

NYSE ARCA
QVM
 DATA AS OF 3/31/2016

ARROW QVM EQUITY FACTOR ETF

HIGHLIGHTS

- Core equity strategy with a strict buy and sell discipline based on multiple investment factors
- Equal-weighted to reduce over-exposure to individual securities, as often displayed by cap-weighted indexes
- Access to an index strategy based on the expertise of Ford Equity Research

FUND DETAILS

Inception Date: 2/27/2015

Ticker: QVM

Exchange: NYSE Arca

CUSIP: 042765784

IOPV Ticker: QVM.IV

*IOPV (Indicative Optimized Portfolio Value) is a calculation disseminated by the stock exchange that approximates the fund's NAV every 15 seconds throughout the trading day. *Inception date is based on first trade date availability on secondary market.*

Management Fees: 0.60%

Other Expenses: 0.08%

Total Fund Expenses: 0.65%*

**The fund's operating expenses are capped at 0.65% by a contractual waiver effective through 5/31/2016 (subject to termination by the Fund's Board of Trustees on 60 days written notice).*

INDEX DETAILS

Index Ticker: AIQVM

Methodology: Equal Weight

Rebalance: Quarterly

Reconstitution: Semi-Annual

Total # of Holdings: 50

Index Research and Analysis by



www.fordequity.com

Tri-Factor™ Approach for Equities

The Arrow QVM Equity Factor ETF seeks investment results that correspond generally to the performance of the A.I. Quality Value Momentum Index (AIQVM), before fees and expenses.

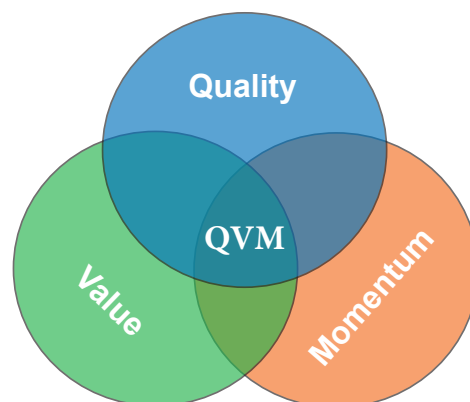
The AIQVM Index is based on the analysis and expertise of **Ford Equity Research** (www.fordequity.com), long time leaders in factor-based investment strategies. As the name implies, the QVM strategy relies on a Tri-Factor approach of stock selection through a combination of quality, value, and momentum. The use of quality metrics attempts to provide defensive characteristics to the portfolio by reducing historical volatility and mitigating losses during market declines. Value and momentum factors have been known to complement one another. By including a mix of stocks that are relatively undervalued and stocks whose prices are exhibiting long term momentum, the QVM strategy takes a diversified approach for seeking equity gains during market advances.

Dynamic Index Construction

The AIQVM Index consists of 50 equally weighted domestic equities selected semi-annually and rebalanced quarterly. The index constituents are selected from approximately 3,500 companies within the Ford Equity Research universe of stocks that meet minimum liquidity and price standards—three month average daily dollar volume above \$1 million and a minimum price of \$5 per share.

QVM model inputs are combined to create a ranking score for the stocks that meet the liquidity and price standard. The top 50 stocks based on this ranking are selected as portfolio constituents at the end of January and July, and rebalanced quarterly to maintain equal weighting.

The AIQVM Index uses a Tri-Factor™ approach to provide equally weighted exposure to 50 equities at the intersection of Quality, Value and Momentum.



Quality	Value	Momentum
Quality factor scores are based on earnings variability, return on equity, and return of earnings to shareholders in the form of dividends or share buybacks.	Value factor scores are determined by a modified earnings-to-price ratio in which the operating earnings are adjusted to account for unusual and non-recurring items.	Momentum factor scores are based on selecting stocks that are exhibiting price momentum as an indication of market confirmation of long term relative performance.

