

GRATIO VALUES FUND

GRVLX

PROSPECTUS

June 1, 2010



Advised by:
Gratio Capital
155 Water Street
Brooklyn, New York 10201
1-877-254-7284

www.gratiofunds.com

This Prospectus provides important information about the Fund that you should know before investing. Please read it carefully and keep it for future reference.

These securities have not been approved or disapproved by the Securities and Exchange Commission nor has the Securities and Exchange Commission passed upon the accuracy or adequacy of this Prospectus. Any representation to the contrary is a criminal offense.

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FUND SUMMARY

Investment Objective: The Fund seeks long-term capital appreciation.

Fees and Expenses of the Fund: The following table describes the fees and expenses that you may pay if you buy and hold shares of the Fund.

Shareholder Fees (fees paid directly from your investment)	
Maximum Sales Charge (Load) Imposed On Purchases (as a percentage of offering price)	None
Maximum Deferred Sales Charge (Load) (as a percentage of offering price)	None
Maximum Sales Charge (Load) Imposed on Reinvested Dividends and other Distributions	None
Redemption Fee	None
Annual Fund Operating Expenses (expenses that you pay each year as a percentage of your investment)	
Management Fee	1.15%
Distribution (12b-1) and Shareholder Servicing Fees	0.25%
Other Expenses	83.51%
Acquired Fund Fees and Expenses (1)	0.05%
Total Annual Fund Operating Expenses	84.96%
Fee Waivers and Expense Reimbursements (2)	(83.56)%
Total Annual Fund Operating Expenses After Fee Waiver and Reimbursement	1.40%

(1) Acquired Fund Fees and Expenses are the indirect costs of investing in other investment companies. The operating expenses in this fee table will not correlate to the expense ratio in the Fund's financial highlights because the financial statements include only the direct operating expenses incurred by the Fund.

(2) The Fund's advisor has contractually agreed to waive its fees and/or reimburse expenses to cap Fund expenses at 1.35% until May 31, 2011, and 3.00% until May 31, 2020. This agreement maybe terminated by the Fund's Board of Trustees on 60 days written notice to the advisor.

Example: This example is intended to help you compare the cost 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 and that the Fund's operating expenses remain the same. Although your actual costs may be higher or lower, based upon these assumptions your costs would be:

1 Year	3 Years	5 Years	10 Years
\$143	\$787	1,457	\$3,249

Portfolio Turnover: The Fund pays transaction costs, such as commissions, when it buys and sells securities (or "turns over" its portfolio). A higher portfolio turnover may indicate higher transaction costs

and may result in higher taxes when Fund shares are held in a taxable account. These costs, which are not reflected in annual fund operating expenses or in the Example, affect the Fund's performance. During the most recent fiscal year, the Fund's portfolio turnover rate was 122% of the average value of its portfolio.

Principal Investment Strategies: The Fund's investment advisor, Gratio Capital (the "Advisor"), pursues the Fund's investment objective by investing primarily in common stocks it believes are both undervalued and pass its socially responsible investment screen. The Advisor selects common stocks from any stock exchange in the United States (the "Universe"). **However, the Advisor screens out businesses that derive more than 25% of their revenue directly from alcohol, tobacco, firearms or adult entertainment.**

The Advisor seeks undervalued common stocks using a blended investment style composed of its "passive" sub-strategy and its "active" sub-strategy. The Advisor's passive strategy is not passive in the classical buy and hold sense, but rather an expression of a formula-driven approach that does not rely entirely upon a portfolio manager's intuitive judgment. Under the passive sub-strategy, the Advisor selects common stocks using pre-determined fundamental criteria applied to the Universe reduced by (i) socially responsible investment screening, (ii) companies with capitalization below \$150 million, (iii) utilities, and (iv) financial companies. The fundamental metrics used for evaluating the remaining Universe of companies are:

- o *High return on invested capital* (pre-tax earnings/(net working capital and net fixed assets)).
- o *High earnings yield* (pre-tax earnings/common stock market capitalization and debt and minority interest and preferred shares less cash).

The Advisor believes the formula identifies companies that are both good businesses (based on a high return on invested capital) and have bargain stock prices (based on high earnings yield). From the top 100 companies identified by the formula, the Advisor selects the top twenty to fifty stocks, further screening out those it believes are flawed based on other fundamental or underlying criteria. A security may be flawed if the Advisor believes that the company's past earnings are no longer attainable, the debt-assets ratio is too high, competitive position is eroding or industry dynamics are unfavorable. Under usual circumstances, 50% to 80% of the Fund's investments, excluding cash balances, are selected using the passive sub-strategy.

Under the active sub-strategy, common stocks are selected from the Universe, reduced by socially responsible investment screens, and at the portfolio manager's discretion based on a favorable view of the overall risk/reward profile. Typically, this active portion of the portfolio will be allocated toward prospects and situations that are viewed as opportunistic. These opportunities may be either in domestic or foreign securities traded on a U.S. stock exchange. As part of the active strategy, the Advisor may, in response to market, economic, political or other conditions, invest strategically and for defensive purposes to reduce risk.

The Fund is non-diversified, which means that it can invest a greater percentage of its assets in any one issuer than a diversified fund. Generally, the Advisor buys common stocks that it believes meet its screens and are undervalued or opportunistic and sells them when it believes they are no longer undervalued or a company-specific opportunity has reached its conclusion.

Principal Investment Risk: As with all mutual funds, there is the risk that you could lose money through your investment in the Fund. Many factors affect the Fund's net asset value and performance.

