

Grail Advisors Actively Managed ETFs

Grail American Beacon Large Cap Value ETF (GVT)
Grail American Beacon International Equity ETF* (GFL)

* Not open for investment

This Prospectus provides important information about the ETFs 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.

Shares of the Large Cap Value ETF are listed and traded on NYSE Arca, Inc.

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No person has been authorized to give any information or to make any representations other than those contained in this Prospectus and the Statement of Additional Information dated March 1, 2010 (which is incorporated by reference into this Prospectus and is legally a part of this Prospectus) and, if given or made, such information or representations may not be relied upon as having been authorized by us.

This Prospectus describes the Grail American Beacon Large Cap Value ETF (“Large Cap Value ETF”) and Grail American Beacon International Equity ETF (“International Equity ETF” and together with the Large Cap Value ETF, the “ETFs”), each of which is a series of Grail Advisors ETF Trust (“Trust”). Grail Advisors, LLC is each ETF’s investment manager (“Manager”). Each ETF is an actively managed “exchange traded fund.” The ETFs are designed for investors who seek exposure to a relatively low-cost actively managed portfolio of equity securities and differ from index ETFs and mutual funds in important ways. Whereas index-based ETFs seek to replicate the holdings of a specified index, each ETF uses an actively managed investment strategy to meet its investment objective. Unlike mutual funds, shares of the ETFs (“Shares”) are not individually redeemable securities. Rather, each ETF issues and redeems Shares on a continuous basis at net asset value (“NAV”) only in large blocks of Shares, typically 50,000 Shares, called “Creation Units”. Further, unlike mutual funds, Shares are listed for trading on NYSE Arca, Inc. (“Exchange”). Once created, Shares generally trade in the secondary market at market prices that change throughout the day, based on the supply of, and demand for, Shares and on changes in the prices of an ETF’s portfolio holdings. The market price of Shares may be different from their NAV. For more information about these differences, see “Additional Information about the ETFs” on page 11.

FUND SUMMARY

LARGE CAP VALUE ETF

INVESTMENT OBJECTIVE

Long-term capital appreciation and current income.

FEES AND EXPENSES

This table describes the fees and expenses that you may pay if you buy and hold Shares of the ETF.

SHAREHOLDER FEES (FEES PAID DIRECTLY FROM YOUR INVESTMENT) None

ANNUAL FUND OPERATING EXPENSES (EXPENSES THAT YOU PAY EACH YEAR AS A PERCENTAGE OF THE VALUE OF YOUR INVESTMENT)

Management Fee:	0.50%
Distribution and/or service (12b-1) fees:	0.00%
Other Expenses: ⁽¹⁾	11.60%
Total Annual Fund Operating Expenses:	12.10%
Less: Expense Reduction/Reimbursement: ⁽²⁾	(11.31)%
Net Annual Operating Expenses:	0.79%

EXAMPLE

The following example is intended to help you compare the cost of investing in the ETF with the cost of investing in other funds. The example assumes that you invest \$10,000 for the time periods indicated and then redeem all of your shares at the end of those periods. The example also assumes that the ETF provides a return of 5% a year and that operating expenses remain the same. This example does not reflect the brokerage commissions that you may pay to buy and sell Shares. Although your actual costs may be higher or lower, based on these assumptions your costs would be:

One Year	Three Years	Five Years	Ten Years
\$81	\$2,427	\$4,451	\$8,382

(1) Other Expenses are based on estimated amounts for the current fiscal year.

(2) The Manager has contractually agreed to reduce its fees and/or reimburse ETF expenses (excluding interest, taxes, brokerage commissions, Acquired Fund Fees and Expenses, and extraordinary expenses) in order to limit Net Annual Operating Expenses for shares of the ETF to 0.79% of the ETF's average net assets ("Expense Cap"). The Expense Cap will remain in effect until at least February 28, 2011. The expense cap may be terminated earlier only upon the approval of the Board. The Manager may recoup fees reduced or expenses reimbursed at any time within three years from the year such expenses were incurred, so long as the repayment does not cause the Expense Cap to be exceeded.

PORTFOLIO TURNOVER

The ETF may pay transaction costs, including commissions when it buys and sells securities (or "turns over" its portfolio). A higher portfolio turnover rate may indicate higher transaction costs and may result in higher taxes when ETF shares are held in a taxable account. These costs, which are not

reflected in annual fund operating expenses or in the example, affect the ETF's performance. During the most recent fiscal year, the ETF's portfolio turnover rate was 18.41% of the average value of its portfolio.

PRINCIPAL INVESTMENT STRATEGIES

Ordinarily, at least 80% of the ETF's net assets (plus the amount of any borrowings for investment purposes) are invested in equity securities of large market capitalization U.S. companies. These companies generally have market capitalizations similar to the market capitalizations of the companies in the Russell 1000® Index* at the time of investment. The Russell 1000 Index measures the performance of the 1,000 largest U.S. companies based on total market capitalization. As of December 31, 2009, the market capitalizations of the companies in the Russell 1000 Index ranged from \$261 million to \$332.7 billion. The ETF's investments may include common stocks, preferred stocks, securities convertible into U.S. common stocks, U.S. dollar-denominated American Depositary Receipts, and U.S. dollar-denominated foreign stocks traded on U.S. exchanges (collectively referred to as "stocks").

The ETF's assets are currently allocated among three investment sub-advisers:

Brandywine Global Investment Management, LLC
Hotchkis and Wiley Capital Management, LLC
Metropolitan West Capital Management, LLC

The ETF's investment sub-advisers select stocks that, in their opinion, have most or all of the following characteristics (relative to the Russell 1000® Index):

- above-average earnings growth potential,
- below-average price to earnings ratio,
- below-average price to book value ratio, and
- above-average dividend yields.

Each of the ETF's investment sub-advisers determines the earnings growth prospects of companies based upon a combination of internal and external research using fundamental analysis and considering changing economic trends. The decision to sell a stock is typically based on the belief that the company is no longer considered undervalued or shows deteriorating fundamentals, or that better investment opportunities exist in other stocks. The Manager and American Beacon Advisors, Inc. ("ABA") believe that this strategy will help the ETF outperform other investment styles over the longer term while minimizing volatility and downside risk.

If, for any reason, one of the investment sub-advisers listed above no longer serves as investment sub-adviser to the ETF, the Manager and ABA will seek to employ alternative arrangements so that the ETF's assets will continue to be allocated and managed in at least three separate portions. These arrangements may, but need not, include: engaging a new investment sub-adviser and seeking any required shareholder approvals, as necessary, actively managing a portion of the ETF's assets directly, or investing a portion of the ETF's assets in a pooled investment vehicle in accordance with the ETF's investment objective and strategies, and applicable law.

* Russell 1000 Index is a registered trademark of Frank Russell Company.

The ETF may lend its securities to broker-dealers and other institutions to earn additional income.

Under adverse market conditions, the ETF may, for temporary defensive purposes, invest up to 100% of its assets in cash or cash equivalents, including investment grade short-term obligations. Investment grade obligations include securities issued or guaranteed by the U.S. Government, its agencies and instrumentalities, as well as securities rated in one of the four highest rating categories by at least two nationally recognized statistical rating organizations rating that security (such as Standard & Poor's Ratings Services or Moody's Investors Service, Inc.) or rated in one of the four highest rating categories by one rating organization if it is the only organization rating that security. To the extent that the ETF invokes this strategy, its ability to achieve its investment objective may be affected adversely.

As noted above, the ETF has a policy of investing at least 80% of its assets in securities that are consistent with the ETF's name.

PRINCIPAL RISKS

ETF Risk. The Shares may trade above or below their NAV. The NAV of the ETF will generally fluctuate with changes in the market value of the ETF's holdings. The market prices of Shares, however, will generally fluctuate in accordance with changes in NAV as well as the relative supply of, and demand for, Shares on the Exchange. The trading price of Shares may deviate significantly from NAV during periods of market volatility. The Manager cannot predict whether Shares will trade below, at or above their NAV. Price differences may be due, in large part, to the fact that supply and demand forces at work in the secondary trading market for Shares will be closely related to, but not identical to, the same forces influencing the prices of the securities held by the ETF. However, given that Shares can be purchased and redeemed in Creation Units (unlike shares of closed-end funds, which frequently trade at appreciable discounts from, and sometimes at premiums to, their NAV), and the ETF's portfolio holdings are disclosed on a daily basis, the Manager believes that large discounts or premiums to the NAV of Shares should not be sustained.

Foreign Investing Risk. Foreign investing carries potential risks not associated with domestic investments. Such risks include, but are not limited to: (1) currency exchange rate fluctuations, (2) social, political and financial instability, (3) less liquidity, (4) lack of uniform accounting, auditing and financial reporting standards, (5) less government regulation and supervision of foreign stock exchanges, brokers and listed companies, (6) increased price volatility, (7) delays in transaction settlement in some foreign markets, and (8) less availability of information for an investment sub-adviser to determine a company's financial condition.

Management Risk. Securities selected by the investment sub-adviser for the ETF may not perform to expectations. This could result in the ETF's underperformance compared to other funds with similar investment objectives.

Market Risk. Since the ETF invests most or a substantial portion of its assets in stocks, it is subject to stock market risk. Market risk involves the possibility that the value of the ETF's investments in stocks will decline due to drops in the stock market. In general, the value of the ETF will move in the same direction as the overall stock market in which the ETF invests, which will vary from day to day in response to the activities of individual companies, as well as general market, regulatory, political and economic conditions.

Multi-Manager Risk. Because each investment sub-adviser makes investment decisions independently, it is possible that the security selection process of the investment sub-advisers may not complement one another. As a result, the ETF's exposure to a given security, industry sector or market capitalization could be smaller or larger than would be the case if the ETF were managed by a single sub-adviser.

