



Alerian

MLP ETF

An ALPS Advisors, Inc. Solution

ANNUAL REPORT

AMLP

November 30·2011



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November 30, 2011

Dear Shareholders:

When ALPS launched its Exchange Traded Fund ("ETF") Trust in 2008 our goal was to bring innovative solutions to the ETF industry that provide investors with access to a unique market segment or strategy. The launch of Alerian MLP ETF in August of 2010 epitomized that philosophy as we were able to bring the market the world's first Master Limited Partnership ("MLP") ETF under the ticker symbol AMLP.

Investors have long been attracted to the high historical distribution yields and tax efficiency of the MLP asset class. However, investing in individual MLPs can be complex from a diversification and tax reporting perspective. AMLP provides diversified access to the MLP asset class with 1099 Tax Reporting, IRA and 401-k eligibility, and the transparency⁽¹⁾, liquidity⁽²⁾ and low cost benefits⁽³⁾ of the ETF structure. We believe this combination of factors makes AMLP a viable option for many investors that are looking to participate in the MLP sector.

In the pages that follow our Fund managers have provided a performance overview. We thank you for your investment and for being an AMLP shareholder.

Thomas A. Carter*
President, ALPS ETF Trust

* Registered representative of ALPS Distributors, Inc.

⁽¹⁾ ETFs are considered transparent because their portfolio holdings are disclosed daily.

⁽²⁾ Liquidity is the degree to which an asset or security can be bought or sold in the market without affecting the asset's price. Liquidity is characterized by a high level of trading activity.

⁽³⁾ Ordinary Brokerage Fees Apply.

Investments in securities of MLPs involve risks that differ from an investment in common stock. MLPs are controlled by their general partners, which generally have conflicts of interest and limited fiduciary duties to the MLP, which may permit the general partner to favor its own interests over the MLPs.

The benefit you are expected to derive from the Fund's investment in MLPs depends largely on the MLPs being treated as partnerships for federal income tax purposes. As a partnership, an MLP has no federal income tax liability at the entity level. Therefore, treatment of one or more MLPs as a corporation for federal income tax purposes could affect the Fund's ability to meet its investment objective and would reduce the amount of cash available to pay or distribute to you. Legislative, judicial, or administrative changes and differing interpretations, possibly on a retroactive basis, could negatively impact the value of an investment in MLPs and therefore the value of your investment in the Fund.

The Fund invests primarily in energy infrastructure companies which may be adversely affected by changes in worldwide energy prices, exploration, production spending, government regulation, changes in exchange rates and depletion of natural resources.

All K-1s are received and processed by the Alerian MLP ETF. The Alerian MLP ETF distributes a single Form 1099 to its shareholders. This notice is provided to you for informational purposes only, and should not be considered tax advice. Please consult your tax advisor for further assistance.

There are risks involved with investing in ETFs including the loss of money. An investment in the Fund is subject to investment risk including the possible loss of the entire principal amount that you invest.



Fund Description

The Alerian MLP ETF (the “Fund”) seeks investment results that correspond (before fees and expenses) generally to the price and yield performance of its underlying index, the Alerian MLP Infrastructure Index (the “Index”). The Shares of the Fund are listed and trade on the New York Stock Exchange (“NYSE”) Arca under the ticker symbol AMLP. The Fund generally will invest in all of the securities that comprise the Index in proportion to their weightings in the Index. The Fund began trading on August 25, 2010.

The Index is a rules based, modified capitalization weighted, float adjusted index intended to give investors a means of tracking the overall performance of the United States energy infrastructure Master Limited Partnership (“MLP”) asset class. The Index is comprised of 25 energy infrastructure MLPs that earn a majority of their cash flow from the transportation and storage of energy commodities.

Performance Overview

For the 11 month period ended November 30, 2011, the Alerian MLP Infrastructure Index (AMZI) gained 10.3% on a total return basis, as compared to the S&P 500 return of 0.9%. In a year where U.S. Treasuries fell below 2%, investors sought out higher-yielding asset classes with records of stable and growing distributions more than ever. With yields averaging 6% for the year and distribution growth of 5.2% (third quarter 2011 versus third quarter 2010) for the AMZI, Master Limited Partnerships fit the profile for many investors’ appetite for yield.

Various MLP pooled products – such as exchange traded funds (ETFs), exchange traded notes (ETNs), mutual funds, and closed-end funds – have created more accessibility to the asset class. For the year, total assets from such products increased by \$4.1 billion to \$16.2 billion, of which, roughly \$1.4 billion of the increase was from the Alerian MLP ETF (AMLP).

MLPs raised \$12.8 billion in total equity via 57 follow-on offerings, an increase from the \$11.9 billion raised in 2010. Also, this was the first year that an MLP raised over \$600 million overnight, an event that occurred not only once, but on two occasions. Additionally, nearly \$4.7 billion was raised between twelve initial public offerings (IPOs) in 2011.

While the infrastructure focus for the past few years has been largely natural gas related in areas such as the Barnett, Haynesville, and Fayetteville, this year’s focus has primarily been on natural gas liquids (NGL) takeaway from areas such as the Eagle Ford, Marcellus, and Niobrara or crude oil takeaway from the Canada, the Bakken, the Permian, and particularly at the Cushing, Oklahoma hub.

Given the highly competitive environment for infrastructure in such areas, there has been a growing trend of MLP-MLP or MLP-producer joint ventures utilized to minimize risk. On the liquids front, several projects have been announced to take NGLs to the Mont Belvieu NGL hub in Texas, both from Conway, Kansas and from the Marcellus, areas where liquids drilling continue to increase. On the crude front, the largest story for the year has been solutions to relieve the supply glut at the Cushing, Oklahoma hub from crude flowing southward from the oil sands in Canada and the Bakken in Montana. As the Keystone XL pipeline’s future remains in legislative limbo, it has created opportunities for several MLPs to enter the “crude oil takeaway from Oklahoma to the Gulf Coast” race – either by reversing current crude oil pipelines, converting current natural gas pipelines, or building a new pipeline.



This year marked a major year for MLP corporate acquisitions (proposals, at least). Notably, two of the larger proposals have been made at the publicly traded MLP general partner level, rather than the LP level: Kinder Morgan Inc (KMI) for El Paso Corporation (EP) and Energy Transfer Equity (ETE) for Southern Union (SUG).

Looking forward to 2012, some trends that may emerge include exploration and production (E&P) companies or private equity firms spinning off their midstream assets into MLPs, infrastructure projects in the Utica, or more export capacity out of Mont Belvieu (potentially internationally).

Overall, with plenty of organic investment opportunities and low cost of capital to pursue acquisitions, MLPs are expected to continue generating stable cash flows and distributing consistent distributions over the next several decades.

Alerian MLP ETF Performance as of November 30, 2011

	5 Month	YTD	1 Year	Since Inception Annualized*
NAV	2.83%	5.93%	7.20%	11.73%
Market Price**	2.77%	5.80%	7.13%	11.68%
Alerian MLP Infrastructure Index	4.76%	10.29%	12.46%	19.36%

Total Expense Ratio (per the current prospectus) 0.85%.

Performance data quoted represents past performance. Past performance does not guarantee future results. Investment return and principal value of an investment will fluctuate so that an investor's shares, when sold or redeemed, may be worth more or less than the original cost. Current performance data may be higher or lower than actual data quoted. For most current month-end performance data please visit www.alpsfunds.com.