- *Management Risk.* The ability of the Fund to meet its investment objective is directly related to the ability of the Advisor to successfully identify common stocks that are undervalued using its passive and active sub-strategies. The Advisor's assessment and identification of undervalued common stocks may prove to be incorrect and there is no guarantee that the Advisor's strategy will produce the desired results.
- *Non-Diversification Risk.* The Fund is a non-diversified investment company, which makes the value of the Fund's shares more susceptible to certain risks than shares of a diversified investment company. The Fund has a greater potential to realize losses upon the occurrence of adverse events affecting a particular issuer.
- *Stock Market Risk.* Stock markets can be volatile. In other words, the prices of stocks can fall rapidly in response to developments affecting a specific company or industry, or to changing economic, political or market conditions. The Fund's investments may decline in value if the stock markets perform poorly.
- *Small and Medium Size Company Risk.* The value of a small or medium capitalization company stocks may be subject to more abrupt or erratic market movements than those of larger, more established companies or the market averages in general.

Performance: The bar chart and performance table below show the variability of the Fund's returns, which is some indication of the risks of investing in the Fund. The bar chart shows performance of the Fund's shares for each full calendar year since the Fund's inception. The performance table compares the performance of the Fund over time to the performance of a broad-based securities market index. You should be aware that the Fund's past performance (before and after taxes) may not be an indication of how the Fund will perform in the future. Updated performance information is available at no cost by calling 1-877-254-7284.

Performance Bar Chart For Calendar Year Ended December 31, 2009



The Fund's return from January 1, 2010 to March 31, 2010 was 7.37%.

Best Quarter: 2nd Quarter 2009 25.67%
Worst Quarter: 1st Quarter 2009 (3.23)%

Performance Table
Average Annual Total Returns
(For periods ended December 31, 2009)

	<i>One Year</i>	<i>Since Inception ⁽¹⁾</i>
Return before taxes	43.92%	8.28%
Return after taxes on distributions	41.63%	7.35%
Return after taxes on distributions and sale of Fund shares	28.82%	6.58%
S&P 500 [®] Index ⁽²⁾	26.46%	(8.41)%

(1) The inception date of the Fund is February 25, 2008.

(2) The S&P 500[®] Index is an unmanaged market capitalization-weighted index of 500 of the largest capitalized U.S. domiciled companies. Index returns assume reinvestment of dividends. Unlike the Fund's returns, however, they do not reflect any fees or expenses. An investor cannot invest directly in an index.

After-tax returns are calculated using the highest historical individual federal marginal income tax rate and do not reflect the impact of state and local taxes. Actual after-tax returns depend on a shareholder's tax situation and may differ from those shown. The after-tax returns are not relevant if you hold your Fund shares in tax-deferred arrangements, such as 401(k) plans or individual retirement accounts ("IRA").

Investment Advisor: Gratio Capital, Inc. is the Fund's investment advisor.

Investment Advisor Portfolio Manager: Rimmy Malhotra, Managing Partner of the Advisor, has managed the Fund since its inception in February 2008.

Purchase and Sale of Fund Shares: You may purchase and redeem shares of the Fund on any day that the New York Stock Exchange is open for trading. The minimum initial investment in the Fund is \$2,500 for regular accounts (\$1,000 for retirement plans and automatic investment plans) and the minimum subsequent investment is \$100. Redemption requests may be made in writing, by telephone, or through a financial intermediary.

Tax Information: Dividends and capital gain distributions you receive from the Fund, whether you reinvest your distributions in additional Fund shares or receive them in cash, are taxable to you at either ordinary income or capital gains tax rates unless you are investing through a tax-deferred plan such as an IRA or 401(k) plan.

Payments to Broker-Dealers and Other Financial Intermediaries: If you purchase the Fund through a broker-dealer or other financial intermediary (such as a bank), the Fund and its related companies may pay the intermediary for the sale of Fund shares and related services. These payments may create a conflict of interest by influencing the broker-dealer or other intermediary and your salesperson to recommend the Fund over another investment. Ask your salesperson or visit your financial intermediary's website for more information.

ADDITIONAL INFORMATION ABOUT PRINCIPAL INVESTMENT STRATEGIES AND RELATED RISKS

Investment Objective: The Fund seeks long-term capital appreciation. The Fund's investment objective is a non-fundamental policy and may be changed upon 60 days written notice to shareholders.

Principal Investment Strategies: The Fund's investment advisor, Gratio Capital (the "Advisor"), pursues the Fund's investment objective by investing primarily in common stocks it believes are both undervalued and pass its socially responsible investment screen. The Advisor selects common stocks from any stock exchange in the United States (the "Universe"). **However, the Advisor screens out businesses that derive more than 25% of their revenue directly from alcohol, tobacco, firearms or adult entertainment.**

The Advisor seeks undervalued common stocks using a blended investment style composed of its "passive" sub-strategy and its "active" sub-strategy. The Advisor's passive strategy is not passive in the classical buy and hold sense, but rather an expression of a formula-driven approach that does not rely entirely upon a portfolio manager's intuitive judgment. Under the passive sub-strategy, the Advisor selects common stocks using pre-determined fundamental criteria applied to the Universe reduced by (i) socially responsible investment screening, (ii) companies with capitalization below \$150 million, (iii) utilities and (iv) financial companies.

The fundamental metrics used for evaluating the remaining Universe of companies are:

- *High return on invested capital* ("ROIC"): The criteria the Advisor employs arrives at return on capital by calculating the ratio of pre-tax earnings to tangible capital employed (Net Working Capital and Net Fixed Assets).
- *High earnings yield*: The formula arrives at earnings yield by calculating the ratio of pre-tax earnings ("EBIT") to *enterprise value*. *Enterprise Value* is a measure of the overall value of a business, generally defined as the market capitalization of the company plus debt, minority interest and preferred shares, minus total excess cash and cash equivalents.

