

NORTHEAST INVESTORS TRUST
A NO LOAD INCOME FUND
PROSPECTUS
FEBRUARY 1, 2023

NORTHEAST INVESTORS TRUST (the “Trust”)
125 High Street Suite 1802
Boston, Massachusetts 02110
(800) 225-6704
www.northeastinvestors.com
Ticker Symbol: NTHX

SHARES OF BENEFICIAL INTEREST

PROSPECTUS

February 1, 2023

This prospectus explains the investment objective, policies, strategies and risks associated with the Trust. Please read it carefully before you invest. We suggest that you keep this prospectus for future reference.

Like securities of all mutual funds, neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved these securities or passed upon the adequacy of this prospectus. Any representation to the contrary is a criminal offense.

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SUMMARY SECTION

Investment Objectives

Northeast Investors Trust is a no load high yield bond fund whose primary objective is the production of income. Capital appreciation is also an objective of the Trust but its achievement must be compatible with the primary objective.

Fees and Expenses

These tables describe the fees and expenses that you may pay if you buy and hold shares of the Trust.

Shareholder Fees (Fees Paid Directly From Your Investment)

Maximum Sales Charge (Load) Imposed on Purchases	None
Maximum Deferred Sales Charge (Load)	None
Maximum Sales Charge (Load) Imposed on Reinvested Dividends	None
Redemption Fee	None

Annual Trust Operating Expenses as of 9/30/22 (Expenses Deducted From Fund Assets)

Trustees' Fees *	0.50%
Distribution (12b-1) Fees	None
Other Expenses	2.24%
Including:	
Interest Expense	0.06%
Operating Expense	2.18%
Total Annual Trust Operating Expenses	2.74%

* The Trustees are responsible for the portfolio management of the Trust.

Example

This example is intended to help you compare the cost of investing in the Trust with the cost of investing in other mutual funds. The example assumes that you invest \$10,000 in the Trust for the time periods indicated and redeem at the end of the period. The example also assumes that your investment has a 5% return each year, including reinvested dividends and capital gains distributions, and that the Trust's operating expenses remain the same. Although your actual costs may be higher or lower, based on these assumptions your costs would be:

1 year	3 years	5 years	10 years
\$277	\$850	\$1,450	\$3,070

Portfolio Turnover

The Trust pays transaction costs, such as commissions, when it buys or sells securities (or 'turns over' its portfolio). A higher portfolio turnover rate may result in higher transaction costs. These costs, which are not reflected in annual Trust operating expenses or in the example, may affect the Trust's investment performance. Also, a higher portfolio turnover rate may result in an elevated level of capital gains. During the most recent fiscal year, the Trust's portfolio turnover rate was 44.56% of the average value of its portfolio.

Primary Investment Strategies

The Trust invests primarily in marketable securities of established companies which the Trust's portfolio managers believe provide income and which, where consistent with the objective, may have potential for capital appreciation. These investments may include bonds which may be purchased at a discount or premium, preferred securities, common stocks, convertible securities and securities with warrants attached. The Trust's portfolio emphasizes high yield corporate bonds (sometimes referred to as 'junk bonds') which are unrated or rated as lower than investment grade by either of the two principal rating services. Equity investments, which are generally acquired via corporate debt restructurings, are considered for their potential for appreciation.

Principal Risks

Risks of Lower Rated or Unrated Debt Securities: Lower rated or unrated debt securities (sometimes referred to as "high yield" or "junk" bonds) may be subject to more market volatility than higher rated debt securities, which can present an increased risk of investment loss. Prices of high yield bonds are generally more negatively sensitive to a decline of domestic and global economic activity, which may adversely affect the issuer's perceived or actual ability to make current interest or principal (maturity) payments.

Equity Risk: To the extent the Trust holds equity securities, it runs the risk that general deterioration in equity markets or in a particular holding may result in the Trust's stock holdings to decline and its net asset value per share to fall.

Income Risk: Falling interest rates and bond defaults may negatively impact the Trust's distributable income. In addition, during periods of declining interest rates, higher yielding securities may be called and the Trust may be unable to reinvest those proceeds in similar yielding securities. Therefore, shareholders should expect the Trust's quarterly dividend distributions to decline under these circumstances.

Indemnification Risk: A lawsuit filed by former Trustee Robert B. Minturn ("Minturn") against the current Trustees and another former Trustee (together with the current Trustees, the "Defendant Trustees") seeks the portion of the Trustee fees that Minturn alleges he is owed pursuant to a contractual agreement among the Trustees. The current Trustees believe they acted in accordance with the agreement and their fiduciary duties and in the best interests of the Trust and its shareholders in taking the steps that are the subject of the lawsuit. Those steps included reducing and then suspending the payments that Minturn was receiving from the Trustees' fees paid by the Trust. The Trust was, but is no longer, a defendant to Minturn's action. A partial summary judgment (the "Judgment") was granted by the court in favor of Minturn in the amount of \$794,500, and the Defendant Trustees have appealed this judgment. If the Defendant Trustees lose their appeal or settle the suit, they may seek indemnification under the Declaration of Trust for an amount not to exceed that granted by the court. At a special meeting held in December 2022, the Board of Trustees, after reviewing an opinion provided by special independent counsel, adopted, by a majority vote, a resolution that, among other things: (i) indemnification by the Trust of each of the Independent Trustees for the Judgment is necessary and proper if the Trustees lose their appellate case against Minturn; and (ii) that each Independent Trustee shall be indemnified for the amount of the Judgment to pay the Judgment or any amount that is reasonably attributable to the Judgment Amount of a settlement agreed to by all of the Trustees. With this, the Trust deems a payment under the indemnification clause of the Declaration of Trust as foreseeable and accrued a \$635,600 potential loss pursuant to the court's decision of \$794,500 as a contingent liability and posted a related expense.