NAV is an exchange-traded fund's per-share value. The per-share dollar amount of the fund is derived by dividing the total value of all the securities in its portfolio, less any liabilities, by the number of fund shares outstanding. Market Price is the price at which a share can currently be traded in the market. Information detailing the number of days the Market Price of the Fund was greater than the Fund's NAV and the number of days it was less than the Fund's NAV can be obtained at www.alpsfunds.com.

S&P 500 Index is the Standard & Poor's composite index of 500 stocks, a widely recognized, unmanaged index of common stock prices. One cannot invest directly in an index. Index performance does not reflect fund performance.

* The Fund commenced Investment Operations on August 24, 2010 with an Inception Date, the first day of trading on the Exchange, of August 25, 2010.

** Market Price is based on the midpoint of the bid-ask spread at 4 p.m. ET and does not represent the returns an investor would receive if shares were traded at other times.

The Alerian MLP Infrastructure Index is comprised of 25 midstream energy Master Limited Partnerships.



Top 10 Holdings* as of November 30, 2011

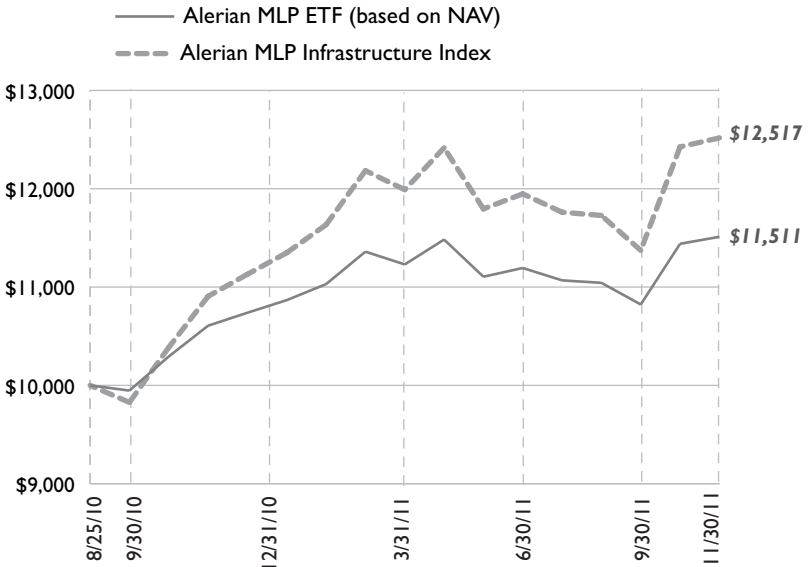
Kinder Morgan Energy Partners LP	10.1%	ONEOK Partners LP	5.2%
Enterprise Products Partners LP	9.9%	MarkWest Energy Partners LP	5.0%
Magellan Midstream Partners LP	7.0%	Enbridge Energy Partners LP	4.9%
Plains All American Pipeline LP	7.0%	Williams Partners LP	4.8%
Energy Transfer Partners LP	6.5%	Percent of Total Investments in	
Buckeye Partners LP	6.1%	Top Ten Holdings:	66.5%

*% of Total Investments.

Holdings are subject to change.

Growth of \$10k as of November 30, 2011

Comparison of Change in Value of \$10,000 Investment in Alerian MLP ETF and Alerian MLP Infrastructure Index.



The chart above represents historical performance of a hypothetical investment of \$10,000 in the Fund over the life of the Fund. Performance calculations are as of the end of each month. Past performance does not guarantee future results. This chart does not reflect the deduction of taxes that a shareholder would pay on Fund distributions or the redemption of Fund shares.



Shareholder Expense Example: As a shareholder of the Fund, you incur two types of costs: (1) transaction costs which may include creation and redemption fees or brokerage charges, and (2) ongoing costs, including management fees and other Fund expenses. These examples are intended to help you understand your ongoing costs (in dollars) of investing in the Fund and to compare these costs with the ongoing costs of investing in other funds. It is based on an investment of \$1,000 invested at July 1, 2011, and held through the period ended November 30, 2011.

Actual Return: The first line of the table provides information about actual account values and actual expenses. You may use the information in this table, together with the amount you invested, to estimate the expenses that you incurred over the period. Simply divide your account value by \$1,000 (for example, an \$8,600 account value divided by \$1,000 = 8.6), then multiply the result by the number in the first line under the heading entitled "Expenses Paid During the Period" to estimate the expenses attributable to your investment during this period.

Hypothetical 5% Return: The second line of the table provides information about hypothetical account values and hypothetical expenses based on the Fund's actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the Fund's actual return. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period. You may use this information to compare ongoing costs of investing in the Fund and other funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of the other funds.

The expenses shown in the table are meant to highlight ongoing Fund costs only and do not reflect any transaction costs, such as creation and redemption fees, or brokerage charges. Therefore, the second line is useful in comparing ongoing costs only, and will not help you determine the relative total costs of owning different funds. In addition, if these costs were included, your costs would have been higher.

	Beginning Account Value 7/1/11	Ending Account Value 11/30/11	Expense Ratio	Expenses Paid During the Period 7/1/11 - 11/30/11
Actual	\$ 1,000.00	\$1,028.30	0.85%	\$ 3.61 ^(a)
Hypothetical	\$ 1,000.00	\$1,020.92	0.85%	\$ 4.33 ^(b)

^(a) Effective March 7, 2011, the Board approved changing the fiscal year end of the the Fund from December 31 to November 30. Actual expenses are equal to the Fund's annualized expense ratio multiplied by the average account value over the period, multiplied by the number of days in the most recent fiscal half year (153), then divided by 365.

^(b) Expenses are equal to the Fund's annualized expense ratio multiplied by the average account value over the period, multiplied by the number of days in the most recent fiscal half year (184), then divided by 365.



To the Board of Trustees and Shareholders of ALPS ETF Trust:

We have audited the accompanying statement of assets and liabilities, including the schedule of investments, of Alerian MLP ETF, one of the funds constituting the ALPS ETF Trust (the "Trust") as of November 30, 2011, and the related statements of operations and changes in net assets, and the financial highlights for the period then ended and the period August 25, 2010 (inception) to December 31, 2010. These financial statements and financial highlights are the responsibility of the Trust's management. Our responsibility is to express an opinion on these financial statements and financial highlights based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements and financial highlights are free of material misstatement. The Trust is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. Our procedures included confirmation of securities owned as of November 30, 2011, by correspondence with the custodian and brokers; where replies were not received from brokers, we performed other auditing procedures. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements and financial highlights referred to above present fairly, in all material respects, the financial position of Alerian MLP ETF of the ALPS ETF Trust as of November 30, 2011, the results of its operations, the changes in its net assets, and the financial highlights for the period then ended and the period August 25, 2010 (inception) to December 31, 2010, in conformity with accounting principles generally accepted in the United States of America.

