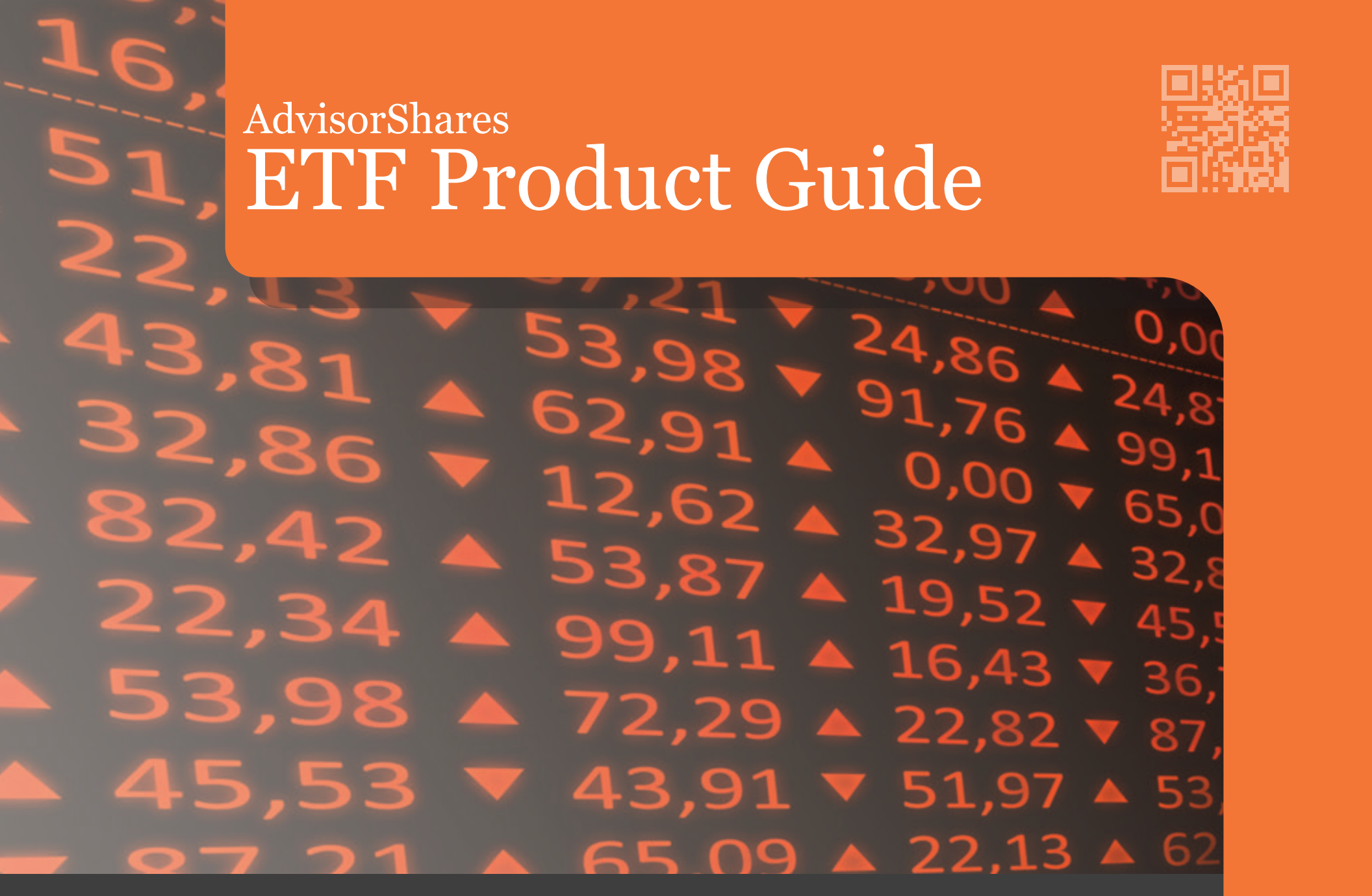
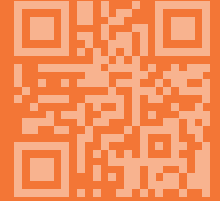


