



Information Circular 10-313

Date: July 13, 2010
To: ETP Holders
From: James C. Yong
Chief Regulatory Officer
Re: MARS HILL GLOBAL RELATIVE VALUE ETF TO BEGIN TRADING ON NSX

Pursuant to Regulatory Circular 08-005, we are issuing this Information Circular to advise you that the following security of the exchange-traded fund discussed herein (the "Fund") has been approved for trading on the National Stock Exchange, Inc. ("NSX" or the "Exchange") as a UTP Derivative Securities product pursuant to NSX Rule 15.9:

Security: (the "Shares")	Symbol:
Mars Hill Global Relative Value ETF	GRV

Commencement of Trading: July 14, 2010

Issuer: AdvisorShares Trust

Primary Listing Exchange: NYSE Arca

Primary Exchange Circular: RB-10-85 (July 9, 2010)

Issuer Registration Statement: No. 811-22110 and 333-157876

The purpose of this information circular is to outline various rules and policies that will be applicable to trading in this new product pursuant to the Exchange's unlisted trading privileges, as well as to provide certain characteristics and features of the Shares. For a more complete description of the Issuer, the Shares and the underlying market instruments or indexes, consult the prospectus (the "Prospectus"), examine the Issuer Registration Statement or review the most current information bulletin issued by the Primary Listing Exchange (which as of the date hereof is set forth above as the "Primary Exchange Circular"). The Prospectus, the Issuer Registration Statement and the Primary Exchange Circular are hereafter collectively referred to as the "Issuer Disclosure Materials."

The Primary Exchange Circular cited above contains the following information:

Background Information on the Fund

As more fully explained in the Registration Statement (Nos. 811-22110 and 333-157876) for AdvisorShares Trust ("Trust"), the Trust is an open-end management investment

company registered under the Investment Company Act of 1940, as amended ("1940 Act"). The Trust currently consists of three investment portfolios including the Mars Hill Global Relative Value ETF (the "Fund").

The Fund is considered a "fund-of-funds" that seeks to achieve its investment objective by primarily investing in both long and short positions in other exchange-traded funds (the "Underlying ETFs") that offer diversified exposure to global regions, countries, styles (market capitalization, value, growth, etc.) or sectors, and other exchange-traded products, including but not limited to exchange-traded notes, exchange-traded currency trusts and closed-end funds. The Fund charges its own expenses and also indirectly bears a proportionate share of the Underlying ETFs' expenses.

AdvisorShares Investments, LLC (the "Advisor") serves as the investment advisor to the Fund. The day-to-day portfolio management of the Fund is provided by Mars Hill Partners, LLC, the sub-advisor to the Fund ("Mars Hill" or the "Sub-Advisor"). The Sub-Advisor selects a group of Underlying ETFs for the Fund in which to invest pursuant to an "active" management strategy for asset allocation, security selection and portfolio construction. The Fund allocates its assets among a group of Underlying ETFs in different percentages of stocks, bonds, and cash that seek to achieve a unique investment objective and the Fund will periodically change the composition of its portfolio to best meet its investment objective. The Fund will attempt to achieve its investment objective by utilizing an "active" management strategy based entirely upon various formulas for asset allocation, security selection and portfolio construction. The Prospectus describes the key features of the Fund, as well as important additional information.

The Fund's investment objective is average annual returns in excess of the total return of the MSCI World Index (the "Index"), with comparable volatility and little to no correlation with the Index.

Forside Fund Services, LLC (the "Distributor") is the principal underwriter and distributor of the Fund's shares. The Bank of New York Mellon, is the administrator, custodian, transfer agent and fund accounting agent for the Fund.

The Fund issues shares on a continuous basis at the net asset value ("NAV") only in a large specified number of shares called a "Creation Unit." The shares of the Fund are "created" at their NAV only in block-size Creation Units of 50,000 shares. A "creator" enters into an authorized participant agreement ("Participant Agreement") with the Distributor or a Depository Trust Company ("DTC") participant who has executed a Participant Agreement (an "Authorized Participant"), and deposits into the Fund a portfolio of securities closely approximating the holdings of the Fund and a specified amount of cash, together totaling the NAV of the Creation Unit(s), in exchange for 50,000 shares of the Fund (or multiples thereof).

Dividends from net investment income are declared and paid at least annually by the Fund.

Principal Risks

Interested persons are referred to the Prospectus for a description of risks associated with an investment in the Shares. These risks include index risk, foreign markets risk and currency risk. In addition, as noted in the Prospectus, the Shares may trade at market prices

that may differ from their NAV. The NAV of the Shares will fluctuate with changes in the market value of the Fund's holdings. The market prices of the Shares will fluctuate in accordance with changes in NAV as well as the supply and demand for the Shares on the Exchange.

