

**Part 2A of FORM ADV
Firm Brochure**

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September 27, 2013

This brochure provides information about the qualifications and business practices of AdvisorShares Advisors, LLC (“ASA”). If you have any questions about the contents of this brochure, please contact ASA’s Chief Compliance Officer at (877) 843-3831 or da@advisorshares.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority. ASA is a “registered investment adviser.” Registration does not imply a certain level of training or skill.

Additional information about ASA also is available on the SEC’s website at www.adviserinfo.sec.gov.

ITEM 2 – MATERIAL CHANGES

ASA is a newly registered investment adviser. This Part 2A of Form ADV is its initial filing. Accordingly, there are no material changes to report.

ITEM 3 TABLE OF CONTENTS

ITEM	PAGE
Item 4 - Advisory Business	4
Item 5 - Fees And Compensation	5
Item 6 - Performance-Based Fees And Side-By-Side Management	5
Item 7 - Types Of Clients	5
Item 8 - Methods Of Analysis, Investment Strategies And Risk Of Loss	5
Item 9 - Disciplinary Information	7
Item 10 - Other Financial Industry Activities And Affiliations	7
Item 11 - Code Of Ethics, Participation Of Interest In Client Transaction And Personal Trading	8
Item 12 - Brokerage Practices	9
Item 13 - Review Of Accounts	9
Item 14 - Client Referrals And Other Compensation	9
Item 15 – Custody	10
Item 16 - Investment Decision	10
Item 17 - Voting Client Securities	10
Item 18 – Financial Information	10

ITEM 4 ADVISORY BUSINESS

Principal Owners

AdvisorShares Advisors LLC (“ASA”) is a Delaware limited liability company organized in March 2013. ASA is a newly registered investment adviser under the Investment Advisers Act of 1940, as amended. It is owned and controlled by AdvisorShares Investments, LLC (which, in turn, is controlled by Wilson Lane Group, LLC and Fund.com, Inc.). Wilson Lane Group, LLC is owned and controlled by Noah Hamman, Chief Executive Officer and Managing Director of ASA.

Types of Advisory Services

ASA will offer model portfolios, consisting primarily of AdvisorShares Trust exchange-traded funds (“ETFs”), to registered investment advisers. ASA will also offer certain discretionary model account services to clients referred to ASA by solicitors who will generally be affiliated with broker-dealers. In addition, ASA will offer investment management and model portfolio advisor services through various third-party platforms. These services will include non-discretionary investment services in the form of recommendations and investment advice regarding the construction and maintenance of model portfolios which represent different investment styles and strategies. These model portfolios will be used in the management of client accounts that participate on the third-party platforms.

ASA’s investment management services to the third-party platforms will also include recommending securities, relative weights, and specific changes in such weights by individual security. ASA’s services will be limited to providing model portfolios. ASA will not provide individualized advice, investment management services, or any other related services to the client accounts of third-party platforms.

Wrap Fee Programs

ASA may participate in wrap fee programs in the future although it currently has no arrangements to do so.

Assets Under Management

ASA is a newly registered investment adviser and does not currently have any assets under management. ASA’s parent company, AdvisorShares Investments, LLC has \$956.7 million of client assets under discretionary management as of September 28, 2013.

ITEM 5 FEES AND COMPENSATION

Fee Schedules/Deduction of Fees

Under its proposed arrangements with certain third-party platforms, ASA will not charge or collect a fee from its clients. Instead, third-party platform administrators will charge and collect fees from its clients, if any, and will then pay ASA an annual fee, based on the market values of the accounts or portions of accounts utilizing an ASA model portfolio. The annual fee will be between 0.00% and 0.50% of the total assets of such third party platform accounts invested according to the ASA models. This annual fee is for ASA's services and does not include the investment advisory fee that the client will pay to their financial services intermediary.

Other Fees and Expenses

ASA's clients understand that they may incur certain charges imposed by third parties in connection with investments placed under management, including, but not limited to, investment advisory management fees, brokerage fees and trading expenses.

Prepaid Fees

ASA's clients will not be required to prepay fees.

Compensation for the Sale of Securities

ASA and its supervised persons will not accept compensation for the sale of securities or other investment products.

ITEM 6 PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

ASA and its supervised persons will not accept performance-based fees.