Recent Market Events Risk. Recent unprecedented turbulence in financial markets and reduced liquidity in credit and fixed income markets may negatively affect many issuers worldwide, which may have an adverse effect on the ETF.

Securities Lending Risk. The ETF may make secured loans of its portfolio securities. Borrowers of the ETF's securities may provide collateral in the form of cash that is reinvested in securities. The securities in which the collateral is invested may not perform sufficiently to cover the return collateral payments owed to borrowers. In addition, delays may occur in the recovery of securities from borrowers, which could interfere with the ETF's ability to vote proxies or to settle transactions. To the extent the ETF lends its securities, it may be subject to these risks.

Temporary Defensive Position Risk. Under adverse market conditions, the ETF may, for temporary defensive purposes, invest up to 100% of its assets in cash or cash equivalents, including investment grade short-term obligations. A larger percentage of such investments could moderate the ETF's investment results. The ETF may not achieve its investment objective using this type of investing.

Trading Risk. Although the Shares are listed on the Exchange, there can be no assurance that an active or liquid trading market for them will develop or be maintained. In addition, trading in Shares on the Exchange may be halted due to market conditions or for reasons that, in the view of the Exchange, make trading in Shares inadvisable. Further, trading in Shares on the Exchange is subject to trading halts caused by extraordinary market volatility pursuant to the Exchange "circuit breaker" rules. There can be no assurance that the requirements of the Exchange necessary to maintain the listing of the ETF will continue to be met or will remain unchanged.

Value Stock Risk. Value stocks are subject to the risk that their intrinsic value may never be realized by the market or that their prices may go down. While the ETF's investments in value stocks may limit its downside risk over time, the ETF may produce more modest gains than riskier stock funds as a trade-off for this potentially lower risk.

PERFORMANCE

Because the ETF has not yet completed a calendar year of investment operations, performance information is not yet available. The ETF's past performance is not necessarily an indication of how the ETF will perform in the future. For current performance information, please visit www.grailadvisors.com.

INVESTMENT ADVISER

Grail Advisors, LLC is the investment manager for the ETF. American Beacon Advisors, Inc. ("ABA") is the primary sub-adviser of the ETF and Metropolitan West Capital Management, LLC, Hotchkis and Wiley Capital Management, LLC and Brandywine Global Investment Management, LLC, serve as the investment sub-advisers of the ETF.

PORTFOLIO MANAGER

William F. Quinn and Wyatt L. Crumpler are the leading portfolio managers of the ETF. Mr. Quinn is Executive Chairman of ABA and has managed the ETF since its inception. Mr. Crumpler is Vice President, Asset Management, of Trust Investments and has managed the ETF since its inception.

PURCHASE AND SALE OF ETF SHARES

The ETF issues and redeems Shares on a continuous basis at NAV only in large blocks of Shares, typically 50,000 Shares, called "Creation Units." Unlike mutual funds, Shares are not individually redeemable. Creation Units are issued and redeemed in-kind for securities. Once created, individual Shares generally trade in the secondary market at market prices that change throughout the day. Market prices of Shares may be greater or less than their NAV.

TAX INFORMATION

Distributions you receive from the ETF are taxed as ordinary income for federal income tax purposes, except to the extent designated as net capital gain, and may also be subject to state or local taxes, unless you are investing through a tax-advantaged retirement plan account or are a tax-exempt investor. Distributions of short-term capital gain (which is excluded from net capital gain) are taxed as ordinary income.

PURCHASES THROUGH BROKER-DEALERS AND OTHER FINANCIAL INTERMEDIARIES

If you purchase Shares through a broker-dealer or other financial intermediary, the ETF and its related companies may pay the intermediary for the sale of 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 Shares over another investment. Ask your salesperson or visit your financial intermediary's website for more information.

FUND SUMMARY

INTERNATIONAL EQUITY ETF (NOT OPEN FOR INVESTMENT)

INVESTMENT OBJECTIVE

Long-term capital appreciation.

FEES AND EXPENSES

This table describes the fees and expenses that you may pay if you buy and hold Shares of the ETF.

SHAREHOLDER FEES (FEES PAID FROM YOUR INVESTMENT)	None
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ANNUAL FUND OPERATING EXPENSES (EXPENSES THAT YOU PAY EACH YEAR AS A PERCENTAGE OF THE VALUE OF YOUR INVESTMENT)

Management Fee:	0.58%
Distribution and/or service (12b-1) fees:	0.00%
Other Expenses: ⁽¹⁾	0.36%
Total Annual Fund Operating Expenses:	0.94%
Less: Expense Reduction/Reimbursement: ⁽²⁾	(0.05)%
Net Annual Operating Expenses:	0.89%

EXAMPLE

The following example is intended to help you compare the cost of investing in the ETF with the cost of investing in other funds. The example assumes that you invest \$10,000 for the time periods indicated and then redeem all of your shares at the end of those periods. The example also assumes that the ETF provides a return of 5% a year and that operating expenses remain the same. This example does not reflect the brokerage commissions that you may pay to buy and sell Shares. Although your actual cost may be higher or lower, based on those assumptions your costs would be:

One Year:	Three Years:
\$91	\$295

(1) Other Expenses are based on estimated amounts for the current fiscal year.

(2) The Manager has contractually agreed to reduce its fees and/or reimburse ETF expenses (excluding interest, taxes, brokerage commissions, Acquired Fund Fees and Expenses, and extraordinary expenses) in order to limit Net Annual Operating Expenses for shares of the ETF to 0.89% of the ETF's average net assets ("Expense Cap"). The Expense Cap will remain in effect until at least February 28, 2011. The expense cap may be terminated earlier upon only the approval of the Board. The Manager may recoup fees reduced or expenses reimbursed at any time within three years from the year such expenses were incurred, so long as the repayment does not cause the Expense Cap to be exceeded.

PORTFOLIO TURNOVER

The ETF may pay transaction costs, including commissions when it buys and sells securities (or "turns over" its portfolio). A higher portfolio turnover rate may indicate higher transaction costs and may result in higher taxes when ETF shares are held in a taxable account. These costs, which are not

reflected in annual fund operating expenses or in the example, affect the ETF's performance. No portfolio turnover information is available for the ETF because it had not commenced investment operations as of the date of this Prospectus.

PRINCIPAL INVESTMENT STRATEGIES

Ordinarily, at least 80% of the ETF's net assets (plus the amount of any borrowings for investment purposes) are invested in common stocks and securities convertible into common stocks (collectively, "stocks") of issuers based in at least three different countries located outside the United States, and the ETF will primarily hold securities of large capitalization companies that have last sale reporting in the countries in which it invests. The ETF will primarily invest in countries comprising the Morgan Stanley Capital International Europe Australasia Far East Index ("MSCI EAFE Index"). The MSCI EAFE Index is comprised of equity securities of companies from various industrial sectors whose primary trading markets are located outside the United States. Companies included in the MSCI EAFE Index are selected from among the larger capitalization companies in these markets. The ETF considers companies with market capitalizations of more than \$1 billion to be large capitalization companies.

The ETF's assets are currently allocated among three investment sub-advisers:

Lazard Asset Management LLC
Templeton Investment Counsel, LLC
The Boston Company Asset Management, LLC

The investment sub-advisers select stocks that, in their opinion, have most or all of the following characteristics (relative to that stock's country, sector or industry):

- above-average return on equity or earnings growth potential,
- below-average price to earnings or price to cash flow ratio,
- below-average price to book value ratio, and
- above-average dividend yields.

The investment sub-advisers may consider potential changes in currency exchange rates when choosing stocks. Each of the investment sub-advisers determines the earnings growth prospects of companies based upon a combination of internal and external research using fundamental analysis and considering changing economic trends. The decision to sell a stock is typically based on the belief that the company is no longer considered undervalued or shows deteriorating fundamentals, or that better investment opportunities exist in other stocks. The Manager and ABA believe that this strategy will help the ETF outperform other investment styles over the longer term while minimizing volatility and downside risk. An investment sub-adviser may trade forward foreign currency contracts or currency futures in an attempt to reduce the ETF's risk exposure to adverse fluctuations in currency exchange rates.

If, for any reason, one of the investment sub-advisers listed above no longer serves as investment sub-adviser to the ETF, the Manager and ABA will seek to employ alternative arrangements so that the ETF's assets will continue to be allocated and managed in at least three separate portions. These arrangements may, but need not, include: engaging a new investment sub-adviser and seeking any required shareholder approvals, as necessary, actively managing a portion of the ETF's assets directly, or investing a portion of the ETF's assets in a pooled investment vehicle in accordance with the ETF's investment objective and strategies, and applicable law.

The ETF may lend its securities to broker-dealers and other institutions to earn additional income.

Under adverse market conditions, the ETF may, for temporary defensive purposes, invest up to 100% of its assets in cash or cash equivalents, including investment grade short-term obligations. Investment grade obligations include securities issued or guaranteed by the U.S. Government, its agencies and instrumentalities, as well as securities rated in one of the four highest rating categories by at least two nationally recognized statistical rating organizations rating that security (such as Standard & Poor's Ratings Services or Moody's Investors Service, Inc.) or rated in one of the four highest rating categories by one rating organization if it is the only organization rating that security. To the extent that the ETF invokes this strategy, its ability to achieve its investment objective may be affected adversely.

As noted above, the ETF has a policy of investing at least 80% of its assets in securities that are consistent with the ETF's name.

PRINCIPAL RISKS

Derivatives Risk. Derivatives are financial contracts whose value depends on, or is derived from, the value of underlying assets, such as a reference security, rate or index. Since the value of derivatives is calculated and derived from the value of other assets, instruments or references, there is a risk that they will be improperly valued. The ETF may use derivatives, such as futures contracts and foreign currency forward contracts, as a hedge against foreign currency fluctuations. If one of the investment sub-advisers incorrectly forecasts currency exchange rates in utilizing a derivatives strategy for the ETF, the ETF could lose money. For certain derivatives, it is possible to lose more than the amount invested in the derivative. There can be no assurance that any strategy used will succeed.

