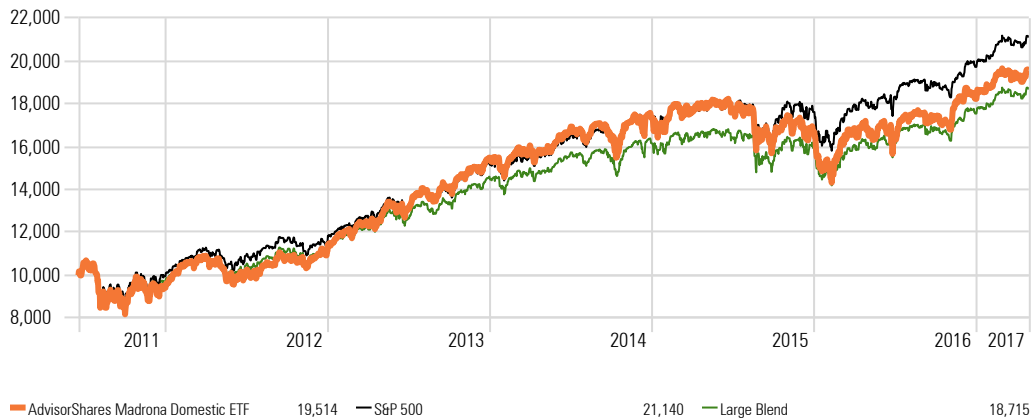


### Investment Strategy

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.

### Investment Growth

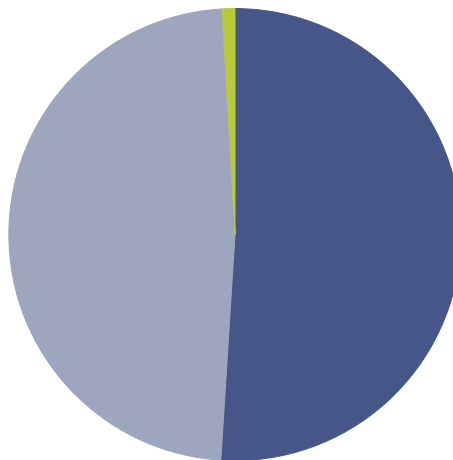
Time Period: 6/21/2011 to 4/30/2017



### Snapshot

|                                 |             |
|---------------------------------|-------------|
| Ticker                          | FWDD        |
| Morningstar Rating 3 Yr         | ★★          |
| Morningstar Rating 5 Yr         | ★★★         |
| Morningstar Rating Overall      | ★★★         |
| Morningstar Risk Rating Overall | High        |
| Category                        | Large Blend |
| # in Category                   | 1,242       |
| Inception Date                  | 6/20/2011   |
| Management Fee                  | 0.80        |
| Prospectus Net Expense Ratio    | 1.25        |
| Prospectus Gross Expense Ratio  | 1.32        |
| Assets Under Management         | 26,201,961  |

### Equity Style Capitalization



|              |               |
|--------------|---------------|
| Large Cap    | 51.00         |
| Mid Cap      | 48.09         |
| Small Cap    | 0.91          |
| <b>Total</b> | <b>100.00</b> |

Overall Morningstar rating is derived from a weighted average of the fund's 3, 5, and 10-year (if applicable) risk-adjusted returns as of the date of this report. Category consists of 1242 funds in 3 year, 1102 in 5 year, and 817 in 10 year.

### Trailing Returns Month-End (Annualized over 1 year)

As of Date: 4/30/2017

|   | 1 Year | 3 Year | 5 Year | Since Inception |
|---|--------|--------|--------|-----------------|
| AdvisorShares Madrona Domestic ETF (NAV)    | 16.30  | 7.22   | 12.72  | 12.08           |
| AdvisorShares Madrona Domestic ETF (Market) | 16.27  | 7.20   | 12.75  | 12.11           |
| S&P 500                                     | 17.92  | 10.47  | 13.68  | 13.62           |
| Large Blend                                 | 16.40  | 7.93   | 11.63  | 11.28           |

### Trailing Returns Quarter-End (Annualized over 1 year)

As of Date: 3/31/2017

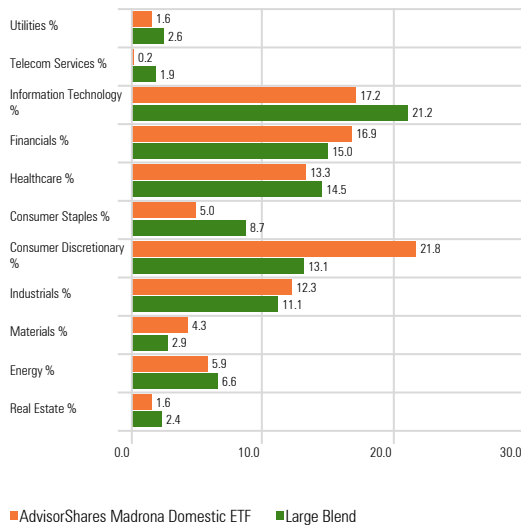
|   | 1 Year | 3 Year | 5 Year | Since Inception |
|---|--------|--------|--------|-----------------|
| AdvisorShares Madrona Domestic ETF (NAV)    | 15.59  | 7.02   | 12.44  | 12.17           |
| AdvisorShares Madrona Domestic ETF (Market) | 15.60  | 7.10   | 12.46  | 12.20           |
| S&P 500                                     | 17.17  | 10.37  | 13.30  | 13.63           |
| Large Blend                                 | 15.80  | 7.64   | 11.20  | 11.26           |

Performance data quoted represents past performance and is no guarantee of future results. Current performance may be lower or higher than the performance data quoted. Investment return and principal value will fluctuate so that an investor's shares, when redeemed, may be worth more or less than original cost. Returns less than one year are not annualized. For the Fund's most recent month end performance, please visit [www.advisorshares.com](http://www.advisorshares.com). The Advisor has contractually agreed to keep net expenses from exceeding 1.25% of the Fund's daily net assets for at least a year from the date of the Prospectus and for an indefinite period thereafter subject to annual reapproval of the agreement by the Board of Trustees.