Interest Rate Risk: The value of debt securities, generally, moves inversely to the rise and fall of interest rates. Longer-term debt securities are more sensitive to changes in interest rates than those with shorter maturities. Therefore, shareholders should generally expect the Trust's net asset value per share to decline during periods of rising interest rates.

Issuer Risk: The value of a specific security may decline for reasons directly related to the issuer, such as management performance, financial leverage or a reduced demand for its products or services.

Liquidity Risk: The market for high yield debt securities is generally less liquid than markets for higher rated fixed income instruments, which may present more difficulty in valuing or selling these securities timely at a desired price, especially during times of elevated market volatility. General market volatility can lead to an unexpected rise in investor redemptions from the Trust and across the asset class which in turn may contribute to the illiquidity of high yield debt markets and an increase to liquidity risk. The Trust may have difficulty in the timely disposal of securities at current prices during periods of elevated market illiquidity leading to a decline of its net asset value.

Market Risk: There is the risk that the value of the securities owned by the Trust may go up or down, sometimes sharply or unpredictably, due to factors, both domestic and foreign, affecting securities markets in general or affecting particular sectors. There is a risk that you could lose money by investing in the Trust, and there is no assurance that it will achieve its investment objectives. The Trust is generally for investors with longer-term investment horizons, and should not be used for short term trading purposes. An investment in the Trust involves risk and should be part of a balanced investment program.

Performance Information

The following performance related information provides some indication of the risks of investing in the Trust. The table shows the average annual returns (including operating expenses) compared with those of a relevant market index for the periods indicated. The table also presents the impact of taxes on the Trust's returns. After-tax returns are calculated using the historical highest individual federal marginal income tax rates and do not reflect the impact of state or local income taxes. Return after taxes on distributions and sale of Trust shares may be higher than other returns for the same period due to the tax benefit of realizing a capital loss on the sale of Trust shares. Actual after-tax returns depend on the individual investor's tax situation and may differ from those shown below. The bar chart illustrates how the Trust's performance (including operating expenses) varied from one calendar year to another over the past ten years.

The after-tax returns shown below are not relevant to investors who own the Trust in a tax-deferred account, such as an individual retirement account (IRA) or a 401(k) plan, because such accounts are subject to taxes only upon distribution. Keep in mind that past performance – whether before taxes or after taxes – does not guarantee future results.

Average Annual Total Returns for the Periods Ended December 31, 2022

	1 Year	5 Years	10 Years
Northeast Investors Trust			
Return before taxes	-2.49%	-1.08%	0.30%
Return after taxes on distributions	-4.59%	-3.23%	-2.24%
Return after taxes on distributions and sale of Trust shares	-1.46%	-1.67%	-0.80%
ICE Bank of America Merrill Lynch U.S. High Yield Index ¹	-11.22%	2.12%	3.94%

- 1 The ICE Bank of America Merrill Lynch U.S. High Yield Index is an unmanaged market capitalization-weighted index comprised of all domestic and yankee high-yield bonds, including deferred interest bonds and payment-in-kind securities. Bonds included in the index have maturities of one year or more and have a below investment grade rating, but are not in default. It is shown for comparative purposes only and reflects no deductions for fees, expenses or taxes.

Annual Total Returns:

The following bar chart shows the change in value of the Trust's shares over the past 10 years. It illustrates how the returns can differ from one year to the next. The Trust may experience short-term swings of performance as suggested by the best and worst calendar quarter returns shown below.

Calendar Years:	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
	13.01%	-5.36%	-17.99%	16.72%	6.28%	-5.04%	0.92%	-3.61	5.17%	-2.49%

(object omitted)

Best quarter: 2nd quarter 2016, up 14.92%

Worst quarter: 1st quarter 2016, down 10.32%

Fund Management

The Trustee principally responsible for the day-to-day management of the Trust's portfolio is Bruce H. Monrad who has been associated with the Trust since July, 1989 as portfolio manager and was appointed a Trustee in May, 1993 and Chairman in May, 2000. Chapin P. Mechem has been associated with the Trust since 2001 as a securities analyst and shares portfolio management duties with Mr. Monrad.

Purchasing and Redeeming Shares

You may purchase or redeem shares of the Trust on any business day the Trust is open for business by mail (125 High Street, Suite 1802, Boston, MA 02110), online at www.northeastinvestors.com (excluding IRA accounts), through a financial intermediary or by fax at (617) 742-5666. You may also purchase additional shares for an established account by telephone at 800-225-6704. Purchases may be funded by electronic fund transfers, by check or by wire. All redemption requests not processed online must be in writing and must include a medallion signature guarantee if the redemption is in excess of \$25,000. You will receive redemption proceeds by check or by electronic fund transfer. You generally buy and redeem shares at the Trust's next-determined net asset value (NAV) after the Trust receives your request in good order. The NAV is determined only on days when the New York Stock Exchange (NYSE) is open for regular trading. The minimum initial purchase is \$1,000 (\$500 for IRAs). There is no minimum for subsequent investments.