AdvisorShares

# ETF Product Guide



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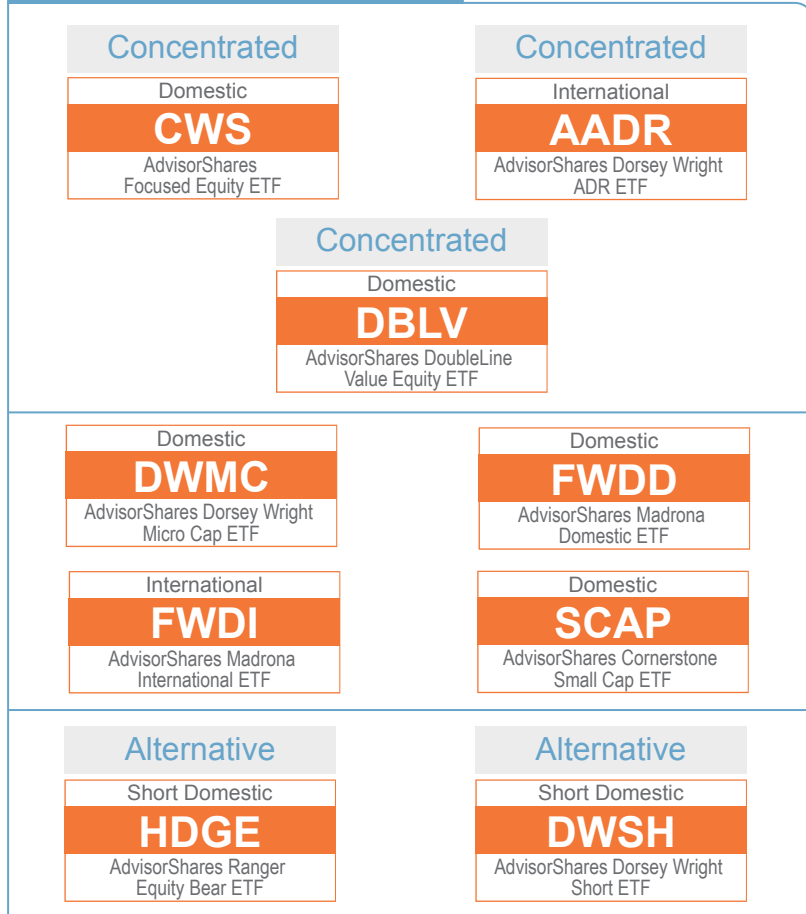