DELOITTE & TOUCHE LLP

Denver, Colorado

January 27, 2012



November 30, 2011

Security Description	Shares	Value
Master Limited Partnerships Shares (102.99%)		
<i>Energy (1.51%)</i>		
Chesapeake Midstream Partners LP	536,536	\$ 14,062,609
Exterran Partners LP	542,382	11,775,113
		<u>25,837,722</u>
<i>Gathering & Processing (20.36%)</i>		
Copano Energy LLC	1,441,926	47,727,751
DCP Midstream Partners LP	717,557	30,790,371
MarkWest Energy Partners LP	1,656,739	88,867,480
Targa Resources Partners LP	1,604,251	60,207,540
Western Gas Partners LP	964,505	36,342,548
Williams Partners LP	1,463,114	84,948,399
		<u>348,884,089</u>
<i>Natural Gas Pipelines (35.98%)</i>		
Boardwalk Pipeline Partners LP	1,606,551	41,706,064
El Paso Pipeline Partners LP	2,153,044	70,555,252
Energy Transfer Partners LP	2,635,015	115,308,256
Enterprise Products Partners LP	3,848,958	175,089,099
ONEOK Partners LP	1,807,858	91,405,301
Regency Energy Partners LP	2,633,280	60,591,773
Spectra Energy Partners LP	778,435	23,563,227
TC Pipelines LP	802,083	38,163,109
		<u>616,382,081</u>
<i>Petroleum Transportation (45.14%)</i>		
Buckeye Partners LP	1,683,476	107,405,769
Crosstex Energy LP	732,987	11,383,288
Enbridge Energy Partners LP	2,764,518	85,617,123
Genesis Energy LP	999,774	26,084,104
Kinder Morgan Energy Partners LP	2,276,800	178,045,760
Magellan Midstream Partners LP	1,941,000	124,185,180
NuStar Energy LP	1,166,005	63,943,714
Plains All American Pipeline LP	1,912,722	124,059,149
Sunoco Logistics Partners LP	510,490	52,713,197
		<u>773,437,284</u>
Total Master Limited Partnerships Shares		
(Cost \$1,633,843,730)		<u>1,764,541,176</u>



November 30, 2011

	Value
Total Investments (102.99%)	
(Cost \$1,633,843,730)	\$ 1,764,541,176
Net Liabilities Less Other Assets (-2.99%)	<u>(51,154,065)</u>
Net Assets (100.00%)	<u>\$ 1,713,387,111</u>

*Common Abbreviations:**LLC - Limited Liability Company.**LP - Limited Partnerships.**See Notes to Financial Statements.*

**Assets:**

Investments, at value	\$ 1,764,541,176
Cash	3,827,223
Receivable for shares sold	20,723,520
Deferred tax asset	2,494,257
Total Assets	1,791,586,176

Liabilities:

Payable for investments purchased	20,743,626
Current tax payable	5,635,571
Deferred tax liability	50,683,811
Payable to advisor	1,136,057
Total Liabilities	78,199,065

Net Assets	\$ 1,713,387,111
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Net Assets Consist Of:

Paid-in capital	\$ 1,633,880,245
Distributions in excess of net investment loss, net of income taxes	(5,968,191)
Accumulated net realized gain on investments, net of income taxes	3,779,994
Net unrealized appreciation on investments, net of income taxes	81,695,063
Net Assets	\$ 1,713,387,111

Investments, At Cost	\$ 1,633,843,730
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Pricing Of Shares

Net Assets	\$ 1,713,387,111
Shares of beneficial interest outstanding (Unlimited number of shares authorized, par value \$0.01 per share)	107,276,019
Net Asset Value, offering and redemption price per share	\$ 15.97

See Notes to Financial Statements.



	For the Period January 1, 2011 to November 30, 2011 ^(a)	For the Period August 25, 2010 (Inception) to December 31, 2010
Investment Income:		
Distributions from master limited partnerships	\$ 71,324,489	\$ 5,103,415
Less return of capital distributions	(71,324,489)	(5,103,415)
Total Investment Income	—	—
Expenses:		
Investment advisory fee	8,693,575	854,455
Total Expenses	8,693,575	854,455
Net Investment Loss, before Income Taxes	(8,693,575)	(854,455)
Income tax (expense)/benefit	3,251,178	328,661
Net Investment Loss	(5,442,397)	(525,794)
Realized and Unrealized Gain/(Loss):		
Net realized gain/(loss) on investments, before income taxes	23,993,717	(1,582,645)
Income tax (expense)/benefit	(9,011,335)	608,754
Net realized gain/(loss) on investments	14,982,382	(973,891)
Net change in unrealized appreciation on investments, before income taxes	95,035,171	35,662,275
Income tax (expense)/benefit	(35,285,113)	(13,717,270)
Net change in unrealized appreciation on investments	59,750,058	21,945,005
Net Realized and Unrealized Gain	74,732,440	20,971,114
Net Increase in Net Assets from Operations	\$ 69,290,043	\$ 20,445,320

^(a) Effective March 7, 2011 the Board approved changing the fiscal year end of the Fund from December 31 to November 30.



	For the Period January 1, 2011 to November 30, 2011 ^(a)	For the Period August 25, 2010 (Inception) to December 31, 2010
Operations:		
Net investment loss	\$ (5,442,397)	\$ (525,794)
Net realized gain/(loss) on investments	14,982,382	(973,891)
Net change in unrealized appreciation on investments	59,750,058	21,945,005
Net increase in net assets resulting from operations	69,290,043	20,445,320
Distributions To Shareholders:		
From net realized gains	(10,228,497)	-
Tax return of capital	(62,790,879)	(5,380,298)
Total distributions	(73,019,376)	(5,380,298)
Share Transactions:		
Proceeds from sale of shares	1,189,599,389	596,401,556
Cost of shares redeemed	(83,949,523)	-
Net increase from share transactions	1,105,649,866	596,401,556
Net increase in net assets	1,101,920,533	611,466,578
Net Assets:		
Beginning of period	611,466,578	-
End of period*	\$ 1,713,387,111	\$ 611,466,578

*Including distributions in excess of net investment loss, net of income taxes of: \$ (5,968,191) \$ (525,794)

Other Information:**Share Transactions:**

Beginning shares	38,100,000	-
Shares sold	74,576,019	38,100,000
Shares redeemed	(5,400,000)	-
Shares outstanding, end of period	107,276,019	38,100,000

^(a) Effective March 7, 2011 the Board approved changing the fiscal year end of the Fund from December 31 to November 30.

See Notes to Financial Statements.



For a Share Outstanding Throughout the Periods Presented

	For the Period January 1, 2011 to November 30, 2011 ^(a)	For the Period August 25, 2010 (Inception) to December 31, 2010
Net Asset Value, Beginning of Period	\$ 16.05	\$ 15.00
Income From Operations:		
Net investment loss ^(b)	(0.08)	(0.03)
Net realized and unrealized gain on investments	1.00	1.33
Total from Investment Operations	0.92	1.30
Less Distributions:		
From net realized gains	(0.14) ^(b)	-
From tax return of capital	(0.86)	(0.25)
Total Distributions	(1.00)	(0.25)
Net Increase/(Decrease) In Net Asset Value	(0.08)	1.05
Net Asset Value, End Of Period	\$ 15.97	\$ 16.05
Total Return^(c)	5.93%	8.66%

Ratios/Supplemental Data:

Net assets, end of period (in 000s)	\$ 1,713,387	\$ 611,467
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Ratios To Average Net Assets:

Ratio of expenses (including net deferred tax expense) to average net assets ^(e)	4.86% ^(d)	13.56% ^(d)
Ratio of expenses (including deferred tax benefit) to average net assets ^(f)	0.53% ^(d)	0.52% ^(d)
Ratio of expenses (excluding net deferred tax expenses/benefits) to average net assets	0.85% ^(d)	0.85% ^(d)
Ratio of net investment loss (including deferred tax benefit) to average net assets	(0.53%) ^(d)	(0.52%) ^(d)
Ratio of net investment loss (excluding deferred tax benefit) to average net assets	(0.85%) ^(d)	(0.85%) ^(d)
Portfolio Turnover Rate^(g)	10%	12%

^(a) Effective March 7, 2011 the Board approved changing the fiscal year end of the Fund from December 31 to November 30.