Tax Information

The Trust's distributions are generally taxable to you as ordinary income, capital gains, or a combination of the two, unless you are investing through a tax-deferred arrangement, such as a 401(k) plan or an individual retirement account. If you are investing in such accounts, distributions may be taxable upon withdrawal.

Payments to Broker-Dealers or Other Financial Intermediaries

The Trust does not pay broker-dealers or financial intermediaries for the sale of Trust shares.

FUND PROFILE

Objectives

The Trust's primary objective is the production of income. Capital appreciation is also an objective of the Trust, but its achievement must be compatible with the primary objective.

Principal Strategies

The Trust invests primarily in marketable securities of established companies which the Trust's portfolio managers believe provides income and which, where consistent with this objective, may have potential for capital appreciation. These investments may include bonds which may be purchased at a discount or premium, preferred securities, common stocks, convertible securities and securities with warrants attached. Subject to its investment restrictions, the proportion of the Trust's assets invested in each type of security will vary from time to time depending on market and economic conditions. The Trust emphasizes fixed income securities and generally more than 80% of its assets are held in bonds, other debt instruments and preferred securities. The Trust does not impose any particular rating standards or maturity guidelines which must be applied in making investment decisions.

The Trust's portfolio emphasizes high yield corporate bonds (sometimes referred to as "junk bonds") which are rated as lower than investment grade by either of the Trust's two principal rating services or unrated securities determined by the Trust's portfolio managers to have similar characteristics. High yield fixed income securities are typically issued with maturities of less than ten years; and the Trust's holdings are generally within this range. The Trust's portfolio managers generally rely upon their own credit analysis in making investment decisions concerning the Trust's portfolio. Equity investments, which are generally acquired via corporate debt restructurings, are considered for their potential for appreciation.

From time to time the Trust will make use of borrowed funds for investment or to avoid the untimely liquidation of securities to meet redemptions. Leverage is restricted to the lesser of one quarter of the Trust's total assets or the line of credit borrowing base limitations. Leverage may be increased temporarily up to a maximum of 30% for extraordinary or emergency purposes. The amount of leverage outstanding at any one time cannot be determined in advance. The Trust may vary the amount of borrowings from time to time within the authorized limits, including having no borrowings at all.

In response to adverse market or economic conditions the Trust may invest for relatively short periods of time in short-term, highly liquid securities with maturities of 180 days or less. These securities may include commercial paper, repurchase agreements or securities issued or guaranteed by the U.S. Government. This would be likely to happen when the Trust's portfolio managers believe that liquidity is highly desirable in response to adverse market or economic conditions and therefore the Trust should adopt a temporary defensive policy. The Trust also uses these short-term investments to maintain flexibility while evaluating additional investment opportunities. When so invested the Trust may not achieve its investment objectives.

Events in the financial markets have resulted in, and may continue to cause, increased volatility. Further, economic events may have a disproportionate effect on certain market sectors. In addition, investments which were traditionally liquid may experience periods of diminished liquidity. Due to the interdependence among markets, events in one market may adversely impact other markets or issuers in unforeseen ways. In addition, governmental and regulatory responses to market events may impair the Trust's ability to pursue certain investment techniques or strategies or may have unexpected consequences on particular markets or issuers.

Principal Risks

Risks of Lower Rated or Unrated Debt Securities: Lower rated or unrated debt securities (sometimes referred to as "high yield" or "junk" bonds) may be subject to more market volatility than higher rated debt securities, which can present an increased risk of investment loss. Prices of high yield bonds are generally more negatively sensitive to a decline of domestic and global economic activity, which may adversely affect the issuer's perceived or actual ability to make current interest or principal (maturity) payments.

Equity Risk: To the extent the Trust holds equity securities, it runs the risk that general deterioration in equity markets or in a particular holding may result in the Trust's stock holdings to decline and its net asset value per share to fall.

Income Risk: Falling interest rates and bond defaults may negatively impact the Trust's distributable income. In addition, during periods of declining interest rates, higher yielding securities may be called and the Trust may be unable to reinvest those proceeds in similar yielding securities. Therefore, shareholders should expect the Trust's quarterly dividend distributions to decline under these circumstances.

Indemnification Risk: A lawsuit filed by former Trustee Robert B. Minturn ("Minturn") against the current Trustees and another former Trustee (together with the current Trustees, the "Defendant Trustees") seeks the portion of the Trustee fees that Minturn alleges he is owed pursuant to a contractual agreement among the Trustees. The current Trustees believe they acted in accordance with the agreement and their fiduciary duties and in the best interests of the Trust and its shareholders in taking the steps that are the subject of the lawsuit. Those steps included reducing and then suspending the payments that Minturn was receiving from the Trustees' fees paid by the Trust. The Trust was, but is no longer, a defendant to Minturn's action. A partial summary judgment (the "Judgment") was granted by the court in favor of Minturn in the amount of \$794,500, and the Defendant Trustees have appealed this judgment. If the Defendant Trustees lose their appeal or settle the suit, they may seek indemnification under the Declaration of Trust for an amount not to exceed that granted by the court. At a special meeting held in December 2022, the Board of Trustees, after reviewing an opinion provided by special independent counsel, adopted, by a majority vote, a resolution that, among other things: (i) indemnification by the Trust of each of the Independent Trustees for the Judgment is necessary and proper if the Trustees lose their appellate case against Minturn; and (ii) that each Independent Trustee shall be indemnified for the amount of the Judgment to pay the Judgment or any amount that is reasonably attributable to the Judgment Amount of a settlement agreed to by all of the Trustees. With this, the Trust deems a payment under the indemnification clause of the Declaration of Trust as foreseeable and accrued a \$635,600 potential loss pursuant to the court's decision of \$794,500 as a contingent liability and posted a related expense.