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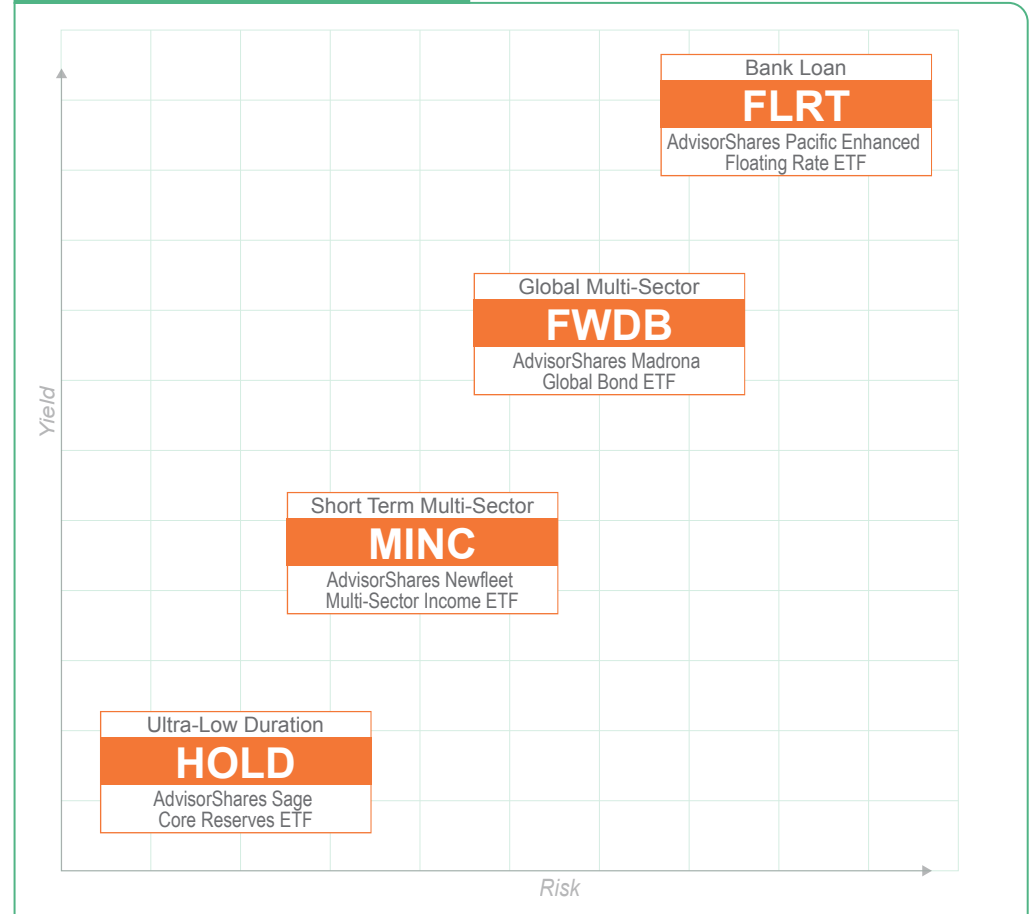
**ADVISORSHARES**<sup>®</sup>  
Actively Managed ETFs

# AdvisorShares ETF Products at a Glance

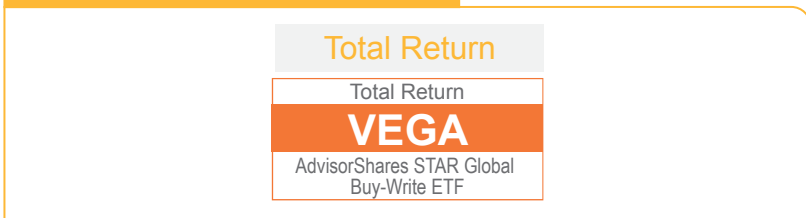
## EQUITY ETFs



## INCOME ETFs



## MULTI-ASSET ETFs



## THEMATIC ETFs



## AADR

### AdvisorShares Dorsey Wright ADR ETF

Equity	Income	Multi-Asset	Thematic
Foreign Large Cap Growth			

AADR focuses on traditional growth sectors and uses a technical approach to identify companies with the highest relative strength. Relative strength investing involves buying securities that have appreciated in price more than the other securities in the investment universe and holding those securities until they experience sufficient underperformance. Various risk management techniques are utilized to ensure sector, industry, and security diversification. AADR can be used in a portfolio to add a technical alpha seeking manager in your foreign equity allocation.

Strategy	Technical, Relative Strength
Benchmark Index	MSCI EAFE Index & BNY Mellon Classic ADR Index
Alpha Approach	Concentrated, Technical Stock Selection
Protection	Fully Invested

## ACT

### AdvisorShares Vice ETF

Equity	Income	Multi-Asset	Thematic
Alcohol, Cannabis, Tobacco Exposure			

ACT seeks concentrated exposure to U.S. exchange-listed equity securities of alcohol and tobacco companies that historically have exhibited consistent, steady growth with durable moat advantages. These areas of the market can be viewed as recession-resistant as consumers traditionally spend on leisure & vices in all economic environments. ACT also seeks emerging, untapped growth opportunities by investing in cannabis-related equities that are in compliance with U.S. federal regulations across multiple industries. ACT can serve as a growth equity allocation in a diversified portfolio.