^(b) Calculated using average shares outstanding.

^(c) Total return is calculated assuming an initial investment made at the net asset value at the beginning of the period and redemption at the net asset value on the last day of the period, and assuming all distributions are reinvested at actual reinvestment prices. Total return calculated for a period of less than one year is not annualized.

^(d) Annualized.

^(e) Includes amount of deferred taxes/benefits for all components of the Statement of Operations.

^(f) Includes amount of deferred tax benefit associated with net investment income.

^(g) Portfolio turnover is not annualized and does not include securities received or delivered from processing creations or redemptions.

See Notes to Financial Statements.



1. Organization

The ALPS ETF Trust (the "Trust") is an open-end management investment company organized as a Delaware statutory trust on September 13, 2007 and is registered with the Securities and Exchange Commission ("SEC") under the Investment Company Act of 1940, as amended (the "1940 Act"). As of November 30, 2011, the Trust consists of seven separate portfolios. Each portfolio represents a separate series of the Trust. This report pertains to the Alerian MLP ETF (the "Fund"), which commenced investment operations on August 24, 2010 and began trading on the exchange on August 25, 2010. The investment objective of the Fund is to seek investment results that correspond generally to the price and yield performance (before the Fund's fees and expenses) of its underlying index, the Alerian MLP Infrastructure Index (the "Index").

The Fund's Shares ("Shares") are listed on the New York Stock Exchange ("NYSE") Arca. The Fund issues and redeems Shares at Net Asset Value ("NAV"), in blocks of 50,000 Shares, each of which is called a "Creation Unit." Creation Units are issued and redeemed principally in-kind for securities included in a specified index. Except when aggregated in Creation Units, Shares are not redeemable securities of the Fund.

2. Significant Accounting Policies

A. Use of Estimates

The following is a summary of significant accounting policies consistently followed by the Fund in the preparation of the financial statements. The accompanying financial statements were prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP"). The preparation of financial statements in conformity with U.S. GAAP requires management to make certain estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

B. Portfolio Valuation

The Fund's NAV is determined daily, as of the close of regular trading on the NYSE, normally 4:00 p.m. Eastern time, on each day the NYSE is open for trading. The NAV is computed by dividing the value of all assets of the Fund (including accrued interest and dividends), less all liabilities (including accrued expenses and dividends declared but unpaid), by the total number of shares outstanding.

Portfolio securities listed on any exchange other than the National Association of Securities Dealer Automated Quotation ("NASDAQ") exchange are valued at the last sale price on the business day as of which such value is being determined. If there has been no sale on such day, the securities are valued at the mean of the most recent bid and asked prices on such day. Securities traded on the NASDAQ are valued at the NASDAQ Official Closing Price as determined by NASDAQ. Short-term investments that mature in less than 60 days are valued at amortized cost, which approximates market value.



The Fund's investments are valued at market value or, in the absence of market value with respect to any portfolio securities, at fair value according to procedures adopted by the Trust's Board of Trustees (the "Board"). When market quotations are not readily available or when events occur that make established valuation methods unreliable, securities of the Fund may be valued in good faith by or under the direction of the Board. These securities generally include, but are not limited to, restricted securities (securities which may not be publicly sold without registration under the Securities Act of 1933) for which a pricing service is unable to provide a market price; securities whose trading has been formally suspended; a security whose market price is not available from a pre-established primary pricing source or the pricing source is not willing to provide a price; a security with respect to which an event has occurred that is most likely to materially affect the value of the security after the market has closed but before the calculation of the Fund's NAV or make it difficult or impossible to obtain a reliable market quotation; or a security whose price, as provided by the pricing service, does not reflect the security's "fair value" due to the security being de-listed from a national exchange or the security's primary trading market is temporarily closed at a time when, under normal conditions, it would be open. As a general principle, the current "fair value" of a security would be the amount which the owner might reasonably expect to receive from the closing sale prices on the applicable exchange and fair value prices may not reflect the actual value of a security. A variety of factors may be considered in determining the fair value of such securities.

C. Securities Transactions and Investment Income

Securities transactions are recorded as of the trade date. Realized gains and losses from securities transactions are recorded on the identified cost basis. Dividend income is recorded on the ex-dividend date. Interest income, if any, is recorded on the accrual basis, including amortization of premiums and accretion of discounts.

D. Dividends and Distributions to Shareholders

The Fund intends to declare and make quarterly distributions, or as the Board of Trustees may determine from time to time. Distributions of net realized capital gains earned by the Fund, if any, are distributed at least annually. Distributions from net investment income and capital gains are determined in accordance with income tax regulations, which may differ from U.S. GAAP. These differences are primarily due to differing treatments of income and gains on various investment securities held by the Fund, timing differences and differing characterization of distributions made by the Fund.

Distributions received from the Fund's investments in Master Limited Partnerships ("MLPs") generally are comprised of income and return of capital. The Fund records investment income and return of capital based on estimates made at the time such distributions are received. Such estimates are based on historical information available from each MLP and other industry sources. These estimates may subsequently be revised based on information received from MLPs after their tax reporting periods are concluded. For the period ended November 30, 2011, the Fund distributed \$73,019,376 of which \$62,790,879 was characterized as return of capital and \$10,228,497 characterized as net investment income from MLP distributions received.



The Fund also expects that a portion of the distributions it receives from MLPs may be treated as a tax deferred return of capital, thus reducing the Fund's current tax liability. Return of capital distributions are not taxable income to the shareholder, but reduce the investor's tax basis in the investor's Fund Shares. Such a reduction in tax basis will result in larger taxable gains and/or lower tax losses on a subsequent sale of Fund Shares. Shareholders who periodically receive the payment of dividends or other distributions consisting of a return of capital may be under the impression that they are receiving net profits from the Fund when, in fact, they are not. Shareholders should not assume that the source of the distributions is from the net profits of the Fund.

E. Federal Income Taxation

The Fund is taxed as a regular C-corporation for federal income tax purposes. Currently, the maximum marginal regular federal income tax rate for a corporation is 35 percent. The Fund may be subject to a 20 percent federal alternative minimum tax on its federal alternative taxable income to the extent that its alternative minimum tax exceeds its regular federal income tax. This differs from most investment companies, which elect to be treated as "regulated investment companies" under the Code in order to avoid paying entity level income taxes. Under current law, the Fund is not eligible to elect treatment as a regulated investment company due to its investments primarily in MLPs invested in energy assets. As a result, the Fund will be obligated to pay applicable federal and state corporate income taxes on its taxable income as opposed to most other investment companies which are not so obligated. The Fund expects that a portion of the distributions it receives from MLPs may be treated as a tax-deferred return of capital, thus reducing the Fund's current tax liability. However, the amount of taxes currently paid by the Fund will vary depending on the amount of income and gains derived from investments and/or sales of MLP interests and such taxes will reduce your return from an investment in the Fund.

Cash distributions from MLPs to the Fund that exceed such Fund's allocable share of such MLP's net taxable income are considered a tax-deferred return of capital that will reduce the Fund's adjusted tax basis in the equity securities of the MLP. These reductions in such Fund's adjusted tax basis in the MLP equity securities will increase the amount of gain (or decrease the amount of loss) recognized by the Fund on a subsequent sale of the securities. The Fund will accrue deferred income taxes for any future tax liability associated with (i) that portion of MLP distributions considered to be a tax-deferred return of capital as well as (ii) capital appreciation of its investments. Upon the sale of an MLP security, the Fund may be liable for previously deferred taxes. The Fund will rely to some extent on information provided by the MLPs, which is not necessarily timely, to estimate deferred tax liability for purposes of financial statement reporting and determining the NAV. From time to time, ALPS Advisors, Inc. will modify the estimates or assumptions related to the Fund's deferred tax liability as new information becomes available. The Fund will generally compute deferred income taxes based on the marginal regular federal income tax rate applicable to corporations and an assumed rate attributable to state taxes.



