



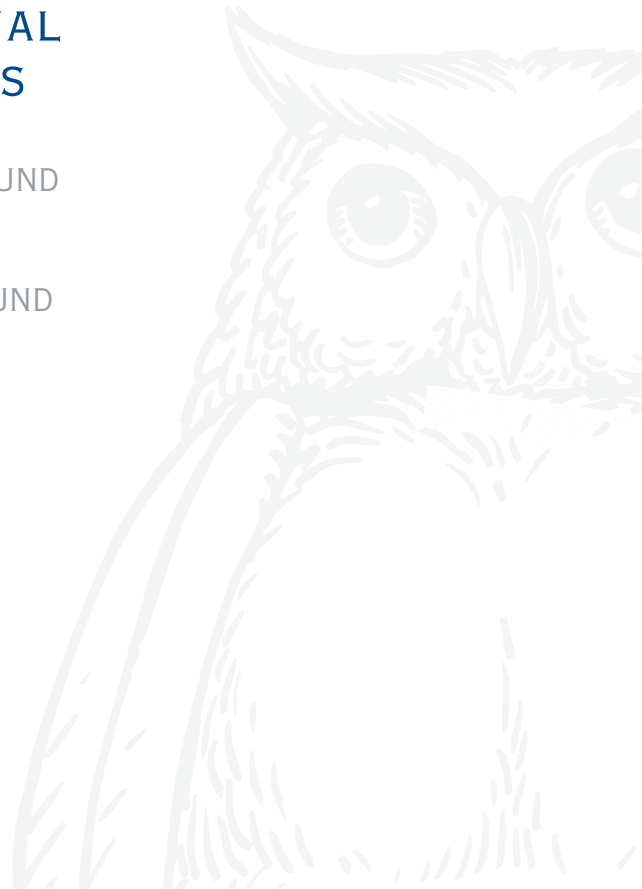
MERK[®] | MUTUAL FUNDS

MERK ASIAN CURRENCY FUND

Investor Shares

MERK HARD CURRENCY FUND

Investor Shares



PROSPECTUS | AUGUST 1, 2009

The Securities and Exchange Commission has not approved or disapproved the Funds' shares or determined whether this Prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The Notice of Privacy Policy and Practice of the Funds is included with this Prospectus but is not considered to be a part of the Prospectus.



TABLE OF CONTENTS

Risk/Return Summary – Merk Asian Currency Fund	2
Investment Objective	2
Principal Investment Strategies	2
The Adviser’s Process	2
Principal Investment Risks	3
Who May Want to Invest in the Fund	4
Performance Information	4
Risk/Return Summary – Merk Hard Currency Fund	5
Investment Objective	5
Principal Investment Strategies	5
The Adviser’s Process	5
Principal Investment Risks	6
Who May Want to Invest in the Fund	7
Performance Information	7
Fees and Expenses	9
Additional Information Regarding Principal Investment Risks Management	11
Management	14
The Adviser	14
Portfolio Manager	14
Other Service Providers	14
Fund Expenses	14
Your Account	15
How to Contact the Funds	15
General Information	15
Buying Shares	17
Selling Shares	21
Exchange Privileges	24
Retirement Accounts	24
Other Information	25
Distributions	25
Taxes	25
Organization	26
Financial Highlights	27



Concepts to Understand

The value of Fund shares will fluctuate. The Fund is not a substitute for a money market fund.

Money Market Instrument

means a high credit quality, short-term debt security that is denominated in a foreign currency or in U.S. dollars.

High Quality Debt Instrument

means an instrument issued by an entity with an outstanding unsecured debt issue rated in the top tier ratings by a U.S. nationally recognized ratings service, or the Adviser considers comparable in quality to instruments rated in the top tier.

Debt Securities are securities issued by domestic and foreign governments, financial institutions, corporations and other entities to borrow money. The issuer pays a fixed, floating or variable rate of interest and must repay the amount borrowed at maturity.

Maturity means the date on which a debt security is (or may be) due and payable.

Duration is a measure of a bond or bond fund's price sensitivity to changes in interest rates. Duration is defined as the weighted average term to maturity of a security's cash flows, where the weights are the present value of each cash flow as a percentage to the security's price. The greater a bond or fund's



MERK[®] | MUTUAL FUNDS

Merk Asian Currency Fund**Investment Objective**

The Fund seeks to protect against the depreciation of the U.S. dollar relative to Asian currencies. The Fund's investment objective may be changed by the Board of Trustees of the Fund without a shareholder vote.

Principal Investment Strategies

Under normal market conditions, the Fund invests at least 80% of the value of its net assets (plus borrowings for investment purposes) in securities or instruments that provide exposure to Asian currencies. The Fund normally expects to achieve this exposure through investments in high quality, short-term debt instruments denominated in Asian currencies or a combination of U.S. dollar denominated securities and forward currency contracts, including non-deliverable forward contracts that seek to profit from a decline of the U.S. dollar relative to Asian currencies.

To gain exposure to Asian currencies, the Fund may also invest in other securities where the performance of the security is expected to have a high correlation to the performance of Asian currencies.

Asian currencies the Fund may invest in include, but are not limited to, the currencies of China, Hong Kong, Japan, India, Indonesia, Malaysia, the Philippines, Singapore, South Korea, Taiwan and Thailand.

The Fund will not have a material portion of its assets invested in securities issued by issuers located in Asian markets when it has invested substantially in forward foreign currency contracts or other derivative instruments. Because delivery and settlement of forward contracts takes place in the future, the Fund will retain the assets it intends to use to settle the contracts and invest these assets in various U.S. fixed income instruments that the Adviser expects will generate income for the Fund. The value of such investments (to the extent used to cover the Fund's net exposure under the forward foreign currency contracts and similar instruments) and forward contracts and other instruments that provide investment exposure to Asian currencies will be counted for purposes of the Fund's 80% policy.

The Adviser's Process

Merk Investments, LLC (the "Adviser") will determine and periodically revise currency exposure allocations based on both quantitative and qualitative analysis.

duration, the greater its price volatility in response to changes in interest rates.

Derivative Security means an investment contract whose value depends on, or is derived from, the value of an underlying asset, interest rate, index or commodity such as a futures contract.

Forward Currency Contract means an agreement to buy or sell a specified amount of currency at a set price on a future date. When combined with U.S. dollar denominated money market instruments, it may obtain a result that is substantially the same as a direct investment in a foreign currency denominated instrument.

Non Deliverable Forward Contract means a cash-settled, short-term Forward Currency Contract on a foreign currency, where the profit or loss at the time at the settlement date is calculated by taking the difference between the agreed upon exchange rate and the spot rate at the time of settlement for an agreed upon notional amount. This combination may obtain a result that is substantially the same as a direct investment in a foreign currency denominated instrument. NDF contracts are commonly used to gain exposure, especially to thinly traded or non-convertible, foreign currencies.

Quantitative factors that the Adviser may consider include a country's gross domestic product; its trade and current account balance with the United States; its interest rates; and the volatility of its currency relative to other currencies.

Qualitative factors that the Adviser may consider include an analysis of monetary policies pursued by central banks and economic environments; a country's perceived political stability; the risk of government intervention in its financial markets; and proprietary analysis on the outlook of a country's currency.

Once the Adviser has allocated the currency exposure levels for the Fund the Adviser will select instruments to create a liquid portfolio of short duration. The Adviser may adapt the currency allocations as its analysis of monetary policies and economic environments or other considerations it deems relevant evolve.