ITEM 7 TYPES OF CLIENTS

ASA will offer its services to registered investment advisers, third party platforms and clients that are referred to by solicitors that may be compensated by ASA.

ITEM 8 METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

General Description

The ASA model portfolios are designed to help investors, through their financial intermediary, create diversified portfolios that seek to meet their investment goals. ASA manages its model

portfolios using a proprietary investment approach. ASA model portfolios consist of the following types of investment strategies:

Model Strategy	Universe*	Strategy Highlights
Single asset class exposure	Actively managed ETFs with singular asset class exposure	Strategies will generally encompass single asset class exposure targets, i.e. equity, debt, commodity, currency. These strategies will be more sensitive to market movements as they will closely track their target benchmark, seeking better risk adjusted returns.
Multiple asset class exposure	Actively managed ETFs with multiple asset class exposure	Strategies will generally encompass single and/or multiple asset class exposure targets, varying weightings depending on fundamental research of the investment strategy.
Third party strategies	Actively managed ETFs	Strategies will be determined by the third party manager
Additional strategies	All ETFs	Additional strategies may be made available that take a core & explorer approach, or Modern Portfolio Theory, or Risk Parity or Volatility based

*Each universe will primarily consist of AdvisorShares ETFs.

Prospective clients will complete a risk questionnaire with their investment advisor, solicitor, or with ASA, depending on the each client's arrangement. Such financial intermediary will then use the risk questionnaire to assist the client in selecting the ideal model portfolio, a combination of portfolios, or a combination of individual ETFs to implement the client's investment objectives. The client risk questionnaire will also assist ASA with understanding each client's risk profile.

ASA believes that there are many important factors to consider in the construction of portfolios, several of these factors are more highly scrutinized including expected strategy volatility, market beta, strategy correlation, strategy consistency and manager diversification within the strategy. ASA believes these risks and subsequent market movement have significant impact on the variation of portfolio returns. ASA may provide guidance to help investment advisors better understand which strategies are more or less impacted by market movement.

ASA may also utilize cash as a strategic asset from time to time by moving or holding a client's assets in cash or cash equivalents.

There is no guarantee that these investment strategies will be successful and ASA makes no promises or warranties as to the accuracy of its market analysis. In general, ASA does not generally purchase securities for clients with the intent to sell the securities within 30 days of

purchase, as ASA does not use short-term trading as an investment strategy. However, there may be times when ASA sells a security for a client when the client has held the position for less than 30 days.

ASA's use of a third party manager is limited to those investment advisors that have undergone ASA's due diligence screening. ASA screens third party managers for measurable characteristics, such as team stability, process and style consistency, portfolio risk profiles and performance. ASA also draws on the experience of its investment management team to make qualitative but equally important assessments of an organization's business and management skills, leadership abilities and judgment.

Material Risks for Significant Investment Strategies

Investment strategies and risks are detailed in the registration statements (prospectus and statement of additional information) for each of the ETFs that make up a model portfolio.

Material Risks for Significant Types of Securities

Investment risks for specific securities are detailed in the registration statements for each of the ETFs that make up a model portfolio.

ITEM 9 DISCIPLINARY INFORMATION

There are no legal or disciplinary events that are material to a client's or prospective client's evaluation of ASA's business or the integrity of ASA's management.

ITEM 10 OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

Broker-Dealer Registration

Noah Hamman, CEO of ASA, and James Carl, a Managing Director of ASA are registered representatives of Foreside Financial Services, LLC, a broker-dealer registered with the SEC and member firm of FINRA. Mr. Hamman is also a supervising principal of Foreside.

Commodity Pool Operator, Commodity Trading Adviser, Futures Commission Merchant Registration

ASA and its management persons do not have current or pending applications to register as futures commission merchants, commodity pool operators, commodity trading advisors, or an associated person of any such entity.

Affiliated Investment Adviser

ASA is an affiliate of AdvisorShares Investments, LLC, which serves as the investment sub-adviser to the AdvisorShares ETFs in the model portfolios recommended by ASA.

