

# ALPS | GNI

## LONG-SHORT FUND

*An ALPS Advisors Solution*

# PROSPECTUS

CLASS A & I SHARES

October 23, 2009

*As with all mutual funds, the Securities and Exchange Commission has not approved or disapproved these securities or passed upon the accuracy or adequacy of this Prospectus. Any representation to the contrary is a criminal offense.*

*An investment in the ALPS | GNI Long-Short Fund is not a bank deposit and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency.*

*ALPS | GNI Long-Short Fund is a series of Financial Investors Trust.*



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## INVESTMENT OBJECTIVE, STRATEGY & PRINCIPAL RISKS

*This section summarizes the Fund’s principal investment strategies and the principal risks of investing. See “More on the Fund’s Investments and Related Risks” in this Prospectus and the Statement of Additional Information about the Fund’s investments and the risks of investing.*

### **What is the Fund’s Investment Objective?**

The Fund seeks to achieve long-term capital appreciation, with an added emphasis on the preservation of capital during unfavorable market conditions. While there is no assurance that the Fund will achieve its investment objective, it endeavors to do so by following the strategies and policies described in this prospectus.

The Fund’s Board of Trustees (the “Board”) may change this objective or the Fund’s principal investment strategies without a shareholder vote. The Fund will notify you in writing at least sixty (60) days before making any such change. If there is a material change to the Fund’s objective or principal investment strategies, you should consider whether the Fund remains an appropriate investment for you.

### **What are the Fund’s Principal Investment Strategies?**

The Fund will, under normal circumstances, pursue its investment objective by taking both long and short positions in domestic and foreign equity securities, including issuers located in emerging markets, without any bias towards any particular style, sector or market capitalization.

The Fund’s sub-adviser, GNI Capital, Inc. (the “Sub-Adviser”), believes that a combination of long and short positions may provide positive returns regardless of market conditions through a complete market cycle and may offer reduced risk. The Sub-Adviser’s investment process begins with a thorough, top-down analysis of the macro environment for equities that it accomplishes through the examination of various macroeconomic factors that have historically been shown to impact stock market returns. Next, the Sub-Adviser uses a quantitative screening process to objectively identify the most favorable industry groups at that time for long candidates and the least favorable industry groups for short candidates. The Sub-Adviser’s individual security selection is the result of a rigorous evaluation of a company’s fundamentals and various valuation measures.

The allocation between long and short positions is an important element of the investment process. The Fund does not intend to be market neutral and anticipates that it normally will hold a higher percentage of its assets in long positions than short positions (i.e., the Fund will be “net long”), though this may not always be the case depending on market conditions.

The Sub-Adviser attempts to reduce the risk of major capital loss during unfavorable market conditions. The Fund may hold significant short positions or significant positions in cash or cash equivalents when the Sub-Adviser may believe the investment climate is, or will become, unfavorable for equity securities. During such periods when the Sub-Adviser perceives the investment climate to be unfavorable, the Sub-Adviser may also attempt to hedge the Fund's portfolio by using stock index futures, options on stock market indexes or options on individual securities.

To manage its net exposure between long and short positions, the Fund may take long and short positions in instruments that provide exposure to the equity markets, including exchange-traded funds, options, futures and other index-based instruments.

### **What are the Principal Risks of Investing in the Fund?**

The following is a description of the principal risks of the Fund's portfolio that may adversely affect its net asset value and total return. There are other circumstances (including additional risks that are not described here) which could prevent the Fund from achieving its investment objective. It is important to read all of the disclosure information provided and to understand that you may lose money by investing in the Fund.

#### ***Long/Short Risk***

The value of the Fund's long portfolio may decrease if the value of an individual company or multiple companies in the portfolio decreases or if the Fund's portfolio managers are incorrect about their assessment of a company's intrinsic worth. The value of the Fund's long portfolio could also decrease if the stock market goes down, regardless of how well the businesses of individual companies in the portfolio perform. Conversely, the value of the Fund may be adversely impacted if an individual company or multiple companies in the portfolio that are sold short increases in value or if the stock market goes up, regardless of how the businesses of individual companies in the portfolio perform. If the value of the Fund's portfolio decreases, the Fund's net asset value (NAV) will also decrease, which means if you sell your shares in the Fund you may lose money.

#### ***Short Sales Risk***

Short sales are speculative transactions and involve special risks. The Fund will suffer a loss if it sells a security short and the value of the security rises rather than falls. Any loss will be increased by the amount of compensation, interest or dividends and transaction costs the Fund must pay to a lender of the security. The Fund's losses are potentially unlimited in a short sale transaction. The use of short sales may also cause the Fund to have higher expenses than those of other funds. In addition, due to the investment process of long and short positions, the Fund may be subject to additional transaction costs that may lower the Fund's returns. The Fund's use of short sales may also have a leveraging effect on the Fund's portfolio.

### ***Leverage Risk***

Leverage occurs when the Fund increases its assets available for investment through borrowings or similar transactions. Because short sales involve borrowing securities and then selling them, the Fund's short sales effectively leverage the Fund's assets. The use of leverage may make any change in the Fund's NAV even greater and thus result in increased volatility of returns. The Fund's assets that are segregated in connection with short sales may decrease in value while the short positions are outstanding, which may force the Fund to segregate additional assets. Leverage also creates interest expense that may lower a Fund's overall returns. There is no assurance that a leveraging strategy will be successful.

### ***Nondiversification Risk***

The Fund is classified as nondiversified. As a result, an increase or decrease in the value of a single security may have a greater impact on the Fund's NAV and total return. Being nondiversified may also make the Fund more susceptible to financial, economic, political or other developments that may impact a security. Although the Fund may from time to time satisfy the requirements for a diversified fund, its nondiversified classification gives the Fund's portfolio managers more flexibility to hold larger positions in a smaller number of securities than a fund that is classified as diversified.

### ***Derivatives Risk***

The Fund may engage in derivative transactions, including but not limited to, futures and options on securities, securities indices or currencies, options on futures, forward currency contracts and interest rate, currency or credit default swaps. The Fund may engage in these transactions to hedge against the economic impact of adverse changes in the market value of portfolio securities because of changes in market prices, currency exchange rates or interest rates, or as a substitute for buying or selling securities, securities indices or currencies.

A derivative contract will obligate or entitle the Fund to deliver or receive an asset or cash payment based on the change in value of one or more securities, currencies or indices. Even a small investment in derivative contracts can have a large impact on the Fund's market, currency and interest rate exposure. Therefore, using derivatives can disproportionately increase losses and reduce opportunities for gains when market prices, currency rates or interest rates are changing. The Fund may not fully benefit from or may lose money on derivatives if changes in their value do not correspond accurately to changes in the value of the Fund's holdings. The other parties to certain derivative contracts present the same types of default and credit risk as issuers of fixed income securities. Derivatives can also make the Fund less liquid and harder to value, especially in declining markets. Use of derivatives may increase the amount and affect the timing and character of taxes payable by shareholders. The Fund will not be required to engage in these transactions even when it would be beneficial to do so and may be unable to enter into appropriate transactions when the manager might wish to do so.

***Non-U.S. Securities Risk***

Investments in non-U.S. securities may experience additional risks compared to investments in securities of U.S. companies. The securities markets of many non-U.S. countries are relatively small, with a limited number of issuers and securities. Furthermore, non-U.S. taxes also could detract from performance. Companies based in non-U.S. countries may not be subject to accounting, auditing and financial reporting standards and practices as stringent as those in the United States. Therefore, their financial reports may present an incomplete, untimely or misleading picture of a non-U.S. company, as compared to the financial reports of U.S. companies. Nationalization, expropriations or confiscatory taxation, currency blockage, political changes or diplomatic developments can cause the value of the Fund's investments in a non-U.S. country to decline. In the event of nationalization, expropriation or other confiscation, the Fund could lose its entire investment in that country.

***Emerging Markets Risk***

To the extent that the Fund invests in issuers located in emerging markets, the risks associated with non-U.S. securities may be heightened by political changes, changes in taxation or currency controls that could adversely affect the values of these investments. Emerging markets have been more volatile than the markets of developed countries with more mature economies.

***Currency Risk***

This is the risk that fluctuations in exchange rates between the U.S. dollar and non-U.S. currencies may cause the value of the Fund's non-U.S. investments to decline in terms of U.S. dollars. Additionally, certain of the Fund's foreign currency transactions may give rise to ordinary income or loss to the extent such income or loss results from fluctuations in the value of the foreign currency. See "Taxes" below. Funds that may invest in securities denominated in, or which receive revenues in, non-U.S. currencies are subject to this risk.

***Stock Market Risk***

The value of equity securities in the Fund will fluctuate and, as a result, the Fund's share price may decline suddenly or over a sustained period of time.

***Managed Portfolio Risk***

As an actively managed portfolio, the value of the Fund's investments could decline because the financial condition of an issuer may change (due to such factors as management performance, reduced demand or overall market changes), financial markets may fluctuate or overall prices may decline, or the manager's investment techniques could fail to achieve the Fund's investment objective.