To try to reduce interest rate risk to its portfolio, the Fund will only buy money market or high quality debt instruments with effective maturities of one year or less at the time of purchase. The Adviser may sacrifice yield in return for high credit quality of debt securities. The Adviser may exclude exposure to certain currencies if, in the Adviser's opinion its analysis does not support the potential for the currency's appreciation.

The Fund will specifically seek exposure to the currency risk of select Asian currencies. The Adviser will invest in a basket of Asian currencies to reduce the exposure to the risks of any one currency. If the Adviser deems a currency crisis likely, the Adviser may concentrate the Fund's exposure to a few currencies that meet the Adviser's qualitative and quantitative investment factors.

The Adviser may choose to predominantly, or even exclusively, buy U.S. fixed income instruments in conjunction with forward contracts, as well as non-deliverable forward contracts ("NDF contracts") in order to mitigate the risks of investing in countries that do not have well developed debt markets or where the government may restrict the flow of capital.

Temporary Defensive Position. In order to respond to adverse market, economic, political or other conditions, the Fund may assume a temporary defensive position that is inconsistent with its principal investment strategies and invest, without limitation, in cash or prime quality cash equivalents (including commercial paper, certificates of deposit, banker's acceptances and time deposits). A defensive position, taken at the wrong time, may have an adverse impact on the Fund's performance. The Fund may be unable to achieve its investment objective during the employment of a temporary defensive measure.

Principal Investment Risks

It is important that investors closely review and understand the risks of investing in the Fund's investments. The principal investment risks of investment in the Fund are:

- Currency Exchange Rate;
- Currency Management Strategies;



- Foreign Instruments;
- Trading Practices;
- Asian and Emerging Markets;
- Credit;
- Interest Rate;
- Derivative Securities;
- Counterparty; and
- General Market

For a detailed discussion regarding these risks, please see “Additional Information Regarding Principal Investment Risks” on p. 11 of this Prospectus.

Who May Want to Invest in the Fund

The Fund may be appropriate for you if you:

- Are pursuing a long-term goal with an Asian currency component to your portfolio
- Are willing to accept price fluctuations in your investments
- Are willing to tolerate the risks associated with investments in foreign currencies

The Fund may *not* be appropriate for you if you:

- Need stability of principal
- Are pursuing a short-term goal or are investing emergency reserves
- Want an investment that is considered a substitute for a U.S. dollar money market fund

Performance Information

Performance information for the Fund is not provided because the Fund has not been operational for a full calendar year.

Concepts to Understand

The value of Fund shares will fluctuate. The Fund is not a substitute for a money market fund.

Money Market Instrument

means a high credit quality, short-term debt security that is denominated in a foreign currency or in U.S. dollars.

High Quality Debt Instrument

means an instrument issued by an entity with an outstanding unsecured debt issue rated in the top tier ratings by a U.S. nationally recognized ratings service, or the Adviser considers comparable in quality to instruments rated in the top tier.

Debt Securities are securities issued by domestic and foreign governments, financial institutions, corporations and other entities to borrow money. The issuer pays a fixed, floating or variable rate of interest and must repay the amount borrowed at maturity.

Maturity means the date on which a debt security is (or may be) due and payable.

Duration is a measure of a bond or bond fund's price sensitivity to changes in interest rates. Duration is defined as the weighted average term to maturity of a security's cash flows, where the weights are the present value of each cash flow as a percentage to the security's price. The greater a bond or fund's



MERK[®] | MUTUAL FUNDS

Merk Hard Currency Fund**Investment Objective**

The Fund seeks to protect against the depreciation of the U.S. dollar relative to other currencies.

Principal Investment Strategies

Under normal market conditions, the Fund invests at least 80% of the value of its net assets (plus borrowings for investment purposes) in "hard currency" denominated investments. The Fund normally invests in a basket of hard currency denominated investments composed of high quality, short-term debt instruments of countries pursuing "sound" monetary policy and indirectly in gold. Sound monetary policy is defined as providing an environment fostering long-term price stability. "Hard currencies" refers to currencies in which investors have confidence, such as those of economically and politically stable countries. Gold is the only currency with intrinsic value and, as such, qualifies as a hard currency.

To gain exposure to foreign hard currencies, the Fund may also invest in a combination of U.S. dollar denominated securities and forward currency contracts.

Rather than buying gold bullion, to the extent that the Fund invests in gold, it will do so indirectly through exchange traded funds ("ETFs"), forward and futures contracts.

The Adviser's Process

Merk Investments, LLC (the "Adviser") will determine currency allocations based on an analysis of monetary policies pursued by central banks and economic environments. The Adviser searches for currencies that, in the Adviser's opinion, are backed by countries pursuing sound monetary policies or are backed by gold. Once this determination has been made, money market or other debt instruments will be selected to create a liquid portfolio of short duration and high credit quality. The Adviser may adapt the currency allocations as its analysis of monetary policies and economic environments evolve. The Adviser may sacrifice yield in currencies in return for high credit quality of debt securities. The Adviser may exclude currencies if, in the Adviser's opinion, the potential for appreciation is not backed by sound monetary policy.

The Fund will specifically seek the currency risk of select countries pursuing what the Adviser believes are sound monetary policies. As long-term price stability is unlikely to be achieved by most currencies, if any, the Adviser focuses on a country's



duration, the greater its price volatility in response to changes in interest rates.

Derivative Security means an investment contract whose value depends on, or is derived from, the value of an underlying asset, interest rate, index or commodity such as a futures contract.

Forward Currency Contract means an agreement to buy or sell a specified amount of currency at a set price on a future date. When combined with U.S. dollar denominated money market instruments, it may obtain a result that is substantially the same as a direct investment in a foreign currency denominated instrument.

monetary policy that fosters such stability. The Adviser will invest in a basket of hard currency denominated investments that may include gold to reduce the exposure to the risks of any one currency. If the Adviser deems a currency crisis likely, it is possible that the Fund will concentrate its investment in a few currencies that meet the Adviser's investment criteria for stringent monetary policies and practices.

Money market instruments are issued by domestic and foreign governments, financial institutions, corporations and other entities to borrow money. The issuer pays a fixed, floating or variable rate of interest and must repay the amount borrowed at maturity. To try to reduce the interest rate and credit risk to its portfolio, the Fund typically maintains a weighted average portfolio maturity of less than eighteen months and only buys money market or other short-term debt instruments that are issued by companies with an outstanding unsecured debt issue rated in the top three ratings by U.S. nationally recognized ratings services, or that the Adviser considers comparable in quality to instruments rated in the top three ratings.

Temporary Defensive Position. In order to respond to adverse market, economic, political or other conditions, the Fund may assume a temporary defensive position that is inconsistent with its principal investment strategies and invest, without limitation, in cash or prime quality cash equivalents (including commercial paper, certificates of deposit, banker's acceptances and time deposits). A defensive position, taken at the wrong time, may have an adverse impact on the Fund's performance. The Fund may be unable to achieve its investment objective during the employment of a temporary defensive measure.

Principal Investment Risks

It is important that investors closely review and understand the risks of investing in the Fund.

The principal investment risks of investment in the Fund are:

- Currency Exchange Rate;
- Currency Management Strategies;
- Foreign Instruments;
- Trading Practices;
- Gold Related Securities
- Exchange-Traded Funds and Investment Companies
- Credit;
- Interest Rate;
- Derivative Securities;

- Counterparty;
- General Market; and
- Non-Diversification.

