

January 13, 2009



Ms. Elizabeth Murphy  
Secretary  
U.S. Securities and Exchange Commission  
100 F Street, NE  
Washington, DC 20549-1090

Re: Request for Hearing on Application of AdvisorShares Investments, LLC and  
AdvisorShares Trust, Investment Company Act Release No. 28568; 812-13488  
(December 23, 2008)

Dear Ms. Murphy:

I. Request for Hearing

We are writing on behalf of our client, Arrow Investment Advisors, LLC ("Arrow"), to request a hearing in connection with the Notice of Application filed by AdvisorShares Investments, LLC ("AdvisorShares") and AdvisorShares Trust for an order under section 6(c) of the Investment Company Act of 1940 (the "Act") for an exemption from sections 2(a)(32), 5(a)(1) and 22(d) of the Act and Rule 22c-1 thereunder, and under sections 6(c) and 17(b) of the Act for an exemption from sections 17(a)(1) and (a)(2) of the Act, dated December 23, 2008 (the "Application"). Arrow's request is based on an arbitration proceeding that it commenced on November 7, 2008 against Noah Hamman ("Hamman"), the founder and Chief Executive Officer of AdvisorShares (the "Arbitration"). As reflected in its Notice of Arbitration, Arrow intends to prove in the Arbitration that AdvisorShares' business is based on the improper usurpation and conversion by Hamman of Arrow's corporate opportunities and assets, including the business plan underlying the Exchange Traded Funds ("ETF") activities proposed by AdvisorShares in the Application. Arrow accordingly requests the Commission Staff to grant a hearing and to await the arbitrators' determination of Arrow's rights to AdvisorShares' business lines and assets before acting on the Application.

II. Background

Hamman served as Arrow's President, Chief Executive Officer, and Chief Compliance Officer, as well as an Arrow Manager, from approximately February 16, 2006 through November 29, 2007. During that time, Hamman shared responsibility for formulating a business plan for Arrow regarding the creation of specialized mutual funds and, utilizing the infrastructure created to support the mutual fund business, the development of an ETF business line like the business line described in the Application. Following Arrow's finalization of its business plan, rather than working to implement that business plan at Arrow and on Arrow's behalf, Hamman established a separate company, AdvisorShares, without the knowledge of Arrow and in violation of his fiduciary duty to Arrow. Hamman then systematically diverted to the benefit of

himself and AdvisorShares opportunities, assets, and contracts that rightfully belonged to Arrow. Among other things, Hamman sought to implement Arrow's business plan for the benefit of AdvisorShares rather than for Arrow. When Arrow began to learn of Hamman's competing activities and confronted him regarding those activities, Hamman engaged in further deceptive misconduct by affirmatively misrepresenting the nature and scope of his endeavors on behalf of AdvisorShares.

When Arrow discovered further information regarding the nature and extent of Hamman's activities, the Management Committee of Arrow removed Hamman as an officer of the company, terminated his employment, and ultimately (after a series of delaying tactics on Hamman's part and an unsuccessful mediation) initiated the Arbitration. To enable the Application to proceed, Hamman then deliberately thwarted and delayed the selection of the Arbitration tribunal members. Despite Hamman's machinations, the panel will soon be in place and formal proceedings will commence. The Arbitration may result in a decision that substantially affects the interests of any potential shareholder in the ETFs proposed to be offered by AdvisorShares. Accordingly, it is not in the best interest of investors for the Staff to grant relief until the Arbitration has been concluded.

### III. Conclusion

As set forth above, the rights to the assets and business lines of AdvisorShares, including the ETF business line that is the subject of the Application, are in dispute. At a minimum, AdvisorShares' ownership of its assets and business lines is under a significant cloud. As a result, we request a hearing on the Application and urge that the Staff await the Arbitration Award prior to granting the relief requested by the Application.

As required, a copy of this request has been served on AdvisorShares. Please find attached as EXHIBIT A the certificate of service evidencing service on AdvisorShares.

Please do not hesitate to contact me at 202-775-1218 should you have any questions regarding this request.

Very best regards,



Nicole Marie Crum

NMC/ceb

cc: Noah Hamman, Chief Executive Officer, AdvisorShares  
Courtney S. Thornton, Senior Counsel, SEC, Division of Investment Management  
Michael W. Mundt, Assistant Director, SEC, Division of Investment Management

Enclosure

W0180765.4

**EXHIBIT A**

**CERTIFICATE OF SERVICE**

I hereby certify that I have on this date served by Overnight Courier service, a copy of the foregoing Request for Hearing upon Noah Hamman at the address specified in the Application of AdvisorShares Investments, LLC.

Dated Washington D.C. this 13 day of January 2009.

  
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Nicole Marie Crum  
Sullivan & Worcester LLP