In plain English, the formula screens for good businesses (ROIC) selling at bargain prices (attractive earnings yield). The end result is that all potential investments are ranked based on these two criteria. Those equities that, based on the combined ranking, are in the top 100 of all stocks analyzed, are set aside. From these, the portfolio manager then selects the top twenty to fifty stocks, screening out those that do not meet the Fund's criteria for social responsibility (more than 25% of revenue directly from alcohol, tobacco, firearms or adult entertainment), or those that the Advisor believes are flawed based on other fundamental or underlying criteria. A security may be flawed if the Advisor believes that the company's past earnings are no longer attainable or are not indicative of its long-term earnings potential. A security may also be flawed if the Advisor believes the company's debt-asset ratio is too high. Other factors such as the company's competitive position or changes in industry dynamics may make a security undesirable as well. The Advisor only applies the passive strategy to U.S. domestic equities. Under usual circumstances, 50% to 80% of the Fund's investments, excluding cash, are selected using the passive sub-strategy.

Under the active sub-strategy, common stocks are selected from the Universe, reduced by socially responsible investment screens, and at the portfolio manager's discretion based on a favorable view of the overall risk/reward profile. Typically, this active portion of the portfolio will be allocated toward prospects and situations that are viewed as opportunistic. These opportunities may be either in domestic or foreign securities. As part of the active strategy, the Advisor may, in response to market, economic, political or other conditions, invest strategically and for defensive purposes to reduce risk. The investment of the active sub-strategy portion of the Fund's portfolio, encompassing the balance of the Fund's assets at the time of any portfolio re-balancing, includes investments made at the portfolio manager's discretion based on a favorable view of the overall risk/reward profile of an investment. These opportunities may be either in domestic or foreign securities. As part of the active strategy, the Advisor may, in response to market, economic, political or other conditions, invest strategically and for defensive purposes to reduce risk.

The Fund is non-diversified, which means that it can invest a greater percentage of its assets in any one issuer than a diversified fund. Generally, the Advisor buys common stocks that it believes meet its screens and are undervalued or opportunistic and sells them when it believes they are no longer undervalued or a company-specific opportunity has reached its conclusion. The Advisor generally looks at a one-year investment horizon when initially committing to an equity position and a three-to-five year horizon for the strategy in general. The Fund generally seeks to hold a portfolio of U.S. common stocks of companies traded on any stock exchange in the United States but may look to foreign securities for the active portion of the portfolio. While it may include micro-, small-, mid- and large-cap sectors, given the Fund's strategy of seeking "undiscovered" investment opportunities, it is possible and likely that a majority of holdings will come from the small cap arena. The Fund's Advisor will select these value equity securities based on the semi-mechanical strategy previously espoused.

As the Fund's overall strategy is focused on value, and because the Fund is non-diversified, the Fund will likely hold a less diversified grouping of securities than typically held by most conventional mutual funds. Because many of the "undiscovered" companies sought by the Fund are classified as small-cap, it is likely that a majority of the Fund's holdings at any given time will come from this area.

Principal Investment Risks:

- *Management Risk.* The net asset value of the Fund changes daily based on the performance of the securities in which it invests. The ability of the Fund to meet its investment objective is directly related to the ability of the Advisor to successfully identify common stocks that are undervalued using its passive and active sub-strategies. The Advisor's assessment and identification of undervalued common stocks may prove to be incorrect and there is no guarantee that the Advisor's strategy will produce the desired results.
- *Non-Diversification Risk.* The Fund is a non-diversified investment company, which makes the value of the Fund's shares more susceptible to certain risks than shares of a diversified investment company. The Fund has a greater potential to realize losses upon the occurrence of adverse events affecting a particular issuer. As a non-diversified fund, the Fund may invest greater than 5% of its total assets in the securities of one or more issuers. Because a relatively high percentage of the assets of the Fund may be invested in the securities of a limited number of issuers, the value of shares of the Fund may be more sensitive to any single economic, business,

political or regulatory occurrence than the value of shares of a diversified investment company. This fluctuation, if significant, may affect the performance of the Fund.

- *Stock Market Risk.* Stock markets can be volatile. In other words, the prices of stocks can fall rapidly in response to developments affecting a specific company or industry, or to changing economic, political or market conditions. The Fund's investments may decline in value if the stock markets perform poorly. Stock prices in general may decline over short or even extended periods of time. Market prices of stocks in broad market segments may be adversely affected by a prominent issuer having experienced losses or by the lack of earnings or such an issuer's failure to meet the market's expectations with respect to new products or services, or even by factors wholly unrelated to the value or condition of the issuer, such as changes in interest rates.
- *Small and Medium Size Company Risk.* The value of small or medium capitalization company stocks may be subject to more abrupt or erratic market movements than those of larger, more established companies or the market in general. These companies may have narrower markets, limited product lines, fewer financial resources, and they may be dependent on a limited management group. Investing in lesser-known, small and medium capitalization companies involves greater risk of volatility of the Fund's net asset value than is customarily associated with larger, more established companies. Often smaller and medium capitalization companies and the industries in which they are focused are still evolving and, while this may offer better growth potential than larger, more established companies, it also may make them more sensitive to changing market conditions.

Temporary Investments: To respond to adverse market, economic, political or other conditions, the Fund may invest 100% of its total net assets, without limitation, in high-quality short-term debt securities and money market instruments. These short-term debt securities and money market instruments include shares of other mutual funds, commercial paper, certificates of deposit, bankers' acceptances, U.S. Government securities and repurchase agreements. While the Fund is in a defensive position, the opportunity to achieve its investment objective will be limited. Furthermore, to the extent that a Fund invests in money market mutual funds for its cash position, there will be some duplication of expenses because the Fund would bear its pro rata portion of such money market funds' advisory fees and operational fees.

Portfolio Holdings Disclosure: A description of the Fund's policies regarding the release of portfolio holdings information is available in the Fund's Statement of Additional Information. The Fund will post a complete list of its holdings on the Advisor's website at www.gratiofunds.com sixty (60) days after each month end. Shareholders may request portfolio holdings schedules at no charge by calling 1-877-254-7284.