For a detailed discussion regarding these risks, please see “Additional Information Regarding Principal Investment Risks” on p. 11 of this Prospectus.

Who May Want to Invest in the Fund

The Fund may be appropriate for you if you:

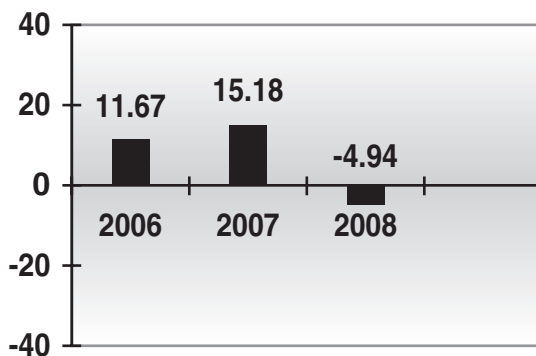
- Are pursuing a long-term goal with an hard currency component to your portfolio
- Are willing to accept price fluctuations in your investments
- Are willing to tolerate the risks associated with investments in foreign currencies

The Fund may *not* be appropriate for you if you:

- Need stability of principal
- Are pursuing a short-term goal or are investing emergency reserves
- Want an investment that is considered a substitute for a U.S. dollar money market fund

Performance Information

The following bar chart and table illustrate the variability of the Merk Hard Currency Fund’s returns as of December 31, 2008. The chart and table provide some indication of the risks of investing in the Fund by showing changes in the Fund’s performance from year-to-year and how the Fund’s returns compare to a broad measure of market performance.



Performance information represents only past performance, before and after taxes, and does not necessarily indicate future results.

The calendar year-to-date total return as of June 30, 2009 was 4.51%.

During the periods shown in the chart, the highest quarterly return was 7.02% (for the quarter ended March 31, 2008) and the lowest quarterly return was -8.79% (for the quarter ended September 30, 2008).



The following table compares the Fund's average annual total return, average annual total return after taxes on distributions, and average annual total return after taxes on distributions and sales of Fund shares as of December 31, 2008 to the J.P. Morgan Global 3-Month Cash Index.

Average Annual Total Returns		
Merk Hard Currency Fund	1 Year	Since Inception (5/10/05)
Return Before Taxes	-4.94%	4.97%
Return After Taxes on Distributions	-5.86%	3.88%
Return After Taxes on Distributions and Sale of Fund Shares	-3.01%	3.67%
JP Morgan Global 3-Month Cash Index	-3.22%	4.42%

The J.P. Morgan Global 3-Month Cash Index tracks total returns of 3-month constant maturity euro-currency deposits. The euro-currency deposits are the only short-term securities consistent across all markets in terms of liquidity, maturity and credit quality. The J.P. Morgan Global 3-Month Cash Index is unmanaged and includes reinvested distributions. One cannot invest directly in an index, nor is an index representative of the Fund's portfolio. Unlike the performance figures of the Fund, the J.P. Morgan Global 3-Month Cash Index's performance does not reflect the effect of expenses.

After-tax returns are calculated using the historical highest 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. After-tax returns shown are not relevant to investors who hold their Fund shares through tax-deferred arrangements, such as 401(k) plans or individual retirement accounts.

The return after taxes on distributions and sale of Fund shares may exceed the return before taxes due to an assumed tax benefit from any losses on a sale of Fund shares at the end of the measurement period.

FEES AND EXPENSES

The following table describes the various fees and expenses that you may pay if you invest in the Funds. Shareholder fees are fees you pay when buying, selling or exchanging shares of a Fund. Operating expenses, which include fees of the Adviser, are paid out of a Fund's assets and are factored into a Fund's share price rather than charged directly to shareholder accounts.

Shareholder Fees (fees paid directly from your investment)	Merk Asian Currency Fund	Merk Hard Currency Fund
Maximum Sales Charge (Load) Imposed on Purchases (as a percentage of the offering price)	None	None
Maximum Sales Charge (Load) Imposed on Reinvested Distributions	None	None
Maximum Deferred Sales Charge (Load) Imposed on Redemptions (as a percentage of the sale price)	None	None
Redemption Fee (as a percentage of amount redeemed)	None	None
Exchange Fee (as a percentage of amount redeemed)	None	None
Annual Fund Operating Expenses (expenses that are deducted from Fund assets)		
Management Fees (1)	1.00%	1.00%
Distribution (12b-1) and/or Service Fees (2)	0.25%	0.25%
Other Expenses (3)(4)	0.05%	0.07%
Total Annual Fund Operating Expenses	1.30%	1.32%

- (1) Under the terms of the Investment Advisory Agreement, the Adviser provides investment advisory services to the Funds and is obligated to pay all expenses of the Funds except any expenses the Funds are authorized to pay under Rule 12b-1, certain compensation and expenses of the Trustees of Forum Funds, the transfer agent's basis points fee, borrowing costs, taxes, brokerage costs, commissions, and extraordinary and non-recurring expenses.
- (2) Each Fund has adopted a Rule 12b-1 Plan to pay for the marketing of fund shares and for services provided to shareholders. The Plan provides for payments at annual rates (based on average net assets) of up to 0.25%. Because these fees are paid out of each Fund's assets on an ongoing basis, over time these fees will increase the cost of your investment in a Fund.
- (3) Other Expenses of the Merk Hard Currency Fund include interest expense of 0.02%.
- (4) Acquired Fund Fees and Expenses ("AFFE") are not fees or expenses incurred by a Fund directly but are expenses of the investment companies in which a Fund invests. You incur these fees and expenses indirectly through the valuation of a Fund's investment in those investment companies. AFFE will vary with changes in the expenses of the underlying funds (which may include changes in their expense limitation agreements, if any) as well as the degree to which a Fund invests in underlying funds, and may be higher or lower than the amount shown above. For the fiscal year ended March 31, 2009, Merk Asian Currency Fund did not have AFFE. Merk Hard Currency Fund AFFE were less than 0.01%.



Example

The following is a hypothetical example intended to help you compare the cost of investing in a Fund to the cost of investing in other mutual funds. The Example assumes that you invest \$10,000 in a Fund and that you sell your shares at the end of the period. The Example also assumes that each year your investment has a 5% return, Fund expenses stay the same and distributions are reinvested. Although your actual costs and returns might be different, your approximate costs of investing \$10,000 in a Fund would be:

	Merk Asian Currency Fund	Merk Hard Currency Fund
1 Year	\$ 132	\$ 134
3 Years	\$ 412	\$ 418
5 Years	\$ 713	\$ 723
10 Years	\$1,568	\$1,590

The Funds' total annual operating expenses are used to calculate costs.

Fund	Principal Investment Risks
Merk Asian Currency Fund	Currency Exchange Rate; Currency Management Strategies; Foreign Instruments; Trading Practices; Asian and Emerging Markets Risk; Credit; Interest Rate; Derivative Securities; Counterparty Risk; and General Market
Merk Hard Currency Fund	Currency Exchange Rate; Currency Management Strategies; Foreign Instruments; Trading Practices; Gold-Related Securities; Exchange-Traded Funds and Investment Companies; Credit; Interest Rate; Derivative Securities; Counterparty Risk; General Market; and Non-Diversification

Currency Exchange Rate. Changes in foreign currency exchange rates will affect the value of the Funds' investments and the price of each Fund's shares. Generally, when the U.S. dollar rises in value against a foreign currency, an investment in that country loses value because that currency is worth fewer U.S. dollars. Devaluation of a currency by a country's government or banking authority would have a significant impact on the value of any investments denominated in that currency.