***Risks Associated with New Funds***

The Fund is newly formed and therefore has no performance history for investors to evaluate. Also, it is possible that the Fund may invest in securities offered in certain types of transactions (such as private placements) that, because of

the Fund's size, may have a disproportionate impact on the Fund's performance results. The Fund would not necessarily have achieved the same performance results if its aggregate net assets had been greater.

### Small- to Mid- Capitalization Companies

The Fund may invest in the securities of companies with small- to mid-sized market capitalizations. While the Sub-Adviser believes these investments often provide significant potential for appreciation, those securities, particularly the securities of smaller-capitalization companies, can present higher risks than do investments in securities of larger companies. Prices of such securities can be more volatile than the securities of larger capitalization firms and can be more thinly traded. This may result in such securities being less liquid.

The shares offered by this Prospectus are not deposits or obligations of any bank, are not endorsed or guaranteed by any bank and are not insured or guaranteed by the U.S. government, the Federal Deposit Insurance Corporation, the Federal Reserve Board or any other government agency.

## PERFORMANCE

As of the date of this Prospectus, the Fund has not yet commenced operations. When the Fund has completed a full calendar year of investment operations, this section will include charts that show annual total returns, highest and lowest quarterly returns and average annual total returns (before and after taxes) compared to a benchmark index selected for the Fund.

## FEES AND EXPENSES OF THE FUND

The following table describes the shareholder fees and annual fund operating expenses that you may pay if you buy and hold shares of the Fund. Expense information shown reflects estimated annualized expenses the Fund expects to incur during its initial fiscal year.

<b>Shareholder Fees</b> <i>(Paid Directly From Your Investment)</i>	<b>Class A</b>	<b>Class I</b>
<b>Maximum Sales Charge</b> <i>(Load)</i>	5.50% <sup>(1)</sup>	None
<b>Maximum sales charge on purchases</b> <i>(as a percentage of the offering price)</i>	5.50%	None
<b>Maximum Deferred Sales Charge on Redemptions</b>	1.00% <sup>(2)</sup>	None
<b>Redemption Fee</b> <i>(as a percentage of exchange price or amount redeemed)</i>	2.00%	2.00%

**Annual Fund Operating Expenses**

<i>(Expenses That Are Deducted From Fund Assets)</i>	Class A	Class I
Management Fees	1.30%	1.30%
Distribution and Service (12b-1) Fees*	0.25%	None
Other Expenses**	1.57%	1.57%
Short Sale Dividend Expenses***	0.46%	0.46%
Total Annual Fund Operating Expenses	3.58% <sup>(3)</sup>	3.33% <sup>(3)</sup>
Fee Waiver and Expense Reimbursement	(1.33%) <sup>(3)</sup>	(1.33%) <sup>(3)</sup>
Net Annual Fund Operating Expenses	2.25% <sup>(3)</sup>	2.00% <sup>(3)</sup>

\* Pursuant to a Distribution and Services (12b-1) Plan, the Fund may pay 12b-1 fees at an annual rate of up to 0.25% of the average daily net asset value of Class A shares.

\*\* "Other Expenses" are based on estimated amounts for the current fiscal year. Other Expenses may include administrative (networking, omnibus positioning) fees charged by intermediaries with respect to processing orders in Fund shares.

\*\*\* Dividends or interest on short sales, which are paid to the lender of borrowed securities, and stock loan fees, which are paid to the prime broker, are considered Other Expenses. Such expenses will vary depending on the short sale arrangement, whether the securities the Fund sells short pay dividends or interest, and the amount of such dividends or interest. While Other Expenses include interest and dividends paid out on short positions, as well as stock loan fees, they do not take into account the interest credit the Fund earns on cash proceeds of short sales which serve as collateral for short positions. Including such short sale dividends and stock loan fees, Other Expenses are 2.03% for Class A and C Shares.

<sup>(1)</sup> An initial sales charge (load) of up to 5.50% will be applied to Class A share purchases up to \$1 million, subject to breakpoint discounts. See "BUYING AND REDEEMING SHARES – Sales Charge When You Purchase Class A Shares." If you invest \$1 million or more, either as a lump sum or through the Fund's accumulation or letter of intent programs, you can purchase Class A shares without an initial sales charge (load); however, a Contingent Deferred Sales Charge ("CDSC") of 1.00% may apply to shares redeemed within the first 12 months after a purchase in excess of \$1 million. See "BUYING AND REDEEMING SHARES – Contingent Deferred Sales Charge."

<sup>(2)</sup> A CDSC of 1.00% may apply to shares redeemed within the first 12 months after a purchase in excess of \$1 million. See section titled "BUYING AND REDEEMING SHARES – Contingent Deferred Sales Charge."

<sup>(3)</sup> ALPS Advisors, Inc. (the "Adviser") has given a contractual agreement to the Fund to limit the amount of the Fund's total annual expenses, exclusive of Distribution and Service (12b-1) Fees, Acquired Fund Fees and Expenses, brokerage expenses, interest expense, taxes and extraordinary expenses, to 2.00% of the Fund's average daily net assets. This agreement is in effect through October 31, 2010 and is reevaluated on an annual basis. Without this agreement, expenses could be higher. The Adviser will be permitted to recover, on a class-by-class basis, expenses it has borne through the agreement described above to the extent that the Fund's expenses in later periods fall below the annual rates set forth in the relevant agreement. The Fund will not be obligated to pay any such deferred fees and expenses more than one year after the end of the fiscal year in which the fee and expense was deferred.

## Example

This example helps you compare the costs of investing in the Fund with the cost of investing in other mutual funds. The example assumes that you invest \$10,000 in the Fund for the time periods indicated and then redeem all of your shares at the end of those periods. The example also assumes that your investment has a 5% return each year, you reinvest all dividends and capital gains distributions and that the Fund's operating expenses remain the same. After one year, the Example does not take into consideration any agreement by the Adviser and Sub-Adviser to waive fees. Although your actual costs may be higher or lower, based on these assumptions your cost would be:

<b>Number of Years You Own Your Shares</b>	<b>1 Year</b>	<b>3 Years</b>
Class A Shares	\$ 878	\$ 1,524
Class I Shares	\$ 203	\$ 900

You would pay the following expenses if you did not redeem your shares:

Class A Shares	\$ 778	\$ 1,524
Class I Shares	\$ 203	\$ 900

The example does not reflect sales charges (loads) on reinvested dividends and other distributions. If these sales charges (loads) were included, your costs would be higher.

## MORE ON THE FUND'S INVESTMENTS AND RELATED RISKS

*The Fund's investment objective and its principal investment strategies and risks are described under "INVESTMENT OBJECTIVE, STRATEGY & PRINCIPAL RISKS." This section provides additional information about the Fund's investment strategies and certain portfolio management techniques the Fund may use, as well as the types of investments and other investment strategies and risks that may affect the Fund's portfolio. Additional information about some of these investment strategies and portfolio management techniques and their associated risks is included in the Fund's Statement of Additional Information ("SAI"), which is available without charge upon request (see back cover).*

### **What are the Fund's Principal Investment Strategies?**

The Fund will, under normal circumstances, pursue its investment objective by taking both long and short positions in domestic and foreign equity securities without any bias towards any particular style, sector or market capitalization.

The Fund's sub-adviser, GNI Capital, Inc. (the "Sub-Adviser"), believes that a combination of long and short positions may provide positive returns regardless of market conditions through a complete market cycle and may offer reduced risk. The Sub-Adviser's investment process begins with a thorough, top-down analysis of the macro environment for equities that it accomplishes through the examination of various macroeconomic factors that have historically been shown to impact stock market returns. Next, the Sub-Adviser uses a quantitative screening process

to objectively identify the most favorable industry groups at that time for long candidates and the least favorable industry groups for short candidates.

The Fund buys long securities that the portfolio managers believe will go up in price and sells short securities the portfolio managers believe will go down in price or will underperform existing long positions while mitigating certain risk factors. The Sub-Adviser's individual security selection is the result of a rigorous evaluation of a company's fundamentals and various valuation measures. The portfolio managers attempt to identify future catalysts that could lead to a systemic change in a company's business or in its valuation. Change can come in many varieties, including, for example, company-specific catalysts like new product launches, new management teams, or geographic expansion. The portfolio managers will target short positions in companies experiencing adverse changes such as a degradation of competitive position, loss of a key product, changes in financial condition, declining growth rates, or share prices that reflect unrealistic expectations of the company's future opportunities. The Fund may sell a long holding or cover a short position if, among other things, the company fundamentals fail to meet the portfolio managers' expectations, catalysts for change within the company are realized, the portfolio managers believe that the broad market might experience a large directional move, or if the portfolio managers find a better investment opportunity.