Management

Investment Advisor: Gratio Capital, Inc. is located at 155 Water Street, Brooklyn, New York 11201 (the "Advisor"). The Advisor was established in 2006 for the purpose of managing mutual fund assets and individual accounts. The Advisor manages individual accounts with the aim of preserving capital and creating wealth.

The Advisor has overall supervisory responsibility for the general management and investment of the Fund and its securities portfolio. Under an Investment Advisory Agreement, the Advisor manages the

Fund's investments and business affairs, subject to the supervision of the Board of Trustees. The Advisor is responsible for selecting the Fund's investments according to the Fund's investment objective, policies, and restrictions.

Pursuant to the Investment Advisory Agreement, the Fund pays the Advisor, on a monthly basis, an annual advisory fee of 1.15% of the Fund's average daily net assets. The Investment Advisory Agreement provides that the Advisor will furnish continuous investment advisory and other management and administrative services to the Fund. A discussion regarding the basis for the Board's renewal of the Investment Advisory Agreement is available in the Fund's annual shareholder report dated January 31st, 2010. During the fiscal year ended January 31, 2010, the Advisor earned management fees equal to 1.15% of the average net assets of the Fund and 0.00% net of waivers.

The Advisor has agreed contractually to waive its investment advisory fee and to reimburse expenses, (exclusive of any front-end or contingent deferred loads, taxes, leverage interest, brokerage commissions, expenses incurred in connection with any merger or reorganization, dividend expense on securities sold short, acquired fund fees and expenses and extraordinary expenses such as litigation), at least until May 31, 2011, such that the total annual fund operating expenses do not exceed 1.35% of average daily net assets, or 3.00% adjusted annually of the average daily net assets through May 31, 2020. Any fees waived or expenses reimbursed by the Advisor are subject to possible recoupment from the Fund in future years on a rolling three year basis (within three years after the fees have been waived or reimbursed) if such recoupment can be achieved within the foregoing expense limits. Fee waiver and reimbursement arrangements can decrease a Fund's expenses and boost its performance.

Investment Advisor Portfolio Manager: Rimmy Malhotra is primarily responsible for the day-to-day management of the Fund and for oversight of the Fund's investment selection process. He is Managing Partner of the Advisor and has managed the Fund since its inception in February 2008. Mr. Malhotra came to Gratio Capital in September, 2006. Before coming to Gratio Capital, Mr. Malhotra was an equity analyst at a New York City hedge fund since July, 2004. Prior to that engagement, he completed his MBA from The Wharton School focusing in Finance, as well as an MA in International Relations from the Lauder Institute at The University of Pennsylvania's School of Arts and Sciences from May, 2002 to May, 2004. Mr. Malhotra spent nearly three years as a Peace Corps volunteer in Costa Rica beginning in June, 1999 until February, 2002. He was at the Citigroup Private Bank between June 1997 and June 1999. Mr. Malhotra is a 1997 graduate of Johns Hopkins, from where he has a B.S. in Computer Science and a B.A. in Economics.

The Fund's Statement of Additional Information provides additional information about the portfolio manager's compensation structure, other accounts managed by the portfolio manager, and the portfolio manager's ownership of Fund shares.

HOW SHARES ARE PRICED

Shares of the Fund are sold at net asset value ("NAV"). The NAV of the Fund is determined at 4:00 p.m. (Eastern Time) on each day the New York Stock Exchange ("NYSE") is open for business and will be computed by determining the aggregate market value of all assets of the Fund less its liabilities divided by the total number of shares outstanding. The NYSE is closed on weekends and New Year's Day, Martin Luther King, Jr. Day, Washington's Birthday, Good Friday, Memorial Day, Independence Day, Labor Day,

Thanksgiving Day and Christmas Day.. The NAV is determined by dividing the value of the Fund's securities, cash and other assets, minus all expenses and liabilities, by the number of shares outstanding. The NAV takes into account the expenses and fees of the Fund, including management, administration, and distribution fees, which are accrued daily. The determination of NAV for a particular day is applicable to all applications for the purchase of shares, as well as all requests for the redemption of shares, received by the Fund (or an authorized broker or agent, or its authorized designee) before the close of trading on the NYSE on that day.

Generally, securities are valued each day at the last quoted sales price on each security's principal exchange. Securities traded or dealt in on one or more securities exchanges (whether domestic or foreign) for which market quotations are readily available and not subject to restrictions against resale shall be valued at the last quoted sales price on the primary exchange or, in the absence of a sale on the primary exchange, at the last bid on the primary exchange. Securities primarily traded in the National Association of Securities Dealers' Automated Quotation System ("NASDAQ") National Market System for which market quotations are readily available shall be valued using the NASDAQ Official Closing Price. If market quotations are not readily available, securities will be valued at their fair market value as determined in good faith by the advisor or sub-advisor in accordance with procedures approved by the Board, and evaluated by the Board quarterly as to the reliability of the fair value method used. In these cases, the Fund's NAV will reflect certain portfolio securities' fair value rather than their market price. Fair value pricing involves subjective judgments and it is possible that the fair value determined for a security is materially different than the value that could be realized upon the sale of that security. The fair value prices can differ from market prices when they become available or when a price becomes available.