Strategy	Fundamental Stock Selection
Benchmark Index	S&P 500 Index
Alpha Approach	Thematic, Stock Selection
Protection	Fully Invested

## CWS

### AdvisorShares Focused Equity ETF

Equity	Income	Multi-Asset	Thematic
Domestic Large Cap Blend			

CWS invests in fundamentally sound companies that have shown consistency in their financial results and demonstrated high earnings quality. The investment strategy has been employed by the portfolio manager, Eddy Elfenbein, since 2006 and is published annually as the *Crossing Wall Street* "Buy List." As a focused portfolio, CWS will typically look very different than a traditional benchmark like the S&P 500. CWS can be used in a portfolio to add a fundamental alpha seeking manager in your domestic equity allocation.

Strategy	Fundamental Bottom-Up
Benchmark Index	S&P 500 Index
Alpha Approach	Concentrated, Fundamental Stock Selection
Protection	Fully Invested

## DBLV

### AdvisorShares DoubleLine Value Equity ETF

Equity	Income	Multi-Asset	Thematic
Domestic Large Cap Value			

DBLV applies a differentiated approach to value investing, looking beyond "classic" value strategy and low stock prices or price-to-book ratios. Using a repeatable process, DBLV's management emphasizes a team approach to idea sourcing, detailed due diligence, a long-term time horizon and on-going risk monitoring. DBLV uses fundamental analysis to screen multiple factors for return potential and risk assessment, while also considering macroeconomic and business cycle factors. While DBLV is not limited by market-cap, it will typically hold 30-50 larger-cap U.S. traded equities.

Strategy	Fundamental Value Stock Selection
Benchmark Index	Russell 1000 Value Index
Alpha Approach	Concentrated, Fundamental Stock Selection
Protection	Fully invested

## DWMC

### AdvisorShares Dorsey Wright Micro Cap ETF

Equity	Income	Multi-Asset	Thematic
Domestic Micro Cap Growth			

DWMC focuses on micro cap companies and uses a technical approach to identify the ones with the highest relative strength. Relative strength investing involves buying securities that have appreciated in price more than others in the investment universe and holding those securities until they exhibit sell signals. Management seeks to spread out allocations within its portfolio, trimming back a security's weight when it becomes too large. Typically, DWMC will hold 150+ micro cap stocks.

Strategy	Technical, Relative Strength
Benchmark Index	Russell Microcap Index
Alpha Approach	Technical Stock Selection
Protection	Fully Invested

## DWSH

### AdvisorShares Dorsey Wright Short ETF

Equity	Income	Multi-Asset	Thematic
U.S. Listed Equity			

DWSH implements a technical stock selection process to short large cap U.S. equities utilizing Dorsey's proprietary relative strength process. DWSH will short sell securities exhibiting the high relative weakness from its universe. Relative weakness investing involves short selling securities that have depreciated in price more than others in their investment universe and holding those securities until they exhibit buy signals. DWSH can be used as part of a long/short strategy to hedge an investor's long domestically traded equity exposure.

Strategy	Technical, Relative Strength, Short Selling
Benchmark Index	S&P 500 Index
Alpha Approach	Technical Stock Selection
Protection	After bear market trigger, moves from concentrated to broad market

## FLRT

### AdvisorShares Pacific Asset Enhanced Floating Rate ETF

Equity	Income	Multi-Asset	Thematic
Floating Rate			

FLRT invests in income producing loans across industries and sectors that the portfolio manager views as more favorable than the broad senior loan market. The portfolio is constructed primarily using individual loans while swap agreements are utilized to manage liquidity and adjust the exposure between 80% and 130% of the funds AUM. FLRT offers investors a focused portfolio comprised of non-traditional fixed income securities that aim to provide a high level of current income.