The allocation between long and short positions is an important element of the investment process. The Fund does not intend to be market neutral and anticipates that it normally will hold a higher percentage of its assets in long positions than short positions (i.e., the Fund will be "net long"), though this may not always be the case depending on market conditions.

The Fund may hold significant short positions or significant positions in cash or cash equivalents when the Sub-Adviser may believe the investment climate is, or will become, unfavorable for equity securities. During such periods when the Sub-Adviser perceives the investment climate to be unfavorable, the Sub-Adviser may also attempt to hedge the Fund's portfolio by using stock index futures, options on stock market indexes or options on individual securities.

To manage its net exposure between long and short positions, the Fund may take long and short positions in instruments that provide exposure to the equity markets, including exchange-traded funds, options, futures and other index-based instruments.

A short position is one where the Fund has sold at the current market price a security that it does not own in anticipation of a decline in the market value of the security. To complete a short sale, the Fund must borrow the security to make delivery to the buyer. The Fund then is obligated to replace the borrowed security by purchasing the security at the market price at the time of replacement. The price at such time may be more or less than the price at which the security was sold by the Fund. Until the borrowed security is replaced, the Fund is required to pay to the lender amounts equal to any dividends or interest that accrue during the

period of the loan. To borrow the security, the Fund also may be required to pay a premium to the lender, which would increase the cost of the security sold. The proceeds of the short sale will be retained by the broker to the extent necessary to meet margin requirements, until the short position is closed out.

Until the Fund closes its short position or replaces the borrowed security, the Fund will designate liquid assets it owns (other than the short sale proceeds) as segregated assets in an amount equal to its obligation to purchase the securities sold short, as required by the Investment Company Act of 1940, as amended (the "1940 Act"). The amount segregated in this manner will be increased or decreased each business day equal to the change in market value of the Fund's obligation to purchase the security sold short. If the lending broker requires the Fund to deposit additional collateral (in addition to the short sales proceeds that the broker holds during the period of the short sale), which may be as much as 50% of the value of the securities sold short, the amount of the additional collateral may be deducted in determining the amount of cash or liquid assets the Fund is required to segregate to cover the short sale obligation pursuant to the 1940 Act. The amount segregated must be unencumbered by any other obligation or claim other than the obligation that is being covered. The Fund believes that short sale obligations that are covered, either by an off setting asset or right (acquiring the security sold short or having an option to purchase the security sold short at exercise price that covers the obligation), or by the Fund's segregated asset procedures (or a combination thereof), are not senior securities under the 1940 Act and are not subject to the Fund's borrowing restrictions. This requirement to segregate assets limits the Fund's leveraging of its investments and the related risk of losses from leveraging. The Fund also is required to pay the lender of the security any dividends or interest that accrues on a borrowed security during the period of the loan. Depending on the arrangements made with the broker or custodian, the Fund may or may not receive any payments (including interest) on collateral it has deposited with the broker.

The Fund may borrow money from banks to the extent permitted by the 1940 Act, including for investment purposes. Such borrowings may be on a secured or unsecured basis at fixed or variable rates of interest. The 1940 Act requires the Fund to maintain continuous asset coverage of not less than 300% with respect to all borrowings that are considered "senior securities" (generally borrowings other than for temporary or emergency purposes). This allows the Fund to borrow from banks up to one-third of its total assets (including the amount borrowed). If such asset coverage should decline to less than 300% due to market fluctuations or other reasons, the Fund may be required to dispose of some of its portfolio holdings within three days in order to reduce the Fund's debt and restore the 300% asset coverage, even though it may be disadvantageous from an investment standpoint to dispose of assets at that time. The Fund's short sales and related margin requirements may reduce the ability of the Fund to borrow money.

Within the parameters of its specific investment policies, the Fund may invest in foreign equity and debt securities, which may include investments in emerging markets.

Within the parameters of its specific investment policies, the Fund may invest its assets in derivatives. The Fund may use derivatives for different purposes, including hedging (offset risks associated with an investment or market conditions) and to earn income and enhance returns.

### **What are the Principal Securities in Which the Fund Invests?**

#### ***Equity Securities***

Equity securities are securities which signify ownership interest in a corporation and represent a claim on part of the corporation's assets and earnings. Equity securities may include common stocks, preferred stocks, convertible securities, equity interest in non-U.S. investments or trusts, depositary receipts, equity interests in publicly traded limited partnerships/units and other equity investments. The Fund may invest in equity or equity-related securities and equipment lease certificates, equipment trust certificates and conditional sales contracts, or limited partnership interests.

#### ***Foreign Securities***

The Fund may invest directly in foreign securities denominated in a foreign currency and not publicly traded in the United States including issuers located in emerging markets. Other ways of investing in foreign securities include depositary receipts or shares and passive foreign investment companies.

#### ***Derivative Securities***

The Fund may invest in options, futures, forwards, swap agreements participation notes and other types of derivatives individually or in combination for hedging purposes or for non-hedging purposes such as seeking to enhance return. Such techniques may also be used to gain exposure to the market pending investment of cash balances or to meet liquidity needs.

#### ***Portfolio Turnover***

The Fund may engage in short-term trading. This means that the Fund may buy a security and sell that security a short period of time after its purchase to realize gains if the portfolio manager believes that the sale is in the best interest of the Fund (for example, if the portfolio manager believes an alternative investment has greater growth potential. This activity will increase the Fund's portfolio turnover rate and generate higher transaction costs due to commissions or dealer mark-ups and other expenses that would reduce the Fund's investment performance. In addition, a high level of short-term trading may increase the amount of taxable distributions to shareholders that would reduce the after-tax returns of the Fund, and in particular may generate short-term capital gains that when distributed to shareholders are taxed at ordinary income tax rates.

#### ***Cash Position***

The Fund may not always stay fully invested. For example, when the portfolio manager believes that market conditions are unfavorable for profitable investing, or when he is otherwise unable to locate attractive investment opportunities, the Fund's cash or similar investments may increase. In other words, cash or similar investments generally are a residual – they represent the assets that remain after

the Fund has committed available assets to desirable investment opportunities. When the Fund's investments in cash or similar investments increase, it may not participate in market advance or declines to the same extent that it would if the Fund remained more fully invested.

### **What are the Non-Principal Strategies of the Fund?**

Unless otherwise stated within its specific investment policies, the Fund may also invest in other types of domestic and foreign securities and use other investment strategies. These securities and strategies are not principal investment strategies of the Fund. If successful, they may benefit the Fund by earning a return on the Fund's assets or reducing risk; however, they may not achieve the Fund's objective. These securities and strategies may include:

- » debt securities;
- » indexed/structured securities;
- » securities lending;
- » high-yield/high risk bonds; and
- » securities purchased on a when-issued, delayed delivery or forward commitment basis.

### **Exchange Traded Funds**

The Fund may invest in shares of ETFs and other similar instruments if the investment manager chooses to adjust the Fund's exposure to the general market or industry sectors and to manage the Fund's risk exposure. ETFs differ from traditional index funds in that their shares are listed on a securities exchange and can be traded intraday. ETF shares are shares of exchange traded investment companies that are registered under the 1940 Act and hold a portfolio of common stocks designed to track the performance of a particular index. Limitations of the 1940 Act may prohibit the Fund from acquiring more than 3% of the outstanding shares of certain ETFs. Instruments that are similar to ETFs represent beneficial ownership interests in specific "baskets" of stocks of companies within a particular industry sector or group. These securities may also be exchange traded, but unlike ETFs, the issuers of these securities are not registered as investment companies.

The portfolio manager may decide to purchase or sell short ETF shares or options on ETF shares for the same reasons it would purchase or sell (and as an alternative to purchasing or selling) futures contracts – to obtain exposure to the stock market or a particular segment of the stock market, or to hedge the Fund's portfolio against such exposures. Depending on the market, the holding period and other factors, the use of ETF shares and options thereon can be less costly than the use of index options or stock index futures. In addition, ETF shares and options thereon can typically be purchased in smaller amounts than are available for futures contracts and can offer exposure to market sectors and styles for which there is no suitable or liquid futures contract.

**Illiquid Investments**

The Fund may invest up to 15% of its net assets in illiquid investments. An illiquid investment is a security or other position that cannot be disposed of quickly in the normal course of business (within seven days). For example, some securities are not registered under U.S. securities laws and cannot be sold to the U.S. public because of SEC regulations (these are known as “restricted securities”). Under procedures adopted by the Fund’s Board, certain restricted securities may be deemed liquid and will not be counted toward this 15% limit.

**Temporary Defensive Investments**

The Fund may depart from its principal investment strategies in response to adverse market, economic or political conditions by taking temporary defensive positions in short-term debt securities, cash and cash equivalents. Under such circumstances, the Fund may not achieve its investment objective.