The Fund may use independent pricing services to assist in calculating the value of the Fund's securities. In addition, market prices for foreign securities are not determined at the same time of day as the NAV for the Fund. In computing NAV of the Fund, the Advisor values foreign securities held by the Fund at the latest closing price on the exchange in which they are traded immediately prior to closing of the NYSE. Prices of foreign securities quoted in foreign currencies are translated into U.S. dollars at current rates. If events materially affecting the values of a Fund's securities, particularly foreign securities, occur after the close of trading on a foreign market but before the Fund prices its shares, the securities will be valued at fair value. For example, if trading in a portfolio security is halted and does not resume before the Fund calculates its NAV, the Advisor may need to price the security using the Fund's fair value pricing guidelines. Without a fair value price, short-term traders could take advantage of the arbitrage opportunity and dilute the NAV of long-term investors. Fair valuation of the Fund's portfolio securities can serve to reduce arbitrage opportunities available to short-term traders, but there is no assurance that fair value pricing policies will prevent dilution of the Fund's NAV by short term traders.

HOW TO PURCHASE SHARES

Purchasing Shares: You may purchase shares of the Fund by sending a completed application form to the following address by either regular or overnight mail:

The Gratio Values Fund
c/o Gemini Fund Services, LLC
4020 South 147th Street, Suite 2
Omaha, Nebraska 68137

The USA PATRIOT Act requires financial institutions, including the Fund, to adopt certain policies and programs to prevent money-laundering activities, including procedures to verify the identity of customers opening new accounts. As requested on the application, you should supply your full name, date of birth, social security number and permanent street address. Mailing addresses containing a P.O. Box will not be accepted. This information will assist the Fund in verifying your identity. Until such verification is made, the Fund may temporarily limit additional share purchases. In addition, the Fund may limit additional share purchases or close an account if it is unable to verify a shareholder's identity. As required by law, the Fund may employ various procedures, such as comparing the information to fraud databases or requesting additional information or documentation from you, to ensure that the information supplied by you is correct.

Purchase through Brokers: You may invest in the Fund through brokers or agents who have entered into selling agreements with the Fund's distributor. These brokers and agents are authorized to designate other intermediaries to receive purchase and redemption orders on behalf of the Fund. The Fund will be deemed to have received a purchase or redemption order when an authorized broker or its designee receives the order. The broker or agent may set its own initial and subsequent investment minimums. You may be charged a fee if you use a broker or agent to buy or redeem shares of the Fund. Finally, various servicing agents use procedures and impose restrictions that may be in addition to, or different from those applicable to investors purchasing shares directly from the Fund. You should carefully read the program materials provided to you by your servicing agent.

Purchase by Wire: If you wish to wire money to make an investment in the Fund, please call the Fund at 1-877-254-7284 for wiring instructions and to notify the Fund that a wire transfer is coming. Any commercial bank can transfer same-day funds via wire. The Fund will normally accept wired funds for investment on the day received if they are received by the Fund's designated bank before the close of regular trading on the NYSE. Your bank may charge you a fee for wiring same-day funds.

Automatic Investment Plan: You may participate in the Fund's Automatic Investment Plan, an investment plan that automatically debits money from your bank account and invests it in the Fund through the use of electronic funds transfers or automatic bank drafts. You may elect to make subsequent investments by transfers of a minimum of \$50 on specified days of each month into your established Fund account. Please contact the Fund at 1-877-254-7284 for more information about the Fund's Automatic Investment Plan.

Minimum and Additional Investment Amounts: The minimum initial investment to open an account is \$2,500 for regular accounts and \$1,000 for retirement plans and automatic investment plans. The minimum subsequent investment is \$100. Lower minimum initial and additional investments may also be applicable in certain other circumstances, including purchases by certain tax deferred retirement programs. There is no minimum investment requirement when you are buying shares by reinvesting dividends and distributions from the Fund.

The Fund, however, reserves the right, in its sole discretion, to reject any application to purchase shares. Applications will not be accepted unless they are accompanied by a check drawn on a U.S. bank, savings and loan, or credit union in U.S. funds for the full amount of the shares to be purchased. After you open an account, you may purchase additional shares by sending a check together with written instructions stating the name(s) on the account and the account number, to the above address. Make all checks

payable to "**The Gratio Values Fund.**" The Fund will not accept payment in cash, including cashier's checks or money orders. Also, to prevent check fraud, the Fund will not accept third party checks, U.S. Treasury checks, credit card checks or starter checks for the purchase of shares.

Note: Gemini Fund Services, LLC ("GFS" or "Transfer Agent"), the Fund's transfer agent, will charge a \$25 fee against a shareholder's account, in addition to any loss sustained by the Fund, for any payment check returned to the Transfer Agent for insufficient funds.

When Order is Processed: All shares will be purchased at the NAV per share next determined after the Fund receives your application or request in good order. All requests received in good order by the Fund before 4:00 p.m. (Eastern time) will be executed on that same day. Requests received after 4:00 p.m. will be processed on the next business day.

Good Order: When making a purchase request, make sure your request is in good order. "Good order" means your purchase request includes:

- the name of the Fund
- the dollar amount of shares to be purchased
- a completed purchase application or investment stub
- check payable to "The Gratio Values Fund"

Retirement Plans: You may purchase shares of the Fund for your individual retirement plans. Please call the Fund at 1-877-254-7284 for the most current listing and appropriate disclosure documentation on how to open a retirement account.

HOW TO REDEEM SHARES

Redemption Shares: You may redeem all or any portion of the shares credited to your accounts by submitting a written request for redemption to:

Regular/Express/Overnight Mail

The Gratio Values Fund
c/o Gemini Fund Services, LLC
4020 South 147th Street, Suite 2
Omaha, Nebraska 68137

Redeeming by Telephone: The telephone redemption privilege is automatically available to all new accounts except retirement accounts. If you do not want the telephone redemption privilege, you must indicate this in the appropriate area on your account application or you must write to the Fund and instruct it to remove this privilege from your account.

The proceeds will be sent by mail to the address designated on your account or wired directly to your existing account in any commercial bank or brokerage firm in the United States as designated on your

application. To redeem by telephone, call 1-877-254-7284. The redemption proceeds normally will be sent by mail or by wire within three business days after receipt of your telephone instructions. IRA accounts are not redeemable by telephone.