Strategy	Fundamental Credit Analysis
Benchmark Index	S&P / LSTA Leveraged Loan 100 Index
Alpha Approach	Fundamental Bond Selection / Tactical Leverage
Protection	Defensive Cash up to 20%

## FNG

### AdvisorShares New Tech and Media ETF

Equity	Income	Multi-Asset	Thematic
Quantitative, "FANG" Exposure			

FNG provides exposure to primarily domestic equity securities in companies that drive economic growth, and can adapt to changing leadership with the ability to invest in the next generation of technology and media companies leading the equity markets. FNG's quantitative process weights the portfolio to seek high correlation to those market leaders popularly coined by the "FANG" acronym that uses the first letters of Facebook, Amazon, Netflix and Google. FNG can serve as a portion of your growth equity allocation in a diversified portfolio.

Strategy	Quantitative, "FANG" Exposure
Benchmark Index	S&P 500 Index
Alpha Approach	Thematic, Fundamental Stock Selection
Protection	Fully Invested

## FWDB

### AdvisorShares Madrona Global Bond ETF



FWDB is a consistently diversified bond strategy that invests in at least 12 distinct global income sectors, covering the entire global investable bond and income universe. FWDB allocates based on historical sector-by-sector yield curve analysis, and how the curve stands in relation to its historic spreads. FWDB typically seeks to carry an intermediate duration and moderate yield. FWDB is designed to be a core position in the bond and income portion of a diverse portfolio.

Strategy	Yield Curve Analysis
Benchmark Index	Bloomberg Barclays Capital Aggregate Bond Index
Alpha Approach	Diversification and Weighting
Protection	Fully Invested

## FWDD

### AdvisorShares Madrona Domestic ETF

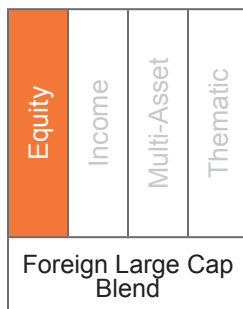


FWDD utilizes a forward-looking process to invest in up to 500 of the largest U.S. equities, based on the present value calculation of future expected earnings (from a consensus of analysts) relative to the current price. FWDD eliminates companies with projected decreasing/poor profits. FWDD's quantitative process ranks the positions using a modified equal weight approach to put more weight on the positions with the highest expected returns. FWDD is expected to have low turnover, and can serve as a core U.S. equity holding in a diversified portfolio.

Strategy	Price to Earnings Valuation
Benchmark Index	S&P 500 Index
Alpha Approach	Stock Selection and Weighting
Protection	Fully Invested

## FWDI

### AdvisorShares Madrona International ETF

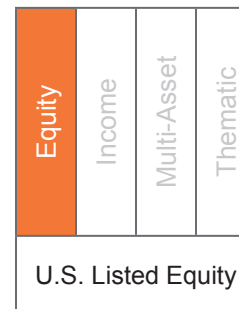


FWDI invests in the highest ranked ADRs across developed and emerging markets including sometimes overlooked Canadian and Latin American markets. The ranking is based on the present value calculation of future expected earnings (from a consensus of analysts) relative to the current price and eliminates companies with poor projected profits. FWDI's quantitative process uses a modified equal weighting, with more weight on the highest value positions. FWDI expects low turnover, and can serve as a core foreign Equity holding in a portfolio.

Strategy	Price to Earnings Valuation
Benchmark Index	MSCI EAFE Index & BNY Mellon Classic ADR Index
Alpha Approach	Stock Selection and Weighting
Protection	Fully Invested

## HDGE

### AdvisorShares Ranger Equity Bear ETF

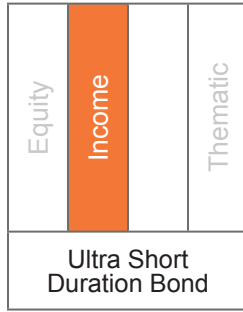


HDGE implements a fundamental, research driven stock selection process based on forensic accounting techniques that short sell U.S. listed equities. HDGE seeks to identify stocks with low earnings quality or aggressive accounting designed to bolster short-term corporate performance and may exhibit above-average downside volatility. HDGE may be used to hedge volatility and risk for similar long equity exposure, seeking positive returns in a declining equity market.