The Fund recognizes interest and penalties related to unrecognized tax benefits within the income tax expense line in the accompanying statement of operations. Accrued interest and penalties are included within the related tax liability line in the balance sheet.

Since the Fund will be subject to taxation on its taxable income, the NAV of Fund shares will also be reduced by the accrual of any deferred tax liabilities. The Index however is calculated without any adjustments for taxes. As a result, the Fund's after tax performance could differ significantly from the Index even if the pretax performance of the Fund and the performance of the Index are closely correlated.

The Fund's income tax expense/(benefit) consists of the following:

	November 30, 2011		
	Current	Deferred	Total
Federal	5,304,722	33,251,895	38,556,617
State	330,849	2,157,804	2,488,653
Total tax expense	5,635,571	35,409,699	41,045,270

	December 31, 2010		
	Current	Deferred	Total
Federal	0	12,779,885	12,779,885
State	0	0	0
Total tax expense	0	12,779,885	12,779,885

Deferred income taxes reflect the net tax effect of temporary differences between the carrying amount of assets and liabilities for financial reporting and tax purposes.

Components of the Fund's deferred tax assets and liabilities are as follows:

	As of November 30, 2011	As of December 31, 2010
<i>Deferred tax assets:</i>		
Income recognized from MLP investments	2,494,257	0
Loss carryforwards	0	937,415
<i>Less Deferred tax liabilities:</i>		
Net unrealized gain on investment securities	(50,683,811)	(13,717,270)
Net Deferred tax liability	(48,189,554)	(12,779,855)

Although the Fund currently has a net deferred tax liability, it reviews the recoverability of its deferred tax assets based upon the weight of available evidence. When assessing the recoverability of its deferred tax assets, significant weight was given to the effects of potential future realized and unrealized gains on investments and the period over which these deferred tax assets can be realized.



Currently, any capital losses that may be generated by the Fund in the future are eligible to be carried back up to three years and can be carried forward for five years to offset capital gains recognized by the fund in those years. Net operating losses that may be generated by the Fund in the future are eligible to be carried back up to two years and can be carried forward for 20 years to offset income generated by the Fund in those years.

Based upon the Fund's assessment, it has determined that it is more likely than not that its deferred tax assets will be realized through future taxable income of the appropriate character. Accordingly, no valuation allowance has been established for the Fund's deferred tax assets. The Fund will continue to assess the need for a valuation allowance in the future. Significant declines in the fair value of its portfolio of investments may change the Fund's assessment of the recoverability of these assets and may result in the recording of a valuation allowance against all or a portion of the Fund's gross deferred tax assets.

Total income tax benefit (current and deferred) differs from the amount computed by applying the federal statutory income tax rate of 35% to net investment and realized and unrealized gain/(losses) on investment before taxes as follows:

	January 1 to November 30, 2011	Inception to December 31, 2010
Income tax expense at statutory rate	38,617,363	11,628,811
State income taxes (net of federal benefit)	2,795,518	1,151,044
Change in estimated state deferred rate	(320,414)	0
Other	(47,197)	0
Net income tax expense	41,045,270	12,779,855

The following is a tabular reconciliation of the total amounts of unrecognized tax benefits:

	January 1 to November 30, 2011	Inception to December 31, 2010
Unrecognized tax benefit – Beginning	0	0
Gross increases – tax positions in prior period	0	0
Gross decreases – tax positions in prior period	0	0
Gross increases – tax positions in current period	0	0
Settlement	0	0
Lapse of statute of limitations	0	0
Unrecognized tax benefit – Ending	0	0



The Fund recognizes interest accrued related to unrecognized tax benefits and penalties as income tax expense. For the period from Inception to November 30, 2011, the Fund had no accrued penalties or interest.

The Fund recognizes the tax benefits of uncertain tax positions only where the position is “more likely than not” to be sustained assuming examination by tax authorities. Management has analyzed the Fund’s tax positions, and has concluded that no liability for unrecognized tax benefits should be recorded related to uncertain tax positions taken on U.S. tax returns and state tax returns filed since inception of the fund. No U.S. federal or state income tax returns are currently under examination. The tax periods ended November 30, 2010 and 2011 remain subject to examination by tax authorities in the United States. Due to the nature of the Fund’s investments, the Fund may be required to file income tax returns in several states. The Fund is not aware of any tax positions for which it is reasonably possible that the total amounts of unrecognized tax benefits will change materially in the next 12 months.

The adjusted cost basis of investment and gross unrealized appreciation and depreciation of investments for federal income tax purposes were as follows:

	As of November 30, 2011	As of December 31, 2010
Gross unrealized appreciation – investment securities	164,199,507	34,573,293
Gross unrealized depreciation – investment securities	(29,342,979)	(448,944)
<hr/> Net Unrealized appreciation – investment securities	<hr/> 134,856,528	<hr/> 34,124,349
Cost basis of investments	1,629,684,649	590,516,205

F. Fair Value Measurements

The Fund discloses the classification of its fair value measurements following a three-tier hierarchy based on the inputs used to measure fair value. Inputs refer broadly to the assumptions that market participants would use in pricing the asset or liability, including assumptions about risk. Inputs may be observable or unobservable. Observable inputs reflect the assumptions market participants would use in pricing the asset or liability that are developed based on market data obtained from sources independent of the reporting entity. Unobservable inputs reflect the reporting entity’s own assumptions about the assumptions market participants would use in pricing the asset or liability that are developed based on the best information available.

Various inputs are used in determining the value of the Fund’s investments as of the end of the reporting period. When inputs used fall into different levels of the fair value hierarchy, the level in the hierarchy within which the fair value measurement falls is determined based on the lowest level input that is significant to the fair value measurement in its entirety. The designated input levels are not necessarily an indication of the risk or liquidity associated with these investments. These inputs are categorized in the following hierarchy under applicable financial accounting standards:



- Level 1 — Unadjusted quoted prices in active markets for identical assets or liabilities that the Fund has the ability to access.
- Level 2 — Observable inputs other than quoted prices included in level 1 that are observable for the asset or liability, either directly or indirectly. These inputs may include quoted prices for the identical instrument on an inactive market, prices for similar instruments, interest rates, prepayment speeds, credit risk, yield curves, default rates, and similar data.
- Level 3 — Unobservable inputs for the asset or liability, to the extent relevant observable inputs are not available, representing the Fund's own assumptions about the assumptions a market participant would use in valuing the asset or liability, and would be based on the best information available.

Investments in Securities at Value*	Level 1 - Unadjusted Quoted Prices	Level 2 - Other Significant Observable Inputs	Level 3 - Significant Unobservable Inputs	Total
Master Limited Partnerships Shares	\$ 1,764,541,176	\$ -	\$ -	\$ 1,764,541,176
TOTAL	\$ 1,764,541,176	\$ -	\$ -	\$ 1,764,541,176

* For detailed descriptions of sectors, see the accompanying Schedule of Investments.

For the period ended November 30, 2011, the Fund did not have any significant transfers between Level 1 and Level 2 securities. The Fund did not have any securities which used significant unobservable inputs (Level 3) in determining fair value.