Derivatives also are subject to market risk, liquidity risk, and credit and counterparty risk. Counterparty risk is the risk that the counterparty on a derivative transaction will be unable to honor its financial obligations to the ETF. Derivatives also involve the risk that changes in their value may not correlate perfectly with the assets, rates, or indices they are designed to hedge or closely track. The ETF's Statement of Additional Information contains a description of the various derivatives the ETF may utilize.

ETF Risk. The Shares may trade above or below their NAV. The NAV of the ETF will generally fluctuate with changes in the market value of the ETF's holdings. The market prices of Shares, however, will generally fluctuate in accordance with changes in NAV as well as the relative supply of, and demand for, Shares on the Exchange. The trading price of Shares may deviate significantly from NAV during periods of market volatility. The Manager cannot predict whether Shares will trade below, at or above their NAV. Price differences may be due, in large part, to the fact that supply and demand forces at work in the secondary trading market for Shares will be closely related to, but not identical to, the same forces influencing the prices of the securities held by the ETF. However, given that Shares can be purchased and redeemed in Creation Units (unlike shares of closed-end funds, which frequently trade at appreciable discounts from, and sometimes at premiums to, their NAV), and the ETFs' portfolio holdings are disclosed on a daily basis, the Manager believes that large discounts or premiums to the NAV of Shares should not be sustained.

Foreign Investing Risk. Foreign investing carries potential risks not associated with domestic investments. Such risks include, but are not limited to: (1) currency exchange rate fluctuations, (2) social, political and financial instability, (3) less liquidity, (4) lack of uniform accounting, auditing

and financial reporting standards, (5) less government regulation and supervision of foreign stock exchanges, brokers and listed companies, (6) increased price volatility, (7) delays in transaction settlement in some foreign markets, and (8) less availability of information for an investment sub-adviser to determine a company's financial condition.

Management Risk. Securities selected by the investment sub-adviser for the ETF may not perform to expectations. This could result in the ETF's underperformance compared to other funds with similar investment objectives.

Market Risk. Since the ETF invests most or a substantial portion of its assets in stocks, it is subject to stock market risk. Market risk involves the possibility that the value of the ETF's investments in stocks will decline due to drops in the stock market. In general, the value of the ETF will move in the same direction as the overall stock market in which the ETF invests, which will vary from day to day in response to the activities of individual companies, as well as general market, regulatory, political and economic conditions.

Multi-Manager Risk. Because each investment sub-adviser makes investment decisions independently, it is possible that the security selection process of the investment sub-advisers may not complement one another. As a result, the ETF's exposure to a given security, industry sector or market capitalization could be smaller or larger than would be the case if the ETF were managed by a single sub-adviser.

Recent Market Events Risk. Recent unprecedented turbulence in financial markets and reduced liquidity in credit and fixed income markets may negatively affect many issuers worldwide, which may have an adverse effect on the ETF.

Securities Lending Risk. The ETF may make secured loans of its portfolio securities. Borrowers of the ETF's securities may provide collateral in the form of cash that is reinvested in securities. The securities in which the collateral is invested may not perform sufficiently to cover the return collateral payments owed to borrowers. In addition, delays may occur in the recovery of securities from borrowers, which could interfere with the ETF's ability to vote proxies or to settle transactions. To the extent the ETF lends its securities, it may be subject to these risks.

Temporary Defensive Position Risk. Under adverse market conditions, the ETF may, for temporary defensive purposes, invest up to 100% of its assets in cash or cash equivalents, including investment grade short-term obligations. A larger percentage of such investments could moderate the ETF's investment results. The ETF may not achieve its investment objective using this type of investing.

Trading Risk. Although the Shares will be listed on the Exchange, there can be no assurance that an active or liquid trading market for them will develop or be maintained. In addition, trading in Shares on the Exchange may be halted due to market conditions or for reasons that, in the view of the Exchange, make trading in Shares inadvisable. Further, trading in Shares on the Exchange is subject to trading halts caused by extraordinary market volatility pursuant to the Exchange "circuit breaker" rules. There can be no assurance that the requirements of the Exchange necessary to maintain the listing of the ETF will continue to be met or will remain unchanged.

Value Stock Risk. Value stocks are subject to the risk that their intrinsic value may never be realized by the market or that their prices may go down. While the ETF's investments in value stocks may

limit its downside risk over time, the ETF may produce more modest gains than riskier stock funds as a trade-off for this potentially lower risk.

PERFORMANCE

Because the ETF has not yet completed a calendar year of investment operations, performance information is not yet available.

INVESTMENT ADVISER

Grail Advisors LLC is the investment manager for the ETF. American Beacon Advisors, Inc. (“ABA”) is the primary sub-adviser of the ETF and Lazard Asset Management LLC, Templeton Investment Counsel, LLC and The Boston Company Asset Management, LLC are the investment sub-advisers of the ETF.

PORTFOLIO MANAGER

William F. Quinn and Wyatt L. Crumpler are the leading portfolio managers of the ETF. Mr. Quinn is Chairman of ABA and has managed the ETF since its inception. Mr. Crumpler is Vice President of Trust Investments and has managed the ETF since its inception.

PURCHASE AND SALE OF ETF SHARES

The ETF issues and redeems Shares on a continuous basis at NAV only in large blocks of Shares, typically 50,000 Shares, called “Creation Units.” Unlike mutual funds, Shares are not individually redeemable. Creation Units are issued and redeemed in-kind for securities. Once created, individual Shares generally trade in the secondary market at market prices that change throughout the day. Market prices of Shares may be greater or lesser than their NAV.

TAX INFORMATION

Distributions you receive from the ETF are taxed as ordinary income for federal income tax purposes, except to the extent designated as net capital gain, and may also be subject to state or local taxes, unless you are investing through a tax-advantaged retirement plan account or are a tax-exempt investor. Distributions of short-term capital gain (which is excluded from net capital gain) are taxed as ordinary income.

PURCHASES THROUGH BROKER-DEALERS AND OTHER FINANCIAL INTERMEDIARIES

If you purchase Shares through a broker-dealer or other financial intermediary, the ETF and its related companies may pay the intermediary for the sale of 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 Shares over another investment. Ask your salesperson or visit your financial intermediary’s website for more information.

ADDITIONAL INFORMATION ABOUT THE ETFs

HOW ARE THE ETFs DIFFERENT FROM INDEX ETFs?

Whereas index-based ETFs seek to replicate the holdings of a specified index, each ETF uses an actively managed investment strategy to meet its investment objective. Thus, each ETF's investment sub-advisers have the discretion on a daily basis to choose securities for the ETF's portfolio consistent with the ETF's investment objective.

The ETFs are designed for investors who seek exposure to a relatively low-cost actively managed portfolio of equity securities. The ETFs may be suitable for long-term investment and may also be used as an asset allocation tool or as a trading instrument.

HOW ARE THE ETFs DIFFERENT FROM MUTUAL FUNDS?

Redeemability. Mutual fund shares may be bought from, and redeemed with, the issuing fund for cash at NAV typically calculated once at the end of the day. Shares of an ETF, by contrast, cannot be purchased from or redeemed with the issuing ETF except by or through Authorized Participants (defined below), and then typically for an in-kind basket of securities (and a limited cash amount).

Exchange Listing. Unlike mutual fund shares, Shares are listed for trading on the Exchange. An organized trading market is expected to exist for the Shares. Investors can purchase and sell Shares on the secondary market through a broker. Investors purchasing Shares in the secondary market through a brokerage account or with the assistance of a broker may be subject to brokerage commissions and charges. Secondary-market transactions occur not at NAV, but at market prices that change throughout the day, based on the supply of, and demand for, Shares and on changes in the prices of an ETF's portfolio holdings. The market price of Shares may differ from the NAV of an ETF. The difference between market price of Shares and the NAV of an ETF is expected to be small most of the time, though it may be significant, especially in times of extreme market volatility.

Tax Treatment. Unlike interests in mutual funds, Shares have been designed to be tax-efficient. Specifically their in-kind creation and redemption feature has been designed to protect ETF shareholders from adverse tax consequences associated with cash transactions in mutual fund shares, including cash redemptions. Nevertheless, to the extent redemptions are effectuated for cash, an ETF may realize capital gains or losses, including in some cases short-term capital gains, upon the sale of portfolio securities to effect a cash redemption. Because the ETFs are actively managed, they may generate more taxable gains for shareholders than an index-based ETF. In addition, the International Equity ETF may invest in derivatives, the use of which will generally result in distributions to investors that are treated as ordinary income.

An investment in the ETFs is not a deposit in a bank and it is not guaranteed by the Federal Deposit Insurance Corporation (FDIC) or any other governmental agency.

This Prospectus does not describe all of an ETF's investment practices and additional information about each ETF's risks and investments can be found in the ETFs' SAI.

Each ETF's portfolio holdings as of the time the ETF calculates its NAV are disclosed daily on the ETFs' website after the close of trading on the Exchange and prior to the opening of trading on the Exchange on the following day.

A description of the ETFs' policies and procedures with respect to the disclosure of the ETFs' portfolio holdings is available in the ETFs' Statement of Additional Information. Information about the premiums and discounts at which the ETFs' shares have traded is available at www.grailadvisors.com.

ETF MANAGEMENT

THE MANAGER

The Manager, a majority-owned subsidiary of Grail Partners, LLC, acts as each ETF's investment manager. The Manager is a Delaware limited liability company with its principal offices located at One Ferry Building, Suite 255, San Francisco, CA 94111. The Manager is responsible for overseeing the management of the ETFs but does not oversee the day-to-day investment of the ETFs' portfolios. The Manager oversees the business affairs of the ETFs, provides or oversees the provision of all administrative and investment advisory services to the ETFs and coordinates the investment activities of ABA and the investment sub-advisers. Based upon evaluations of the investment sub-advisers provided to the Manager by ABA, the Manager allocates assets among investment sub-advisers, and monitors ABA and the investment sub-advisers' investment programs and results. These services are provided under the terms of an Investment Management Agreement dated April 30, 2009 ("Investment Management Agreement") between the Trust, on behalf of each ETF, and the Manager.