Strategy	Fundamental Short Selling
Benchmark Index	S&P 500 Index
Alpha Approach	Stock Selection
Protection	Defensive Cash up to 20%

## HOLD

### AdvisorShares KIM Korea Equity ETF



KOR invests in Korean exchange-listed equities across any capitalization and offers access to a fast growing economy that is the gateway to the trend of growing Chinese consumerism. The portfolio manager seeks attractive valuations and growth potential using a bottom up securities analysis process. Using top down analysis of macro-economic conditions, the fund will under or overweight its sector allocation. Korea's unique status as both a developed market and emerging market make it an ideal alpha seeking component of your foreign equity exposure.

Strategy	Fundamental and Top Down
Benchmark Index	MSCI Korea Index
Alpha Approach	Stock Selection
Protection	Fully Invested

## SCAP

### AdvisorShares Cornerstone Small Cap ETF

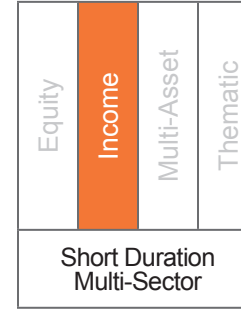


SCAP provides exposure to a quantitative strategy utilizing small cap U.S. listed equities with a market value between \$250M and \$3B. The portfolio is well-diversified, typically comprised of 200-300 small-cap equities that begin with modified equally-weighted positions and sector weights limited to plus or minus 15% of the Russell 2000 benchmark weights. SCAP can serve as a core allocation of small cap equities and an alternative to a fundamental or market cap weighted small cap allocation.

Strategy	Equally Weighted Quantitative Stock Selection
Benchmark Index	Russell 2000 Index
Alpha Approach	Sector Over/Under Weight
Protection	Fully Invested

## MINC

### AdvisorShares Newfleet Multi-Sector Income ETF

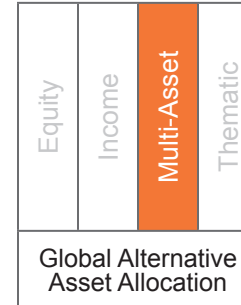


MINC provides exposure to low duration fixed income consistent with preservation of capital, while limiting fluctuations in net asset value due to changes in interest rates. The portfolio manager uses an active sector rotation process to identify areas of the fixed income market that they believe may outperform. The fund employs a disciplined risk management approach that seeks to minimize exposure to higher risk sectors of the market. MINC can be used to provide conservative income to a portfolio.

Strategy	Fundamental Sector and Credit Analysis
Benchmark Index	Barclays Capital Aggregate Bond Index
Alpha Approach	Sector and Security Selection
Protection	Fully Invested

## VEGA

### AdvisorShares STAR Global Buy-Write ETF



VEGA is a low volatility, globally diversified asset allocation strategy that employs options seeking to enhance income and reduce risk. The volatility of each of the underlying positions drives option usage. During periods of high volatility, the fund will write (or sell) a call option to hedge downside risk through income generation from the sale of options. 60%-85% of VEGA's equity positions will typically be covered. When volatility is low, the portfolio manager buys protective put options to manage downside risk. VEGA can serve as a core alternative allocation.

Strategy	Risk Managed Quantitative Asset Allocation
Benchmark Index	MSCI World Index
Alpha Approach	Asset Allocation, Option Premium
Protection	Defensive Cash, Hedging, Option Overlay