ITEM 11 CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

Code of Ethics

ASA will adopt a code of ethics which applies to the personal investing activities of its directors, officers and certain employees (“access persons”). This code of ethics will be designed to prevent unlawful practices in connection with the purchase or sale of securities by access persons. Under the proposed code of ethics, access persons will be permitted to engage in personal securities transactions, but will be required to report their personal securities transactions for monitoring purposes. In addition, certain access persons will be required to obtain approval before investing in private placements and are prohibited from investing in IPOs. The code of ethics will also address any potential conflicts of interest between ASA practices and those of its parent company.

ASA will provide a copy of its code of ethics to any client or prospective client upon request.

Participation or Interest in Client Transactions

To date, ASA does not have authority to recommend, buy, or sell securities for client accounts. ASA’s parent company, AdvisorShares Investment, LLC, acts as investment adviser to the AdvisorShares ETFs, which are the primary basis of ASA’s model portfolios. However, ASA’s model portfolios are recommended to clients through financial intermediaries.

Participation or Interest in Personal Trading – Client Recommendations

To date, ASA does not have authority to recommend, buy, or sell securities for client accounts.

Participation or Interest in Personal Trading – Client Trading

To date, ASA does not have the authority to recommend, buy, or sell securities for client accounts.

ITEM 12 BROKERAGE PRACTICES

Broker-Dealer Selection

ASA does not currently have arrangements to select or recommend broker-dealers for client-transactions. In the future, ASA may direct clients to custody assets with certain broker-dealers for the purpose of gaining access to third party platforms that offer ASA model portfolios.

Research and Other Soft Dollar Benefits

ASA does not currently have arrangements to participate in soft dollar benefits.

Brokerage for Client Referrals

ASA does not currently have arrangements to receive client referrals from a broker-dealer.

Directed Brokerage

ASA's clients do not currently have arrangements to direct the execution of transactions through any specified broker-dealer.

Aggregation of Trades

ASA does not currently have arrangements to purchase or sell securities on behalf of its clients. These activities are delegated to each client's financial intermediary.

ITEM 13 REVIEW OF ACCOUNTS

ASA will monitor its model portfolios on a daily basis. In addition, ASA's Investment Committee will meet at least quarterly to determine if the model portfolios need adjustments.

A client's financial intermediary will be responsible for monitoring the client's account and providing periodic reports as required. Should ASA enter into an arrangement that requires it to monitor a client's account, such arrangement will include reporting services.

ITEM 14 CLIENT REFERRALS AND OTHER COMPENSATION

Other Compensation

ASA does not receive an economic benefit from another party for providing investment advice to its Clients.

Compensation for Client Referrals

ASA does not currently have an arrangement to compensate any person for client referrals, either directly or indirectly. If ASA enters into such arrangement in the future it will amend its Form ADV to disclose this fact.

ITEM 15 CUSTODY

ASA does not maintain custody of its clients' funds or securities.

ITEM 16 INVESTMENT DISCRETION

ASA may act as investment advisor to certain of its clients subject to certain terms and conditions of its agreements with third party platform administrators or other financial intermediaries.

ITEM 17 VOTING CLIENT SECURITIES

ASA may receive authorization to vote proxies on behalf of a client. In such instance, ASA will vote all proxies relating to securities held for a client's account. ASA will adopt a proxy voting policy that will generally direct ASA to vote proxies with management's recommendations. The proxy voting policy will address any conflicts of interest between AdvisorShares Investments, LLC and ASA in voting with management.

A client may receive a copy of ASA's proxy voting policy by request.

ITEM 18 FINANCIAL INFORMATION

Balance Sheet

ASA will not require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance. Accordingly, no balance sheet is required.

Financial Conditions

There is no financial condition that is reasonably likely to impair ASA's ability to meet contractual commitments to its clients.

Bankruptcy Petition

ASA is a newly registered investment adviser and has not been the subject of a bankruptcy petition.

**PART 2B of FORM ADV
FIRM BROCHURE SUPPLEMENT**

**AdvisorShares Advisors, LLC
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September 27, 2013

This brochure supplement provides information about: Noah Hamman, Dan Ahrens and James Carl and supplements the AdvisorShares Advisors, LLC brochure. You should have received a copy of that brochure.

Please contact Dan Ahrens, Chief Compliance Officer, at 214.272.0383 or at da@advisorshares.com if you did not receive AdvisorShares Advisors, LLC's brochure or if you have any questions about the contents of this supplement.

Additional information about our personnel is available on the SEC's website at www.adviserinfo@sec.gov.