**Master/Feeder Structure**

In lieu of investing directly, the Fund may seek to achieve its investment objective by converting to a master/feeder structure pursuant to which the Fund would invest all of its investable assets in an investment company having substantially the same investment objective and policies as the Fund. The master/feeder structure is an arrangement that allows several investment companies with different shareholder-related features or distribution channels, but having substantially the same investment objectives, policies and restrictions, to invest all of their assets in the same portfolio instead of managing them separately, thereby achieving certain economies of scale. The Fund’s SAI contains more information about the possible conversion to a master/feeder structure.

**Investment Limitations**

Except with respect to the illiquid investment restrictions set forth above, all limitations on Fund investments listed in this Prospectus will apply at the time of investment. The Fund would not violate these limitations unless an excess or deficiency occurs or exists immediately after and as a result of an investment. Unless otherwise indicated, references to assets in the percentage limitations on the Fund’s investments refer to total assets.

**What are the Non-Principal Risks of Investing in the Fund?*****Exchange Traded Funds Risk***

The Fund effects short sales of ETF shares for hedging and speculating purposes that involves certain risks. A short sale involves the sale of ETF shares that the Fund does not own in anticipation of purchasing those shares in the future at a lower price. If the price of an ETF’s shares sold short declines (in an amount exceeding transaction costs), the Fund will realize a gain from the transaction. Conversely, if the price of the shares sold short increases, the Fund will realize a loss. The amount of this loss, in theory, is unlimited because there is no limit on the possible increase in market price of the securities sold short. For this reason short selling is considered to be a speculative practice.

The Fund's investment in ETFs that are financially leveraged may create an opportunity for greater total return on its investment, but at the same time may be expected to exhibit more volatility in market price and net asset value than an investment in shares of investment companies without a leveraged capital structure. In addition, due to the compounding of daily returns, leveraged ETFs might not track their intended benchmark over longer periods of time.

#### ***Credit Risk***

The companies in which the Fund may invest may have their credit rating downgraded, fail financially or be unwilling or unable to make timely payments of interest or principal, thereby reducing the value of the Fund's portfolio and its income.

#### ***Liquidity and Valuation Risk***

Certain of the Fund's investments may be exposed to liquidity risk due to low trading volume, lack of a market maker or legal restrictions limiting the ability of the Fund to sell particular securities at an advantageous price and/or time. As a result, these securities may be more difficult to value. Derivatives and securities that involve substantial interest rate or credit risk tend to involve greater liquidity risk. In addition, liquidity and valuation risk tends to increase to the extent the Fund invests in securities whose sale may be restricted by law or by contract, such as Rule 144A securities and foreign securities, particularly those of issuers located in emerging markets.

#### ***Securities Lending Risk***

The Fund may lend a portion of its portfolio securities to brokers, dealers and other financial institutions provided a number of conditions are satisfied, including that the loan is fully collateralized. Please see "Investment Strategies" in the Fund's SAI for details. When the Fund lends portfolio securities, its investment performance will continue to reflect changes in the value of the securities loaned, and the Fund will also receive a fee or interest on the collateral. Securities lending involves the risk of loss of rights in the collateral or delay in recovery of the collateral if the borrower fails to return the security loaned or becomes insolvent. The Fund may pay lending fees to the party arranging the loan.

Although voting rights or rights to consent with respect to the loaned securities pass to the borrower, the Fund, as the lender, retains the right to call the loans and obtain the return of the securities loaned at any time on reasonable notice, and it will attempt to do so in order that the securities may be voted by the Fund if the holders of such securities are asked to vote upon or consent to matters which the manager believes materially affect the investment; however, the Fund may not be able to recall the securities in time for the Fund to be the owner on the record date for determining shareholders entitled to vote or consent on the matter. The Fund may also call such loans in order to sell the securities involved.

#### ***Disclosure of Portfolio Holdings***

The Fund's policies and procedures with respect to the disclosure of the Fund's portfolio securities are described in the Fund's SAI.

## MANAGEMENT

ALPS Advisors, Inc. (the “Adviser”), subject to the authority of the Fund’s Board of Trustees, is responsible for the overall management and administration of the Fund’s business affairs. The Adviser commenced business operations in December 2006 upon the acquisition of an existing investment advisory operation and is registered with the Securities and Exchange Commission as an investment adviser. The Adviser’s principal address is 1290 Broadway, Suite 1100, Denver, Colorado 80203.

The Adviser has delegated daily management of Fund assets to GNI Capital, Inc. (the “Sub-Adviser” or “GNI Capital”), who is paid by the Adviser and not the Fund. The Sub-Adviser is engaged to manage the investments of the Fund in accordance with its investment objective, policies and limitations and investment guidelines established by the Adviser and the Board. GNI Capital is a long/short equity investment management firm that provides investment management services to institutional clients including mutual fund sponsors, trust companies, investment advisory firms, corporate retirement plans and family offices, as well as high-net worth investors. The Sub-Adviser’s principal address is 124 Verdae Boulevard, Suite 504, Greenville, South Carolina 29607.

Pursuant to the Investment Advisory Agreement (the “Advisory Agreement”), the Fund pays the Adviser an annual management fee of 1.30% based on the Fund’s average daily net assets. The management fee is paid on a monthly basis. The Adviser pays the Sub-Adviser an annual sub-advisory management fee as follows:

- (i) 0.85% based on the Fund’s average net assets between \$0 - \$10 million; and
- (ii) 0.65% based on the Fund’s average net assets over \$10 million.

The sub-advisory management fee is paid on a monthly basis. The Adviser is required to pay all fees due to the Sub-Adviser out of the management fee the Adviser receives from the Fund. The initial term of the Advisory Agreement is two years. The Board may extend the Advisory Agreement for additional one-year terms. The Board, shareholders of the Fund or the Adviser may terminate the Advisory Agreement upon sixty (60) days notice. A discussion regarding the basis for the Board’s approval of the Fund’s Advisory Agreement and Sub-Advisory Agreement will be provided in the Fund’s semi-annual report to shareholders for the period ending April 30, 2010.

### **Prior Performance of Similar Accounts Managed by GNI Capital**

GNI Capital began maintaining a composite of similarly managed accounts using this strategy on January 1, 1999. This composite and the Fund have substantially similar investment objectives, policies and strategies. The information for the composite is provided to show GNI Capital’s past performance in managing the composite, as measured against a specified market index. The performance of the composite does not represent the historical performance of the Fund and should not be considered indicative of future performance of the Fund. Results may differ because

of, among other things, differences in brokerage commissions, account expenses, including management fees, the size of positions taken in relation to account size and diversification of securities, timing of purchases and sales, and availability of cash for new investments. In addition, the accounts included in the composite are not subject to certain investment limitations, diversification or other restrictions imposed by the 1940 Act and the Code, which, if applicable, may have adversely affected the performance results of the composite. The results for different periods may vary. All of GNI Capital's substantially similar accounts that have substantially similar investment objectives, policies and strategies as the Fund are included in the composite returns presented below. GNI composite performance results are expressed in U.S. dollars. The performance is shown net of the expenses charged by GNI Capital to its clients included in the composite. It has not been adjusted to reflect the higher expenses of the Fund. If the Fund's higher expenses were reflected, the composite performance presented would be lower. The composite portfolio's rate of return includes realized and unrealized gains plus income, including accrued income. Returns from cash and cash equivalents in the composite are included in the performance calculations, and the cash and cash equivalents are included in the total assets on which the performance is calculated. The performance information is calculated in accordance with Global Investment Performance Standards (GIPS®). This method of calculating performance differs from the SEC's standardized methodology to calculate mutual fund performance and may result in a total return that may be higher than that derived from the standardized methodology.

<b>As of June 30, 2009</b>	<b>Net</b>	<b>S&amp;P 1500<sup>(1)</sup></b>	<b>Calendar Year</b>	<b>Net</b>	<b>S&amp;P 1500<sup>(1)</sup></b>
1 Year	-21.14%	-26.31%	1999	54.72%	20.24%
3 Year	-7.34%	-8.18%	2000	39.31%	-6.96%
5 Year	-0.80%	-1.93%	2001	3.40%	-10.63%
10 Year	5.52%	-1.49%	2002	-18.53%	-21.30%
Inception (01/01/99)	7.83%	-0.38%	2003	25.83%	29.57%
			2004	10.88%	11.79%
			2005	6.52%	5.68%
			2006	2.43%	15.38%
			2007	7.14%	5.54%
			2008	-24.01%	-36.70%
			*2009	-1.91%	3.49%

Returns greater than one year are annualized.

\* As of June 30, 2009

<sup>(1)</sup> The S&P 1500, or S&P 1500 Composite Index, is a stock market index of US stocks made by Standard & Poor's. It includes all stocks in the S&P 500, S&P 400, and S&P 600.

## THE PORTFOLIO MANAGERS

The portfolio managers are primarily responsible for the day-to-day operation of the Fund. Each of the persons listed below has served as the applicable Fund's portfolio manager since the Fund's inception. The Fund's portfolio managers collectively arrive at investment decisions.