Interest Rate Risk: The value of debt securities, generally, moves inversely to the rise and fall of interest rates. Longer-term debt securities are more sensitive to changes in interest rates than those with shorter maturities. Therefore, shareholders should generally expect the Trust's net asset value per share to decline during periods of rising interest rates.

Issuer Risk: The value of a specific security may decline for reasons directly related to the issuer, such as management performance, financial leverage or a reduced demand for its products or services.

Leverage Risk: Leverage can cause the net asset value to decrease faster in a falling market. If, for example, the Trust purchased a \$1,000 investment for which it borrowed \$200 (20%) of the purchase price and the investment lost 20% of its value, to \$800, the Trust would lose 25% (\$200 on an \$800 investment) of the amount invested. Leverage can, therefore, involve additional risk.

Liquidity Risk: The market for high yield debt securities is generally less liquid than markets for higher rated fixed income instruments, which may present more difficulty in valuing or selling these securities timely at a desired price, especially during times of elevated market volatility. General market volatility can lead to an unexpected rise in investor redemptions from the Trust and across the asset class which in turn may contribute to the illiquidity of high yield debt markets and an increase to liquidity risk. The Trust may have difficulty in the timely disposal of securities at current prices during periods of elevated market illiquidity leading to a decline of its net asset value.

Manager Risk: The Trust is actively managed. Security selection or over/under weighting certain market sectors may cause the Trust to underperform relevant benchmarks or other funds with similar investment objectives.

Market Risk: Fixed income markets tend to move in cycles of periods where bond prices rise and fall with the possibility of sharp declines in response to a variety of macro factors, including changes to domestic and global economic activity, interest rates, currency and rates of default by sovereign and corporate issuers. As such, there is the risk that the value of the securities owned by the Trust may be negatively impacted through certain cycles resulting in you losing money from your investment. The Trust is generally suitable for investors with longer-term investment horizons.

FUND MANAGEMENT

The Trustee principally responsible for the day-to-day management of the Trust's portfolio is Bruce H. Monrad who has been associated with the Trust since July, 1989 as co-portfolio manager and was appointed a Trustee in May, 1993 and Chairman in May, 2000. Chapin P. Mechem has been associated with the Trust since 2001 as a securities analyst and shares portfolio management duties with Mr. Monrad. Further information relating to the compensation, share ownership and portfolio management responsibilities of the portfolio managers may be found in the statement of additional information.

From time to time a Trustee or an employee of the Trust may express views regarding a particular company, security, industry or market sector. The views expressed by any such person are the views of only that individual as of the time expressed and do not necessarily represent the views of the Trust or any other person in the Northeast Investors Trust organization. Any such views are subject to change at any time based upon market or other conditions, and the Trust disclaims any responsibility to update such views. These views may not be relied on as investment advice and, because investment decisions for the Trust are based on numerous factors, may not be relied on as an indication of trading intent on behalf of the Trust.

Northeast Investors Trust personnel may invest in securities for their own investment accounts, including securities that may be purchased or held by the Trust, pursuant to a Code of Ethics that establishes procedures for personal investing and restricts certain transactions.

EXPENSES

Pursuant to the Trust's Declaration of Trust, as compensation for their services, the Trustees are entitled to receive as an aggregate quarterly fee ("Trustees Fees") computed at the rate of $1/8^{\text{th}}$ of 1% of the net assets (before the deduction of accrued Trustees Fees) and excluding any borrowings from banks), from which certain expenses specified in the Declaration of Trust are paid. Such compensation covers the portfolio management services to the Trust, including those provided by Mr. Monrad, Trustee, and Ms. Mechem, who participate in the investment management of the Trust. Such compensation also covers the independent director services provided by the Independent Trustees. In addition, for such compensation, the Trustees are responsible for ensuring the following are furnished: (1) all research and statistical services to the Trust and (2) such office space as the Trust may require. In accordance with the Declaration of Trust, Trustees do not pay for certain other expenses or liabilities that are authorized to be charged directly against Trust assets. They include taxes, custodian fees and expenses, certain of the Trust's and Independent Trustees' legal fees and expenses, auditing fees and expenses, bookkeeping expenses, the expense of qualifying shares for sale under federal and state laws, and any indemnification payments made by the Trust in accordance with its Declaration of Trust. The Trust also performs on its own the services typically provided by mutual fund transfer agents and, as such, carries out all functions relating to the maintenance of its shareholder accounts, subscriptions, transfers and redemptions of shares, and mailings to shareholders. It pays the expenses relating to these services, including the compensation of persons performing these functions and data processing expenses.

SALES WITHOUT "SALES CHARGE"

The Trust offers investors an opportunity to share in the benefits of a mutual fund without requiring that they pay a sales commission or distribution expense. It has no "sales charge", "load charge" or "12b-1 fee". The purchase of shares of numerous other mutual funds requires the investor to pay amounts for a "Selling Commission" and related expenses. Selling Commissions reduce the actual amount invested by shareholders while the distribution expenses (12b-1 fees) negatively impact a fund's net asset value.

SHAREHOLDER INFORMATION

General Information

For account, product and service information, please contact the Trust at:

Northeast Investors Trust
125 High Street – Suite 1802
Boston, MA 02110
www.northeastinvestors.com
800-225-6704

Backup withholding - By law, the Trust must withhold 24% of any taxable distributions or redemptions from your account if you do not:

- Provide us with your correct taxpayer identification number;
- Certify that the taxpayer identification is correct; and
- Confirm that you are not subject to backup withholding.