Currency Management Strategies. Currency management strategies, including forward currency contracts and cross-hedging, may substantially change each Fund's exposure to currency exchange rates and could result in losses to the Funds if currencies do not perform as the Adviser expects. In addition, currency management strategies, to the extent that they reduce each Fund's exposure to currency risks, may also reduce each Fund's ability to benefit from favorable changes in currency exchange rates. There is no assurance that the Adviser's use of currency management strategies will benefit the Funds or that they will be, or can be, used at appropriate times. Furthermore, there may not be perfect correlation between the amount of exposure to a particular currency and the amount of securities in the portfolio denominated in that currency. Currency markets are generally less regulated than securities markets.

Foreign Instruments. Investing in foreign instruments bears a greater risk than investing in domestic instruments. As a result, each Fund's returns and net asset values may be affected to a large degree by fluctuations in currency exchange rates, political, diplomatic or economic conditions and regulatory requirements in other countries. The laws and accounting, auditing, and financial reporting standards in foreign countries typically are not as strict as they are in the U.S., and there may be less public information available about foreign companies. These risks can increase the potential for losses in the Funds and affect the price of its shares.

Trading practices. Brokerage commissions and other fees generally are higher for foreign securities. Government supervision and regulation of foreign stock exchanges, currency markets, trading systems and brokers may be less than in the U.S. The procedures and rules governing foreign transactions and custody (holding of the Funds' assets) also may involve delays in payment, delivery or recovery of money or investments.

Credit. The financial condition of an issuer of a debt security may cause it to default or become unable to pay interest or principal due on the security. In the short term, the Funds will not collect interest and principal payments on a fixed income security if the issuer defaults. The degree of risk for a particular security may be reflected in its credit rating. Generally, investment risk and price volatility increase as the credit rating of a security declines. Accordingly, the value of an investment in the Funds may change in response to changes in the credit ratings of each Fund's portfolio securities.



Interest Rate. The value of your investment in the Funds may change in response to changes in interest rates. An increase in interest rates typically causes a fall in the value of debt securities in which each Fund may invest. The longer a fixed income security's duration, the more its value typically falls in response to an increase in interest rates.

Derivatives. Derivatives are financial instruments that have a value which depends upon, or is derived from, a reference asset, such as one or more underlying securities, pools of securities, options, futures, indexes or currencies. Derivatives may result in investment exposures that are greater than their cost would suggest; in other words, a small investment in a derivative may have a large impact on each Fund's performance. The successful use of derivatives generally depends on the Adviser's ability to predict market movements.

The Funds may use derivatives in various ways. The Funds may use derivatives as a substitute for taking a position in the reference asset or to gain exposure to certain asset classes; under such circumstances, the derivatives may have economic characteristics similar to those of the reference asset, and each Fund's investment in the derivatives may be applied toward meeting a requirement to invest [a certain percentage of its net assets] in instruments with such characteristics. The Funds may use derivatives to hedge (or reduce) exposure to a portfolio asset or risk. The Funds may also use derivatives to manage cash.

Derivatives are subject to a number of risks described elsewhere in this section, such as liquidity risk, interest rate risk, credit risk and general market risks. Each Fund's use of derivatives may entail risks greater than, or possibly different from, such risks and other Principal Investment Risks to which each Fund is exposed, as described below. Certain of the different risks to which each Fund might be exposed due to its use of derivatives include the following:

Hedging Risk is the risk that derivative instruments used to hedge against an opposite position may offset losses, but they also may offset gains.

Correlation Risk is the risk that derivative instruments may be mispriced or improperly valued and that changes in the value of the derivatives may not correlate perfectly with the underlying asset or security.

Volatility Risk is the risk that, because the Funds may use some derivatives that involve economic leverage, this economic leverage will increase the volatility of the derivative instruments as they may increase or decrease in value more quickly than the underlying currency, security, interest rate or other economic variable.

Credit Derivative Risk is the risk associated with the use of credit derivatives, which is a highly specialized activity that involves strategies and risks different from those with ordinary portfolio security transactions. If the Adviser is incorrect in its forecast of default risks, market spreads or other applicable factors, each Fund's investment performance would diminish compared with what it would have been if these techniques were not used. Each Fund's risk of loss in a credit derivative transaction varies with the form of the transaction.

Segregation Risk is the risk associated with any requirement, which may be imposed on the Funds, to segregate assets or enter into offsetting positions in connection with investments in derivatives. Such segregation will not limit each Fund's exposure to loss, and the Funds may incur investment risk with respect to the segregated assets to the extent that, but for the applicable segregation requirement, each Fund would sell the segregated assets.

Counterparty. The risk that a counterparty to a financial instrument entered into by each Fund or held by special purpose or structured vehicle becomes bankrupt or otherwise fails to perform its obligations due to financial difficulties. Each Fund may experience significant delays in obtaining any recovery in a bankruptcy or other reorganization proceeding. The Funds may obtain only limited recovery or may obtain no recovery in such circumstances. The Funds will typically enter into financial instrument transactions with counterparties whose credit rating is investment grade, or, if unrated, determined to be of comparable quality by the investment manager.

General Market. An investment in the Funds is not a deposit of a bank and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Each Fund's net asset value ("NAV"), yield and total return will fluctuate based upon changes in the value of its portfolio securities. The market value of securities in which each Fund invests is based upon the market's perception of value and is not necessarily an objective measure of the securities' value. The Funds are not a complete investment program, and there is no assurance that the Funds will achieve its investment objective. You could lose money on your investment in the Funds or the Funds could under perform other investments due to, among other things, poor investment decisions by the Adviser.

Asian and Emerging Markets. The value of the Merk Asian Currency Fund's assets may be adversely affected by political, economic, social and religious instability; changes in laws or regulations of countries within Asia; international relations with other nations; and military activity. Furthermore, the economies of many Asian countries may differ from the economies of more developed countries in many respects, such as rate of growth, inflation, capital reinvestment, resource self-sufficiency, financial system stability, the national balance of payment position, and sensitivity to changes in global trade. Any adverse event in the Asian markets may have a significant adverse effect on the economies of the region as well as the Merk Asian Currency Fund.

Many Asian countries are considered emerging markets. Investing in emerging markets involve greater risks than investing in more developed markets because, among other things, emerging markets are often less stable politically and economically. The economies of emerging market countries are smaller and less developed than that of the United States. Securities markets of such countries are substantially smaller, less liquid, and more volatile than securities markets in the United States. Brokerage commissions, custodian services fees, withholding taxes, and other costs relating to investment in emerging markets are generally higher than in the United States.

Gold-Related Securities. Investments in gold-related securities, such as ETFs and forward and futures contracts, may subject the Merk Hard Currency Fund to greater volatility than investments in traditional securities. The value of gold-related securities may fluctuate due to overall market movements and other factors affecting the value of the price of gold-related securities, such as inflation or inflation expectations, interest rates, currency fluctuations, gold supply and demand, or political and regulatory developments. A fluctuation in the price of gold underlying a derivative security may cause the Fund to lose money.