Pursuant to the Investment Management Agreement, each ETF pays the Manager a management fee for the services and facilities it provides payable on a monthly basis at the annual rates set forth in the table below, calculated as a percentage of an ETF's average daily net assets. From time to time, the Manager may waive all or a portion of its fee. The Manager is responsible for compensating ABA and the investment sub-advisers out of the management fees it receives from each ETF.

ETF	Management Fee
Large Cap Value ETF	0.50%
International Equity ETF	0.58%

The ETFs and the Manager have received exemptive relief from the SEC under which they may use a "Manager of Managers" structure. Using this structure, the Manager, subject to oversight by the Board, oversees ABA and the investment sub-advisers and recommends to the Board the hiring and termination of ABA and investment sub-advisers. In overseeing the investment sub-advisers, the Manager would seek input and recommendations from ABA. The exemptive relief permits, once the ETFs and the Manager begin to rely upon it, the Manager, with the approval of the Board but without shareholder approval, to materially amend the contract of and/or appoint a replacement for ABA or an investment sub-adviser (provided the appointee is not affiliated with the Manager). Under the exemption, within 90 days after such action, affected shareholders would receive information about it, and the Prospectus would be supplemented as necessary.

ABA

American Beacon Advisors, Inc. (ABA) acts as each ETF's primary subadviser. ABA, located at 4151 Amon Carter Boulevard, Fort Worth, Texas 76155, is a wholly-owned subsidiary of Lighthouse Holdings, Inc., a financial services holding company. ABA was organized in 1986 to provide investment management, advisory, administrative and asset management consulting services. As of December 31, 2009, ABA had approximately \$41.8 billion of assets under management, including approximately \$14.4 billion under active management and \$27.4 billion as named fiduciary or financial advisor.

ABA serves as investment adviser to registered mutual funds with investment programs that are substantially similar to those of the ETFs. The ETFs' portfolio holdings are expected to be disclosed on a more frequent basis than those of the registered mutual funds.

ABA provides or oversees the provision of portfolio management services to the ETFs. ABA develops the investment programs for each ETF, evaluates investment sub-advisers (subject to requisite approvals), recommends to the Manager allocations of assets among investment sub-advisers, monitors the investment sub-advisers' investment programs and results, invests the portion of ETF assets that the investment sub-advisers determine should be allocated to high quality short-term debt obligations, and to the extent that an ETF engages in securities lending, oversees the ETF's securities lending activities and actions taken by the securities lending agent.

ABA has entered into a Primary Investment Sub-Advisory Agreement between the Manager and ABA, dated April 30, 2009, with respect to each ETF ("Primary Subadvisory Agreement"). Pursuant to the Primary Subadvisory Agreement, ABA receives fees from the Manager to provide the services described above. These fees are paid by the Manager out of the advisory fees it receives from an ETF; they are not separately paid by an ETF.

William F. Quinn and Wyatt L. Crumpler are the leaders of ABA's portfolio management team whose members have joint responsibility for the day-to-day management of the ETFs. Mr. Quinn and Mr. Crumpler are responsible for developing each ETF's investment program and recommending investment sub-advisers to the Manager. In addition, Mr. Quinn and Mr. Crumpler, in conjunction with Adriana R. Posada for the Large Cap Value ETF and Kirk L. Brown for the International Equity ETF, oversee the investment sub-advisers, review each investment sub-adviser's performance and recommend allocations of the ETFs' assets among the investment sub-advisers and ABA, as applicable.

Mr. Quinn is Chairman of ABA and has served on each ETF's portfolio management team since each ETF's inception. Mr. Crumpler is Vice President of Trust Investments and has served on each ETF's portfolio management team since each ETF's inception. Ms. Posada is Managing Director of Trust Investments for ABA and has been a member of each ETF's portfolio management team since inception. Mr. Brown is Managing Director of Trust and Alternative Investments for ABA, and he has served on each ETF's portfolio management team since inception.

The ETFs' Statement of Additional Information provides additional information about members of the portfolio management team, including other accounts they manage, their ownership in the ETFs they manage, and their compensation.

THE ABA PORTFOLIO MANAGERS' PERFORMANCE INFORMATION

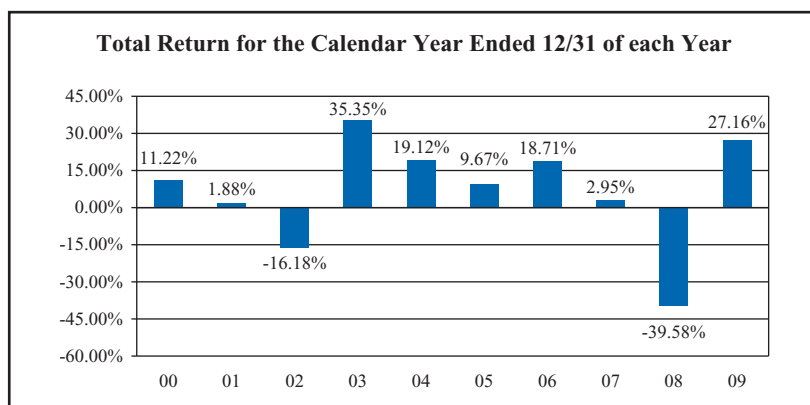
The following tables contain performance information for a Large Cap Value Representative Account and an International Equity Representative Account. Each of the Large Cap Value and the International Equity Representative Account represent a registered mutual fund with substantially similar objectives, policies, strategies and risks to those of the Large Cap Value ETF and the International Equity ETF, respectively. The Representative Accounts have been managed by ABA for over ten years. During that time, different investment sub-advisers, under the oversight of ABA, have been retained for the Representative Accounts.

The performance information is limited and may not reflect performance in all economic cycles. The Representative Accounts were registered mutual funds and, therefore, subject to certain investment limitations, diversification requirements and other restrictions imposed on registered investment companies, such as the ETFs, including those under the Investment Company Act of 1940, as amended ("Investment Company Act") and the Internal Revenue Code of 1986, as amended ("Internal Revenue Code"). These registered mutual funds, however, have not operated as ETFs, and different performance results for the ETFs are likely due to, among other things, anticipated differences between the cash positions of the ETFs and the Representative Accounts, and between the time that portfolio management decisions will be implemented for the ETFs and the Representative Accounts. The performance information below is presented after deduction of fees and expenses applicable to the Representative Accounts, which generally are higher than the ETFs' estimated fees and expenses, as described in the ETFs' fee tables (see "Fees and Expenses" above).

Annual return data is presented for each of the last ten calendar years for each Representative Account. Average annual total returns are presented for the one-year, five-year and ten-year periods of each Representative Account through December 31, 2009, and also include after-tax return information applicable to the Representative Account. After-tax returns are calculated using the highest historical individual federal marginal income tax rates and do not reflect the impact of state and local taxes. Actual after-tax returns depend on an investor's tax situation and may differ from those shown.

This performance information is not the historical performance of either ETF. Past performance is no guarantee of future results, and the past performance of the Representative Accounts is not indicative of the future performance of either ETF.

Large Cap Value Representative Account:

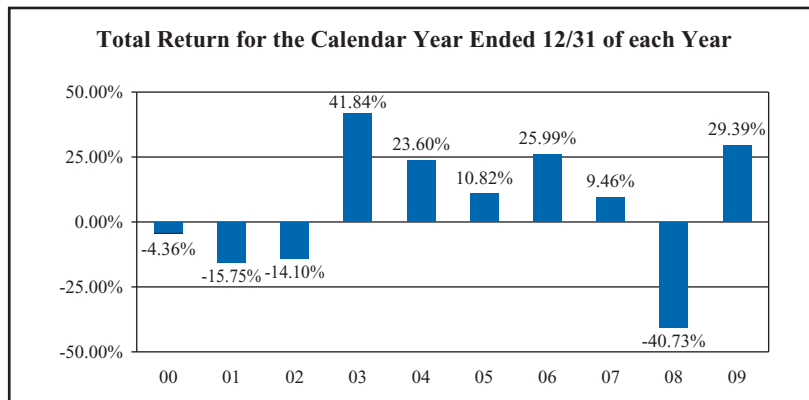


Average Annual Total Returns (for the period ending 12/31/2009)	1 Year	5 Years	10 Years
Return Before Taxes	27.16%	0.59%	4.66%
Return After Taxes on Distributions	26.87%	-0.02%	3.91%
Return After Taxes on Distributions and Sales of Fund Shares	18.04%	0.47%	3.79%
Russell 1000® Value Index ⁽¹⁾	19.69%	-0.25%	2.47%
Lipper Large-Cap Value Funds Index ⁽²⁾	24.96%	0.27%	0.85%

(1) Russell 1000 Value Index is a registered trademark of Frank Russell Company. The Russell 1000 Value Index is an unmanaged index of those stocks in the Russell 1000 Index with lower price-to-book ratios and lower forecasted growth values.

(2) The Lipper Large-Cap Value Funds Index tracks the results of the 30 largest mutual funds in the Lipper Large-Cap value Funds Category. Lipper is an independent mutual fund research and ranking service.

International Equity Representative Account:



Average Annual Total Returns (for the period ending 12/31/2009)	1 Year	5 Years	10 Years
Return Before Taxes	29.39%	3.23%	3.58%
Return After Taxes on Distributions	29.13%	2.29%	2.80%
Return After Taxes on Distributions and Sales of Fund Shares	20.08%	3.11%	3.13%
EAFE Index ⁽¹⁾	31.78%	3.54%	1.17%
Lipper International Funds Index ⁽²⁾	35.30%	4.88%	1.95%

(1) The MSCI EAFE Index is a market capitalization weighted index of international stock performance composed of equities from developed markets excluding the U.S. and Canada.