Exemptive, Interpretive and No-Action Relief Under Federal Securities Regulations

The Commission has issued a letter dated July 2, 2010 ("No-Action Letter") granting exemptive, interpretive and no-action relief from certain provisions of Rules 101 and 102 of Regulation M under the Securities Exchange Act of 1934 ("1934 Act"), Section 11(d) of the 1934 Act, and Rules 10b-10, 10b-17, 11d1-2, 15c1-5 and 15c1-6 under the 1934 Act. ETP Holders are referred to the full text of the No-Action Letter and the letter from W. John McGuire, Morgan, Lewis & Bockius LLP, dated July 1, 2010 to the Commission ("Request Letter"), available at www.sec.gov, for additional information.

BECAUSE WHAT FOLLOWS IS ONLY A SUMMARY OF THE RELIEF OUTLINED IN THE NO-ACTION LETTER(S) REFERENCED ABOVE, THE EXCHANGE ADVISES INTERESTED PARTIES TO CONSULT THE NO-ACTION LETTER(S) FOR MORE COMPLETE INFORMATION REGARDING THE MATTERS COVERED THEREIN AND THE APPLICABILITY OF THE RELIEF GRANTED IN RESPECT OF TRADING IN THE SHARES. INTERESTED PARTIES SHOULD ALSO CONSULT THEIR PROFESSIONAL ADVISORS.

Rule 101 of Regulation M

Generally, Rule 101 of Regulation M is an anti-manipulation regulation that, subject to certain exceptions, prohibits any "distribution participant" and its "affiliated purchasers" from bidding for, purchasing, or attempting to induce any person to bid for or purchase any security which is the subject of a distribution until after the applicable restricted period except as specifically permitted in the Regulation. The provisions of Rule 101 of Regulation M apply to underwriters, prospective underwriters, brokers, dealers, or other persons who have agreed to participate or are participating in a distribution of securities.

The No-Action Letter confirms that the Trust is excepted under paragraph (c)(4) of Rule 101 of Regulation M with respect to the Fund thus permitting persons who may be deemed to be participating in a distribution of shares of the Fund to bid for or purchase such Shares during their participation in such distribution.

The No-Action Letter also confirms the interpretation of Rule 101 of Regulation M that a redemption of Creation Unit size aggregations of Shares of the Fund and the receipt of In-Kind Redemption Securities in exchange therefore by a participant in the distribution of Shares of the Fund would not constitute an "attempt to induce any person to bid for or purchase a covered security, during the applicable restricted period" within the meaning of Regulation M, and therefore would not violate Regulation M.

Rule 102 of Regulation M

Rule 102 of Regulation M prohibits issuers, selling security holders, or any affiliated purchaser of such person from bidding for, purchasing, or attempting to induce any person to bid for or purchase a covered security during the applicable restricted period in connection with a distribution of securities effected by or on behalf of an issuer or selling security holder. Rule

100 of Regulation M defines “distribution” to mean any offering of securities that is distinguished from ordinary trading transactions by the magnitude of the offering and the presence of special selling efforts and selling methods.

The No-Action Letter confirms that the Trust is excepted under paragraph (d)(4) of Rule 102 of Regulation M with respect to the Fund, thus permitting the Fund to redeem Shares of the Fund during the continuous offering of such Shares.

Rule 10b-17

Rule 10b-17, with certain exceptions, requires an issuer of a class publicly traded securities to give notice of certain specified actions (for example, a dividend distribution, stock split, or rights offering) relating to such class of securities in accordance with Rule 10b-17(b).

The No-Action Letter grants an exemption from the requirements of Rule 10b-17 to the Trust with respect to transactions in the Shares.

Section 11(d)(1) and Rules 10b-10, 11d1-2, 15c1-5, and 15c1-6

The No-Action Letter grants no-action relief if a broker-dealer treats shares of the Original Fund (as described in the Incoming Letter) and the Fund, for purposes of the relief from Section 11(d)(1) of the 1934 Act and Rules 10b-10, 11d1-2, 15c1-5, and 15c1-6 provided in the Letter re: Derivative Products Committee of the Securities Industry Association (November 21, 2005) (“Class Relief Letter”), as shares of a Qualifying ETF (as defined in the Class Relief Letter). The No-Action Letter states that, in granting this relief, the Division of Trading and Markets notes in particular the Fund’s representations in the Request Letter that at least 80% of the Original Fund’s portfolio holdings and 90% of the Mars Hill ETF’s portfolio holdings are, and will be, shares of Prior ETFs, that each of the Prior ETF held by the Original Fund and/or the Mars Hill ETF themselves will have either met all conditions set forth in the Class Relief Letter, will have individual relief from the Commission, or will be able to rely on individual relief even though they are not named parties, and that in no case will the Original Fund or the Mars Hill ETF hold securities (other than ETFs or government securities as defined in Section 3(a)(42)(A),(B), or (C) of the 1934 Act) issued by a single issuer in excess of 20% of the Initial Fund’s portfolio holdings. The No-Action Letter states that, accordingly, with respect to shares of the Original Fund and the Mars Hill ETF, to the extent that a broker-dealer satisfies the other conditions in the Class Relief Letter, it could rely on the exemptive and no-action relief contained therein.