3. Investment Advisory Fee and Other Affiliated Transactions

ALPS Advisors, Inc. (the "Investment Adviser") acts as the Fund's investment adviser pursuant to an advisory agreement with the Trust on behalf of the Fund (the "Advisory Agreement"). Pursuant to the Advisory Agreement, the Fund pays the Investment Adviser a unitary fee for the services and facilities it provides payable on a monthly basis at the annual rate of 0.85% of the Fund's average daily net assets. From time to time, the Investment Adviser may waive all or a portion of its fee.

Out of the unitary management fee, the Investment Adviser pays substantially all expenses of the Fund, including the fee of the Index Provider, and the cost of transfer agency, custody, fund administration, legal, audit, trustees and other services, other than taxes, interest expenses, distribution fees or expenses, brokerage expenses, and extraordinary expenses such as litigation not incurred in the ordinary course of the Fund's business.

ALPS Fund Services, Inc. ("ALPS"), an affiliate of the Investment Adviser, is the administrator of the Fund.



The Bank of New York Mellon is the custodian, fund accounting agent and transfer agent for the Fund.

Each Trustee who is not an officer or employee of the Investment Adviser, any sub-adviser or any of their affiliates (“Independent Trustees”) is paid a quarterly retainer of \$3,500, \$1,500 for each regularly scheduled Board meeting attended and \$750 for each special meeting held outside of regularly scheduled meetings.

4. Purchases and Sales of Securities

For the period ended November 30, 2011, the cost of purchases and proceeds from sales of investment securities, excluding short-term investments and in-kind transactions, were as follows:

Purchases	Sales
\$113,254,478	\$185,567,655

For the period ended November 30, 2011, the cost of in-kind purchases and proceeds from in-kind sales were as follows:

Purchases	Sales
\$1,190,142,601	\$25,633,201

Gains on in-kind transactions are not considered taxable for federal income tax purposes.

5. Capital Share Transactions

Shares are created and redeemed by the Fund only in Creation Unit size aggregations of 50,000. Only broker-dealers or large institutional investors with creation and redemption agreements called Authorized Participants (“AP”) are permitted to purchase or redeem Creation Units from the Fund. Such transactions are generally permitted on an in-kind basis, with a balancing cash component to equate the transaction to the net asset value per unit of the Fund on the transaction date. Cash may be substituted equivalent to the value of certain securities generally when they are not available in sufficient quantity for delivery, not eligible for trading by the AP or as a result of other market circumstances.

6. Master Limited Partnerships

MLPs are publicly traded partnerships engaged in the transportation, storage and processing of minerals and natural resources. By confining their operations to these specific activities, their interests, or units, are able to trade on public securities exchanges exactly like the shares of a corporation, without entity level taxation. Of the seventy MLPs eligible for inclusion in the Index, approximately two-thirds trade on the NYSE and the rest trade on the NASDAQ. To qualify as a MLP and to not be taxed as a corporation, a partnership must receive at least 90% of its income from qualifying sources as set forth in Section 7704(d) of the Internal Revenue Code of 1986, as amended (the “Code”). These qualifying sources include natural resource based activities such as the processing, transportation and storage of mineral or natural resources. MLPs generally have two classes of owners, the general partner



and limited partners. The general partner of an MLP is typically owned by a major energy company, an investment fund, the direct management of the MLP, or is an entity owned by one or more of such parties. The general partner may be structured as a private or publicly traded corporation or other entity. The general partner typically controls the operations and management of the MLP through an up to 2% equity interest in the MLP plus, in many cases, ownership of common units and subordinated units. Limited partners typically own the remainder of the partnership, through ownership of common units, and have a limited role in the partnership's operations and management. MLPs are typically structured such that common units and general partner interests have first priority to receive quarterly cash distributions up to an established minimum amount ("minimum quarterly distributions" or "MQD"). Common and general partner interests also accrue arrearages in distributions to the extent the MQD is not paid. Once common and general partner interests have been paid, subordinated units receive distributions of up to the MQD; however, subordinated units do not accrue arrearages. Distributable cash in excess of the MQD is paid to both common and subordinated units and is distributed to both common and subordinated units generally on a pro rata basis. The general partner is also eligible to receive incentive distributions if the general partner operates the business in a manner which results in distributions paid per common unit surpassing specified target levels. As the general partner increases cash distributions to the limited partners, the general partner receives an increasingly higher percentage of the incremental cash distributions.

7. Indemnifications

Under the Trust's organizational documents, its officers and Trustees are indemnified against certain liability arising out of the performance of their duties to the Trust. Additionally, in the normal course of business, the Trust enters into contracts with service providers that contain general indemnification clauses. The Trust's maximum exposure under these arrangements is unknown, as this would involve future claims that may be made against the Trust that have not yet occurred.

8. New Accounting Pronouncements

In May 2011, the FASB issued ASU No. 2011-04 "Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements" in GAAP and the International Financial Reporting Standards ("IFRSs"). ASU No.2011-04 amends FASB ASC Topic 820, "Fair Value Measurements and Disclosures", to establish common requirements for measuring fair value and for disclosing information about fair value measurements in accordance with GAAP and IFRSs. ASU No.2011-04 is effective for fiscal years beginning after December 15, 2011 and for interim periods within those fiscal years. Management is currently evaluating the impact these amendments may have on the Fund's financial statements.



Proxy Voting Policies And Procedures

A description of the Fund's proxy voting policies and procedures used in determining how to vote for proxies and information regarding how the Fund voted proxies related to portfolio securities during the most recent 12-month period ended June 30th is available without charge, (1) on the Securities and Exchange Commission's ("SEC") website at <http://www.sec.gov>; (2) upon request, by calling 1-866-513-5856; and (3) on the Trust's website located at <http://www.alpsfunds.com>.

Portfolio Holdings

The Trust will file its complete schedule of portfolio holdings with the SEC for the first and third quarters of each fiscal year on Form N-Q. The Trust's Form N-Q will be available (1) on the SEC's website at <http://www.sec.gov>; (2) by calling 1-866-513-5856; (3) on the Trust's website located at <http://www.alpsfunds.com>; and (4) for review and copying at the SEC's Public Reference Room ("PRR") in Washington D.C. Information regarding the operation of the PRR may be obtained by calling 1-800-732-0330.

Shareholder Meeting

A Special Meeting of the Shareholders was held on October 14, 2011 for the purpose of voting on a proposal to approve a new Investment Advisory Agreement between ALPS ETF Trust, on behalf of the Fund, and ALPS Advisors, Inc. The proposal passed and the results are noted below.

Proposal 1: To approve a new Investment Advisory Agreement between ALPS ETF Trust, on behalf of the Fund, and ALPS Advisors, Inc.:

Record Date Votes	Number of Votes			
	Affirmative	Against	Abstain	Uninstructed
43,493,935,378	41,288,133,282	728,509,294	802,421,802	674,871,000

Percentages of Total Outstanding				Percentages of Voted			
Affirmative	Against	Abstain	Uninstructed	Affirmative	Against	Abstain	Uninstructed
52.726%	0.930%	1.025%	0.862%	94.928%	1.675%	1.845%	1.552%



At an in-person meeting held on July 26, 2011, the Board of Trustees of the Trust (the "Board"), including the Trustees who are not "interested persons" of the Trust within the meaning of the Investment Company Act of 1940, as amended (the "1940 Act"), evaluated a proposal to approve a new Investment Advisory Agreement (the "Advisory Agreement") between the Trust and ALPS Advisors, Inc. (the "Investment Adviser") with respect to Alerian MLP ETF (the "Fund").