(2) The Lipper International Funds Index tracks the results of the 30 largest mutual funds in the Lipper International Funds category. Lipper is an independent mutual fund research and ranking service.

THE INVESTMENT SUB-ADVISERS

Each ETF's assets are allocated among one or more investment sub-advisers. With respect to any assets allocated to it, each investment sub-adviser has discretion to purchase and sell securities in accordance with the ETF's objectives, policies, restrictions and more specific policies provided by the Manager or ABA. Each investment sub-adviser has entered into an Investment Sub-Advisory Agreement among the Manager, ABA and the investment sub-adviser, dated April 30, 2009, with respect to the relevant ETF ("Subadvisory Agreement"). Pursuant to the Subadvisory Agreement, an investment sub-adviser receives fees from ABA to provide day-to-day investment advisory services to the ETF. These fees are paid out of the advisory fees the Manager receives from an ETF; they are not separately paid by an ETF.

The investment sub-advisers also serve as sub-advisers to registered mutual funds with investment programs that are substantially similar to the ETFs. The ETFs' portfolio holdings are expected to be disclosed on a more frequent basis than the registered mutual funds.

Set forth below is a brief description of each investment sub-adviser and the portfolio managers with primary responsibility for the day-to-day management of the ETFs. The SAI provides additional information about the portfolio managers, including other accounts they manage, their ownership in the ETFs and their compensation.

LARGE CAP VALUE ETF

BRANDYWINE GLOBAL INVESTMENT MANAGEMENT, LLC ("Brandywine Global"), formerly known as Brandywine Asset Management, LLC, 2929 Arch Street, 8th Floor, Philadelphia, PA 19104, is a professional investment advisory firm founded in 1986. Brandywine Global is a wholly owned subsidiary of Legg Mason, Inc. As of December 31, 2009, Brandywine Global had assets under management totaling approximately \$29.2 billion.

Paul R. Lesutis, CFA, Managing Director, is a member of Brandywine Global's Executive Committee and serves as co-lead Portfolio Manager of Brandywine Global's fundamental large cap value equity strategy. In addition, he is responsible for general research coverage, contributing insight and stock recommendations to all of Brandywine Global's domestic equity products. Mr. Lesutis joined Brandywine Global in 1991 and has served as lead portfolio manager to Brandywine Global's portion of the Balanced and Large Cap Value Funds since 1996.

Earl J. Gaskins, Managing Director, is a lead Portfolio Manager for Brandywine Global's large cap value equity socially responsible strategy and is Co-Manager for the fundamental large cap value equity strategy. He is responsible for research coverage of the Chemicals and Energy sectors, contributing industry insight and stock recommendations to all of Brandywine Global's equity products. Mr. Gaskins has been with Brandywine Global since 1996 and has co-managed Brandywine Global's portion of the Balanced and Large Cap Value Funds since 1996.

HOTCHKIS AND WILEY CAPITAL MANAGEMENT, LLC ("Hotchkis"), 725 South Figueroa Street, 39th Floor, Los Angeles, California 90017, is a professional investment management firm. Hotchkis was formed in October 2001 from the key domestic equity management personnel at Merrill Lynch Investment Managers, L.P. As of December 31, 2009, Hotchkis had approximately \$14 billion in assets under management.

In addition to the Large Cap Value ETF, Hotchkis manages institutional separate accounts and is the advisor and sub-advisor to other mutual funds. The investment process employed is the same for similar accounts, including the Large Cap Value ETF, and is team-based utilizing primarily in-house, fundamental research. The investment research staff is organized by industry and sector and supports all of the accounts managed in each of Hotchkis' investment strategies. Portfolio coordinators for each strategy ensure that the best thinking of the investment team is reflected in the "target portfolios". Investment ideas for the Large Cap Value ETF are generated by Hotchkis' investment team.

Although the Large Cap Value ETF is managed by Hotchkis' investment team, Hotchkis has identified the portfolio managers with the most significant responsibility for Hotchkis' portion of the ETF's assets.

This list does not include all members of the investment team. George Davis, Judd Peters, Scott McBride, Patricia McKenna, and Sheldon Lieberman participate in the investment research review and decision making process for the Large Cap Value ETF. Mr. McBride, Mr. Peters and Mr. Davis coordinate the day-to-day management of the Large Cap Value ETF.

Mr. Davis, Principal, Portfolio Manager and Chief Executive Officer, joined Hotchkis' investment team in 1988. Mr. Peters, Portfolio Manager, joined Hotchkis' investment team in 1999. Mr. McBride, Portfolio Manager, joined Hotchkis' investment team in 2001. Ms. McKenna, Principal and Portfolio Manager, joined Hotchkis' investment team in 1995. Mr. Lieberman, Principal and Portfolio Manager, joined Hotchkis' investment team in 1994. Hotchkis' investment team has managed Hotchkis' portion of the Large Cap Value ETF since its inception.

METROPOLITAN WEST CAPITAL MANAGEMENT, LLC ("MetWest Capital"), 610 Newport Center Drive, Suite 1000, Newport Beach, California 92660, is an investment advisor founded in 1997. The firm is majority owned by Wells Fargo & Company and minority owned by its key professionals. As of December 31, 2009, MetWest Capital had approximately \$13 billion of assets under management.

Howard Gleicher oversees the MetWest Capital investment team that has responsibility for a portion of the Large Cap Value ETF. Mr. Gleicher has served as Chief Investment Officer since MetWest Capital's inception in August 1997. In addition to Mr. Gleicher, the Large Cap Value ETF's investment team includes senior members Gary W. Lisenbee, David M. Graham, Jeffrey Peck, and Jay Cunningham. Mr. Lisenbee has served as President since MetWest Capital's inception in August 1997. Mr. Graham has served as Research Analyst since September 2000. Mr. Peck has served as Research Analyst since March 2004. From 2002 to March 2004, he was an equity research analyst with Janney Montgomery Scott, LLC. Mr. Cunningham has served as Research Analyst since November 2005. From August 2003 to November 2005, he was a Senior Analyst with Hibernia Southcoast Capital. From June 2001 through July 2003, he served as a Senior Analyst for AIM Investments. Each individual has managed MetWest Capital's portion of the Large Cap Value ETF since its inception.

INTERNATIONAL EQUITY ETF

LAZARD ASSET MANAGEMENT LLC ("Lazard"), 30 Rockefeller Plaza, New York, New York 10112, an SEC registered investment advisor, is a subsidiary of Lazard Frères & Co. LLC, a registered broker-dealer. Lazard and its affiliates provided investment management services to client discretionary accounts with assets totaling approximately \$116.5 billion as of December 31, 2009.

The following individuals comprise Lazard's International Equity management team, which is responsible for the day-to-day management of the portion of the International Equity ETF allocated to Lazard. Responsibility is shared equally among each member of the team. Each member has co-managed Lazard's portion of the International Equity ETF since its inception.

John R. Reinsberg is a Deputy Chairman of Lazard responsible for oversight of the firm's international and global strategies. He is also Portfolio Manager/Analyst on the Global Equity and International Equity portfolio teams. He joined Lazard in 1992 and began working in the investment field in 1981.

Michael A. Bennett is a Managing Director of Lazard and a Portfolio Manager/Analyst on the International Equity portfolio teams. He joined Lazard in 1992 and has worked in the investment field since 1987.

Michael G. Fry is a Managing Director of Lazard and a Portfolio Manager/Analyst on the Global Equity and International Equity portfolio teams. Prior to joining Lazard in 2005, Mr. Fry was Head of Global Equity Portfolio Management, Global Head of Equity Research and Head of Australian Equities with UBS Global Asset Management. Mr. Fry began working in the investment field in 1981.

Michael Powers is a Managing Director of Lazard and a Portfolio Manager/Analyst on the Global Equity and International Equity portfolio teams. He began working in the investment field in 1990 when he joined Lazard.

TEMPLETON INVESTMENT COUNSEL, LLC ("Templeton"), 500 East Broward Blvd., Suite 2100, Fort Lauderdale, Florida 33394, is an indirect wholly owned subsidiary of Franklin Resources, Inc., a global investment organization operating as Franklin Templeton Investments. Franklin Templeton Investments provides global and domestic investment management services, through its Franklin, Templeton, Mutual Series and Fiduciary Trust subsidiaries. The San Mateo, CA-based company has over 60 years of investment experience and more than \$553.5 billion in assets under management as of December 31, 2009.

Gary P. Motyl has served as a portfolio manager to Templeton's portion of the International Equity ETF since its inception. Mr. Motyl is President of Templeton and Chief Investment Officer of Templeton Global Equities. He joined Templeton in 1981.

THE BOSTON COMPANY ASSET MANAGEMENT, LLC ("The Boston Company"), One Boston Place, Boston, Massachusetts 02108, is a wholly-owned subsidiary of The Bank of New York Mellon Corporation. Assets under management as of December 31, 2009 were \$34.8 billion. Certain of the assets managed by The Boston Company are managed as dual officers of affiliated entities.

D. Kirk Henry is the Director of International Value Equities for The Boston Company. He is the lead portfolio manager for the International Value strategy. Mr. Henry joined The Boston Company in 1994. Clifford A. Smith, Senior Vice President, has been with The Boston Company since 1998. Prior to becoming a portfolio manager in March 2003, he served as a research analyst. Mr. Smith focuses on global technology and European capital goods companies. Mr. Henry and Mr. Smith have served as portfolio managers for a portion of the International Equity ETF since its inception.

The Manager, ABA and the investment sub-advisers (and their affiliates) may deal, trade and invest for their own accounts in the types of securities in which the ETFs may also invest. The Manager,

ABA and the investment sub-advisers do not use inside information in making investment decisions on behalf of the ETFs.