More information about each manager's compensation, other accounts managed by each manager and each manager's ownership of securities in the Fund is included in the SAI.

Portfolio Manager	Past 5 Years' Business Experience
Charles L. Norton, CFA	Portfolio manager of the Fund; born 1974, is a Principal of GNI Capital, 1999-Present. He is responsible for portfolio management and investment research for all of the company's managed assets. In addition, he is a regular contributor for RealMoney.com, a financial website published by the TheStreet.com, and a frequent guest on CNBC and Bloomberg Television. Previously, Mr. Norton had been a Vice President in the Equity Research Department of Gotham Capital Management, a New York-based hedge fund firm, where he also managed separate long/short equity accounts. Prior to his experience on the buy side, Mr. Norton worked in the investment banking division of Smith Barney. Mr. Norton has a Bachelor of Science in Management degree in Finance from Tulane University's A.B. Freeman School of Business, and is a CFA charterholder. He is a member of the CFA Institute and the CFA Society of Dallas-Fort Worth.
Allen R. Gillespie, CFA	Portfolio manager of the Fund; born 1972, is a Principal of GNI Capital, 1997-Present. He is responsible for portfolio management and investment research for all of the company's managed assets. He also serves as a South Carolina Retirement System Investment Commissioner. Mr. Gillespie contributes commentary to RealMoney.com, a member of TheStreet.com's family of financial websites. Previously, Mr. Gillespie was a Registered Representative at Robinson-Humphrey and Smith Barney from 1995 to 1997. In 1997, he began managing private client portfolios, and founded and managed the Blue Ridge Total Return Fund, which was sold in 1999. In addition to his advisory work, Mr. Gillespie provided independent research to a New York-based hedge fund firm. Mr. Gillespie graduated cum laude from Washington & Lee University with a Bachelor of Arts degree in Economics and he has been granted the Chartered Financial Analyst designation.

## ADMINISTRATOR, DISTRIBUTOR AND TRANSFER AGENT

### **Administrator**

Pursuant to a Fund Accounting and Administration Agreement, ALPS Fund Services, Inc. (an affiliate of ALPS Distributors, Inc. and the Adviser) (“ALPS” or the “Administrator”), with principal offices at 1290 Broadway, Suite 1100, Denver, Colorado 80203, serves as administrator to the Fund. As Administrator, ALPS has agreed to: assist in maintaining the Fund’s office; furnish the Fund with clerical and certain other services required by them; compile data for and prepare notices and semi-annual reports to the Securities and Exchange Commission; calculate the Fund’s daily NAV; prepare any reports that are required by the securities, investment, tax or other laws and regulations of the United States; prepare filings with state securities commissions; coordinate federal and state tax returns; monitor the Fund’s expense accruals; monitor compliance with the Fund’s investment policies and limitations; and generally assist in the Fund’s operations.

The table below provides the administrative fee to be paid by the Fund to ALPS pursuant to the Fund Accounting and Administration Agreement:

Annual Administrative Fee billed monthly, in the amount of:

- (i) 8 basis points of Fund’s average net assets between \$0 - \$500 million; and
- (ii) 6 basis points of Fund’s average net assets between \$500 million - \$1 billion; and
- (iii) 4 basis points of Fund’s average net assets over \$1 billion.

### **Distributor**

ALPS Distributors, Inc. (an affiliate of ALPS and the Adviser) (“ADI” or the “Distributor”), with principal offices at 1290 Broadway, Suite 1100, Denver, Colorado 80203, acts as the distributor of the Fund’s shares pursuant to a Distribution Agreement with the Trust. Shares are sold on a continuous basis by ADI as agent for the Fund, and ADI has agreed to use its best efforts to solicit orders for the sale of Fund shares, although it is not obliged to sell any particular amount of shares. ADI is not entitled to any compensation for its services as Distributor. ADI is registered as a broker-dealer with the Securities and Exchange Commission.

### **Transfer Agent**

ALPS, pursuant to a Transfer Agency and Service Agreement, serves as Transfer Agent for the Fund. As transfer agent, ALPS has, among other things, agreed to: issue and redeem shares of the Fund; make dividend and other distributions to shareholders of the Fund; effect transfers of shares; mail communications to shareholders of the Fund, including account statements, confirmations and dividend and distribution notices; facilitate the electronic delivery of shareholder statements and reports; and maintain shareholder accounts. Under the Transfer Agency and Service Agreement, ALPS receives from the Trust an annual minimum fee, a fee based upon the number of shareholder accounts and is also reimbursed for out-of-pocket expenses.

## BUYING, EXCHANGING AND REDEEMING SHARES

### Classes of Shares

The Fund currently offers two classes of shares – Class A and Class I shares. Each share class of the Fund represents an investment in the same portfolio of securities, but each share class has its own sales charge and expense structure, allowing you to choose the class that best meets your situation. When you purchase shares of the Fund, you must choose a share class.

#### *Factors you should consider in choosing a class of shares include:*

- » how long you expect to own the shares;
- » how much you intend to invest;
- » total expenses associated with owning shares of each class; and
- » whether you qualify for any reduction or waiver of sales charges (for example, Class A shares may be a less expensive option over time if you qualify for a sales charge reduction or waiver).

Class A shares are generally available only in connection with investments through retirement plans, broker-dealers, bank trust departments, financial advisors and other financial intermediaries.

Class I shares are offered only through the following types of financial intermediaries and to certain institutional investors. Class I shares are offered through financial intermediaries (including, but not limited to, broker-dealers, retirement plans, bank trust departments and financial advisers) who do not require payment from the Fund or its service providers for the provision of distribution, administrative or shareholder retention services, except for networking and/or omnibus account fees. Institutional investors may include, but are not limited to, corporations, retirement plans, public plans and foundations/endowments. Class I shares are not offered directly to individual investors.

Not all financial intermediaries offer all classes. Each investor's financial considerations are different. You should speak with your financial advisor to help you decide which share class is best for you. If your financial advisor offers more than one class of shares, you should carefully consider which class of shares to purchase. Certain classes have higher expenses than other classes, which may lower the return on your investment.

### **Distribution and Services (12b-1) Plan for Class A Shares**

The Fund has adopted a Distribution and Services Plan (the "Plan") for its Class A shares. The Plan has been adopted pursuant to Rule 12b-1 of the 1940 Act.

The Plan allows the Fund to use its Class A assets to pay fees in connection with the distribution and marketing of the Class A shares and/or the provision of shareholder services to Class A shareholders. The Plan permits payment for services in connection with the administration of plans or programs that use Class A shares as their funding medium and for related expenses.

The Plan permits the Fund to use its Class A assets to make total payments at an annual rate of up to 0.25% of the Fund's average daily net assets attributable to its Class A shares. Because these fees are paid out of the Class A assets on an ongoing basis, over time they will increase the cost of an investment in Class A shares, and Plan fees may cost an investor more than other types of sales charges.

The Adviser, Sub-Adviser and/or their affiliates may also make payments for distribution and/or shareholder servicing activities out of their own resources. The Adviser or Sub-Adviser may also make payments for marketing, promotional or related expenses to dealers. The amount of these payments is determined by the Adviser or Sub-Adviser and may be substantial. These payments are often referred to as "revenue sharing payments." The recipients of such payments may include the Distributor, other affiliates of the Adviser, Sub-Adviser, broker-dealers, financial institutions, plan sponsors and administrators and other financial intermediaries through which investors may purchase shares of the Fund. In some circumstances, such payments may create an incentive for an intermediary or its employees or associated persons to recommend or sell shares of the Fund to you, rather than shares of another mutual fund. Please contact your financial intermediary or plan administrator or sponsor for details about revenue sharing payments it may receive.

### **Administrative Fees (Networking, Omnibus Positioning Fee)**

Certain intermediaries may charge networking, omnibus account or other administrative fees with respect to transactions in shares of the Fund. Transactions may be processed through the NSCC or similar systems or processed on a manual basis. These fees are paid by the Fund to the Distributor, which uses such fees to reimburse intermediaries. In the event an intermediary receiving payments from the Distributor on behalf of the Fund converts from a networking structure to an omnibus account structure or otherwise experiences increased costs, fees borne by the Fund may increase.

### **Investment Minimums**

The minimum investment in Class A shares is \$500 for tax-deferred accounts and \$2,500 for other accounts. Investors generally may meet the minimum investment amount by aggregating multiple accounts within the Fund.

The minimum investment in Class I shares is \$1,000,000.

There is no subsequent investment minimum.

The Fund reserves the right to waive or change minimum and additional investment amounts. For accounts sold through financial intermediaries, it is the primary responsibility of the financial intermediary to ensure compliance with investment minimums.

### **Buying Shares**

In order to buy, redeem or exchange shares at that day's price, you must place your order with the Fund or its agent before the New York Stock Exchange ("NYSE")

closes (normally, 4 p.m. Eastern time). If the NYSE closes early, you must place your order prior to the actual closing time. Orders received by financial intermediaries prior to the close of trading on the NYSE will be confirmed at the offering price computed as of the close of the trading on the NYSE. It is the responsibility of the financial intermediary to insure that all orders are transmitted in a timely manner to the Fund. Otherwise, you will receive the next business day's price.