Exchange-Traded Funds and Investment Companies. The Merk Hard Currency Fund may invest in shares of ETFs and investment companies, which invest in a wide range of commodities, derivatives, and/or other securities designed to track the price performance and dividend yield of a particular securities market index (or sector of an index). The risks of investment in these securities typically reflect the risks of the types of securities in which the Merk Hard Currency Fund invests. When the Merk Hard Currency Fund invests in these securities, shareholders of the Merk Hard Currency Fund bear their proportionate share of these securities' fees and expenses as well as their share of the Merk Hard Currency Fund's fees and expenses. As a result, an investment by the Merk Hard Currency Fund in an ETF or investment company could cause the Merk Hard Currency Fund's operating expenses to be higher and, in turn, performance to be lower than if it were to invest directly in the securities underlying the ETF or investment company.

Non-Diversification. As a non-diversified fund, the Merk Hard Currency Fund will be subject to more investment risk and potential for volatility than a diversified fund because its portfolio may, at times, focus on a limited number of issuers. These factors can have a negative effect on the value of the Merk Hard Currency Fund's shares. However, the Merk Hard Currency Fund intends to meet certain tax diversification requirements.



Each Fund is a series of Forum Funds (the “Trust”), an open-end, management investment company (mutual fund). The business of the Trust and the Funds is managed under the oversight of the Board of Trustees (the “Board”). The Board meets periodically to review each Fund’s performance, monitor investment activities and practices, and discuss other matters affecting the Funds. Additional information regarding the Board, as well as the Trust’s executive officers, may be found in the Statement of Additional Information (“SAI”).

The Adviser

The Funds’ Adviser is Merk Investments, LLC, 555 Bryant Street #455, Palo Alto, California 94301. As of June 30, 2009, the Adviser had approximately \$385 million of assets under management.

Subject to the general oversight of the Board, the Adviser makes investment decisions for each Fund. The Adviser receives an annual advisory fee from each Fund at an annual rate equal to 1.00% of each Fund’s average annual daily net assets under the terms of the Investment Advisory Agreement. Under that agreement, the Adviser provides investment advisory services to each Fund and is obligated to pay all expenses of the Funds except any expenses it is authorized to pay under Rule 12b-1, certain compensation and expenses of the Trustees of Forum Funds, the transfer agent’s basis points fee, borrowing costs, taxes, brokerage costs, commissions, and extraordinary and non-recurring expenses. A discussion summarizing the basis on which the Board approved the Investment Advisory Agreement is included in the Funds’ annual report for the period ended March 31, 2009.

Portfolio Manager

Axel Merk (“Portfolio Manager”) is president of the Adviser and makes all investment decisions for the Merk Hard Currency Fund and the Merk Asian Currency Fund. Mr. Merk founded the Adviser in 2001. Mr. Merk conducted investment advisory activities for Merk Investments AG, a company he founded in Switzerland in 1994, until he transferred these activities to the Adviser in 2001.

The Funds’ SAI provides additional information about the compensation of the Portfolio Manager, other accounts managed by the Portfolio Manager and the ownership of the Funds securities by the Portfolio Manager.

The Adviser may pay certain financial institutions (which may include banks, brokers, securities dealers and other industry professionals) a fee for providing distribution related services and/or for performing certain administrative servicing functions for the Funds shareholders to the extent these institutions are allowed to do so by applicable statute, rule or regulation.

Other Service Providers

Atlantic Fund Administration, LLC (“Atlantic”), provides certain administration, portfolio accounting and transfer agency services to the Funds and the Trust, and supplies certain officers to the Trust, including a Principal Executive Officer (“PEO”), Principal Financial Officer (“PFO”), Chief Compliance Officer (“CCO”) and an Anti-Money Laundering Compliance Officer (“AMLCO”).

Forside Fund Services, LLC, the Trust’s principal underwriter (the “Distributor”), acts as the Trust’s Distributor in connection with the offering of the Funds’ shares. The Distributor may enter into arrangements with banks, broker-dealers and other financial institutions through which investors may purchase or redeem shares.

The Distributor is not affiliated with the Adviser or with Atlantic or their affiliates.

Fund Expenses

The Adviser is obligated to pay most of the Funds’ operating expenses. Expenses of a Fund include that Fund’s own expenses as well as Trust expenses that are allocated among each Fund, its classes of shares and all other funds of the Trust.

How to Contact the Fund

On the internet at:

www.merkfund.com

Telephone us at:

(866) MERK FUND

(866) 637-5386 (toll free)

Write to us at:

Merk Mutual Funds

P.O. Box 588

Portland, Maine 04112

Overnight address:

Merk Mutual Funds

c/o Atlantic Fund

Administration, LLC

Three Canal Plaza,

Ground Floor

Portland, Maine 04101

Wire investments

(or ACH payments):

Please contact the Transfer

Agent at (866) 637-5386 (toll

free) to obtain the ABA routing

number and account number

for the Fund.

General Information

You may purchase or sell (redeem) a Fund's shares on each weekday that the New York Stock Exchange ("NYSE") is open. Under unusual circumstances, a Fund class may accept and process shareholder orders when the NYSE is closed if deemed appropriate by the Trust's officers.

You may purchase or sell (redeem) a Fund's shares at the NAV, next calculated after the transfer agent or an authorized agent of the Fund receives your request in proper form (as described in this Prospectus on pages 17 through 24). If the transfer agent receives your purchase, redemption, or exchange request in proper form by 4:00 p.m., Eastern time, your transaction will price at the NAV of the relevant Fund class the same business day; if the transfer agent receives your request after 4:00 p.m., Eastern time, your transaction will price at the NAV of the relevant Fund class the next business day. The Funds cannot accept orders that request a particular day or price for the transaction or any other special conditions.

The Funds do not issue share certificates.

If you purchase shares directly from a Fund, you will receive quarterly statements from the Fund detailing Fund balances and all transactions completed during the prior quarter and a confirmation of each transaction. Automatic reinvestments of distributions and systematic investments/withdrawals may be confirmed only by a quarterly statement. You should verify the accuracy of all transactions in your account as soon as you receive your confirmations and quarterly statements.

The Funds may temporarily suspend (during unusual market conditions) or discontinue any service or privilege, including systematic investments and withdrawals, wire redemption privileges, telephone redemption privileges and exchange privileges.

When and How NAV is Determined

Each Fund calculates its NAV as of the close of trading on the NYSE (normally 4:00 p.m., Eastern time) on each weekday except days when the NYSE is closed. The schedule of holidays when the NYSE is closed is below. Under unusual circumstances, a Fund may calculate its NAV when the NYSE is closed. The time at which the NAV is calculated may change in case of an emergency.

The NAV of a Fund class is determined by taking the market value of the total assets of the class, subtracting the liabilities of the class, and then dividing the result (net assets) by the number of outstanding shares of the Fund class. Since a Fund invests in securities that may trade on foreign securities markets on days other than a Fund business day, the value of a Fund's portfolio may change on days on which shareholders will not be able to purchase or redeem a Fund's shares.

Each Fund values securities for which market quotations are readily available at current market value other than certain short-term securities which are valued at amortized cost. Exchange traded securities for which market quotations are readily



available are valued using the last reported sales price provided by independent pricing services as of the close of trading on the NYSE. In the absence of trades, such securities are valued at the mean of the last bid and asked price. Non-exchange traded securities for which quotations are readily available are generally valued at the mean between the last bid and asked price. Fixed income securities may be valued at prices supplied by the Funds' pricing agent based on broker or dealer supplied valuations or matrix pricing, a method of valuing securities by reference to the value of other securities with similar characteristics, such as rating, interest rate and maturity. Investments in other open-end regulated investment companies are valued at their NAV.