Similarly, the Trust must withhold taxes from your account if the IRS instructs it to do so.

Foreign investors - Trust shares are not sold outside the United States, except under limited circumstances to certain qualifying investors at the discretion of the Trust. Foreign investors should be aware that U.S. withholding may apply to any investments in the Trust.

Trust shares are not bank deposits and are not guaranteed, endorsed or insured by any financial institution, government entity or the FDIC.

Invalid addresses – If a dividend or capital gains distribution check mailed to your address of record is returned as undeliverable, the Trust will automatically reinvest all future distributions until you provide us with a valid mailing address.

Tax consequences – This prospectus provides general tax information only. If you are investing through a tax-deferred retirement account, such as a 401(k) plan or individual retirement account, special tax rules apply. Please consult your tax adviser for detailed information about the Trust's tax consequences for you.

Account Types

The primary account types that are available to investors are listed below. For certain account types, beneficiary designation forms and agreements are available permitting the designated beneficiary(ies) to own the account after the death of the original owner(s) without probate or similar legal steps. These materials are available online at www.northeastinvestors.com or by calling the Trust directly at (800)225-6704.

Individual or Joint Accounts

Transfer on Death (TOD)/Pay on Death (POD)

Retirement Accounts (Traditional IRA, Roth IRA, Roth Conversion IRA, Rollover IRA, SEP IRA)

Children or Minors Accounts (Uniform Gifts or Transfer to Minors – UGMA, UTMA, and Coverdell Education Savings Plans)

Trusts, Corporations, Non-Profits and Other Entities

Buying Shares

Your initial investment must be accompanied by a completed application. The form can be obtained from the Trust's website or the Trust can provide you one upon your request. You may purchase shares of the Trust at the per share net asset value ("NAV") next determined after the Trust or an authorized agent receives your purchase order. There is no sales charge or commission. The Trust computes net asset value per share by dividing the market value of all securities plus other assets, less liabilities, by the total number of shares outstanding. NAV is determined as of the close of the New York Stock Exchange on each day when it is open.

The value of equity securities or equity-like securities, such as warrants for which market quotations are readily available, shall be determined on the basis of the last quoted sale prices taken from the primary market or exchange on which they are traded. A bid price may be used instead of last quoted sale price if it more closely reflects the fair value of the security as of the close of regular trading on the New York Stock Exchange. Fixed income securities, including securities convertible into equity, shall be valued on the basis of evaluated prices furnished by independent pricing services or from quotations received from dealers who make markets in such securities. The evaluations provided by the pricing services are based on analysis of market data and other factors such as last sale, dealer bids, yields, quality ratings, coupon rate, maturity, type of issue, trading characteristics and other relevant bond market data.

Securities for which market quotations are not readily available (including certain restricted securities and private placements, if any) are valued at their fair value as determined in good faith under consistently applied procedures approved by the Board of Trustees. Methodologies and factors used to fair value securities may include, but are not limited to, the analysis of current debt to cash flow, information of any recent sales, quotations or evaluated prices from broker-dealers, information obtained from the issuer or analysts and the nature of the existing market for securities with characteristics similar to such obligations. Valuations may also be derived following a review of pertinent data (EBITDA, revenue, etc.) from company financial statements, relevant market valuation multiples for comparable companies in comparable industries, recent transactions, and management assumptions.

The Trust may use fair value pricing for securities if a material event occurs that may affect the price of a security after the close of the market or exchange on which the security trades but before the Trust calculates its NAV. Fair value pricing may also be used for securities acquired as a result of corporate restructurings or reorganizations as reliable market quotations for such issues may not be readily available. For securities valued in good faith, the value of an investment used to determine the Trust's net asset value may differ from published or quoted prices for the same investments. The valuations for these good faith securities are monitored and reviewed in accordance with the methodologies described above by the Trust's Pricing Committee on an ongoing basis as information becomes available, but are evaluated at least quarterly. The good faith security valuations and fair value methodologies are reviewed and approved by the Trust's Board of Trustees on a quarterly basis.

Brokers or dealers may accept purchase and sale orders for shares of the Trust and may impose a transaction charge for this service. Any investor may, however, purchase or redeem shares without such additional charge by establishing an account directly with the Trust.

Short-term or excessive purchases and redemptions of the Trust by shareholders may harm its performance by disrupting portfolio management strategies and by increasing expenses. Excessive trading can increase costs as it may cause the Trust to utilize its lines of credit or initiate portfolio transactions during unfavorable periods in markets in which the Trust trades. Excessive trading can also cause the Trust to maintain higher cash balances than it otherwise would, which may lower the Trust's performance in times of rising markets. The costs incurred from short-term traders are borne by all investors. While the Trust cannot assure that it can detect and prevent all excessive and short-term trading, especially as it relates to the activity occurring in omnibus accounts maintained with intermediaries where the Trust does not receive the underlying individual trading activity, the Trust's Board of Trustees has adopted policies and procedures designed to help identify such short-term trading activity, and the Trust has entered into agreements with intermediaries to improve the information it receives concerning omnibus accounts. The Trust reserves the right, based either on the size or frequency of the transaction, but does not have the obligation, to reject any purchase request that it regards as potentially disruptive to efficient portfolio management. Depending on the availability of transaction information, purchase and redemption transactions of Trust shares are monitored daily. In general, whenever such monitoring discloses that a shareholder has made two or more purchases and redemptions of Trust shares within a 90-day period, further reviews are made to determine if the trading activity was excessive and, if so, whether the effect upon the Trust could be harmful. If it is determined that there could be such an effect, the shareholder will be either warned or notified that further purchases of shares of the Trust will not be accepted. The Trust may reply to inquiries concerning its policies, but does not enter into arrangements with any person to permit frequent purchases and redemptions of Trust shares. The Trust does not consider transactions from automatic purchase or redemption plans in this category.

