

BATS EXCHANGE
ARCM
 DATA AS OF 3/31/2017

ARROW RESERVE CAPITAL MANAGEMENT ETF

HIGHLIGHTS

- Conservative ultra short-term fixed income strategy
- Designed to provide an alternative to low yielding money market and non-yielding cash positions
- Sub-advised by Halyard Asset Management, LLC

FUND DETAILS

Inception Date: 3/31/2017

Ticker: ARCM

Exchange: BATS

CUSIP: 042765776

IOPV Ticker: ARCM.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.

Management Fees: 0.30%

Other Expenses: 0.08%

Total Fund Expenses: 0.38%

The **Arrow Reserve Capital Management ETF** seeks to preserve capital while maximizing current income.

Conservative Ultra Short-Term Fixed Income

The Arrow Reserve Capital Management ETF (ARCM) is a conservative ultra short-term fixed income fund that invests in a variety of investment grade fixed income securities with maturities generally ranging from 0 to 2 years. The fund is sub-advised by Halyard Asset Management, LLC, leaders in reserve capital and fixed income strategies.

ARCM is actively managed in an attempt to maximize income potential without substantially increasing portfolio risk. The fund tries to identify holdings that offer an acceptable yield and return potential for a given level of credit risk and maturity.

Portfolio Exposure

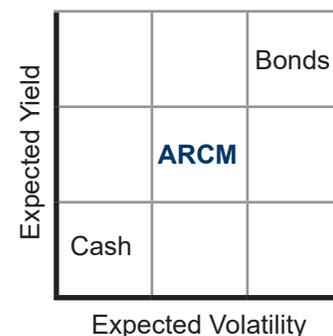
Rather than being constrained to a narrow set of investments, ARCM's portfolio may provide exposure to a variety of domestic fixed income holdings including corporate, agency and government securities. The fund may also use futures and forward contracts in an attempt to gain exposure to a particular group of securities or asset class without actually purchasing those securities, or to hedge interest rate risk. In general, the fund has a flexible approach in order to achieve a conservative ultra short-term fixed income portfolio.

Duration is a measure used to estimate the sensitivity of a security's price to changes in interest rates—the longer a security's duration, the more sensitive it will be. The average duration of ARCM's portfolio is generally expected not to exceed eighteen months and will vary depending on interest rate forecasts and other market factors.

Reserve Capital Management

ARCM should appeal to investors who are looking for a choice beyond low yielding money markets and non-yielding cash positions. ARCM is a conservative ultra short-term fixed income fund and is not a money market fund. By taking a conservative approach to volatility and yield, ARCM intends to reduce the gap between cash/money market and the bond funds based on historical market yield and volatility.

ARCM uses an active low volatility fixed income strategy to help reduce the gap between cash/money market and bond funds.



Hypothetical illustration.

ARROW RESERVE CAPITAL MANAGEMENT ETF (ARCM)

Arrow Reserve Capital Management ETF (ARCM) is a conservative ultra short-term fixed income fund that invests in a variety of fixed income securities.

Portfolio Characteristics	
Types of Issuers	Fixed income issuers can range from a variety of sources, including, but not limited to, corporate, government, municipal, agency, and others.
Credit Quality	Credit quality of the holdings will generally be investment grade, as determined by third party rating agencies or through proprietary analysis.
Maturity	The effective maturity of the combined portfolio is expected to average less than 2 years.
Duration	The average duration (as a measure of interest rate sensitivity) is expected to be less than 18 months.

About Arrow

Arrow Funds, including the exchange traded product line ArrowShares, is a mutual fund company with a passion and energy for helping investors meet their financial goals. We believe in offering targeted portfolio solutions for the ever-changing capital markets. Our vision is to be recognized as the leading provider of alternative and tactical investment solutions for financial intermediaries and their clients. We have assembled a team of investment professionals with a breadth of experience and depth of industry knowledge. Education and research remain the cornerstones of our business, backed by our commitment to the highest level of service.

*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.** Content reviewed by an affiliate, Archer Distributors, LLC (member FINRA).*

Arrow Reserve Capital Management ETF may not be suitable for all investors. New funds have a limited performance record. 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 its benchmark and/or other asset classes. The fund's use of fixed income securities is subject to risks including interest rate, credit, prepayment, issuer-specific, regulatory and inflation. The fund's use of derivatives such as futures, options and swap agreements may expose the fund to additional risks that it would not be subject to if it invested directly in the securities underlying those derivatives. The fund's use of asset-backed and mortgage-backed securities are subject to risks including non-payment of borrows resulting the potential for undercollateralized debt valuations and payments. This fund is not a money market.

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