Investors may not purchase, exchange or redeem shares of the Fund directly. Shares may be purchased, exchanged or redeemed only through retirement plans, broker-dealers, bank trust departments, financial advisers or other financial intermediaries. Shares made available through full service broker-dealers may be available through wrap accounts under which such broker-dealers impose additional fees for services connected to the wrap account. *Contact your financial intermediary or refer to your plan documents for instructions on how to purchase, exchange or redeem shares.*

With certain limited exceptions, the Fund is available only to U.S. citizens or residents.

### Sales Charge When You Purchase Class A Shares

The following table lists the sales charges that will be applied to your Class A share purchase, subject to the breakpoint discounts indicated in the tables and described below.

Purchase Amount	Sales Charge as a Percentage of Offering Price	Dealer Concession as a Percentage of Offering Price
Less than \$50,000	5.50%	4.75%
\$50,000 but less than \$100,000	4.50%	3.75%
\$100,000 but less than \$250,000	3.50%	2.75%
\$250,000 but less than \$500,000	2.50%	2.00%
\$500,000 but less than \$1 million	2.00%	1.60%
\$1 million or greater*	0.00%	0.00%

\* A CDSC of 1.00% may apply to shares redeemed within the first 12 months after a purchase in excess of \$1 million. See section titled "Contingent Deferred Sales Charge" below.

### Qualifying for a Reduction or Waiver of Fund Shares Sales Charge

You may be able to lower your Class A initial sales charge under certain circumstances. You can combine Class A shares you already own with your current purchase of Class A shares to take advantage of the breakpoints in the sales charge schedule as set forth above. Certain circumstances under which you may combine such ownership of shares and purchases are described below. Contact your financial intermediary for more information.

In order to obtain a sales charge discount, you should inform your financial intermediary of other accounts in which there are Fund holdings eligible to be aggregated to meet a sales charge breakpoint. These other accounts may include the accounts described below in “Aggregating Accounts.” You may need to provide documents such as account statements or confirmation statements to prove that the accounts are eligible for aggregation. The Letter of Intent described below requires historical cost information in certain circumstances. You should retain records necessary to show the price you paid to purchase Fund shares, as the Fund, its agents or your financial intermediary may not retain this information.

The Fund may waive Class A sales charges on investor purchases including shares purchased by:

- » Officers, directors, trustees and employees of the Adviser, the Sub-Adviser and their respective affiliates;
- » Registered representatives and employees of financial intermediaries with a current selling agreement with the Distributor or the Adviser;
- » Immediate family members of all such persons as described above; and
- » Financial intermediary supermarkets and fee-based platforms.

### **Right of Accumulation**

You may purchase Class A shares at a reduced initial sales charge determined by aggregating the dollar amount of the new purchase (measured by the offering price) and the total prior days net asset value (net amount invested) of all Class A shares of the Fund and of certain other classes then held by you, or held in accounts identified under “Aggregating Accounts,” and applying the sales charge applicable to such aggregate amount. In order to obtain such discount, you must provide sufficient information to your financial intermediary at the time of purchase to permit verification that the purchase qualifies for the reduced sales charge. The right of accumulation is subject to modification or discontinuance at any time with respect to all shares purchased thereafter.

### **Letter of Intent**

You may obtain a reduced initial sales charge on Class A shares by signing a Letter of Intent indicating your intention to purchase \$50,000 or more of Class A shares over a 13-month period. The term of the Letter of Intent will commence upon the date you sign the Letter of Intent. You must refer to such Letter when placing orders. With regard to a Letter of Intent, the amount of investment for purposes of applying the sales load schedule includes (i) the historical cost (what you actually paid for the shares at the time of purchase, including any sales charges) of all Class A shares acquired during the term of the Letter of Intent, minus (ii) the value of any redemptions of Class A shares made during the term of the Letter of Intent. Each investment made during the period receives the reduced sales charge applicable to the total amount of the investment goal. A portion of shares purchased may be held in escrow to pay for any sales charge that may be applicable. If the goal is not achieved within the period, you must pay the difference between the sales

charges applicable to the purchases made and the charges previously paid, or an appropriate number of escrowed shares will be redeemed. Please contact your financial intermediary to obtain a Letter of Intent application.

### **Aggregating Accounts**

To take advantage of lower Class A shares initial sales charges on large purchases or through the exercise of a Letter of Intent or right of accumulation, investments made by you, your spouse and your children under age 21 may be aggregated if made for your own account(s) and/or certain other accounts such as:

- » trust accounts established by the above individuals (or the accounts of the primary beneficiary of the trust if the person who established the trust is deceased);
- » solely controlled business accounts; and
- » single participant retirement plans.

To receive a reduced sales charge under rights of accumulation or a Letter of Intent, you must notify your financial intermediary of any eligible accounts that you, your spouse and your children under age 21 have at the time of your purchase.

### **Contingent Deferred Sales Charge**

A contingent deferred sales charge (“CDSC”) of 1% may apply to shares redeemed within the first 12 months after a purchase in excess of \$1 million. The Fund reserves the right to waive such charge in certain circumstances. Please see the SAI for further details.

### **Exchanging Shares**

If you have held all or part of your shares in the Fund for at least seven days, you may exchange those shares for shares of the ALPS/Red Rocks Listed Private Equity Fund if such Fund is available for sale in your state and meets the investment criteria of the investor.

If you are an existing shareholder of the Fund or of the ALPS/Red Rocks Listed Private Equity Fund, you may exchange into a new account copying your existing account registration and options. Exchanges between accounts will be accepted only if registrations are identical.

Exchanges must meet the minimum investment requirements described in “—*Investment Minimums*” above.

Before effecting an exchange, you should read the Prospectus for the Fund into which you are exchanging.

An exchange represents the sale of shares from one fund and the purchase of shares of another fund. This may produce a taxable gain or loss in your non-tax-deferred account. Transfers between classes of the Fund are generally not considered a taxable transaction.

If you exchange shares within 90 calendar days from their date of purchase, you may be subject to the redemption fee as described in this Prospectus in “—*Redemption Fees*” below.

The exchange privilege may be modified or terminated upon sixty (60) days’ written notice to shareholders. Although initially there will be no limit on the number of times you may exercise the exchange privilege, the Fund reserves the right to impose such a limitation. Call or write the Fund for further details.

### **Redeeming Shares**

Redemptions, like purchases and exchanges, may generally be effected only through retirement plans, broker-dealers and financial intermediaries. Please contact your financial intermediary or refer to the appropriate plan documents for details. Your financial intermediary may charge a processing or service fee in connection with the redemption of shares.

### **Redemption Payments**

In all cases, your redemption price is the net asset value per share next determined after your request is received in good order less any applicable redemption fees. Redemption proceeds normally will be sent within seven days. However, if you recently purchased your shares by check, your redemption proceeds will not be sent to you until your original check clears, which may take up to 10 days. Your redemption proceeds can be sent by check to your address of record or by wire transfer to a bank account designated on your application. Your bank may charge you a fee for wire transfers. Any request that your redemption proceeds be sent to a destination other than your bank account or address of record must be in writing and must include a signature guarantee.

### **Redemptions In-Kind**

The Fund reserves the right to make payment in securities rather than cash. If the Fund deems it advisable for the benefit of all shareholders that a redemption payment wholly or partly in-kind would be in the best interests of the Fund’s remaining shareholders, the Fund may pay redemption proceeds to you in whole or in part with securities held by the Fund. A redemption in-kind could occur under extraordinary circumstances, such as a very large redemption that could affect a Fund’s operations (for example, more than 1% of the Fund’s net assets). However, the Fund is required to redeem shares solely for cash up to the lesser of \$250,000 or 1% of the NAV of the Fund during any 90-day period for any one shareholder. Should redemptions by any shareholder exceed such limitation, the Fund will have the option of redeeming the excess in cash or in-kind. Securities used to redeem Fund shares will be valued as described in “**SHARES TRANSACTIONS – How Fund Shares are Priced**” below. A shareholder may pay brokerage charges on the sale of any securities received as a result of a redemption in-kind.

### Redemption Fees

If you sell or exchange your shares after holding them 90 days or less, a 2% short-term redemption fee may be deducted from the redemption amount. For this purpose, shares held longest will be treated as being redeemed first and shares held shortest as being redeemed last. The fees are paid to the Fund and are designed to help offset the brokerage commissions, market impact and other costs associated with short-term shareholder trading.

The short-term redemption fee does not apply to: (i) redemptions of shares acquired by reinvesting dividends and distributions; (ii) rollovers, transfers and changes of account registration within the Fund as long as the money never leaves the Fund; and (iii) redemptions in-kind.