The Fund reserves the right to suspend the telephone redemption privileges with respect to your account if the name(s) or the address on the account has been changed within the previous 30 days. Neither the Fund, GFS, nor their respective affiliates will be liable for complying with telephone instructions they reasonably believe to be genuine or for any loss, damage, cost or expenses in acting on such telephone instructions and you will be required to bear the risk of any such loss. The Fund or GFS, or both, will employ reasonable procedures to determine that telephone instructions are genuine. If the Fund and/or GFS do not employ these procedures, they may be liable to you for losses due to unauthorized or fraudulent instructions. These procedures may include, among others, requiring forms of personal identification prior to acting upon telephone instructions, providing written confirmation of the transactions and/or tape recording telephone instructions.

Redeeming through Broker: If shares of the Fund are held by a broker-dealer, financial institution or other servicing agent, you must contact that servicing agent to redeem shares of the Fund. The servicing agent may charge a fee for this service.

Redemptions by Wire: If you request your redemption by wire transfer, you will be required to pay a \$15.00 wire transfer fee to GFS to cover costs associated with the transfer but GFS does not charge a fee when transferring redemption proceeds by electronic funds transfer. In addition, your bank may impose a charge for receiving wires.

Systematic Withdrawal Plan: If your individual accounts, IRA or other qualified plan account have a current account value of at least \$50,000, you may adopt a Systematic Withdrawal Plan to provide for monthly, quarterly or other periodic checks for any designated amount of \$500 or more. If you wish to open a Systematic Withdrawal Plan, please indicate on your application or contact the Fund at 1-877-254-7284.

Redemptions in Kind: The Fund reserves the right to honor requests for redemption or repurchase orders by making payment in whole or in part in readily marketable securities ("redemption in kind") if the amount of such a request is greater than \$250,000 or 1% of the Fund's assets. The securities will be chosen by the Fund and valued using the Fund's NAV procedures. A shareholder may incur transaction expenses in converting these securities to cash.

When Redemptions are Sent: Once the Fund receives your redemption request in "good order" as described below, it will issue a check based on the next determined NAV following your redemption request. If you purchase shares using a check and soon after request a redemption, your redemption will not be processed until the check for your purchase has cleared (usually within 10 days).

Good Order

Your redemption request will be processed if it is in "good order." To be in good order, the following conditions must be satisfied:

- o The request should be in writing, indicating the number of shares or dollar amount to be redeemed;

- o The request must identify your account number;
- o The request should be signed by you and any other person listed on the account, exactly as the shares are registered; and
- o If you request the redemption proceeds to be sent to a person, bank or an address other than that of record, or if the proceeds of a requested redemption exceed \$50,000, the signature(s) on the request must be medallion signature guaranteed by an eligible signature guarantor.

When You Need Medallion Signature Guarantees

If you wish to change the bank or brokerage account that you have designated on your account, you may do so at any time by writing to the Fund with your signature guaranteed. A medallion signature guarantee assures that a signature is genuine and protects you from unauthorized account transfers. You will need your signature guaranteed if:

- o you wish to change the bank or brokerage account that you have designated on your account;
- o you request a redemption to be made payable to a person not on record with the Fund;
- o you request that a redemption be mailed to an address other than that on record with the Fund;
- o the proceeds of a requested redemption exceed \$50,000;
- o any redemption is transmitted by federal wire transfer to a bank other than the bank of record; or
- o your address was changed within 30 days of your redemption request.

Signatures may be guaranteed by any eligible guarantor institution (including banks, brokers and dealers, credit unions, national securities exchanges, registered securities associations, clearing agencies and savings associations) or by completing a supplemental telephone redemption authorization form. Contact the Fund to obtain this form. Further documentation will be required to change the designated account if shares are held by a corporation, fiduciary or other organization. *A notary public cannot guarantee signatures.*

Retirement Plans: If you own an IRA or other retirement plan, you must indicate on your redemption request whether the Trust should withhold federal income tax. Unless you elect in your redemption request that you do not want to have federal tax withheld, the redemption will be subject to withholding.

Low Balances: If at any time your account balance falls below \$1,000 (\$500 for retirement accounts), the Fund may notify you that, unless the account is brought up to at least \$1,000 (\$500 for retirement accounts) within 60 days of the notice, your account could be closed. After the notice period, the Fund may redeem all of your shares and close your account by sending you a check to the address of record. Your account will not be closed if the account balance drops below \$1,000 (\$500 for retirement accounts) due to a decline in NAV.

FREQUENT PURCHASES AND REDEMPTIONS OF FUND SHARES

The Fund discourages and does not accommodate market timing. Frequent trading into and out of the Fund can harm all Fund shareholders by disrupting the Fund's investment strategies, increasing Fund expenses, decreasing tax efficiency, and diluting the value of shares held by long-term shareholders. To the extent that the Fund significantly invests in small and micro capitalization securities, because these securities are often infrequently traded, investors may seek to trade Fund shares in an effort to benefit from their understanding of the value of these securities (referred to as price arbitrage). Any such frequent trading strategies may interfere with efficient management of the Fund's portfolio to a greater degree than funds that invest in highly liquid securities, in part because the Fund may have difficulty selling these portfolio securities at advantageous times or prices to satisfy large and/or frequent redemption requests. Any successful price arbitrage may also cause dilution in the value of Fund shares held by other shareholders. The Fund is designed for long-term investors and is not intended for market timing or other disruptive trading activities. Accordingly, the Fund's Board has approved policies that seek to curb these disruptive activities while recognizing that shareholders may have a legitimate need to adjust their Fund investments as their financial needs or circumstances change.

