



HATTERAS
Funds

FOR IMMEDIATE RELEASE

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**HATTERAS FUNDS SELECTS ADVISORS ASSET MANAGEMENT TO DISTRIBUTE ITS
MUTUAL FUNDS AT MERRILL LYNCH AND WELLS FARGO**

RALEIGH, N.C. – November 7, 2011 – Hatteras Funds, a boutique alternative investment specialist providing unique alternative investment solutions for Financial Advisors and their clients, is pleased to announce it has selected Advisors Asset Management (AAM) to distribute its mutual funds. AAM will now service the Hatteras Alternative Mutual Funds to the approximate 20,000 Financial Advisors at Merrill Lynch and Wells Fargo.

Hatteras Funds manages several liquid alternative mutual funds including Hatteras Alpha Hedged Strategies Fund (Ticker: ALPHX), a multi-strategy, multi-manager fund offering daily liquidity and position level transparency. Additionally, Hatteras Funds manages several single-strategy, multi-manager alternative mutual funds including Hatteras Long/Short Debt Fund and Hatteras Long/Short Equity Fund.

“We are pleased to be working with such an experienced partner as AAM to better service and support the Financial Advisors at Merrill Lynch and Wells Fargo,” said Brian Jacobs, CEO of Hatteras Funds. “Sixty AAM sales professionals supported by 12 Hatteras Funds’ alternative investment specialists will provide a comprehensive and powerful distribution effort.”

“We are very excited about collaborating with Hatteras Funds, which offers unique alternative investment strategies,” said Andrew Williams, President of AAM. “Our independence allows us to partner with best-in-class investment managers like Hatteras Funds and highlight their offerings using our distribution capabilities and wirehouse relationships.”

This unique distribution model, combining alternatives specialists alongside broader generalists, is designed to serve Financial Advisors’ increased demand for alternative investment solutions.



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About Hatteras Funds

Hatteras Funds provides unique alternative investment solutions for financial advisors and their clients. We believe that all investors should have access to the same sophisticated investment approach and superior portfolio management talent as the largest institutions. A boutique alternative investment specialist founded in 2003, Hatteras Funds offers a suite of innovative products designed to solve specific portfolio needs. The Raleigh, N.C.-based firm manages over \$2 billion in alternative investment strategies for a broad range of institutions, endowments, pensions and high net worth individuals. For more information, please visit hatterasmutualfunds.com.

About Advisors Asset Management

For more than 30 years, Advisors Asset Management (AAM) has been a trusted investment solutions partner for financial advisors and broker-dealers. AAM provides a diverse range of innovative, high-quality products and support services that enable advisors to meet their clients' needs. It offers access to the fixed income markets, as well as portfolio analytics, unit investment trusts (UITs), exchange-traded funds (ETFs), structured products, separately managed accounts (SMAs) and alternative investments. In addition, the firm offers highly specialized sales support services to advisors on an ongoing basis. AAM has 10 major offices across the nation and partners with more than 90 broker-dealers and over 35,000 financial professionals. AAM is a broker-dealer, member FINRA/SIPC and SEC-registered investment advisor. For more information, visit aam.us.com.

The Funds' 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 hatterasmutualfunds.com. Read it carefully before investing.

The Hatteras Alternative Mutual Funds (the "Funds") are funds of funds. Therefore, 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. By investing in the Funds, you will indirectly bear your share of any fees and expenses charged by the underlying funds in addition to indirectly bearing the principal risks of the Funds. The underlying funds may engage in speculative investment strategies and practices, such as the use of leverage, short sales, and derivatives transactions, which can increase the risk of investment loss. Please refer to the summary prospectus or prospectus for more information about the Funds, including risks, fees, and expenses.

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

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