How to buy shares:

- Check: Mail your check and a completed application to the Trust. When adding to an existing account, send your check with an Invest-By-Mail form detached from your last statement. Make your check payable to: Northeast Investors Trust and mail to 125 High Street, Suite 1802, Boston, MA, 02110.
- Telephone: Call 1-800-225-6704. You may make purchases for your already existing account via the telephone. The trade will be processed on the same day if received prior to the close of the New York Stock Exchange. A trade confirmation is generated and mailed the following business day. Your check or electronic fund transfer (EFT) payment must be received within 14 days of the transaction.*
- Online: You may establish online access to your existing account at www.northeastinvestors.com through which the purchase of additional shares (excluding IRAs) can be executed. Your payment will be automatically debited from your associated bank account via electronic funds transfer.

AIP: You may make purchases to your already existing account via EFT from your eligible bank account by utilizing the Automated Investment Plan (AIP) feature. Mail or fax to (617)742-5666 your completed AIP form obtained from the Trust's website along with a voided check and the Trust will automatically purchase shares based on your desired schedule and amount. Shareholders can also set up AIPs online.

Financial Intermediary: Contact a financial intermediary who will execute the transaction on your behalf.

Please note that your financial intermediary may charge fees or commissions for these transactions.

** If you place a telephone order to purchase shares and your payment is not received within 14 calendar days, your transaction will be canceled and you may be prohibited from placing orders in the future unless such orders are accompanied with check or EFT payment. You may also be responsible for any losses or fees the Trust may have incurred as a result. Telephone purchases may dilute the future appreciation of the NAV if payment is not made promptly.*

Your purchase price:

You buy shares at the Trust's next determined NAV after the Trust receives your purchase request. As long as your request is received before the close of regular trading on the New York Stock Exchange (NYSE), generally 4 p.m., Eastern Time (ET), you will buy your shares at that day's NAV. This is known as trade date.

When you place an order to buy shares, note the following:

- The minimum initial investment in the Trust for each account is \$1,000 (\$500 for IRAs). There is no minimum for subsequent investments either by mail, telephone or online. The Trust, in its discretion, may waive or lower purchase minimums in certain circumstances (e.g. accounts opened with the proceeds of distributions from existing retirements accounts, accounts utilizing the AIP feature, etc.);
- Checks must be drawn on U.S. banks and must be in U.S. dollars. Third party checks are not acceptable;
- The Trust does not accept cash, money orders, starter checks or post dated checks for payment of share purchases;
- There is a \$50,000 maximum for telephone purchases for individual investors. Account payables resulting from telephone purchases outstanding at any one time cannot exceed this limit;
- No cancellations. The Trust will not cancel any transaction at the request of an investor once it has been processed;
- Future purchases. The Trust reserves the right to stop selling shares at any time, or reject specific purchase requests;
- The Trust may reject initial investments if certain required information is not supplied on the new account application.
- Under applicable anti-money laundering regulations and other federal regulations, purchase orders may be suspended, restricted or canceled and the monies withheld.

No specific election is required on the application to obtain telephone purchase privileges. The Trust will employ reasonable procedures, including requiring personal identification, prior to acting on telephone instructions to confirm that such instructions are genuine. If the Trust does not follow such procedures it may be liable for losses due to unauthorized or fraudulent instructions. Otherwise it will not be liable for following instructions communicated by telephone that it reasonably believes to be genuine.

Redeeming Shares

You are entitled to redeem all or any portion of the shares credited to your account either online, through a financial intermediary or by submitting a written request for redemption to the Trust. The Trust typically pays redemption proceeds one business day following receipt of a redemption request in good order. The proceeds will be paid via check, a payment to your financial intermediary account or an electronic funds transfer to your bank in an amount equal to the NAV of the redeemed shares. However, in some extraordinary circumstances, payment from the Trust may take longer than one business day and may take up to seven days as is permitted by the Investment Company Act of 1940, as amended. Redemptions may be suspended or payment dates delayed on days when the NYSE is closed other than weekends or holidays. The Trust does not wire redemption proceeds to individual shareholders. You will not receive interest on amounts represented by uncashed redemption checks.