Each Fund values securities at fair value pursuant to procedures ("Procedures") adopted by the Board if market quotations are not readily available or the Adviser believes that the prices or values available are unreliable. The Board has delegated fair value determinations to a Valuation Committee composed of members of the Board, the Trust's Principal Financial Officer, a representative of the Administrator and, if needed a portfolio manager or a senior representative of the Adviser, when a Fund's securities require fair valuation. Market quotations may not be readily available or may be unreliable if, among other things: (i) the exchange on which a security is principally traded closes early; (ii) trading in a security is halted during the day and does not resume prior to the time as of which a Fund calculates its NAV; or (iii) events occur after the close of the securities markets on which a Fund's portfolio securities primarily trade but before the time as of which a Fund calculates its NAV. If a Fund has portfolio securities that are primarily listed on foreign exchanges that trade on weekends or other days when the Fund does not price its shares, the NAV of the Fund may change on days when shareholders will not be able to purchase or redeem the Fund's shares.

The Funds' investment in foreign securities are more likely to require a fair value determination because, among other things, most foreign securities markets close before the Funds value their securities. The earlier close of those foreign securities markets gives rise to the possibility that significant events may have occurred in the interim.

Fair valuation is based on subjective factors, and as a result, the fair value price for a security may differ from the security's market price and may not be the price at which the security may be sold. Fair valuation could result in a different NAV than a NAV determined by using market quotes.

NYSE Holiday Schedule. The NYSE is open every weekday, Monday through Friday, except on the following holidays: New Year's Day, Martin Luther King, Jr. Day (the third Monday in January), President's Day (the third Monday in February), Good Friday, Memorial Day (the last Monday in May), Independence Day, Labor Day (the first Monday in September), Thanksgiving Day (the fourth Thursday in November) and Christmas Day. Exchange holiday schedules are subject to change without notice. The NYSE may close early on the day before each of these holidays and the day after Thanksgiving Day.

To the extent a Fund's portfolio investments trade in markets on days when the Fund is not open for business, the Fund's assets may vary on those days. In addition, trading in certain portfolio investments may not occur on days a Fund is open for business because markets or exchanges other than the NYSE may be closed.

Transactions Through Third Parties

If you invest through a broker or other financial institution, the policies and fees charged by that institution may be different than those of the Funds. These financial institutions may charge transaction fees and may set different minimum investments or limitations on buying or selling shares. These institutions may also provide you with certain shareholder services such as periodic account statements and trade confirmations summarizing your investment activity. You should consult a representative of your financial institution for more information.

Each Fund, as permitted, or any of its agents may enter into arrangements with a financial institution under which such party, at its own expense, will pay the financial institution a fee for providing distribution related services and/or for performing certain administrative and transfer agency servicing functions (such as sub-transfer agency, recordkeeping or shareholder communication services) for the benefit of a Fund's shareholders. Such payments by such party may create an incentive for these financial institutions to recommend that you purchase a Fund's shares.

Anti-Money Laundering Program

Customer identification and verification are part of the Trust's overall obligation to deter money laundering under Federal law. The Trust has adopted an Anti-Money Laundering Program designed to prevent the Funds from being used for money laundering or the financing of terrorist activities. In this regard, each Fund reserves the right, to the extent permitted by law, to (i) refuse, cancel or rescind any purchase or exchange order or to (ii) freeze any account and/or suspend account services. These actions will be taken when, at the sole discretion of Trust management, they are deemed to be in the best interest of a Fund or in cases when a Fund is requested or compelled to do so by governmental or law enforcement authority or applicable law. If an order is rescinded or your account is liquidated due to perceived threatening conduct or suspected fraudulent or illegal activity, you will not be able to recoup any sales charges or redemption fees assessed. If your account is closed at the request of governmental or law enforcement authority, you may not receive proceeds of the redemption if the Fund in which you invest is required to withhold such proceeds.

Portfolio Holdings. A description of the Funds' policies and procedures with respect to the disclosure of portfolio securities are available in the Funds' SAI.

Buying Shares

How to Make Payments

All investments must be made by check, ACH or wire. All checks must be payable in U.S. dollars and drawn on U.S. financial institutions. In the absence of the granting of an exception consistent with the Trust's anti-money laundering procedures, the Funds do not accept purchases made by credit card check, starter check, cash or cash equivalents (for instance, you may not pay by money order, bank draft, cashier's check or traveler's check).

Checks. Checks must be made payable to "Merk Asian Currency Fund" / "Merk Hard Currency Fund" or to one or more owners of the account and endorsed to "Merk Asian Currency Fund" / "Merk Hard Currency Fund." For individual, sole proprietorship, joint, Uniform Gift to Minors Act ("UGMA") and Uniform Transfer to Minors Act ("UTMA") accounts, checks may be made payable to one or more owners of the account and endorsed to "Merk Asian Currency Fund" / "Merk Hard Currency Fund". A \$20 charge may be imposed on any returned checks.

ACH. Refers to the "Automated Clearing House" System maintained by the Federal Reserve Bank, which allows banks to process checks, transfer funds and perform other tasks. Your financial institution may charge you a fee for this service.

Wires. Instruct your financial institution with whom you have an account to make a Federal Funds wire payment to us. Your financial institution may charge you a fee for this service.



Minimum Investments

The Funds accept investments in the following minimum amounts:

	Minimum Initial Investment	Minimum Additional Investment
Standard Accounts	\$2,500	\$100
Traditional and Roth IRA Accounts	\$1,000	\$100

The Funds reserve the right to waive minimum investment amounts, if deemed appropriate by the Funds' officers.

Account Requirements

Type of Account	Requirement
<p><i>Individual, Sole Proprietorship and Joint Accounts</i></p> <p>Individual accounts and sole proprietorship accounts are owned by one person. Joint accounts have two or more owners (tenants).</p>	<ul style="list-style-type: none"> Instructions must be signed by all persons required to sign and signed exactly as their names appear on the account.
<p><i>Gifts or Transfers to a Minor (UGMA, UTMA)</i></p> <p>These custodial accounts provide a way to give money to a child and obtain tax benefits.</p>	<ul style="list-style-type: none"> Depending on state laws, you can set up a custodial account under the UGMA or the UTMA. The custodian must sign instructions in a manner indicating custodial capacity.
<p><i>Business Entities</i></p>	<ul style="list-style-type: none"> Provide certified articles of incorporation, a government-issued business license or certificate, partnership agreement or similar document evidencing the identity and existence of the business entity. Submit a secretary's (or similar) certificate listing the person(s) authorized to open or transact business for the account.
<p><i>Trusts (including corporate pension plans)</i></p>	<ul style="list-style-type: none"> The trust must be established before an account can be opened. Provide the first and signature pages from the trust document identifying the trustees. Provide a power of attorney or similar document for each person that is authorized to open or transact business in the account if not a trustee of the trust.

Account Application and Customer Identity Verification

To help the government fight the funding of terrorism and money laundering activities, Federal law requires financial institutions to, among other measures, obtain, verify, and record information that identifies each person who opens an account.

