



EDGA & EDGX STOCK EXCHANGES			
Regulatory Information Circular			
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Date:	January 26, 2012	Telephone:	(201) 942-8295

**Subject: Accuvest Global Opportunities ETF**

### **Background Information on the Fund**

As more fully explained in the [Registration Statement](#) (No. 811-22110), AdvisorShares Trust (the "Trust") is a management investment company registered under the Investment Company Act of 1940, as amended (the "1940 Act"). The Trust consists of several exchange-traded funds, one of which is the Accuvest Global Opportunities ETF (the "Fund"). The shares of the Fund are referred to herein as "Shares." The Fund is an actively-managed ETF.

### **Description of the Fund**

The Fund seeks to generate stable and consistent annual returns under all market conditions. The Fund is considered a "fund-of-funds" that seeks to achieve its investment objective by primarily investing in other exchange-traded funds (the "Underlying ETFs") that offer diversified exposure to select economies around the world. AdvisorShares Investments, LLC is the Fund's Advisor and Accuvest Global Advisors is the Fund's Sub-Advisor ("Accuvest" or the "Sub-Advisor").

The Sub-Advisor ranks countries on a monthly basis using its proprietary country ranking model in order to determine their relative attractiveness. The Sub-Advisor then endeavors to invest in Underlying ETFs, which may be both affiliated and unaffiliated with the Fund, that individually or in combination correspond generally to the price and yield performance of the specific countries (or regions) identified as most attractive by the model. The Sub-Advisor believes that attractive returns can only be achieved by actively structuring portfolios distinct from simply tracking market indices. As a result, the Fund's portfolio will be invested only in countries with the highest rankings as identified by the Sub-Advisor's proprietary country ranking process.

The Underlying ETFs are themselves investment companies registered under the 1940 Act, the shares of which trade on a national securities exchange. Generally, the Underlying ETFs will seek to track the performance of specific securities indices that correspond generally to the price and yield performance, before fees and expenses, of specific indices representing countries or regions. However, the Advisor also may invest in Underlying ETFs that are actively managed to achieve similar exposure. The Underlying ETFs may be managed by a third party not affiliated with the Advisor or Sub-Advisor or managed by the Advisor, Sub-Advisor or an affiliated party of either.

Under normal market conditions, the Fund will purchase shares of the Underlying ETFs

in the secondary market. When the Fund invests in an Underlying ETF, in addition to directly bearing the expenses associated with its own operations, it will bear a pro rata portion of the Underlying ETF's expenses (including operating cost and management fees). Consequently, an investment in the Fund entails more direct and indirect expenses than a direct investment in an Underlying ETF.

Foreside Fund Services, LLC is the distributor ("Distributor") of the Fund's Shares. The Bank of New York Mellon Corporation is the administrator, custodian and transfer agent for the Funds.

As described more fully in the Trust's prospectus ("Prospectus") and Statement of Additional Information ("SAI"), the Fund will issue and redeem Shares at net asset value ("NAV") only with authorized participants ("APs") and only in large blocks of 25,000 Shares (each block of Shares called a "Creation Unit") or multiples thereof ("Creation Unit Aggregations") in exchange for the deposit or delivery of a basket of securities. As a practical matter, only broker-dealers, or large institutional investors with creation and redemption agreements (called Authorized Participants) can purchase or redeem these Creation Units. Except when aggregated in Creation Units, the Shares may not be redeemed with the Funds.

The Depository Trust Company ("DTC") serves as securities depository for the Shares, which may be held only in book-entry form; stock certificates will not be issued. DTC, or its nominee, is the record or registered owner of all outstanding Shares.

The NAV per Share for the Fund will be determined each business day, normally at the close of regular trading (ordinarily, 4:00 p.m. Eastern Standard Time ("ET")) on EDGA Exchange, Inc. and EDGX Exchange, Inc. (the "Exchanges"). NAV is calculated by dividing the value of the net assets of a Fund (i.e., the total value of its assets less all liabilities) by the number of Shares outstanding, rounded to the nearest cent. NAV will be available from the Distributor and will also be available to National Securities Clearing Corporation ("NSCC") participants through data made available from NSCC.

The Fund is subject to the risks identified in the Prospectus as applicable to the Funds. The Fund's registration statement describes the various fees and expenses for the Funds' Shares. For a more complete description of the Fund and its underlying portfolios, visit [www.advisorshares.com](http://www.advisorshares.com).

### **Principal Risks**

Interested persons are referred to the Prospectus for a description of risks associated with an investment in the Shares. These risks include asset allocation risk, early closing risk, exchange-traded investments risk, liquidity risk, market risk, short sales and leverage risk, trading risk, and underlying fund investment 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 a 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.

## **Exchange Rules Applicable to Trading in the Shares**

The Shares are considered equity securities, thus rendering trading in the Shares subject to the Exchanges existing rules governing the trading of equity securities.

### **Trading Hours**

Trading in the Shares on the Exchanges is on a UTP basis and is subject to the Exchanges equity trading rules. The Shares will trade from 8:00 a.m. until 8:00 p.m. Eastern Time. Members trading the Shares during the Extended Market Sessions (Pre-opening and Post-closing sessions) are exposed to the risk of the lack of the calculation or dissemination of underlying index value or intraday indicative value ("IIV"). For certain derivative securities products, an updated underlying index value or IIV may not be calculated or publicly disseminated in the Extended Market hours. Since the underlying index value and IIV are not calculated or widely disseminated during Extended Market hours, an investor who is unable to calculate implied values for certain derivative securities products during Extended Market hours may be at a disadvantage to market professionals.