A redemption request will be considered to be in "good order" if it meets the following requirements:

- The request is in writing, indicates the number of shares or dollars to be redeemed and identifies your account. The letter must be signed by all registered owners. The letter can be mailed or faxed to (617) 742-5666 and must be received before the close of the NYSE;
- You may establish online access to your existing account at www.northeastinvestors.com through which the redemption of shares (excluding IRAs) can be executed up to \$25,000. Your proceeds will be sent by check or will be automatically credited to your associated bank account via electronic funds transfer.
- The request includes any certificates issued representing the shares, endorsed for transfer (or accompanied by a stock power in customary form) exactly as the shares are registered;
- **For redemptions in excess of \$25,000**, your signature has been guaranteed by a U.S. bank or trust company, member of a national securities exchange or other eligible guarantor institution. Mere witnessing of a signature is not sufficient; a specific signature guarantee must be made with respect to all signatures. Signature guarantees are designed to protect you and the Trust from fraudulent activity. A notary public is **not** an acceptable guarantor;
- In the case of corporations, executors, administrators, trustees or other organizations you must enclose evidence of authority to sell (i.e. a corporate resolution);
- If shares to be redeemed represent an investment made by check, the Trust reserves the right to delay payment until the check has been cleared up to a maximum of 10 days;
- Redemption checks will only be made payable to the registered shareholder(s) and will normally only be sent to the address of record;
- A signature guarantee as described above is required on all redemptions if the check is mailed to an address other than the address of record or if an address change occurred in the past 30 days;
- Telephone redemptions will not be made;
- The Trust reserves the right not to process redemption requests from shareholders who on consecutive days request redemptions of less than \$25,000 without a signature guarantee;
- Under the applicable anti-money laundering regulations and other federal regulations, redemption orders may be suspended, restricted or canceled and the monies withheld.

You may make scheduled redemptions from your account via check or EFT directly to your eligible bank account by utilizing the Scheduled Withdrawal Plan (SWP) feature. Mail or fax to (617)742-5666 your completed SWP form obtained from the Trust's website along with a voided check and the Trust will automatically redeem shares based on your desired schedule and amount. Shareholders can also set up SWPs online. The Trust reserves the right to cancel SWP redemptions if checks remain uncashed or if checks mailed to your address of record are returned as undeliverable.

The Trust expects to fund shareholder redemption requests by using available cash or its line of credit facility with its custodian bank or by selling portfolio securities. These methods may be used during both normal and stressed market conditions.

The Trust reserves the right to deliver assets in whole or in part in-kind in lieu of cash. The Trust is obligated to redeem shares solely in cash up to the lesser of \$250,000 or 1 percent of the net asset value of the Trust during any 90-day period for any one shareholder. Shareholders receiving redemptions in-kind will incur brokerage costs in converting securities received to cash and, until sold, such securities remain with market risk and liquidity risk. If the Trust pays your redemption with illiquid or less liquid securities, there is a risk that an active market for these securities does not exist and they may be difficult to sell.

If you are an investor in a tax-advantaged retirement plan you should consider specific taxpayer restrictions, penalties and procedures that may be associated with redemptions from your retirement plan in order to qualify under the provisions of the Internal Revenue Code. The Trust assumes no responsibility for determining whether any specific redemption satisfies the conditions of federal tax laws. That determination is your responsibility. Penalties, if any, apply to withdrawals from the plan, not to redemptions from the Trust, and are governed by federal tax law alone.

Dividends and Distributions

The Trust has paid dividends in each quarter since its organization. The Trust earns dividends, interest and other income from its investments, and distributes this income (less expenses) to shareholders as dividends. These payments are generally made around the end of February, May, August and November. The Trust may also realize net capital gains from its investments, and will distribute these gains (net of any losses) to shareholders as capital gain distributions. The last capital gains distribution made by the Trust was in 1998.

When you open an account, specify on your application how you want to receive your dividends and distributions. The following options are available:

- (1) Reinvestment Option. Your dividends and capital gains distributions will be automatically invested in additional shares of the Trust. If you do not indicate a choice on your application, you will be assigned this option;
- (2) Cash/Reinvest Option. Your dividends will be paid in cash. Your capital gains distributions will be reinvested in additional shares of the Trust;
- (3) Cash Option. Your dividends and capital gains distributions will be paid in cash.

Note: For quicker access to your cash distributions the Trust recommends direct deposit for shareholders electing Option 2 or 3.

If you elect to receive your distributions by check and your check remains uncashed for a period of six months, your distribution option may be converted to the Reinvestment Option. You will not receive interest on amounts represented by uncashed distribution checks.

Tax Consequences

An investment in the Trust could have tax consequences for you. This prospectus provides only general tax information. If you are investing through a tax-deferred retirement account, such as a 401(k) plan or individual retirement account, special tax rules may apply. Otherwise, you should consider these tax consequences by consulting your tax advisor.

Taxes on Distributions. Distributions you receive from the Trust, whether by cash or reinvested shares, may be subject to federal, state or local taxes unless you are exempt from taxation.

For federal tax purposes, the Trust's dividends made from income and distributions of short-term capital gains are taxable to you as ordinary income a portion of which may or may not be considered "qualified". The Trust's distributions of long-term capital gains are taxable to you generally as capital gains. All such distributions to certain individuals, trusts and estates may be subject also to Medicare net investment income tax at a rate of 3.8% depending upon the adjusted gross income of the recipient.

If you buy shares when the Trust has realized but not yet distributed income or capital gains, you will be "buying a dividend" by paying the full price for the shares and then receiving a portion of the price back in the form of a taxable distribution.

Taxes on transactions. Your redemptions may result in a capital gain or loss for federal and state tax purposes. A capital gain or loss on your investment in the Trust is the difference between the cost of your shares and price you receive when you sell them. Reinvested distributions add to the cost basis of your investment.