Item 2 Educational Background and Business Experience

Name: Noah Hamman, Chief Executive Officer and Managing Director **Year of Birth:** 1968

Formal Education after High School:

B.S. in Finance, University of North Texas (1991)

Business Background Experience for Preceding Years:

- Chief Executive Officer, Principal Financial Officer, President and Interested Trustee of AdvisorShares Trust (2006 – present)
- Chief Executive Officer, President, and Founder of AdvisorShares Investments, LLC (2006-present)
- President and Chief Executive Officer of Arrow Investment Advisors, LLC (2006-2008)
- Vice-President - Business Development of Rydex Investments (2001 - 2006)

Item 3 Disciplinary Information

Mr. Hamman has not been the subject of any material legal or disciplinary event.

Item 4 Other Business Activities

Mr. Hamman is Chief Executive Officer, Principal Financial Officer, President and Interested Trustee of AdvisorShares Trust. He is also the Chief Executive Officer, President and Founder of AdvisorShares Investments, LLC.

Item 5 Additional Compensation

Mr. Hamman does not receive any other economic benefits from a non-advisory client for providing advisory services other than his regular salary.

Item 6 Supervision

Mr. Hamman is supervised by Dan Ahrens, Chief Compliance Officer. Mr. Ahrens can be reached at (214) 272-0383. ASA supervises Mr. Hamman by requiring that he adhere to ASA's compliance policies and procedures and by performing routine oversight of his activities that might impact ASA or its clients.

Item 2 Educational Background and Business Experience

Name: Dan S. Ahrens, Managing Director and Chief Compliance Officer **Year of Birth:** 1966

Formal Education after High School:

B.B.A. Finance, Texas Tech University (1988)

Business Background Experience for Preceding Years:

- Managing Director of AdvisorShares Investments, LLC (present)
- Secretary and Treasurer of AdvisorShares Trust (2009-present)
- Chief Compliance Officer of AdvisorShares Trust (2009-2013)
- Executive Vice President of AdvisorShares Investments, LLC (2008 - 2013)
- President of Ahrens Advisors, LP (2005 - 2008)
- President of Mutuals Advisors, Inc. & Mutuals.com Funds (2003-2005)

Item 3 Disciplinary Information

Mr. Ahrens has not been the subject of any material legal or disciplinary event.

Item 4 Other Business Activities

Mr. Ahrens is the Secretary and Treasurer of AdvisorShares Trust. He is also a Managing Director and Chief Compliance Officer of AdvisorShares Investments, LLC.

Item 5 Additional Compensation

Mr. Ahrens does not receive any other economic benefits from a non-advisory client for providing advisory services other than his regular salary.

Item 6 Supervision

Mr. Ahrens is supervised by ASA's Investment Committee and reports directly to Mr. Hamman. ASA also supervises Mr. Hamman by requiring that he adhere to ASA's compliance policies and procedures and by performing routine oversight of his activities that might impact ASA or its clients.

Item 2 Educational Background and Business Experience

Name: James Carl, Managing Director **Year of Birth:** 1975

Formal Education after High School:

B.A. Political Science, University of Delaware (1997)

M.S. in Finance and M.B.A., University of Denver, Daniels College of Business (2004)

Business Background Experience for Preceding Years:

- Managing Director, AdvisorShares Investments, LCC (present)
- Vice President of Business Development and National Sales Director for AdvisorShares Investments, LLC (2008 -2013)
- Independent Financial Consultant, Imagine Capitol Group (2004 – present)
- Independent Financial Consultant, Freddie Mac (2004-2005)
- Manager, Business Development and Sales, FOLIOfn (2000 – 2002)

Item 3 Disciplinary Information

Mr. Carl has not been the subject of any material legal or disciplinary event.

Item 4 Other Business Activities

Mr. Carl is a Managing Director of AdvisorShares Investments, LLC

Item 5 Additional Compensation

Mr. Carl does not receive any other economic benefits from a non-advisory client for providing advisory services other than his regular salary.

Item 6 Supervision

Mr. Carl is supervised by Dan Ahrens, Chief Compliance Officer. Mr. Ahrens can be reached at (214) 272-0383. ASA supervises Mr. Carl by requiring that he adhere to ASA's compliance policies and procedures and by performing routine oversight of his activities that might impact ASA or its clients.