	15.0
Event Driven	24.6
Managed Futures	18.9
Misc./Cash	4.1

## GROWTH OF \$10,000 SINCE JULY 1, 2009\*



The chart illustrates a hypothetical investment in Class I shares and assumes all distributions have been reinvested.

## AVERAGE ANNUAL RETURNS AS OF JUNE 30, 2017

	CLASS A APHAX 05/02/11		CLASS C APHCX 05/01/06	CLASS I ALPIX 09/30/11	3M T-BILLS
	W/O SALES CHARGE	W/ SALES CHARGE			
Qtr	0.38%	-4.35%	0.20%	0.46%	0.20%
YTD	1.64	-3.21	1.20	1.68	0.31
1-Yr	2.76	-2.13	2.02	2.96	0.49
3-Yr	-2.69	-4.25	-3.41	-2.30	0.23
5-Yr	0.46	-0.51	-0.27	1.06	0.17
10-Yr	-1.21	-1.64	-1.95	-0.41	0.58
Since Inception	1.59	1.30	0.82	2.47	0.15 <sup>†</sup>

Dates shown above indicate share class inception. <sup>†</sup>As of 10/01/02.

## HISTORICAL DATA SINCE JULY 2009\*

	ALPIX	3M T-BILLS	HFRX GLOBAL HEDGE FUND INDEX
Cumulative Return	21.20%	1.25%	14.57%
Standard Deviation <sup>1</sup>	4.91%	0.05%	4.01%
Annualized Alpha (vs. S&P) <sup>2</sup>	-2.10%	0.15%	-2.24%
Beta (vs. S&P) <sup>3</sup>	0.31	—	0.27
Correlation (vs. S&P) <sup>4</sup>	0.60	—	0.69

\*Hatteras entered into an agreement to acquire the Fund's investment advisor in July 2009.

FOR MORE INFORMATION, CALL 866.388.6292 OR VISIT HATTERASFUNDS.COM

*Defining Alternatives*

*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 performance information current to the most recent month-end, 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. Class C returns do not reflect a 1.00% contingent deferred sales charge on shares sold within the first year of purchase and if reflected, would reduce the performance quoted. The average annual returns for Class A Shares "with sales charge" give effect to the deduction of the maximum sales charge of 4.75%. Class A Shares were not in existence prior to May 2, 2011. Class I Shares were not in existence prior to September 30, 2011. Performance for any periods prior to the inception date of Classes A and I, are based on the historical performance of the No Load Shares adjusted to assume the expenses associated with Class A or I Shares, respectively. Net Fund Operating Expenses borne by the investor and paid each year as a percentage of the investment's value, are contractually capped at 2.24% for ALPIX, 2.49% for APHAX, and 3.24% for APHCX through at least June 30, 2018, excluding dividends on short positions and interest on borrowing, as well as other extraordinary expenses. Total Annual Fund Operating Expenses are 2.78% for APHAX, 3.53% for APHCX, and 2.53% for ALPIX. The HFRX Global Hedge Index is an uninvestible, unmanaged index designed to be representative of the overall composition of the hedge fund universe. It is comprised of all eligible hedge fund strategies and is asset weighted based on the distribution of assets in the hedge fund industry. The BofA Merrill Lynch 3-Month U.S. Treasury Bill Index is an unmanaged market index of U.S. Treasury securities maturing in 90 days that assumes reinvestment of all income. Standard & Poor's (S&P) 500 Total Return 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. You cannot invest directly in an index. Benchmark performance should not be considered reflective of Fund performance. 1 Measurement of the investment's volatility. 2 Alpha measures excess return relative to the market; often referred to as a measurement of "manager skill." 3 Measure of a fund's risk relative to the benchmark. 4 A statistical measure of how two securities move in relation to each other. **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 866.388.6292 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. Exposure to the commodities markets through investment in managed futures programs may subject the Fund to greater volatility than investment in traditional securities. Fixed Income instruments are exposed to credit and interest rate risks. Investing in lower-rated ("high-yield") debt securities involves special risks in addition to the risks associated with investments in higher-rated debt securities, including a high degree of credit risk and liquidity risk. 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 (affiliated) 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; shares of other non-affiliated investment companies primarily including ETFs. 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. 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.

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