APPROVAL OF ADVISORY AGREEMENTS

A discussion regarding the basis for the Board's approval of the Investment Management Agreement, Primary Subadvisory Agreement and the Subadvisory Agreements is available in the ETFs' report to shareholders dated October 31, 2009.

OTHER SERVICE PROVIDERS

ALPS Distributors, Inc. ("Distributor"), 1290 Broadway, Suite 1100, Denver, CO 80203, serves as the distributor of Creation Units for each ETF on an agency basis. The Distributor does not maintain a secondary market in Shares.

The Bank of New York Mellon Corporation ("BNY Mellon"), One Wall Street, New York, New York 10286, is the administrator, fund accountant and transfer agent for the ETFs.

BNY Mellon, One Wall Street, New York, New York 10286, is also the custodian for the ETFs.

K&L Gates LLP, 1601 K Street, NW, Washington, DC 20006 serves as legal counsel to the ETFs.

KPMG LLP, 1601 Market Street, Philadelphia, Pennsylvania 19103, serves as the ETFs' independent registered public accounting firm. The independent registered public accounting firm is responsible for auditing the annual financial statements of the ETFs.

BUYING AND SELLING ETF SHARES

Shares are issued or redeemed by each ETF at NAV per Share only in Creation Units. The value of one Creation Unit of the Large Cap Value ETF as of December 31, 2009 was \$1,531,092. The International Equity ETF had not opened for investment as of that date. Shares trade on the secondary market, however, which is where most retail investors will buy and sell Shares. It is expected that only a limited number of institutional investors will purchase and redeem shares directly from the ETFs. Thus, certain information in this Prospectus is not relevant to most retail investors. For example, information about buying and redeeming Shares directly with the ETFs and about transaction fees imposed on such purchases and redemptions is not relevant to most retail investors.

Except when aggregated in Creation Units, Shares are not redeemable with the ETFs. Additional information about the procedures regarding creation and redemption of Creation Units (including the cut-off times for receipt of creation and redemption orders) is included in the Statement of Additional Information.

BUYING AND SELLING SHARES ON THE SECONDARY MARKET

Most investors will buy and sell Shares in secondary market transactions through brokers and therefore, must have a brokerage account to buy and sell Shares. Shares can be bought or sold throughout the trading day like shares of any publicly traded issuer. When buying or selling Shares through a broker, you will incur customary brokerage commissions and charges, and you may pay

some or all of the spread between the bid and the offered prices in the secondary market for Shares. The price at which you buy or sell Shares (i.e., the market price) may be more or less than the NAV of the Shares. Unless imposed by your broker, there is no minimum dollar amount you must invest in an ETF and no minimum number of Shares you must buy.

The Shares are listed on NYSE Arca, Inc. (the Exchange) under the following symbols:

ETF	Trading Symbol
Large Cap Value ETF	GVT
International Equity ETF*	GFL

* Not open for investment.

The Exchange is generally open Monday through Friday and is closed for weekends and the following 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.

For information about buying and selling Shares on the Exchange or in the secondary markets, please contact your broker or dealer.

Book Entry. Shares are held in book entry form, which means that no stock certificates are issued. The Depository Trust Company ("DTC"), or its nominee, is the registered owner of all outstanding Shares of the ETFs and is recognized as the owner of all Shares. Participants in DTC include securities brokers and dealers, banks, trust companies, clearing corporations and other institutions that directly or indirectly maintain a custodial relationship with DTC. As a beneficial owner of Shares, you are not entitled to receive physical delivery of stock certificates or to have Shares registered in your name, and you are not considered a registered owner of Shares. Therefore, to exercise any right as an owner of Shares, you must rely on the procedures of DTC and its participants. These procedures are the same as those that apply to any stocks that you hold in book entry or "street name" through your brokerage account. Your account information will be maintained by your broker, which will provide you with account statements, confirmations of your purchases and sales of Shares, and tax information. Your broker also will be responsible for distributing income dividends and capital gain distributions and for ensuring that you receive shareholder reports and other communications from the ETFs.

Share Trading Prices. The trading prices of an ETF's Shares may differ from the ETF's daily NAV and can be affected by market forces of supply and demand for the ETFs' shares, the prices of the ETF's portfolio securities, economic conditions and other factors.

The Exchange or another market information provider intends to disseminate the approximate value of each ETF's portfolio every fifteen seconds. This approximate value should not be viewed as a "real-time" update of the NAV of an ETF because the approximate value may not be calculated in the same manner as the NAV, which is computed once a day. The quotations for certain investments may not be updated during U.S. trading hours if such holdings do not trade in the U.S., except such quotations may be updated to reflect currency fluctuations. The ETFs are not involved in, or responsible for, the calculation or dissemination of the approximate values and make no warranty as to the accuracy of these values.

BUYING SHARES DIRECTLY FROM THE ETFs

You can purchase Shares directly from the ETFs only in Creation Units or multiples thereof. The number of Shares in a Creation Unit may, but is not expected to, change over time. The ETFs will not issue fractional Creation Units. Creation Units may be purchased in exchange for a basket of securities (known as the *In-Kind Creation Basket* and a *Cash Component*) or for an all cash payment (that would be included in the *Cash Component* in connection with purchases not involving an *In-Kind Creation Basket*). The ETFs reserve the right to reject any purchase request at any time, for any reason, and without notice. The ETFs can stop selling Shares or postpone payment of redemption proceeds at times when the Exchange is closed or under any emergency circumstances as determined by the Securities and Exchange Commission (“SEC”).

To purchase Shares directly from an ETF, you must be an Authorized Participant or you must purchase through a broker that is an Authorized Participant. An “Authorized Participant” is a participant of the Continuous Net Settlement System of the NSCC or the DTC that has executed a Participant Agreement with the Distributor. The Distributor will provide a list of Authorized Participants upon request. Authorized Participants may purchase Creation Units of Shares, and sell individual Shares on the Exchange. See “Continuous Offering” below.

In-Kind Creation Basket. On each business day, prior to the opening of trading on the Exchange, BNY Mellon will post on the NSCC bulletin board the In-Kind Creation Basket for each ETF for that day. The In-Kind Creation Basket will identify the name and number of shares of each security that must be contributed to an ETF for each Creation Unit purchased. Each ETF reserves the right to accept a nonconforming In-Kind Creation Basket.

Cash Component. In addition to the in-kind deposit of securities, a purchaser will either pay to, or receive from, the ETF an amount of cash (“Balancing Amount”) equal to the difference between the NAV of a Creation Unit and the value of the securities in the In-Kind Creation Basket. The Balancing Amount ensures that the consideration paid by an investor for a Creation Unit is exactly equal to the value of the Creation Unit. BNY Mellon will publish, on a daily basis, information about the previous day’s Balancing Amount. To the extent a purchaser is not owed a Balancing Amount larger than the Transaction Fee, described below, the purchaser also must pay a Transaction Fee, in cash. The Balancing Amount and the Transaction Fee, taken together, are referred to as the Cash Component.

Placement of Purchase Orders. All purchase orders must be placed by or through an Authorized Participant. Purchase orders will be processed either through a manual clearing process run by DTC or through an enhanced clearing process that is available only to those DTC participants that also are participants in the Continuous Net Settlement System of the NSCC. Authorized Participants that do not use the NSCC’s enhanced clearing process may be charged a higher transaction fee (discussed below). A purchase order must be received by the Distributor prior to the close of regular trading on the NYSE (generally 4:00 p.m., Eastern time) on the day the order is placed, and all other procedures set forth in the Participant Agreement must be followed, in order to receive the NAV determined on that day.

Transaction Fee on Purchase of Creation Units. Each ETF will impose a “Creation Transaction Fee” on each purchase of Creation Units. The Creation Transaction Fee for purchases effected

through the NSCC's enhanced clearing process, regardless of the number of units purchased, is as follows:

ETF	Creation Transaction Fee
Large Cap Value ETF	\$1,000
International Equity ETF	\$3,200

A charge of up to four (4) times the fee shown above may be imposed on purchases outside the NSCC's enhanced clearing process, including purchases involving non-conforming In-Kind Creation Baskets or cash. Investors who, directly or indirectly, use the services of a broker or other such intermediary to compose a Creation Unit may pay additional fees for these services. The transaction fee is paid to the relevant ETF. The fee protects existing shareholders of an ETF from the costs associated with issuing Creation Units.

REDEEMING SHARES DIRECTLY FROM AN ETF

You may redeem Shares of the ETFs only in Creation Units or multiples thereof. To redeem Shares directly with an ETF, you must be an Authorized Participant or you must redeem through an Authorized Participant. Creation Units may be redeemed in exchange for a basket of securities (known as the *In-Kind Redemption Basket* and a *Cash Component*) or for an all cash payment (that would be included in the *Cash Component* in connection with purchases not involving an *In-Kind Redemption Basket*).

In-Kind Redemption Basket. Redemption proceeds will generally be paid in kind with a basket of securities known as the In-Kind Redemption Basket. In most cases, the In-Kind Redemption Basket will be the same as the In-Kind Creation Basket for that same day. There will be times, however, when the In-Kind Creation Basket and In-Kind Redemption Baskets differ. The composition of the In-Kind Redemption Basket will be available on the NSCC bulletin board. An ETF may honor a redemption request with a nonconforming In-Kind Redemption Basket.

Cash Component. Depending on whether the NAV of a Creation Unit is higher or lower than the value of the securities in the In-Kind Redemption Basket, a redeeming investor will either receive from, or pay to, the ETF a Balancing Amount in cash. If due to receive a Balancing Amount, the amount actually received will be reduced by the amount of the applicable Transaction Fee, described below. The Balancing Amount and the Transaction Fee, taken together, are referred to as the Cash Component.