The Fund also permits waivers of the short-term redemption fee for the following transactions:

- » Redemptions due to small balance maintenance fees;
- » Redemptions related to death or due to a divorce decree;
- » Certain types of IRA account transactions, including redemptions pursuant to systematic withdrawal programs, required minimum distributions, withdrawals due to disability or death, return of excess contribution amounts, and redemptions related to payment of custodian fees; and
- » Certain types of employer-sponsored and 403(b) retirement plan transactions, including loans or hardship withdrawals, minimum required distributions, redemptions pursuant to systematic withdrawal programs, forfeiture of assets, return of excess contribution amounts, redemptions related to payment of plan fees, and redemptions related to death, disability or qualified domestic relations order.

The application of short-term redemption fees and waivers may vary among intermediaries and certain intermediaries may not apply the waivers listed above. If you purchase, exchange or sell fund shares through an intermediary, you should contact your intermediary for more information on whether the short-term redemption fee will be applied to redemptions of your shares.

The Fund reserves the right to modify or eliminate the short-term redemption fee or waivers at any time. Investment advisers or their affiliates may pay short-term redemption fees on behalf of investors in managed accounts. Unitized group accounts consisting of qualified plan assets may be treated as a single account for redemption fee purposes.

*Note: The Fund has the right to suspend or postpone redemptions of shares for any period (i) during which the NYSE is closed, other than customary weekend and holiday closings; (ii) during which trading on the NYSE is restricted; or (iii) during which (as determined by the SEC by rule or regulation) an emergency exists as a result of which disposal or valuation of portfolio securities is not reasonably practicable, or as otherwise permitted by the SEC.*

## SHARE TRANSACTIONS

### **Small Account Balances/Mandatory Redemptions**

The Fund does not currently impose an account minimum. The Fund may adopt other policies from time to time requiring mandatory redemption of shares in certain circumstances, such as to comply with new regulatory requirements.

### **Share Certificates**

The Fund does not issue share certificates.

### **Frequent Purchases and Sales of Fund Shares**

The Fund does not permit market timing or other abusive trading practices. The Fund reserves the right, but does not have the obligation, to reject any purchase or exchange transaction at any time. In addition, the Fund reserves the right to suspend their offering of shares or to impose restrictions on purchases or exchanges at any time that are more restrictive than those that are otherwise stated in this prospectus with respect to disruptive, excessive or short-term trading.

Excessive short-term trading or other abusive trading practices may disrupt portfolio management strategies, increase brokerage and administrative costs and hurt Fund performance. The Fund maintains a 2% short-term redemption fee applied to sales or exchanges of shares held 90 days or less.

The Board has adopted policies and procedures designed to deter frequent purchases, exchanges and redemptions and to seek to prevent market timing. To minimize harm to the Fund and its shareholders, the Fund reserves the right to reject, in its sole discretion, any purchase order from any investor it believes has a history of abusive trading or whose trading, in its judgment, has been or may be disruptive to the Fund. The Fund may also refuse purchase and exchange transactions from Fund intermediaries it believes may be facilitating or have facilitated abusive trading practices. In making this judgment, the Fund may consider trading done in multiple accounts under common ownership or control.

On a periodic basis, the Transfer Agent will review transaction history reports and will identify redemptions that are within a specific time period from a previous purchase, exchanges in the same account(s) in the Fund, or in multiple accounts that are known to be under common control. Redemptions meeting the criteria will be investigated for possible inappropriate trading.

Certain accounts, in particular omnibus accounts, include multiple investors and such accounts typically provide the Fund with a net purchase or redemption request on any given day. In these cases, purchases, exchanges and redemptions of Fund shares are netted against one another and the identity of individual purchasers and redeemers whose orders are aggregated may not be known by the Fund. Therefore, it becomes more difficult for the Fund to identify market

timing or other abusive trading activities in these accounts, and the Fund may be unable to eliminate abusive traders in these accounts from the Fund. Further, identification of abusive traders may also be limited by operational systems and technical limitations. To the extent abusive or disruptive trading is identified, the Fund will encourage omnibus account intermediaries to address such trading activity in a manner consistent with how the Fund would address such activity directly, if it were able to do so.

Due to the complexity and subjectivity involved in identifying market timing and other abusive trading practices, there can be no assurance that the Fund's efforts will identify all market timing or abusive trading activities. Therefore, investors should not assume that the Fund will be able to detect or prevent all practices that may disadvantage the Fund.

### **How Fund Shares are Priced**

The Board has approved procedures to be used to value the Fund's securities for the purposes of determining the Fund's NAV. The valuation of the securities of the Fund is determined in good faith by or under the direction of the Board. The Board has delegated certain valuation functions for the Fund to the Administrator.

The Fund generally values its securities based on market prices determined at the close of regular trading on the NYSE (normally, 4 p.m. Eastern time) on each business day (Monday through Friday). The Fund will not value its securities on any day that the NYSE is closed, including the following observed holidays: New Year's Day, Martin Luther King, Jr. Day, Presidents' Day, Good Friday, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day. The Fund's currency valuations, if any, are done as of the close of regular trading on the NYSE (normally, 4 p.m. Eastern time). For equity securities that are traded on an exchange, the market price is usually the closing sale or official closing price on that exchange. In the case of securities not traded on an exchange, or if such closing prices are not otherwise available, the market price is typically determined by independent third party pricing vendors approved by the Fund's Board using a variety of pricing techniques and methodologies. The market price for debt obligations is generally the price supplied by an independent third-party pricing service approved by the Fund's Board, which may use a matrix, formula or other objective method that takes into consideration market indices, yield curves and other specific adjustments. Short-term debt obligations that will mature in 60 days or less are valued at amortized cost, unless it is determined that using this method would not reflect an investment's fair value. If vendors are unable to supply a price, or if the price supplied is deemed to be unreliable, the market price may be determined using quotations received from one or more brokers/dealers that make a market in the security.

When such prices or quotations are not available, or when the Sub-Adviser believes that they are unreliable, securities may be priced using fair value

procedures approved by the Board. Because the Fund invests in securities that may be thinly traded or for which market quotations may not be readily available or may be unreliable (such as securities of small capitalization companies), the Fund may use fair valuation procedures more frequently than funds that invest primarily in securities that are more liquid (such as equity securities of large capitalization domestic issuers). The Fund may also use fair value procedures if the Sub-Adviser determines that a significant event has occurred between the time at which a market price is determined and the time at which the Fund's net asset value is calculated. In particular, the value of non-U.S. securities may be materially affected by events occurring after the close of the market on which they are traded, but before the Fund prices its shares.

The Fund may determine the fair value of investments based on information provided by pricing services and other third-party vendors, which may recommend fair value prices or adjustments with reference to other securities, indices or assets. In considering whether fair value pricing is required and in determining fair values, the Fund may, among other things, consider significant events (which may be considered to include changes in the value of U.S. securities or securities indices) that occur after the close of the relevant market and before the Fund values its securities. In addition, the Fund may utilize modeling tools provided by third-party vendors to determine fair values of non-U.S. securities. The Fund's use of fair value pricing may help deter "stale price arbitrage."

Valuing securities at fair value involves greater reliance on judgment than valuation of securities based on readily available market quotations. A fund that uses fair value to price securities may value those securities higher or lower than another fund using market quotations or its own fair value methodologies to price the same securities. There can be no assurance that the Fund could obtain the fair value assigned to a security if it were to sell the security at approximately the time at which the Fund determines its net asset value.

The Fund invests, or may invest, in securities that are traded on foreign exchanges or markets, which may be open when the NYSE is closed. As a result, the value of your investment in the Fund may change on days when you are unable to purchase or redeem shares.

### **Customer Identification Program**

To help the government fight the funding of terrorism and money laundering activities, federal law requires the Fund's Transfer Agent to obtain certain personal information from you (or persons acting on your behalf) in order to verify your (or such person's) identity when you open an account, including name, address, date of birth and other information (which may include certain documents) that will allow the Transfer Agent to verify your identity. If this information is not provided, the Transfer Agent may not be able to open your account. If the Transfer Agent is unable to verify your identity (or that of another person authorized to act on your behalf) shortly after your account is opened,

or believes it has identified potentially criminal activity, the Fund, the Distributor and the Transfer Agent each reserve the right to reject further purchase orders from you or to take such other action as they deem reasonable or required by law, including closing your account and redeeming your shares at their NAV at the time of redemption.

## DIVIDENDS AND DISTRIBUTIONS

The Fund normally pays dividends and distributes capital gains, if any, on an annual basis.

Income dividend distributions are derived from interest and other income the Fund receives from its investments and include distributions of short-term capital gains. Capital gain distributions are derived from gains realized when the Fund sells a security it has owned for more than a year.