The **S&P 500 Index** is a broad-based, unmanaged measurement of changes in stock market conditions based on the average of 500 widely held common stocks. The **Russell 2000 Index** is an index measuring the performance approximately 2,000 small-cap companies in the Russell 3000 Index, which is made up of 3,000 of the biggest U.S. stocks. The **MSCI EAFE Index** is an unmanaged free float-adjusted market capitalization index that is designed to measure the equity market performance of developed markets, excluding the US & Canada. The **BNY Mellon Classic ADR Index** combines the over the counter (OTC) traded ADRs with exchange-listed ADRs bringing transparency to the available universe of American Depositary Receipts, including those issued by many of the world's premier companies. The **MSCI World Index** is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed markets. The **MSCI Korea Index** designed to measure the performance of the large and mid cap segments of the South Korean market. With 107 constituents, the index covers about 85% of the Korean equity universe. The **HFRI Equity Hedge (Total) Index** is a fund-weighted index of select hedge funds focusing on Equity Hedge strategies. Equity Hedge investing consists of a core holding of long equities hedged at all times with short sales of stocks and/or stock index options. The **Bloomberg Barclays Capital Aggregate Bond Index** measures the performance of the U.S. investment grade bond market. The **Bloomberg Barclays 1-3 Month U.S. Treasury Bill Index** includes all publicly issued zero-coupon U.S. Treasury Bills that have a remaining maturity of less than 3 months and more than 1 month, are rated investment grade, and have \$250 million or more of outstanding face value. The **Russell Microcap Index** is a capitalization-weighted index of 2,000 small cap and micro cap stocks that captures the smallest 1,000 companies in the Russell 2000, plus 1,000 smaller U.S.-based listed stocks.

**Alpha** is a measure of performance on a risk-adjusted basis. Alpha takes the volatility (price risk) of a fund and compares its risk-adjusted performance to a benchmark index. The excess return of the fund relative to the return of the benchmark index is a fund's alpha. An **option** is a financial derivative that represents a contract sold by one party (option writer) to another party (option holder). The contract offers the buyer the right, but not the obligation, to buy (call) or sell (put) a security or other financial asset at an agreed-upon price (the strike price) during a certain period of time or on a specific date (exercise date). An investor who employs a **cash-secured put** writes a put contract, and at the same time deposits in his brokerage account the full cash amount for a possible purchase of underlying shares. The purpose of depositing this cash is to ensure that it's available should the investor be assigned on the short put position and be obligated to purchase shares at the put's strike price. While the cash is on deposit it may generally be invested in short-term, interest-bearing instruments. A **long position** is the purchase of an investment with the expectation that it will rise in value. A **short position** is the sale of a borrowed investment with the expectation that it will decline in value. Duration measures (in years) the sensitivity of the price of a fixed-income investment to a 1% change in interest rates.

**One cannot invest directly into an index.**

An investment in the Funds is subject to risk, including the possible loss of principal amount invested. Derivatives, as associated with FLRT, and VEGA, may be riskier and more sensitive to changes in economic or market conditions than other types of investments and could result in losses that significantly exceed the Fund's original investment. DWSH, HDGE and VEGA may participate in leveraged transactions to include

selling securities short which creates the risk of magnified capital losses. Under certain market conditions, short sales can increase the volatility and decrease the liquidity of certain securities or positions and may lower the Fund's return or result in a loss. Writing and purchasing call and put options are specialized activities and entail greater than ordinary investment risk when considering DWSH or VEGA. AADR, and FWDI may use ADRs which are subject to the risk of change in political or economic conditions and exchange rates in foreign currencies. HOLD's investment in fixed income securities will change in value in response to interest rate changes and other factors, such as the perception of the issuer's creditworthiness. The risks associated with each Fund include the risks associated with the underlying ETFs, which can result in higher volatility, and are detailed in each Fund's prospectus. **These Funds may not be suitable for all investors.**

Shares are bought and sold at market price (closing price) not NAV and are not individually redeemed from the Fund. Market price returns are based on the midpoint of the bid/ask spread at 4:00pm Eastern Time (when NAV is normally determined), and do not represent the return you would receive if you traded at other times. Holdings and allocations are subject to risks and to change.

**Before investing you should carefully consider the Fund's investment objectives, risks, charges and expenses. This and other information is in the prospectus, a copy of which may be obtained by visiting the Fund's website at [www.AdvisorShares.com](http://www.AdvisorShares.com). Please read the prospectus carefully before you invest.** Foreside Fund Services, LLC, distributor.



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