The Fund reserves the right to reject or restrict purchase or exchange requests for any reason, particularly when the shareholder's trading activity suggests that the shareholder may be engaged in market timing or other disruptive trading activities. Neither the Fund nor the Advisor will be liable for any losses resulting from rejected purchase or exchange orders. The Advisor may also bar an investor who has violated these policies (and the investor's financial advisor) from opening new accounts with the Fund.

Although the Fund attempts to uniformly limit disruptive trading activities, some investors use a variety of strategies to hide their identities and their trading practices. There can be no guarantee that the Fund will be able to identify or limit these activities. Omnibus account arrangements are common forms of holding shares of the Fund. While the Fund will encourage financial intermediaries to apply the Fund's Market Timing Trading Policy to their customers who invest indirectly in the Fund, the Fund is limited in its ability to monitor the trading activity or enforce the Fund's Market Timing Trading Policy with respect to customers of financial intermediaries. For example, should it occur, the Fund may not be able to detect market timing that may be facilitated by financial intermediaries or made difficult to identify in the omnibus accounts used by those intermediaries for aggregated purchases, exchanges, and redemptions on behalf of all their customers. More specifically, unless the financial intermediaries have the ability to apply the Fund's Market Timing Trading Policy to their customers through such methods as implementing short-term trading limitations or restrictions and monitoring trading activity for what might be market timing, the Fund may not be able to determine whether trading by customers of financial intermediaries is contrary to the Fund's Market Timing Trading Policy. However, the Fund will ensure that financial intermediaries maintaining omnibus accounts on behalf of the Fund enter into an agreement with the Fund to provide shareholder transaction information, to the extent known to the financial intermediary, to the Fund upon request. If the Fund or its Transfer Agent or shareholder servicing agent suspects there is market timing activity in the account, the Fund will seek full cooperation from the service provider maintaining the account to identify the underlying participant. Upon instructions from the Advisor, the service providers will take immediate action to stop any further short-term trading by such participants.

TAX STATUS, DIVIDENDS AND DISTRIBUTIONS

Any sale or exchange of the Fund's shares may generate tax liability (unless you are a tax-exempt investor or your investment is in a qualified retirement account). When you redeem your shares you may realize a taxable gain or loss. This is measured by the difference between the proceeds of the sale and the tax basis for the shares you sold. (To aid in computing your tax basis, you generally should retain your account statements for the period that you hold shares in the Fund.)

The Fund intends to distribute substantially all of its net investment income and net capital gain annually in December. Both distributions will be reinvested in shares of the Fund unless you elect to receive cash. Dividends from net investment income (including any excess of net short-term capital gain over net long-term capital loss) are taxable to investors as ordinary income, while distributions of net capital gain (the excess of net long-term capital gain over net short-term capital loss) are generally taxable as long-term capital gain, regardless of your holding period for the shares. Any dividends or capital gain distributions you receive from the Fund will normally be taxable to you when made, regardless of whether you reinvest dividends or capital gain distributions or receive them in cash. Certain dividends or distributions declared in October, November or December will be taxed to shareholders as if received in December if they are paid during the following January. Each year the Fund will inform you of the amount and type of your distributions. IRAs and other qualified retirement plans are exempt from federal income taxation.

Your redemptions, including exchanges, may result in a capital gain or loss for federal tax purposes. A capital gain or loss on your investment is the difference between the cost of your shares, including any sales charges, and the amount you receive when you sell them.

On the account application, you will be asked to certify that your social security number or taxpayer identification number is correct and that you are not subject to backup withholding for failing to report income to the IRS. If you are subject to backup withholding or you did not certify your taxpayer identification number, the IRS requires each Fund to withhold a percentage of any dividend, redemption or exchange proceeds. The Fund reserves the right to reject any application that does not include a certified social security or taxpayer identification number. If you do not have a social security number, you should indicate on the purchase form that your application to obtain a number is pending. The Fund is required to withhold taxes if a number is not delivered to the Fund within seven days.

This summary is not intended to be and should not be construed to be legal or tax advice to any current holder of the Fund's shares. You should consult your own tax advisors to determine the tax consequences of owning the Fund's shares.

DISTRIBUTION OF SHARES

Distributor: Northern Lights Distributors, LLC, 4020 South 147th Street, Omaha, Nebraska 68137, is the distributor for the shares of the Fund. Northern Lights Distributors, LLC is a registered broker-dealer and member of the Financial Industry Regulatory Authority, Inc. Shares of the Fund are offered on a continuous basis.

Distribution Fees: The Fund has adopted a Distribution Plan ("12b-1 Plan" or "Plan") as pursuant to which the Fund pays the Fund's distributor an annual fee for distribution and shareholder servicing expense of 0.25% of the Fund's average daily net assets.

Because these distribution and shareholder service fees are paid out of the Fund's assets on an ongoing basis, the fees may, over time, increase the cost of investing in the Fund and cost investors more than other types of sales loads.

Additional Compensation to Financial Intermediaries: The Fund's distributor, its affiliates, and the Fund's Advisor may, at their own expense and out of their own legitimate profits, provide additional cash payments to financial intermediaries who sell shares of the Fund. Financial intermediaries include brokers, financial planners, banks, insurance companies, retirement or 401(k) plan administrators and others. These payments may be in addition to the Rule 12b-1 fees and any sales charges that are disclosed elsewhere in this Prospectus. These payments are generally made to financial intermediaries that provide shareholder or administrative services, or marketing support. Marketing support may include access to sales meetings, sales representatives and financial intermediary management representatives, inclusion of the Fund on a sales list, including a preferred or select sales list, or other sales programs. These payments also may be made as an expense reimbursement in cases where the financial intermediary provides shareholder services to Fund shareholders. The distributor may, from time to time, provide promotional incentives, including allowance and/or payment of up to the entire sales charge, to certain investment firms. Such incentives may, at the distributor's discretion, be limited to investment firms who allow their individual selling representatives to participate in such additional commissions.