NSX Rules Applicable to Trading in the Shares

The Shares are considered equity securities, thus rendering trading in the Shares subject to the Exchange’s existing rules governing the trading of equity securities. The Shares are also a UTP Derivative Securities product as specified in NSX Rule 15.9, and as such are subject to the additional provisions specific to that NSX Rule. In particular, ETP Holders are reminded of their obligations under the following NSX Rules:

1. Trading Hours: This product will trade during the regular trading hours of the Exchange (between 9:30 am to 4:00 pm ET), during pre-market hours (8:00 am to 9:29:59 am ET) and during post-market hours (4:00:01 pm to 6:30 pm ET). Please note that trading in the

Shares during the Exchange's pre-market and post-market hours may result in additional trading risks which include: (1) lower liquidity in the Opening or Late Trading Sessions may impact pricing, (2) higher volatility in the Opening or Late Trading Sessions may impact pricing, (3) wider spreads may occur in the Opening or Late Trading Sessions. The minimum trading increment is \$.01.

2. Recommendations To Customers: NSX Rule 3.7 provides that the ETP Holder shall use due diligence to learn the essential facts relative to every customer prior to trading the Shares or recommending a transaction in the Shares that an investment in the Shares is suitable for the customer.

3. Product Description: In the event that a Fund relies upon an order by the Securities and Exchange Commission exempting the Shares from certain prospectus delivery requirements under Section 24(d) of the 1940 Act and makes available a written product description, NSX Rule 15.9B(3)(c) requires that ETP Holders shall provide all purchasers of a series of exchange-traded funds ("ETFs") a written description of the terms and characteristics of those securities, in a form approved by the Exchange or prepared by the open-ended management company issuing such securities, not later than the time a confirmation of the first transaction in such series is delivered to such purchaser. In addition, the ETP Holders shall include a written description with any sales material relating to a series of ETFs that is provided to customers or the public. Any other written materials provided by an ETP Holder to customers or the public making specific reference to the series of ETFs as an investment vehicle must include a statement substantially in the following form:

"A circular describing the terms and characteristics of [*the series of ETFs*] has been prepared by the [*open-ended management investment company name*] and is available from your broker. It is recommended that you obtain and review such circular before purchasing [*the series of ETFs*]."

An ETP Holder carrying an omnibus account for a non-ETP Holder is required to inform such non-ETP Holder that execution of an order to purchase a series of ETFs for such omnibus account will be deemed to constitute an agreement by the non-ETP Holder to make such written description available to its customers on the same terms as are directly applicable to the ETP Holder under this Rule.

4. Customer Requests for a Prospectus: NSX Rule 15.9B(3)(d) provides that, upon request of a customer, an ETP Holder shall provide a prospectus for the particular series of UTP Derivative Securities.

5. Trading Halts: NSX Rule 15.9B(4) provides that, in addition to the Exchange's authority to suspend or halt trading under NSX Rules 11.20 (Trading Halts Due To Extraordinary Market Volatility), 12.11 (Trading Suspensions) and 15.7 (Suspension and/or Delisting By Exchange), if a temporary interruption occurs in the calculation or wide dissemination of the intraday indicative value (or similar value) or the value of the underlying index or instrument and the listing market halts trading in the product, the Exchange, upon notification by the listing market of such halt due to such temporary interruption, also shall immediately halt trading in that product on the Exchange. The Shares will be traded following a trading halt in accordance with Interpretations and Policy .03 of NSX Rule 11.20.

In addition, for a UTP Derivative Securities product where a net asset value is disseminated, if the primary listing exchange notifies the Exchange that the net asset value is not being disseminated to all market participants at the same time, the Exchange will immediately halt trading in such security. The Exchange may resume trading in the UTP Derivative Security only when the net asset value is disseminated to all market participants at the same time or trading in the UTP Derivative Security resumes on the listing market.

THIS INFORMATION CIRCULAR IS NOT A STATUTORY PROSPECTUS. ETP HOLDERS SHOULD CONSULT THE ISSUER DISCLOSURE MATERIALS (AS DEFINED ABOVE) FOR ALL RELEVANT INFORMATION RESPECTING THE SHARES.

Inquiries regarding this Information Circular should be directed to James C. Yong, Chief Regulatory Officer, at (312) 786-8893.