When you open an account, a Fund will ask for your first and last name, tax identification number, physical street address, date of birth and other information or documents that will allow us to identify you. If you do not supply the required information, the Fund will attempt to contact you or, if applicable, your broker. If a Fund cannot obtain the required information within a timeframe established in its sole discretion, your application will be rejected.

When your application is in proper form and includes all required information, your application will normally be accepted and your order will be processed at the NAV next calculated after receipt of your application and investment amount. Once your application is accepted, the Fund in which you invest will attempt to verify your identity using the information you have supplied and other information about you that is available from third parties, including information available in public and private databases such as consumer reports from credit reporting agencies.

The Fund in which you invest will try to verify your identity within a timeframe established in its sole discretion. If the Fund cannot do so, the Fund reserves the right to close your account at the NAV next calculated after the Fund decides to close your account. If your account is closed, you may be subject to a gain or loss on Fund shares and will be subject to any related taxes and will not be able to recoup any sales charges or redemption fees assessed. If a Fund has not yet collected payment for the shares being sold, it may delay sending redemption proceeds until such payment is received, which may be up to 15 calendar days.

Each Fund may reject your application under its Anti-Money Laundering Program. Under this program, your money may not be returned to you if your account is closed at the request of governmental or law enforcement authorities.

Each Fund reserves the right to refuse any purchase (including exchange) request, particularly requests that could adversely affect a Fund or its operations.

Policy on Prohibition of Foreign Shareholders. The Funds require that all shareholders be U.S. persons with a valid U.S. taxpayer identification number to open an account with a Fund.

Investment Procedures

How to Open an Account	How to Add to Your Account
<p><i>Through a Financial Institution</i></p> <ul style="list-style-type: none"> Contact your advisor using the method that is most convenient for you 	<p><i>Through a Financial Institution</i></p> <ul style="list-style-type: none"> Contact your advisor using the method that is most convenient for you
<p><i>By Check</i></p> <ul style="list-style-type: none"> Call us or write us, or visit www.merkfund.com for an account application Complete the application (and other required documents) Mail us your application (and other required documents) and a check 	<p><i>By Check</i></p> <ul style="list-style-type: none"> Fill out an investment slip from a confirmation or write us a letter Write your account number on your check Mail us the slip (or your letter) and the check



By Wire

- Call us or write us, or visit www.merkfund.com for an account application
- Complete the application (and other required documents)
- Call us to fax the completed application (and other required documents) and we will assign you an account number
- Mail us your original application (and other required documents)
- Instruct your financial institution to wire your money to us

By Wire

- Instruct your financial institution to wire your money to us

By ACH Payment

- Call us or write us, or visit www.merkfund.com for an account application
- Complete the application (and other required documents)
- Call us to fax the completed application (and other required documents) and we will assign you an account number
- Mail us your original application (and other required documents)
- We will electronically debit the purchase amounts from the financial institution account identified on your account application

By ACH Payment

- Call to request a purchase by ACH payment
- We will electronically debit your purchase proceeds from the financial institution account identified on your account application
- Subsequent purchases are limited to \$25,000 per day

By Internet www.merkfund.com

- Log on to our Web site
- Select “Account Opening”
- Complete the application online
- Accept the terms of the online application
- Account opening amount limited to \$25,000
- We will electronically debit your purchase proceeds from the financial institution account identified on your account application

By Internet www.merkfund.com

- Log on to our Web site
- Select “Account Access”
- Provide the following information:
 - Your user ID
 - Your password
- Select Transaction/Purchase menu option
- Follow the instructions provided
- We will electronically debit your purchase proceeds from the financial institution account identified on your account application
- Subsequent purchases are limited to \$25,000 per day

Systematic Investments. You may establish a systematic investment plan to automatically invest a specific amount of money (up to \$25,000 per day) into your account on a specified day and frequency not to exceed two investments per month. Payments for systematic investments are automatically debited from your designated savings or checking account via ACH. Systematic investments must be for at least \$100 per occurrence.

Limitation on Frequent Purchases. Frequent trading by a Fund's shareholders poses risks to other shareholders in a Fund, including (i) the dilution of a Fund's NAV, (ii) an increase in a Fund's expenses, and (iii) interference with the portfolio manager's ability to execute efficient investment strategies. Experience has shown that in the markets the Funds operate in, investors interested in market timing are typically seeking leveraged products or products with intra-day pricing. As a result, the Funds are generally not susceptible to market timing. And the Board has adopted a policy of not monitoring for frequent purchases and redemptions of a Fund's shares.

Canceled or Failed Payments. The Fund accepts checks and ACH transfers at full value subject to collection. If the Fund does not receive your payment for shares or you pay with a check or ACH transfer that does not clear, your purchase will be canceled. You will be responsible for any losses or expenses incurred by the Fund or the transfer agent, and the Fund may redeem shares you own in the account (or another identically registered account that you maintain with the transfer agent) as reimbursement. The Fund and its agents have the right to reject or cancel any purchase or exchange due to nonpayment.

Selling Shares. Under normal circumstances, a Fund will send redemption proceeds to you within a week. If a Fund has not yet collected payment for the shares you are selling, it may delay sending redemption proceeds until it receives payment, which may be up to 15 calendar days.



How to Sell Shares from Your Account

Through a Financial Institution

- Contact your advisor using the method that is most convenient for you

By Mail

- Prepare a written request including:
 - Your name(s) and signature(s)
 - Your account number
 - The Fund name and class
 - The dollar amount or number of shares you want to sell
 - How and where to send the redemption proceeds
- Obtain a signature guarantee (if required)
- Obtain other documentation (if required)
- Mail us your request and documentation

By Telephone

- Call us with your request (unless you declined telephone redemption privileges on your account application)
- Provide the following information:
 - Your account number
 - Exact name(s) in which the account is registered
 - Additional form of identification
- Redemption proceeds will be:
 - Mailed to you *OR*
 - Electronically credited to your account at the financial institution identified on your account application

By Internet www.merkfund.com

- Log on to our Web site
- Select “Account Access”
- Provide the following information:
 - Your user ID
 - Your password
- Select the “Transaction/Redemption” menu option
- Follow the instructions provided
- Redemption proceeds will be electronically credited to your account at the financial institution identified on your account application

Systematically

- Complete the systematic withdrawal section of the application
- Attach a voided check to your application
- Mail us the completed application
- Redemption proceeds will be electronically credited to your account at the financial institution identified on your account application

Wire Redemption Privileges. You may redeem your shares by wire unless you declined wire redemption privileges on your account application. The minimum amount that may be redeemed by wire is \$5,000.

Telephone Redemption Privileges. You may redeem your shares by telephone unless you declined telephone redemption privileges on your account application. You may be responsible for any unauthorized telephone order as long as the transfer agent takes reasonable measures to verify that the order is genuine. Telephone redemption orders may be

difficult to complete during periods of significant economic or market activity. If you are not able to reach a Fund by telephone, you may mail your redemption order.

Systematic Withdrawals. You may establish a systematic withdrawal plan to automatically redeem a specific amount of money or shares from your account on a specified day and frequency not to exceed one withdrawal per month. These payments are sent from your account by check to your address of record, or if you so designate, to your bank account by ACH payment. Systematic withdrawals must be for at least \$250 per occurrence.