Consideration by the Board of this new Advisory Agreement was necessary because ALPS Holdings, Inc. ("ALPS Holdings"), parent company to the Investment Adviser, had agreed to be acquired by DST Systems, Inc. ("DST") (the "Transaction"). Because ALPS Holdings would be acquired by DST, the Investment Adviser would thereby undergo a change in control, which would be deemed to be an "assignment" of the existing investment advisory agreement under the 1940 Act. As required by the 1940 Act, the existing investment advisory agreement provided for its automatic termination in the event of an assignment, and would therefore terminate upon the closing of the Transaction. In order for the Investment Adviser to continue as the Fund's investment adviser, the Board and the Fund's shareholders would have to approve a new Advisory Agreement with the Investment Adviser, which would take effect upon the closing of the Transaction.

In evaluating the new Advisory Agreement, the Board did not identify any single factor as all-important or controlling. The following summary does not identify all the matters considered by the Board, but includes the principal matters it considered. The Board considered whether the new Advisory Agreement would be in the best interests of the Fund and its shareholders, based on: (i) the nature, extent and quality of the services to be provided by the Investment Adviser under the Advisory Agreement; (ii) the investment performance of the Fund; (iii) the expenses borne by the Fund under the unitary fee arrangement of the Advisory Agreement; (iv) the estimated profitability of the Investment Adviser and its affiliates from their relationship with the Fund; (v) potential fall-out benefits to the Investment Adviser from its relationship with the Fund; and (vi) other general information about the Investment Adviser and its affiliates. The following is a summary of the Board's consideration and conclusions regarding these matters.

Nature, Extent and Quality of the Services to be Provided

The Board considered the nature, extent and quality of the services to be provided by the Investment Adviser, including the portfolio management services to be provided, in light of the investment objective of the Fund. The Board considered that, following the Transaction, the Fund would be managed by senior personnel at the Investment Adviser. In that regard, the Board considered the history of care and conscientiousness in supervising the management of the Fund provided by such personnel. The Board considered the background and capabilities of such personnel in connection with the advisory services that they would provide to the Fund following the Transaction. The Board also considered the compliance records of the Investment Adviser. The Board considered representations from DST that it intended to retain all key management and personnel of ALPS Holdings and the Investment Adviser, and that DST did not anticipate that the Investment Adviser would undergo any changes to its structure, business strategy or services as a result of the Transaction. The Board also considered the Investment Adviser's representation that the manner in which the Fund's assets would be managed would not change as a result of the Transaction. Finally, the Board also considered its and the Fund's association with the current personnel employed by the Investment Adviser.

The Board concluded that the nature, extent and quality of the services to be provided by the Investment Adviser to the Fund were appropriate and consistent with the terms of the new Advisory Agreement, and that the Fund was likely to benefit from services provided under its new Advisory Agreement. The Board also concluded that the quality of the services to be provided by the senior advisory personnel employed by the Investment Adviser was expected to be consistent with or superior to quality norms in the industry, and that the Investment Adviser would have sufficient personnel, with the appropriate education and experience, to serve the Fund effectively. The Board also concluded that the Investment Adviser had demonstrated a continuing ability to attract and retain well-qualified personnel (and noted the Investment Adviser's representations that no changes were anticipated with respect to the Investment Adviser's



compensation and incentive programs), and that the structure of the Investment Adviser's operations was sufficient to retain and properly motivate the Fund's current senior advisory personnel. Finally, the Board concluded that the financial condition of DST, ALPS Holdings and the Investment Adviser was sound.

Investment Performance

The Board also reviewed investment performance information of the Fund and its benchmark index. The Board evaluated the correlation and tracking error between the underlying index and the Fund.

Costs of the Services to be Provided to the Fund

The Board reviewed the fees to be paid by the Fund to the Investment Adviser, noting that the rate of fees to be paid under the new Advisory Agreement was the same fee rate the Fund currently paid. The Board noted that the advisory fee paid to the Investment Adviser by the Fund was a unitary fee pursuant to which the Investment Adviser assumes all expenses of the Fund (including the cost of transfer agency, custody, advisory, fund administration, legal, audit and other services) other than the payments under the new Advisory Agreement, brokerage expenses, taxes, interest, litigation expenses and other extraordinary expenses. The Board considered the Investment Adviser's representation that it did not intend to raise any of its advisory or administration fees paid by the Fund for at least two years following the Transaction.

The Board reviewed comparative fee information of the Fund's advisory contracts, including information about the rates of compensation paid to investment advisers, and overall expense ratios, for funds comparable in size, character and investment strategy to the Fund. The Board considered the fact that the Fund's fees were generally comparable to the fees charged to similar funds. The Board concluded that the management fees payable by the Fund to the Investment Adviser were reasonable in relation to the nature and quality of the services expected to be provided, taking into account the fees charged by other advisers for managing comparable funds with similar strategies.

Projected Profitability and Costs of Services to the Investment Adviser and Potential "Fall-Out" Benefits

The Board reviewed reports of the financial position of the Investment Adviser. The Board considered the projected profitability of ALPS Holdings' overall relationship with the Fund, which included fees payable to the Investment Adviser for advisory services. The Board noted that since the Fund was subject to a unitary fee arrangement with the Investment Adviser pursuant to the new Advisory Agreement, there were no other fees payable to other ALPS Holdings affiliates for non-advisory services, and concluded that the projected profitability of ALPS Holdings was reasonable in relation to the services to be provided and to the costs of providing services to the Fund.

The Board also considered any potential "fall-out" benefits that the Investment Adviser might receive because of its relationship with the Fund and concluded that the advisory fees were reasonable taking into account any such benefits. The Board acknowledged the Investment Adviser's well-established stand-alone management relationships independent of the Fund and the regulatory and entrepreneurial risks each assumed in connection with the management of the Fund.

Economies of Scale

The Board reviewed the Fund's assets under management, and noted that because of the Fund's unitary fee arrangement, consideration of economies of scale was not a relevant factor to the Fund.

Conclusion

Based on its evaluation, the Board unanimously concluded that the terms of the new Advisory Agreement were reasonable, fair and in the best interests of the Fund and its shareholders. The Board believed that the new Advisory Agreement would enable the Fund to continue to enjoy the high-quality investment management services it had received in the past from the Investment Adviser, at a fee rate identical to the present rate, which the Board deemed appropriate, reasonable and in the best interests of the Fund and its shareholders.



Independent Trustees

Name, Address and Age of Management Trustee*	Position(s) Held with Trust	Term of Office and Length of Time Served**	Principal Occupation(s) During Past 5 Years	Number of Portfolios in Fund Complex Overseen by Trustees***	Other Directorships Held by Trustees
Mary K. Anstine, age 71	Trustee	Since March 2008	Ms. Anstine was President/Chief Executive Officer of HealthONE Alliance, Denver, Colorado, and former Executive Vice President of First Interstate Bank of Denver. Ms. Anstine is also Trustee/Director of the following: AV Hunter Trust; Colorado Uplift Board. Ms. Anstine was formerly a Director of the Trust Bank of Colorado (later purchased and now known as Northern Trust Bank), HealthONE and Denver Area Council of the Boy Scouts of America and a member of the American Bankers Association Trust Executive Committee.	21	Ms. Anstine is a Trustee of Financial Investors Variable Insurance Trust (5 funds); Financial Investors Trust (17 funds); Reaves Utility Income Fund; and Westcore Trust (12 funds).
Jeremy W. Deems, age 35	Trustee	Since March 2008	Mr. Deems is the Co-Founder, Chief Compliance Officer and Chief Financial Officer of Green Alpha Advisors, LLC. Prior to joining Green Alpha Advisors, Mr. Deems was CFO and Treasurer of Forward Management, LLC, ReFlow Management Co., LLC, ReFlow Fund, LLC, a private investment fund, and Sutton Place Management, LLC, an administrative services company, from 2004 to June 2007. Prior to this, Mr. Deems served as Controller of Forward Management, LLC, ReFlow Management Co., LLC, ReFlow Fund, LLC and Sutton Place Management, LLC.	21	Mr. Deems is a Trustee of Financial Investors Trust (17 funds); Financial Investors Variable Insurance Trust (5 funds); and Reaves Utility Income Fund.