Placement of Redemption Orders. As with purchases, redemptions must be processed either through the DTC process or the enhanced NSCC process. A redemption order is deemed received on the date of transmittal if it is received by the Distributor prior to the close of regular trading on the NYSE on that date, and if all other procedures set forth in the Participant Agreement are followed.

Transaction Fee on Redemption of Creation Units. The ETFs impose a "Redemption Transaction Fee" on each redemption of Creation Units. The amount of the Redemption Transaction Fee on redemptions effected through the NSCC and DTC, and on nonconforming redemptions, is the same as the Creation Transaction Fee (see above). The Redemption Transaction Fee is

paid to the ETF. The fee protects existing shareholders of the ETF from the costs associated with redeeming Creation Units.

Legal Restrictions on Transactions in Certain Securities. An investor subject to a legal restriction with respect to a particular security required to be deposited in connection with the purchase of a Creation Unit may, at the ETF's discretion, be permitted to deposit an equivalent amount of cash in substitution for any security which would otherwise be included in the In-Kind Creation Basket applicable to the purchase of a Creation Unit.

Creations and redemptions of Shares will be subject to compliance with applicable federal and state securities laws, including that securities accepted for deposit and securities used to satisfy redemption requests are sold in transactions that would be exempt from registration under the Securities Act of 1933, as amended ("Securities Act"). The ETFs (whether or not they otherwise permit cash redemptions) reserve the right to redeem Creation Units for cash to the extent that an investor could not lawfully purchase or an ETF could not lawfully deliver specific securities under such laws or the local laws of a jurisdiction in which the ETF invests. An Authorized Participant or an investor for which it is acting subject to a legal restriction with respect to a particular stock included in an In-Kind Redemption Basket may be paid an equivalent amount of cash. An Authorized Participant that is not a qualified institutional buyer (QIB) as defined in Rule 144A under the Securities Act will not be able to receive, as part of a redemption, restricted securities eligible for resale under Rule 144A.

Continuous Offering. You should be aware of certain legal risks unique to investors purchasing Creation Units directly from an ETF. Because Shares may be issued on an ongoing basis, a "distribution" of Shares could be occurring at any time. Certain activities that you perform with respect to the sale of Shares could, depending on the circumstances, result in your being deemed to be a participant in the distribution, in a manner that could render you a statutory underwriter and subject you to the prospectus delivery and liability provisions of the Securities Act. For example, you could be deemed a statutory underwriter if you purchase Creation Units from the issuing ETF, break them down into the constituent Shares, and sell those Shares directly to customers, or if you choose to couple the creation of a supply of new Shares with an active selling effort involving solicitation of secondary-market demand for Shares. Whether a person is an underwriter depends upon all of the facts and circumstances pertaining to that person's activities, and the examples mentioned here should not be considered a complete description of all the activities that could cause you to be deemed an underwriter.

Broker-dealer firms should also note that dealers who are not "underwriters" but are effecting transactions in Shares, whether or not participating in the distribution of Shares, are generally required to deliver a prospectus. This is because the prospectus delivery exemption in Section 4(3) of the Securities Act is not available in respect of such transactions as a result of Section 24(d) of the Investment Company Act. As a result, broker-dealer firms should note that dealers who are not "underwriters" but are participating in a distribution (as opposed to engaging in ordinary secondary-market transactions), and thus dealing with Shares as part of an "unsold allotment" within the meaning of Section 4(3)(C) of the Securities Act, will be unable to take advantage of the prospectus delivery exemption provided by Section 4(3) of the Securities Act. For delivery of prospectuses to exchange members, the prospectus delivery mechanism of Rule 153 under the Securities Act is only available with respect to transactions on a national exchange.

ACTIVE INVESTORS AND MARKET TIMING

The Board has determined not to adopt policies and procedures designed to prevent or monitor for frequent purchases and redemptions of the ETFs' Shares because investors primarily transact in ETF Shares on the secondary market. Frequent trading of Shares on the secondary market does not disrupt portfolio management, increase an ETF's trading costs, lead to realization of capital gains or otherwise harm ETF shareholders because these trades do not involve the issuance or redemption of ETF Shares.

The ETFs sell and redeem their Shares at NAV only in Creation Units pursuant to the terms of a Participant Agreement between the Authorized Participant and the Distributor, principally in exchange for a basket of securities. With respect to such trades directly with the ETFs, to the extent effected in-kind (i.e., for securities), they do not cause the harmful effects that may result from frequent cash trades.

The Board recognized that to the extent that the ETFs allow or require trades to be effected in whole or in part in cash, those trades could result in dilution to an ETF and increased transaction costs, which could negatively impact an ETF's ability to achieve its investment objective. The Board also recognized, however, that direct trading by Authorized Participants is critical to ensuring that the ETFs' Shares trade at or close to NAV. Further, the ETFs may employ fair valuation pricing to minimize the potential for dilution from market timing. Moreover, each ETF imposes Transaction Fees on purchases and redemptions of ETF Shares, which increase if an investor substitutes cash in part or in whole for securities, reflecting the fact that an ETF's costs increase in those circumstances. Each ETF reserves the right to impose additional restrictions on disruptive, excessive or short-term purchases.

DISTRIBUTION AND SERVICE PLAN

Each ETF has adopted a distribution and service plan ("Plan") pursuant to Rule 12b-1 under the Investment Company Act. Under the Plan, an ETF is authorized to pay distribution fees to the Distributor and other firms that provide distribution and shareholder services ("Service Providers"). If a Service Provider provides such services, an ETF may pay fees at an annual rate not to exceed 0.25% of average daily net assets, pursuant to Rule 12b-1 under the Investment Company Act.

No distribution or service fees are currently paid by either ETF, however, and there are no current plans to impose these fees. In the event Rule 12b-1 fees were charged, over time they would increase the cost of an investment in an ETF.

NET ASSET VALUE

The net asset value, or NAV, of Shares is calculated each business day as of the close of regular trading on the NYSE, generally 4:00 p.m., Eastern time.

Each ETF calculates its NAV per Share by:

- Taking the current market value of its total assets,
- Subtracting any liabilities, and
- Dividing that amount by the total number of Shares owned by shareholders.

If you buy or sell Shares on the secondary market, you will pay or receive the market price, which may be higher or lower than NAV. Your transaction will be priced at NAV only if you purchase or redeem your Shares in Creation Units.

Because securities listed on foreign exchanges may trade on weekends or other days when the ETFs do not price their Shares, the NAV of ETFs that hold foreign securities may change on days when shareholders will not be able to purchase or sell Shares.

When calculating the NAV of an ETF's Shares, expenses are accrued and applied daily and stocks held by the ETF are valued at their market value when reliable market quotations are readily available. Common stocks and other equity securities are valued at the last sales price that day based on the official closing price of the exchange where the security is primarily traded. Debt securities (other than short-term securities) usually are valued on the basis of prices provided by a third-party independent pricing service. In some cases, the price of debt securities is determined using quotes obtained from brokers. Certain short-term debt instruments used to manage an ETF's cash are valued on the basis of amortized cost. The values of any foreign securities held by an ETF are converted into U.S. dollars using an exchange rate obtained from an independent third party.

When reliable market quotations are not readily available, securities are priced at their fair value as determined in good faith using methods approved by the Board. An ETF may use fair-value pricing if the value of a security it holds has been materially affected by events occurring before the ETF's pricing time but after the close of the primary markets or exchanges on which the security is traded. Intervening events might be company-specific (e.g., earnings report, merger announcement), country-specific (e.g., natural disaster, economic or political news, act of terrorism, interest rate change), or global. Intervening events include price movements in U.S. markets that are deemed to affect the value of foreign securities. Fair-value pricing also may be used for domestic securities – for example, if (1) trading in a security is halted and does not resume before the ETF's pricing time or if a security does not trade in the course of a day and (2) the ETF holds enough of the security that its price could affect the ETF's NAV.

Fair-value prices are determined by the Valuation Committee, composed of representatives of the Manager and ABA, according to procedures adopted by the Board. When fair-value pricing is employed, the prices of securities used by the ETF to calculate its NAV may differ from quoted or published prices for the same securities.

ETF WEBSITE AND DISCLOSURE OF PORTFOLIO HOLDINGS

The Trust maintains a website for the ETFs at www.grailadvisors.com. Among other things, this website includes this Prospectus and the Statement of Additional Information, the ETFs' holdings, the ETFs' last annual and semi-annual reports (when available), pricing information about Shares trading on the Exchange, daily NAV calculations and a historical comparison of the trading prices to NAV.

Each day the ETFs are open for business, the Trust publicly disseminates their full portfolio holdings as of the close of the previous day through its website at www.grailadvisors.com. In addition, the In-Kind Creation Basket and In-Kind Redemption Basket, which identify the securities and share quantities which are delivered in exchange for purchases and redemptions of Creation Units, are publicly disseminated daily prior to the opening of trading on the Exchange via the NSCC.

SECTION 12(d)(1) INFORMATION

The Trust and the ETFs are part of the Grail Advisors Actively Managed ETFs family of funds and are related for purposes of investor and investment services, as defined in Section 12(d)(1)(G) of the Investment Company Act.

For purposes of the Investment Company Act, Shares are issued by a registered investment company and purchases of such Shares by registered investment companies and companies relying on Section 3(c)(1) or 3(c)(7) of the Investment Company Act are subject to the restrictions set forth in Section 12(d)(1) of the Investment Company Act, except as permitted by an exemptive order of the SEC. The SEC has granted the Trust such an order to permit registered investment companies to invest in Shares beyond the limits in Section 12(d)(1)(A), subject to certain terms and conditions, including that the registered investment company first enter into a written agreement with the Trust regarding the terms of the investment. Accordingly, registered investment companies that wish to rely on the order must first enter into such a written agreement with the Trust and should contact the Trust to do so.