ARROW QVM EQUITY FACTOR ETF (QVM)

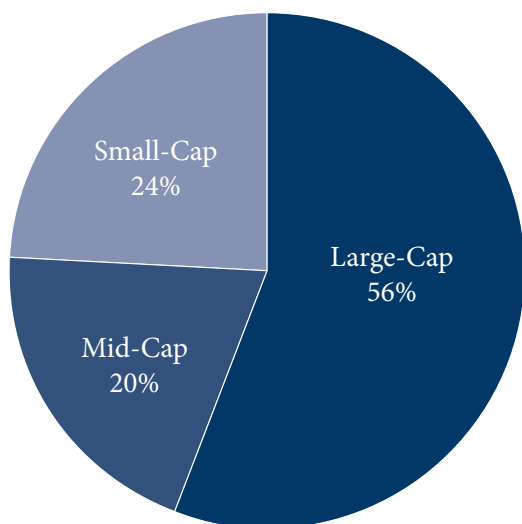
AS OF 3/31/2016

Performance	YTD	One Month	Three Month	One Year	Annualized		Since Inception*	
					Three Year	Since Inception*	Standard Deviation	Correlation (vs S&P 500)
QVM (NAV)	0.07%	7.29%	0.07%	-5.60%	--	-6.42%	16.99%	0.94
QVM (Market Price)	0.07%	7.24%	0.07%	-5.72%	--	-6.47%	N/A	N/A
AIQVM Index	0.09%	7.24%	0.09%	-5.56%	--	-6.95%	13.95%	0.97

Past performance is no guarantee of future results. Current performance may be lower or higher than the performance data quoted above. Investment return and principal value will fluctuate, so that shares, when sold or redeemed, may be worth more or less than their original cost. ETFs are generally bought and sold at market price (not NAV) and are not individually redeemed from the fund. Brokerage fees will reduce returns. Index returns assume reinvestment of distributions, but do not include fees or expenses. Indexes are not available for direct investment. Market returns are based upon the midpoint of the bid/ask spread at market close when NAV is determined, and do not represent the returns you would receive if you traded shares at other times. The market price may be above (premium) or below (discount) relative to the NAV. *QVM inception date (first trade date): 2/27/2015.

Index Exposure

Market Cap Exposure



Sector Exposure

Consumer Discretionary	29.5%
Industrials	13.8%
Information Technology	12.8%
Energy	11.0%
Consumer Staples	10.1%
Financials	8.4%
Materials	6.0%
Telecommunication Services	4.3%
Health Care	3.9%
Utilities	0.0%

Sector and market capitalization exposures are based on month-end values and are subject to change with market fluctuation. Arrow QVM Equity Factor ETF (QVM) holdings and category exposures may vary from the benchmark, including cash and equivalents.

Before investing, please read the prospectus and shareholder reports to learn about the investment strategy and potential risks. Investing involves risks, including the potential for loss of principal. An investor should consider the fund's investment objective, charges, expenses and risks carefully before investing. **This and other information about the fund is contained in the fund's prospectus, which can be obtained by calling 1-877-277-6933.** Distributed by Northern Lights Distributors, LLC (member FINRA/SIPC). Northern Lights Distributors, LLC is an unaffiliated entity from Arrow Investment Advisors, LLC.

Arrow QVM Equity Factor ETF may not be suitable for all investors. New funds have a limited performance record. The fund may not replicate the exact performance of the benchmark because of fees, expenses, trading costs and portfolio tracking error. Exchange traded products are bought and sold at market price, not NAV, and are not individually redeemed from the fund. Buying and selling shares generally results in brokerage commissions which will reduce returns. The market price may be higher (premium) or lower (discount) than the Net Asset Value (NAV). The fund's portfolio may underperform the general equity markets, or other asset classes, with the potential for greater individual security risk, asset class risk, and higher industry concentration risk than more broadly diversified portfolios. The fund may invest in large-cap, mid-cap, and small-cap securities. Investing in small-cap and mid-cap securities may have special risks, including wider variations in earnings and business prospects than larger, more established companies.

For additional information, visit our website at www.ArrowShares.com

Not FDIC Insured • No Bank Guarantee • May Lose Value

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