### Calendar Year Returns

|   | 6/21/2011 - 12/31/2011 | 2012  | 2013  | 2014  | 2015  | 2016  | YTD  |
|---|------------------------|-------|-------|-------|-------|-------|------|
| AdvisorShares Madrona Domestic ETF (NAV)    | -5.86                  | 18.27 | 39.14 | 12.04 | -3.90 | 9.32  | 7.01 |
| AdvisorShares Madrona Domestic ETF (Market) | -5.80                  | 18.37 | 39.07 | 12.09 | -3.92 | 9.35  | 7.00 |
| S&P 500                                     | -0.45                  | 16.00 | 32.39 | 13.69 | 1.38  | 11.96 | 7.16 |
| Large Blend                                 | -3.12                  | 14.81 | 31.28 | 10.73 | -1.40 | 10.10 | 6.64 |

### Long Equity Sector Allocation



### Risk

|                           | FWDD   | S&P 500 |
|---------------------------|--------|---------|
| Alpha                     | -2.65  | 0.00    |
| Beta                      | 1.12   | 1.00    |
| Std Dev                   | 20.56  | 17.99   |
| Information Ratio (arith) | -0.50  |         |
| Sortino Ratio (arith)     | 0.98   | 1.28    |
| Sharpe Ratio (arith)      | 0.87   | 1.12    |
| Down Capture Ratio        | 115.11 | 100.00  |
| Correlation               | 0.98   | 1.00    |
| Tracking Error            | 4.71   | 0.00    |
| R2                        | 95.82  | 100.00  |

### Top 10 Holdings

| Holdings are subject to change. | Value (mil) | Weight % |
|---------------------------------|-------------|----------|
| Blackrock Federal Fd 30 I       | 0.53        | 2.01     |
| Western Digital Corp            | 0.18        | 0.69     |
| Hanesbrands Inc                 | 0.17        | 0.65     |
| Royal Caribbean Cruises Ltd     | 0.17        | 0.63     |
| Tyson Foods Inc Class A         | 0.16        | 0.62     |
| Whirlpool Corp                  | 0.16        | 0.61     |
| Lam Research Corp               | 0.16        | 0.61     |
| Freeport-McMoRan Inc            | 0.16        | 0.61     |
| XL Group Ltd                    | 0.16        | 0.60     |
| Micron Technology Inc           | 0.16        | 0.59     |

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.

There is no guarantee that the Fund will achieve its investment objective. An investment in the Fund is subject to risk, including the possible loss of principal amount invested. The Fund may invest in large capitalization companies. During a period when the demand for large-cap securities is less than for other types of investments, the Fund's performance could be reduced. Other Fund risks include market risk, equity risk, early closing risk, liquidity risk and trading risk.

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

The Morningstar Rating™ is provided for those exchange-traded funds ("ETFs") with at least a three-year history. Ratings are based on the ETF's Morningstar Risk-Adjusted Return measure which accounts for variation in monthly performance, placing more emphasis on downward variations and rewarding consistent performance. An ETF's risk-adjusted return includes a brokerage commission estimate. This estimate is intended to reflect what an average investor would pay when buying or selling an ETF. PLEASE NOTE, this estimate is subject to change and the actual brokerage commission an investor pays may be higher or lower than this estimate. Morningstar compares each ETF's risk-adjusted return to the open end mutual fund rating breakpoints for that category. Consistent with the open-end mutual fund ratings, the top 10% of ETFs in each category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars and the bottom 10% receive 1 star. The overall rating for an ETF is based on a weighted average of the time-period ratings (e.g., the ETF's 3, 5, and 10 year rating). The determination of an ETF's rating does not affect the retail open end mutual fund data published by Morningstar. Past performance is no guarantee of future results.

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. One cannot invest directly in an index. The Large Blend category consists of portfolios that are fairly representative of the overall U.S. stock market in size, growth rates, and price. Stocks in the top 70% of the capitalization of the U.S. equity market are defined as large-cap. The blend style is assigned to portfolios where neither growth nor value characteristics predominate. These portfolios tend to invest across the spectrum of U.S. industries, and owing to their broad exposure, the portfolios' returns are often similar to those of the S&P 500 Index. The blend style is assigned to portfolios where neither growth nor value characteristics predominate. These portfolios typically will have less than 20% of assets invested in U.S. stocks. Alpha measures the risk-adjusted premium an investment earns above its benchmark. Beta measures the volatility of a security or a portfolio in comparison to the entire market. Standard Deviation measures the dispersion of a set of data from its mean and is calculated as the square root of variance. Information Ratio measures the active return of the manager's portfolio divided by the amount of risk that the manager takes relative to the benchmark. Sortino Ratio measures the excess return over the risk-free rate divided by the downside semi-variance, and so it measures the return to "bad" volatility. Sharpe Ratio measures the average return minus the risk-free return divided by the standard deviation of return on an investment. Down Capture Ratio measures an investment manager's overall performance in down-markets. Correlation measures how two securities move in relation to each other. Tracking Error measures how closely a portfolio follows the index to which it is benchmarked. R2 measures the percentage of a fund or security's movements that can be explained by movements in a benchmark index.