DIVIDENDS, OTHER DISTRIBUTIONS AND TAXES

ETF DISTRIBUTIONS

Each ETF pays out dividends from its net investment income, and distributes its net capital gains, if any, to shareholders annually. Each ETF typically earns dividends from stocks in which it invests. These amounts, net of expenses, are passed along to ETF shareholders as “income dividends.” Each ETF realizes capital gains or losses whenever it sells securities. Net long-term capital gains are distributed to shareholders as “capital gain dividends.”

Brokers may make available to their customers who own Shares the DTC book-entry dividend reinvestment service. To determine whether the dividend reinvestment service is available and whether there is a commission or other charge for using this service, consult your broker. Brokers may require ETF shareholders to adhere to specific procedures and timetables. If this service is available and used, dividend distributions of both income and net realized gains will be automatically reinvested in additional whole Shares of the distributing ETF purchased in the secondary market. Without this service, investors would receive their distributions in cash.

TAXES

As with any investment, you should consider how your investment in Shares will be taxed. The tax information in this Prospectus is provided only as general information. You should consult your own tax professional about the tax consequences of an investment in Shares.

ETF distributions to you and sale of your Shares will have tax consequences to you. Such consequences may not apply if you hold your Shares through a tax-exempt entity or tax-deferred retirement account, such as an individual retirement account or 401(k) plan.

TAXES ON DISTRIBUTIONS

Distributions by an ETF generally are taxable to you as ordinary income or capital gains. Distributions of an ETF's "investment company taxable income" (which is, generally, ordinary income, net short-term capital gain in excess of net long-term capital loss, and net gains or losses from certain foreign currency transactions) will be taxable as ordinary income to the extent of the ETF's current or accumulated earnings and profits, whether paid in cash or reinvested in additional Shares.

Distributions of an ETF's net capital gain (which is net long-term capital gain in excess of net short-term capital loss) that are properly designated by the ETF as "capital gain dividends" will be taxable to you as long-term capital gains at a maximum rate of 15% (and, without Congressional action, 20% for taxable years beginning after 2010) in the case of individuals, trusts or estates, regardless of your holding period in the ETF's Shares and regardless of whether paid in cash or reinvested in additional Shares. Distributions in excess of an ETF's earnings and profits first will reduce your adjusted tax basis in its Shares and, after the adjusted basis is reduced to zero, will constitute capital gain. Such capital gain will be long-term capital gain and thus, will be taxed at a maximum rate of 15% (20%), if the distributions are attributable to Shares held by you for more than one year. Distributions by an ETF that qualify as "qualified dividend income" are taxable to you at the long-term capital gain rate through 2010 and, without Congressional action, will be taxable as ordinary income thereafter. In order for a distribution by an ETF to be treated as qualified dividend income, it must be attributable to dividends the ETF receives on stock of most domestic corporations and certain foreign corporations with respect to which the ETF satisfies certain holding period and other requirements and you must meet similar requirements with respect to the ETF's Shares.

Corporate shareholders are generally eligible for the 70% dividends-received deduction with respect to an ETF's ordinary income dividends, but not its capital gain dividends, to the extent the ETF designates such dividends as qualifying for this deduction, except that the aggregate amount so designated in any year cannot exceed the dividends received by an ETF from domestic corporations.

Under a dividend reinvestment service, you may have the option to have all cash distributions automatically reinvested in additional ETF Shares. Any distributions reinvested under such a service will nevertheless be taxable to you. You will have an adjusted basis in the additional Shares purchased through such a reinvestment service equal to the amount of the reinvested distribution plus the amount of any fees charged for the transaction. The additional Shares will have a holding period commencing on the day following the day on which they are credited to your account.

In general, distributions are subject to federal income tax for the year when they are paid. However, certain distributions paid in January may be treated as paid on December 31 of the prior year.

You may be subject to Federal back-up withholding, at a rate of 28%, if you have not provided an ETF with a taxpayer identification number (for an individual, a social security number) and made other required certifications.

You may also be subject to state and local taxes on distributions, sales and redemptions.

TAXES WHEN SHARES ARE SOLD

Generally, you will recognize taxable gain or loss if you sell or otherwise dispose of your Shares. Any gain arising from such a disposition generally will be treated as long-term capital gain if you held the

Shares for more than one year; otherwise, it will be classified as short-term capital gain. However, any capital loss arising from the disposition of Shares held for six months or less will be treated as long-term capital loss to the extent of the amount of capital gain dividends received with respect to such Shares. In addition, all or a portion of any loss recognized upon a disposition of Shares may be disallowed under “wash sale” rules if other Shares of the same ETF are purchased (whether through reinvestment of distributions or otherwise) within 30 days before or after the disposition. If disallowed, the loss will be reflected in an adjustment to the basis of the Shares acquired.

TAXES ON PURCHASE AND REDEMPTION OF CREATION UNITS

An Authorized Participant that exchanges equity securities for one or more Creation Units generally will recognize a gain or a loss on the exchange. The gain or loss will be equal to the difference between the market value of the Creation Unit(s) at the time and the exchanger’s aggregate basis in the securities surrendered plus (or minus) the Cash Component paid (or received). A person who redeems one or more Creation Units for equity securities will generally recognize a gain or loss equal to the difference between the exchanger’s basis in the Creation Unit(s) and the aggregate market value of the securities received plus (or minus) the Cash Component received (or paid). The Internal Revenue Service, however, may assert that a loss realized upon an exchange of securities for Creation Unit(s) cannot be deducted currently under the rules governing “wash sales,” or on the basis that there has been no significant change in economic position. Persons exchanging securities should consult their own tax advisor with respect to whether wash sale rules apply and when a loss might be deductible.

Any capital gain or loss realized upon a redemption of one or more Creation Units is generally treated as long-term capital gain or loss if the Creation Unit(s) have been held for more than one year and as short-term capital gain or loss if they have been held for one year or less.

If you purchase or redeem Creation Units, you will be sent a confirmation statement showing how many Shares you purchased or sold and at what price.

The foregoing is only a summary of certain federal income tax considerations under current law, which is subject to change in the future. Shareholders such as non-resident aliens, foreign trusts or estates, or foreign corporations or partnerships may be subject to different U.S. federal income tax treatment.

You should consult your tax adviser for further information regarding federal, state, local and/or foreign tax consequences relevant to your specific situation. More information about taxes is in the ETFs’ Statement of Additional Information.

FINANCIAL HIGHLIGHTS

The financial highlights table is intended to help you understand each ETF's financial performance since inception. The total return in the table represent the rate that an investor would have earned (or lost) on an investment in the ETF (assuming reinvestment of all dividends and other distributions). For the period May 1, 2009 (commencement of offering of shares) through October 31, 2009, the information has been audited by KPMG LLP, independent registered public accounting firm for the ETFs. The financial statements and independent accountant's report thereon of the ETFs are incorporated into the Statement of Additional Information.

	For the Period May 1, 2009⁽¹⁾ through October 31, 2009
Grail American Beacon Large Cap Value ETF	
Per Share Operating Performance:	
Net asset value, beginning of period	\$25.00
Net investment income (loss) ⁽²⁾	0.22
Net realized and unrealized gain on investments	5.11
Total gain from investment operations	5.33
Net asset value, end of period	\$30.33
Total Return at NAV⁽³⁾	21.32%
Total Return at Market⁽³⁾	21.12%
Ratios/Supplemental Data:	
Net assets, end of period (000's omitted)	\$3,034
Ratios to average net assets:	
Expenses, net of expense waivers ⁽⁴⁾	0.79%
Expenses, prior to expense waivers ⁽⁴⁾	12.10%
Net investment income, net of waivers ⁽⁴⁾	1.62%

(1) Commencement of offering of shares.

(2) Based on average shares outstanding.

(3) Total return at net asset value is calculated assuming an initial investment made at the net asset value at the beginning of the period, reinvestment of all dividends and other distributions at net asset value during the period and redemption on the last day of the period. Total return at market is calculated assuming an initial investment made at the market price at the beginning of the period, reinvestment of all dividends and other distributions at market price during the period and redemption on the last day of the period. The market price is a mean of bid and ask prices at end of day. Total return calculated for a period of less than one year is not annualized. The total return would have been lower if certain expenses had not been reimbursed/waived by the investment adviser.

(4) Annualized.

GRAIL AMERICAN BEACON LARGE CAP VALUE ETF

No financial information is presented for the ETF because it had not commenced investment operations as of the date of this Prospectus.

GRAIL ADVISORS ACTIVELY MANAGED ETFs

If you would like more information about the ETFs and the Trust, the following documents are available free, upon request:

ANNUAL/SEMI-ANNUAL REPORTS TO SHAREHOLDERS

Additional information about the ETFs will be in their annual and semi-annual reports to shareholders, when available. The annual report will explain the market conditions and investment strategies affecting each ETF's performance during the last fiscal year.

STATEMENT OF ADDITIONAL INFORMATION

A Statement of Additional Information dated March 1, 2010, which contains more details about the ETFs, is incorporated by reference in its entirety into this Prospectus, which means that it is legally part of this Prospectus.

To receive a free copy of the latest annual or semi-annual report, when available, or the Statement of Additional Information, or to request additional information about the ETFs, please contact us as follows:

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INFORMATION PROVIDED BY THE SECURITIES AND EXCHANGE COMMISSION

Information about the ETFs, including their reports and the Statement of Additional Information, has been filed with the SEC. It can be reviewed and copied at the SEC's Public Reference Room in Washington, DC or on the EDGAR database on the SEC's internet site (<http://www.sec.gov>). Information on the operation of the SEC's Public Reference Room may be obtained by calling the SEC at (202) 551-8090. You can also request copies of these materials, upon payment of a duplicating fee, by electronic request at the SEC's e-mail address (publicinfo@sec.gov) or by writing the Public Reference section of the SEC, 100 F Street NE, Room 1580, Washington, DC 20549.

Investment Company Act File No. 811- 22154.