Independent Trustees (continued)

Name, Address and Age of Management Trustee*	Position(s) Held with Trust	Term of Office and Length of Time Served**	Principal Occupation(s) During Past 5 Years	Number of Portfolios in Fund Complex Overseen by Trustees***	Other Directorships Held by Trustees
Rick A. Pederson, age 59	Trustee	Since March 2008	President, Foundation Properties, Inc. (a real estate investment management company), 1994 - present; Partner, Western Capital Partners (a prime lending company), 2000 - present; Partner, Bow River Capital Partners (investment manager), 2003 - present; Principal, The Pauls Corporation (real estate development), 2008 - present; Director, Guaranty Bank and Trust (a community bank), 1999 - 2007; Winter Park Recreational Association (an entity that operates, maintains and develops Winter Park Resort), 2002 - 2008; Neenan Co. (an integrated real estate development, architecture and construction company), 2002 - present; NexCore Properties LLC (a real estate investment company), 2004 - present; Urban Land Conservancy (a not-for-profit organization), 2004 - present.	7	Mr. Pederson is Trustee of Westcore Trust (12 funds)

* The business address of the Trustee is c/o ALPS Advisors, Inc., 1290 Broadway, Suite 1100, Denver, Colorado 80203.

** This is the period for which the Trustee began serving the Trust. Each Trustee serves an indefinite term, until his successor is elected.

*** The Fund Complex includes all series of the Trust and any other investment companies for which ALPS Advisors, Inc. provides investment advisory services.



Interested Trustee***

Name, Address and Age of Management Trustee*	Position(s) Held with Trust	Term of Office and Length of Time Served**	Principal Occupation(s) During Past 5 Years	Number of Portfolios in Fund Complex Overseen by Trustees****	Other Directorships Held by Trustees
Thomas A. Carter, age 45	Trustee and President	Since March 2008	Mr. Carter joined ALPS Fund Services, Inc. ("ALPS") in 1994 and is currently President and Director of ALPS Advisors, Inc. ("AAI"), ALPS Distributors, Inc. ("ADI") and FTAM Funds Distributor, Inc. ("FDI") and Executive Vice President and Director of ALPS and ALPS Holdings, Inc. ("AHI"). Because of his position with AHI, ALPS, ADI, FDI and AAI, Mr. Carter is deemed an affiliate of the Fund as defined under the 1940 Act. Before joining ALPS, Mr. Carter was with Deloitte & Touche LLP, where he worked with a diverse group of clients, primarily within the financial services industry. Mr. Carter is a Certified Public Accountant and received his Bachelor of Science in Accounting from the University of Colorado at Boulder.	12	Mr. Carter is a Trustee of Financial Investors Variable Insurance Trust (5 funds)

* *The business address of the Trustee is c/o ALPS Advisors, Inc., 1290 Broadway, Suite 1100, Denver, Colorado 80203.*

** *This is the period for which the Trustee began serving the Trust. Each Trustee serves an indefinite term, until his successor is elected.*

*** *Mr. Carter is an interested person of the Trust because of his affiliation with ALPS.*

**** *The Fund Complex includes all series of the Trust and any other investment companies for which ALPS Advisors, Inc. provides investment advisory services*



Officers

Name, Address and Age of Executive Officer*	Position(s) Held with Trust	Length of Time Served**	Principal Occupation(s) During Past 5 Years
Melanie Zimdars, age 35	Chief Compliance Officer ("CCO")	Since December 2009	Ms. Zimdars currently serves as a Deputy Chief Compliance Officer with ALPS. Prior to joining ALPS in September 2009, Ms. Zimdars served as Principal Financial Officer, Treasurer and Secretary for the Wasatch Funds from February 2007 to December 2008. From November 2006 to February 2007, she served as Assistant Treasurer for the Wasatch Funds and served as a Senior Compliance Officer for Wasatch Advisors, Inc. since 2005. From 2001 until joining Wasatch in 2005, she was a Compliance Officer for U.S. Bancorp Fund Services, LLC. Because of her position with ALPS, Ms. Zimdars is deemed an affiliate of the Trust as defined under the 1940 Act. Ms. Zimdars is also the CCO of Financial Investors Variable Insurance Trust, Liberty All-Star Growth Fund, Inc. and Liberty All-Star Equity Fund.
Kimberly R. Storms, age 39	Treasurer	Since March 2008	Ms. Storms is Director of Fund Administration and Senior Vice President of ALPS. Ms. Storms joined ALPS in 1998 as Assistant Controller. Because of her position with ALPS, Ms. Storms is deemed an affiliate of the Trust as defined under the 1940 Act. Ms. Storms is also Assistant Treasurer of the Liberty All-Star Equity Fund, Liberty All-Star Growth Fund and Financial Investors Trust; and Assistant Secretary of Ameristock Mutual Fund, Inc.
William Parmentier, age 59	Vice President	Since March 2008	Mr. Parmentier is Chief Investment Officer, ALPS Advisors, Inc. (since 2006); President of the Liberty All-Star Funds (since April 1999); Senior Vice President (2005-2006), Banc of America Investment Advisors, Inc.
Tané T. Tyler, age 47	Secretary	Since December 2008	Ms. Tyler is Senior Vice President, General Counsel and Secretary of ALPS. Ms. Tyler joined ALPS in 2004. She served as Secretary, Reaves Utility Income Fund from December 2004–2007; Secretary, Westcore Funds from February 2005–2007; Secretary, First Funds from November 2004 to January 2007; Secretary, Financial Investors Variable Insurance Trust from December 2004–December 2006; Vice President and Associate Counsel, Oppenheimer Funds from January 2004 to August 2004; Vice President and Assistant General Counsel, INVESCO Funds from September 1991 to December 2003. Ms. Tyler also serves as Secretary, Liberty All-Star Equity Fund and Liberty All-Star Growth Fund.
Monette R. Nickels, age 40	Tax Officer	Since December 2009	Ms. Nickels is Senior Vice President and Director of Tax Administration of ALPS. Ms. Nickels joined ALPS in 2004 as Director of Tax Administration. Because of her position with ALPS, Ms. Nickels is deemed an affiliate of the Trust as defined under the 1940 Act. Ms. Nickels is also Tax Officer of Financial Investors Trust, Liberty All-Star Equity Fund, Liberty All-Star Growth Fund, Inc., and Financial Investors Variable Insurance Trust.

* The business address of each Officer is c/o ALPS Advisors, Inc., 1290 Broadway, Suite 1100, Denver, Colorado 80203.

** This is the period for which the Officer began serving the Trust. Each Officer serves an indefinite term, until his successor is elected.



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