Householding: To reduce expenses, we mail only one copy of the prospectus and each annual and semi-annual report to those addresses share by two or more accounts. If you wish to receive individual copies of these documents, please call the Fund at 1-877-350-8668 on days the Fund is open for business or contact your financial institution. We will begin sending you individual copies thirty days after receiving your request.

FINANCIAL HIGHLIGHTS

The financial highlights table is intended to help you understand the Fund's financial performance for the period of the Fund's operations. Certain information reflects financial results for a single Fund share. The total returns in the table represent the rate that an investor would have earned (or lost) on an investment in the Fund (assuming reinvestment of all dividends and distributions). This information for the Fund has been derived from the financial statements audited by Cohen Fund Audit Services, Ltd, the Fund's independent registered public accounting firm, whose report, along with the Fund's financial statements, are included in the Fund's January 31, 2010 annual report, which is available upon request.

The table below sets forth financial data for one share of beneficial interest outstanding throughout the period⁽¹⁾

	For the Year Ended January 31, 2010	For the Period Ended January 31, 2009⁽¹⁾
Net asset value, beginning of year	<u>\$ 7.71</u>	<u>\$ 10.00</u>
Income (loss) from investment operations:		
Net investment income ⁽²⁾	0.09	0.14
Net realized and unrealized gain (loss) on investments	<u>3.45</u>	<u>(2.43)</u>
Total from investment operations	<u>3.54</u>	<u>(2.29)</u>
Less distributions from:		
Net investment income	(0.09)	
Net realized gains	<u>(0.50)</u>	
Total from distributions	<u>(0.59)</u>	
Net asset value, end of year	<u>\$ 10.66</u>	<u>\$ 7.71</u>
Total return	<u>45.89%</u>	<u>(22.90%)</u> ⁽³⁾
Net assets, end of year (000s)	<u>\$ 237</u>	<u>\$ 38</u>
Ratio of gross expenses to average net assets	84.91%	456.60% ⁽⁴⁾
Ratio of net expenses to average net assets	1.35%	1.35% ⁽⁴⁾
Ratio of net investment income to average net assets	0.84%	1.70% ⁽⁴⁾
Portfolio Turnover Rate	122%	80% ⁽³⁾

(1) The Gratio Values Fund commenced operations on February 25, 2008.

(2) Per share amounts calculated using the average share method, which appropriately presents the per share data for the period.

(3) Not Annualized

(4) Annualized

NOTICE OF PRIVACY POLICY & PRACTICES

Your privacy is important to us. The Fund is committed to maintaining the confidentiality, integrity, and security of your personal information. When you provide personal information, the Fund believes that you should be aware of policies to protect the confidentiality of that information.

The Fund collects the following nonpublic personal information about you:

- Information we receive from you on or in applications or other forms, correspondence, or conversations, including, but not limited to, your name, address, phone number, social security number, assets, income, and date of birth; and*
- Information about your transactions with us, our affiliates, or others, including, but not limited to, your account number and balance, payments history, parties to transactions, cost basis information, and other financial information.*

The Fund does not disclose any nonpublic personal information about our current or former shareholders to affiliated or nonaffiliated third parties, except as permitted by law. For example, the Fund is permitted by law to disclose all of the information we collect, as described above, to our transfer agent to process your transactions. Furthermore, the Fund restricts access to your nonpublic personal information to those persons who require such information to provide products or services to you. The Fund maintains physical, electronic, and procedural safeguards that comply with applicable federal and state standards to guard your nonpublic personal information.

In the event that you hold shares of the Fund through a financial intermediary, including, but not limited to, a broker-dealer, bank, or trust company, the privacy policy of your financial intermediary would govern how your nonpublic personal information would be shared with affiliated or non-affiliated third parties.

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THE GRATIO VALUES FUND

Advisor	Gratio Capital 155 Water St. Brooklyn, New York 11201
Distributor	Northern Lights Distributors, LLC 4020 South 147 th Street Omaha, NE 68137
Legal Counsel	Thompson Hine LLP 312 Walnut Street, 14th Floor Cincinnati, Ohio 45202-4089
Transfer Agent	Gemini Fund Services, LLC 4020 South 147 th Street, Suite 2 Omaha, NE 68137
Custodian	The Bank of New York Mellon One Wall Street, 25th Floor New York, NY 10286

Additional information about the Fund, including the Fund's policies and procedures with respect to disclosure of the Fund's portfolio holdings, is included in the Fund's Statement of Additional Information dated June 1, 2010 (the "SAI"). The SAI is incorporated into this Prospectus by reference (i.e., legally made a part of this Prospectus). The SAI provides more details about the Trust's policies and management. Additional information about the Fund's investments will also be available in the Fund's Annual and Semi-Annual Reports to Shareholders. In the Fund's Annual Report, you will find a discussion of the market conditions and investment strategies that significantly affected the Fund's performance during its last fiscal year.

To obtain a free copy of the SAI or other information about the Fund, or to make shareholder inquiries about the Fund, visit www.gratiofunds.com or call 1-877-254-7284. You may also write to:

The Gratio Values Fund
c/o Gemini Fund Services, LLC
4020 South 147th Street, Suite 2
Omaha, Nebraska 68137

You may review and obtain copies of the Fund's information at the SEC Public Reference Room in Washington, D.C. Please call 1-202-942-8090 for information relating to the operation of the Public Reference Room. Reports and other information about each Fund is available on the EDGAR Database on the SEC's Internet site at <http://www.sec.gov>. Copies of the information may be obtained, after paying a duplicating fee, by electronic request at the following E-mail address: publicinfo@sec.gov, or by writing the Public Reference Section, Securities and Exchange Commission, Washington, D.C. 20549-0102. Investment Company Act File # 811-21720

The Gratio Values Fund • 4020 South 147th St. • Suite 2 • Omaha, NE 68137
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