### **Trading Halts**

The Exchanges will halt trading in the Shares in accordance with Exchange Rules 14.1(c)(4). The grounds for a halt under this Rule include a halt by the primary market because it stops trading the Shares and/or a halt because dissemination of the IIV or applicable currency spot price has ceased, or a halt for other regulatory reasons. In addition, the Exchanges will stop trading the Shares if the primary market de-lists the Shares.

### **Suitability**

Trading in the Shares on the Exchanges will be subject to the provisions of Exchange Rules 3.7. Members recommending transactions in the Shares to customers should make a determination that the recommendation is suitable for the customer. In addition, Members must possess sufficient information to satisfy the "know your customer" obligation that is embedded in Exchange Rules 3.7.

Members also should review FINRA Notice to Members 03-71 for guidance on trading these products. The Notice reminds Members of their obligations to: (1) conduct adequate due diligence to understand the features of the product; (2) perform a reasonable-basis suitability analysis; (3) perform customer-specific suitability analysis in connection with any recommended transactions; (4) provide a balanced disclosure of both the risks and rewards associated with the particular product, especially when selling to retail investors; (5) implement appropriate internal controls; and (6) train registered persons regarding the features, risk and suitability of these products.

### **Delivery of a Prospectus**

Pursuant to federal securities laws, investors purchasing Shares must receive a prospectus prior to or concurrently with the confirmation of a transaction. Investors purchasing Shares directly from the Fund (by delivery of the Deposit Amount) must also receive a prospectus.

Prospectuses may be obtained through the Distributor or on the Funds' website. The Prospectuses do not contain all of the information set forth in the registration statement (including the exhibits to the registration statement), parts of which have been omitted in accordance with the rules and regulations of the SEC. For further information about the Funds, please refer to the Trust's registration statement.

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

The SEC Division of Trading and Markets has issued revised Staff Legal Bulletin No. 9 (Revised September 10, 2010) ("Staff Bulletin", available at [www.sec.gov](http://www.sec.gov), at Staff Legal Bulletins, SLB 9), in which the Division has granted exceptions from certain provisions of Regulation M (Rules 101(c)(4) and 102(d)(4)), under the Securities Exchange Act of 1934 with respect to certain transactions in Shares of actively-managed ETFs. The Funds rely on the exceptions stated in the Staff Bulletin.

The Staff Bulletin states, that (1) the Rule 101(c)(4) exception is available to permit persons who may be deemed to be participating in a distribution of actively managed ETF shares Shares to bid for or purchase such Shares during their participation in a distribution, and (2) the Rule 102(d)(4) exception is available to permit an open-end investment company to redeem actively managed ETF Shares, if the following conditions are met: (i) the Shares are issued by a registered open-end investment company; (ii) the Shares are exchange listed and exchange traded; (iii) the ETF continuously redeems the Shares at net asset value (NAV); (iv) a close alignment between the Shares' secondary market price and the ETF's NAV is expected; (v) on each day the Shares trade, prior to commencement of such trading, the ETF discloses on its website the identities and quantities of the securities and assets held by the ETF which will form the basis of the calculation of the ETF's NAV at the end of such day; (vi) the exchange listing the Shares or other information provider disseminates every 15 seconds throughout the trading day, through the facilities of the Consolidated Tape Association, an amount representing on a per Share basis the sum of the current value of the securities, assets, and cash required to create new Shares (intraday indicative value or IIV); (vii) arbitrageurs are expected to take advantage of price variations between Shares' secondary market price and the ETF's NAV; and (viii) the arbitrage mechanism will be facilitated by the transparency of the ETF's portfolio, the availability of the IIV, the liquidity of the ETF's portfolio securities, the ability to access such securities, and the arbitrageurs' ability to create workable hedges.

In addition, the Staff Bulletin states that the redemption of creation unit sized aggregations of ETF Shares and the receipt of securities in exchange therefore by persons who may be deemed to be participating in a distribution of Shares do not constitute an "attempt to induce any person to bid for or purchase" a covered security during an applicable restricted period for purposes of Rule 101, but only if the redemptions are not made for the purpose of creating actual, or apparent, active trading in or raising or otherwise affecting the price of Shares or the securities received in exchange for the Shares redeemed.

In addition, the Trust relies on the letter dated June 16, 2011 ("June 16, 2011 Letter") to W. John McGuire, Morgan, Lewis & Bockius, LLP, granting exemptive or no-action relief from Section 11(d)(1) of the 1934 Act and Rules 10b-10, 11d1-2, 15c1-5 and 15c1-6 thereunder with respect to the Fund. Members are referred to the June 16, 2011 Letter, available at [www.sec.gov](http://www.sec.gov), for additional information.

**This Regulatory Information Circular is not a statutory Prospectus. Members should consult the Trust's [Registration Statement](#), SAI, [Prospectus](#) and the Funds' [website](#) for relevant information.**

## Appendix A

<b>Ticker</b>	<b>Fund Name</b>	<b>CUSIP</b>
ACCU	Accuvest Global Opportunities ETF	00768Y784