The Fund may make additional distributions and dividends at other times if the manager believes doing so may be necessary for a Fund to avoid or reduce taxes. Distributions and dividends are reinvested in additional Fund shares unless you instruct the Transfer Agent to have your distributions and/or dividends paid by check mailed to the address of record or transferred through an Automated Clearing House to the bank of your choice. You can change your choice at any time to be effective as of the next distribution or dividend, except that any change given to the Transfer Agent less than five days before the payment date will not be effective until the next distribution or dividend is made.

## TAXES

Except where noted, the discussion below addresses only the U.S. federal income tax consequences of an investment in the Fund and does not address any foreign, state, or local tax consequences.

The Fund intends to meet all requirements under Subchapter M of the Code necessary to qualify for treatment as a “regulated investment company” and thus does not expect to pay any federal income tax on income and capital gains distributed to shareholders. The Fund also intends to meet certain distribution requirements such that the Fund is not subject to federal income tax in general.

### **Taxation of Fund Distributions**

For federal income tax purposes, distributions of investment income are generally taxable as ordinary income. The Fund does not expect a significant portion of its distributions to derive from “qualified dividend income,” which for taxable years beginning before January 1, 2011 would be taxed at favorable rates so long as certain requirements are met. Corporations may be able to take a dividends-received deduction for a portion of income dividends they receive.

Taxes on distributions of capital gains are determined by how long the Fund owned the investments that generated them, rather than how long a shareholder has owned his or her shares. Distributions of net capital gains (that is, the excess of net long-term capital gains over net short-term capital losses) from the sale of investments that the Fund owned for more than one year and that are properly designated by the Fund as capital gain dividends (“Capital Gain Dividends”) will be taxable as long-term capital gains. Distributions of gains from the sale of investments that a Fund owned for one year or less will be taxable as ordinary income.

For taxable years beginning before January 1, 2011, long-term capital gain rates applicable to individuals have been temporarily reduced – in general to 15%, with lower rates applying to taxpayers in the 10% and 15% rate brackets. For more information, see the SAI under “Taxation of Fund Distributions.”

Distributions are taxable whether you receive them in cash or reinvest them in additional shares. If a dividend or distribution is made shortly after you purchase shares of the Fund, while in effect a return of capital to you, the dividend or distribution is taxable. You can avoid this, if you choose, by investing after the Fund has paid a dividend. Investors in tax-advantaged retirement accounts do not need to be concerned about this, since distributions made to shareholders who purchased their shares through such accounts are not taxable.

### **Sale of Fund Shares**

Any gain resulting from the sale or exchange of your shares will generally be subject to tax. Shareholder transactions in the Fund's shares resulting in gains from selling or exchanging shares held for more than one year generally are taxed at capital gain rates, while those resulting from sales or exchanges of shares held for one year or less generally are taxed at ordinary income rates.

### **Taxation of Certain Investments**

The Fund's investments in non-U.S. securities may be subject to foreign withholding or other taxes. In that case, the Fund's yield on those securities would be decreased. Shareholders generally will not be entitled to claim a credit or deduction with respect to foreign taxes, although it is possible that Fund may be able to elect to pass through foreign tax credits or deductions to its shareholders. In addition, the Fund's investments in non-U.S. securities or foreign currencies may increase or accelerate the Fund's recognition of ordinary income and may affect the timing or amount of the Fund's distributions. The Fund may hold securities that are subject to PFIC (Passive Foreign Investment Companies) taxation for federal income tax purposes. For more information, see the SAI under “Taxation of Fund Distributions.”

The Fund may at times buy investments at a discount from the price at which they were originally issued, especially during periods of rising interest rates. For federal income tax purposes, the original issue discount will be included in the Fund's ordinary income, even though payment of that amount is not received until a later time, and will be distributed to shareholders as taxable dividends.

The Fund may also buy investments in the secondary market which are treated as having market discount. Generally, gain recognized on the disposition of such an investment is treated as ordinary income for federal income tax purposes to the extent of the accrued market discount, but the Fund may elect instead to currently include the amount of market discount in its ordinary income even though the Fund does not receive payment of such amount at that time. The Fund's investments in certain debt obligations, mortgage-backed securities, asset-backed securities and derivatives may also cause the Fund to recognize taxable income in excess of the cash generated by such obligations. Thus, the Fund could be required at times to liquidate other investments in order to satisfy its distribution requirements, potentially increasing the amount of Capital Gain Distributions made to shareholders.

### **Non-U.S. Shareholders**

Capital Gain Dividends will not be subject to withholding. In general, dividends other than Capital Gain Dividends paid to a shareholder that is not a "U.S. person" within the meaning of the Code (such shareholder, a "foreign person") are subject to withholding of U.S. federal income tax at a rate of 30% (or lower applicable treaty rate). However, effective for taxable years of the Fund beginning before January 1, 2008, the Fund generally will not be required to withhold any amounts with respect to distributions of (i) U.S.-source interest income that would not be subject to U.S. federal income tax if earned directly by an individual foreign person, and (ii) net short-term capital gains in excess of net long-term capital losses, in each case to the extent such distributions are properly designated by the Fund. The Fund does not presently intend to make such designations.

### **Backup Withholding**

The Fund is also required in certain circumstances to apply backup withholding on taxable dividends, redemption proceeds and certain other payments that are paid to any shareholder (including a shareholder who is neither a citizen nor a resident of the U.S.) who does not furnish the Fund certain information and certifications or who is otherwise subject to backup withholding. The backup withholding tax rate is 28% for amounts paid through on or before December 31, 2010 and will be 31% for amounts paid after December 31, 2010. Backup withholding will not, however, be applied to payments that have been subject to the 30% withholding tax on shareholders who are neither citizens nor residents of the United States.

You should consult your tax adviser for more information on your own tax situation, including possible federal, state or local taxes.

## **FINANCIAL HIGHLIGHTS**

Because the Fund has not yet commenced operations as of the date of this Prospectus, there are no financial highlights for the Fund.

## PRIVACY POLICY

The Fund collects nonpublic personal information about its customers<sup>(1)</sup> from the following sources:

- » Account Applications and other forms, which may include a customer's name, address, social security number and information about a customer's investment goals and risk tolerance;
- » Account History, including information about the transactions and balances in a customer's account; and
- » Correspondence, written or telephonic, between a customer and the Fund or service providers to the Fund.

The Fund will not release information about its customers or their accounts unless one of the following conditions is met:

- » Prior written consent is received;
- » The Fund believes the recipient to be the Fund customer or the customer's authorized representative; or
- » The Fund is required by law to release information to the recipient.

The Fund does not give or sell information about its customers or their fund accounts to any other company, individual or group.

The Fund will only use information about its customers and their accounts to attempt to better serve their investment needs or to suggest services or educational materials that may be of interest to them.

The Fund restricts access to nonpublic personal information about customers to those employees who need to know that information in order to provide products or services. The Fund may also share personal information with companies that it hires to provide support services. When the Fund shares personal information with service providers, it protects that personal information with a strict confidentiality agreement. The Fund also maintains reasonable physical, electronic and procedural safeguards that comply with federal standards to protect against unauthorized access to and properly dispose of customers' nonpublic personal and consumer information.

The Fund will adhere to the policies and practices described in this notice for current and former shareholders of the Fund.

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<sup>(1)</sup> For purposes of this notice, the terms "customer" or "customers" includes both shareholders of the Fund and individuals who provide nonpublic personal information to the Fund, but do not invest in Fund shares.



## ADDITIONAL INFORMATION ABOUT THE FUND

### **Shareholder Reports**

Annual and semi-annual reports to shareholders provide additional information about the Fund's investments. These reports discuss the market conditions and investment strategies that significantly affected the Fund's performance during its last fiscal year.

### **Statement of Additional Information**

The statement of additional information provides more detailed information about the Fund. It is incorporated by reference into (is legally a part of) this Prospectus.

The Fund sends only one report to a household if more than one account has the same address. Contact the Transfer Agent if you do not want this policy to apply to you.

### **How to Obtain Additional Information**

You can obtain shareholder reports or the statement of additional information (without charge), make inquiries or request other information about the Fund by contacting the Transfer Agent at 866.759.5679, by writing the Fund at P.O. Box 44386, Denver, CO, 80201, or by calling your financial consultant. This information is also available free of charge on the Fund's website at [www.alpsfunds.com](http://www.alpsfunds.com).

You can also review the Fund's shareholder reports, prospectus and statement of additional information at the Securities and Exchange Commission's Public Reference Room in Washington, D.C. You can get copies of these materials after paying a fee by electronic request at the following e-mail address: [publicinfo@sec.gov](mailto:publicinfo@sec.gov), or by writing to the Public Reference Section of the Commission, Washington, D.C. 20549-0102. Information about the public reference room may be obtained by calling 202.551.8090. You can get the same reports and information free from the EDGAR Database on the Commission's Internet web site at <http://www.sec.gov>.

If someone makes a statement about the Fund that is not in this Prospectus, you should not rely upon that information. Neither the Fund nor the Distributor is offering to sell shares of the Fund to any person to whom the Fund may not lawfully sell their shares.