Cost Basis Reporting. The Internal Revenue Service ("IRS") requires mutual funds to report the cost basis of shares acquired by a shareholder on or after January 1, 2012 ("covered shares") and subsequently sold. Mutual funds are not required to report cost basis to the IRS on shares acquired prior to January 1, 2012 ("uncovered shares"). These requirements do not pertain to tax-deferred retirement accounts such as 401(k) plans or individual retirement accounts. The cost basis is generally the purchase price of the shares adjusted for reinvested dividends and capital gains distributions. Cost basis is used to determine whether a shareholder incurred a gain or loss when redeeming shares of a fund. Cost basis for any covered shares sold during the year will be reported to the shareholder and to the IRS on Form 1099-B. The Trust will permit shareholders to select from several IRS-accepted cost basis methods to calculate cost basis of your covered shares. If no method is selected, the Trust will use its default methodology – Average Cost. The cost basis method elected may not be changed after the settlement of a sale of Trust shares. Please consult your tax advisor should you need assistance in determining which cost basis calculation method you should elect.

Trust Policies

The Trust will make available to shareholders the following statements and reports by mail or email notifications:

- Confirmation of each purchase and sale;
- Confirmation of dividend / capital gains payments;
- Financial reports (every six months);
- Summary Prospectus;
- Year-end statement.

When you sign your account application, you certify that your social security or taxpayer identification number is correct, that you are a U.S. person (including a U.S. resident alien) and that you are not subject to 24% backup withholding for failing to report income to the IRS. If you violate IRS regulations, the IRS can require the Trust to withhold 24% of your taxable distributions and redemptions.

FINANCIAL HIGHLIGHTS

The financial highlights table is intended to help you understand the Trust's financial performance for the past 5 years. Certain information reflects financial results for a single Trust share. The total returns in the table represent the rate that an investor would have earned (or lost) on an investment in the Trust (assuming reinvestment of all dividends and distributions).

The information for fiscal years 2018-2022 has been derived from the financial statements audited by RSM US LLP, whose report, along with the Trust's financial statements, are included in the Trust's September 30, 2022 annual report, which is available upon request and without charge and is included in the Statement of Additional Information (SAI).

Per Share Data	Year Ended September 30,				
	2022	2021	2020	2019	2018
Net Asset Value:					
Beginning of Period	\$ 3.75	\$ 3.72	\$ 4.14	\$ 4.53	\$ 4.82
Income From Investment Operations:					
Net investment income ^	0.13	0.17	0.20	0.21	0.20
Net realized and unrealized gain (loss) on investment	-0.30	0.08	-0.39	-0.40	-0.23
Total from investment operations	-0.17	0.25	-0.19	-0.19	-0.03
Less Distributions:					
Net investment income	-0.20	-0.22	-0.23	-0.20	-0.26
Net Asset Value:					
End of Period	\$ 3.38	\$ 3.75	\$ 3.72	\$ 4.14	\$ 4.53
Total Return #	-4.77%	6.85%	-4.69%	-4.27%	-0.39%
Ratios & Supplemental Data					
Net assets end of period (in thousands)	\$ 134,814	\$ 156,933	\$ 165,376	\$ 201,346	\$ 257,207
Ratio of operating expenses to average net assets	2.74%~	1.83%	1.71%	1.56%	1.48%
Ratio of interest expense and commitment fee to average net assets	0.06%	0.06%	0.08%	0.09%	0.15%
Ratio of net investment income to average net assets	3.54%	4.37%	5.14%	4.91%	4.35%
Portfolio turnover rate	44.56%	75.20%	43.75%	45.13%	42.69%

* Includes Interest Expense when applicable

^ Calculated using the Average Share Method

Total Return reflects the rate that an investor would have earned on an investment in the Trust during each period, assuming reinvestment of all distributions.

~ Includes contingent liability expense of 0.54%. Expense ratio excluding contingent liability expense is 2.20%.

ADDITIONAL INFORMATION

You can find additional information about the Trust from the following sources:

STATEMENT OF ADDITIONAL INFORMATION (SAI). The SAI contains more detailed information about the Trust and its investment strategies and restrictions. A current SAI was filed with the Securities and Exchange Commission and is incorporated by reference into this Prospectus (The SAI is legally part of this prospectus).

ANNUAL AND SEMI-ANNUAL REPORTS. Additional information about the Trust's investments is available in the Trust's Annual and Semi-annual reports to shareholders. In both reports, you will find a discussion of the market conditions and investment strategies that significantly affected the Trust's performance during the reporting period.

QUARTERLY FUND HOLDINGS. The Trust adopted policies and procedures, a full description of which is available in the SAI, relating to disclosure of its portfolio holdings. As such, the Trust makes a complete schedule of its holdings publicly available in a manner consistent with SEC disclosure requirements. In addition, the Trust publishes its portfolio holdings on its website (www.northeastinvestors.com) and the SEC website (www.sec.gov) approximately 60 days after the end of each fiscal quarter. These reports are accessed free of charge. Other information concerning the Trust's holdings, including top holdings and largest sectors, are also published on the Trust's website from time to time.

You may obtain a free copy of this information or any other shareholder inquiry by writing or calling the Trust at:

Northeast Investors Trust
125 High Street – Suite 1802
Boston, MA 02110
(800) 225-6704
www.northeastinvestors.com

You can also review and copy information about the Trust at the SEC's Public Reference Room in Washington, D.C. You can call the SEC at 1-202-942-8090 for information about the operation of the Public Reference Room. Reports and other information about the Trust are available on the SEC's internet site at <http://www.sec.gov> and copies may be obtained for a duplicating fee by electronic request at the following e-mail address: publicinfo@sec.gov or by writing the Public Reference Center of the Securities and Exchange Commission, Washington, D.C. 20549-0102.

The Trust's reference number as a registrant under the Investment Company Act of 1940 is 811-00576.