Signature Guarantee Requirements. To protect you and the Funds against fraud, signatures on certain requests must have a Medallion signature guarantee. A Medallion signature guarantee verifies the authenticity of your signature. You can obtain a Medallion signature guarantee from most banking institutions or securities brokers, but not from a notary public. The transfer agent will need written instructions signed by all registered shareholders with a Medallion signature guarantee for each shareholder for any of the following:

- Written requests to redeem \$100,000 or more
- Changes to a shareholder's record name
- Paying redemption proceeds from an account for which the address has changed within the last 30 days
- Sending redemption and distribution proceeds to any person, address or financial institution account not on record
- Sending redemption and distribution proceeds to an account with a different registration (name or ownership) from your account
- Adding or changing ACH or wire instructions, telephone redemption or exchange option, or any other election in connection with your account.

The transfer agent reserves the right to require Medallion signature guarantees on all redemptions.

Small Accounts. If the value of your account falls below \$500 (excluding Qualified Retirement Accounts), a Fund may ask you to increase your balance. If after 60 days, the account value is still \$500 (excluding Qualified Retirement Accounts or accounts with systematic investment plans), a Fund may close your account and send you the proceeds. A Fund will not close your account if it falls below these amounts solely as a result of Fund performance. There are no minimum balance requirements for Qualified Retirement Accounts.

Redemptions In Kind. Pursuant to an election filed with the Securities and Exchange Commission (the "SEC"), the Funds reserve the right to pay redemption proceeds in portfolio securities rather than in cash. To the extent that a Fund shareholder redeems its Fund holdings in kind, the shareholder assumes any risk of the market price of such securities fluctuating. In addition, the shareholder will bear any brokerage and related costs in disposing of or selling the portfolio securities it receives from the Fund. Please see the Statement of Additional Information for more detail on redemptions in kind.

Lost Accounts. The transfer agent may consider your account "lost" if correspondence to your address of record is returned as undeliverable on two consecutive occasions, unless the transfer agent determines your new address. When an account is "lost," all distributions on the account will be reinvested in additional Fund shares. In addition, the amount of any outstanding (unpaid for six months or more) checks that have been returned to the transfer agent may be reinvested at the then-current NAV and the checks will be canceled. However, checks will not be reinvested into accounts with a zero balance, but will be held in an account until the Transfer Agent locates you or the funds escheat to the state of your last known address.



Rule 12b-1 Distribution and/or Service Fees. The Trust has adopted a Rule 12b-1 plan under which the Funds pay the distributor a fee up to 0.25% of the average daily net assets of Investor Shares of each Fund for distribution services and the servicing of shareholder accounts. Because Investor Shares pay distribution fees on an ongoing basis, your investment cost over time may be higher than paying other types of sales charges. The distributor may pay any fee received under the Rule 12b-1 plan to the Adviser or other financial institutions that provide distribution and shareholder services with respect to Investor Shares.

Exchange Privileges

You may exchange your Fund shares for shares of other Merk mutual funds. Be sure to confirm with the transfer agent that the fund into which you exchange is available for sale in your state. Because exchanges are a sale and purchase of shares, they may have tax consequences.

Requirements. You may make exchanges only between identically registered accounts (name(s), address, and taxpayer ID number). There is currently no limit on exchanges, but each Fund reserves the right to limit exchanges (See “Investment Procedure-Limitations on Frequent Purchases”). You may exchange your shares by mail or telephone, unless you declined telephone redemption privileges on your account application. You may be responsible for any unauthorized telephone order as long as the transfer agent takes reasonable measures to verify that the order is genuine.

How to Exchange

Through a Financial Institution

- Contact your adviser by the method that is most convenient for you

By Mail

- Prepare a written request including:
 - Your name(s) and signature(s)
 - Your account number
 - The names of each fund (and class) you are exchanging
 - The dollar amount or number of shares you want to sell (and exchange)
- Open a new account and complete an account application if you are requesting different shareholder privileges
- Obtain a signature guarantee, if required
- Mail us your request and documentation

By Telephone

- Call us with your request (unless you declined telephone redemption privileges on your account application)
- Provide the following information:
 - Your account number
 - Exact name(s) in which account is registered
 - Additional form of identification

Retirement Accounts

You may invest in a Fund's shares through IRA accounts sponsored by the Adviser, including traditional and Roth IRAs. The Funds may also be appropriate for other retirement plans. Before investing in any IRA or other retirement plan, you should consult your tax adviser. Whenever making an investment in an IRA, be sure to indicate the year in which the contribution is made.

Distributions and Dividend Reinvestments

Each Fund declares distributions from net investment income quarterly. Any net capital gain realized by the Funds will be distributed at least annually.

Most investors have their dividends reinvested in additional shares of the same class of each Fund. If you choose this option, or if you do not indicate any choice, your dividends will be reinvested. Alternatively, you may choose to have your dividends and capital gains sent directly to your bank account or a check may be mailed if your dividend or capital gains amounts are \$10 or more. However, if a dividend or capital gains amount is less than \$10, your proceeds will be reinvested. If five or more of your dividend or capital gains checks remain uncashed after 180 days, all subsequent dividends and capital gains may be reinvested. For Federal income tax purposes, distributions are treated the same whether they are received in cash or reinvested.

Taxes

Each Fund generally intends to operate in a manner such that it will not be liable for Federal income or excise taxes.

You will generally be taxed on a Fund's distributions, regardless of whether you reinvest them or receive them in cash. A Fund's distributions of net investment income (including short-term capital gain) are taxable to you as ordinary income. A Fund's distributions of long-term capital gain, if any, are taxable to you as long-term capital gain, regardless of how long you have held your shares. Distributions may also be subject to certain state and local taxes. Some Fund distributions may also include nontaxable returns of capital. Return of capital distributions reduce your tax basis in your Fund shares and are treated as gain from the sale of the shares to the extent your basis would be reduced below zero.

A portion of a Fund's distributions may be treated as "qualified dividend income," taxable to individuals at a maximum Federal tax rate of 15% (0% for individuals in lower tax brackets) through 2010. A distribution is treated as qualified dividend income to the extent that a Fund receives dividend income from taxable domestic corporations and certain qualified foreign corporations, provided that certain holding period and other requirements are met by a Fund and the shareholder.

Distributions of capital gain and distributions of net investment income reduce the NAV of a Fund's shares by the amount of the distribution. If you purchase shares prior to these distributions, you are taxed on the distribution even though the distribution represents a return of your investment.

The sale, redemption or exchange of a Fund's shares is a taxable transaction for Federal income tax purposes. You will recognize a gain or loss on such transactions equal to the difference, if any, between the amount of your net sales proceeds and your tax basis in a Fund shares. Such gain or loss will be capital gain or loss if you held your Fund shares as capital assets. Any capital gain or loss will generally be treated as long-term capital gain or loss if you held a Fund shares for more than one year at the time of the sale or exchange. Any capital loss arising from the sale or exchange of shares held for six months or less, however, will be treated as long-term capital loss to the extent of the amount of net long-term capital gain distributions with respect to those shares.

A Fund may be required to withhold Federal income tax at the Federal backup withholding rate on all taxable distributions and redemption proceeds otherwise payable to you if you fail to provide a Fund with your correct taxpayer identification number or to make required certifications or if you have been notified by the IRS that you are subject to backup withholding. Backup withholding is not an additional tax. Rather, any amounts withheld may be credited against your Federal income tax liability once you provide the required information or certification. Investment income received by a Fund from sources within foreign countries may be subject to foreign income taxes withheld at the source.



A Fund will mail you reports containing information about the income tax status of distributions paid during the year after December 31 of each year. For further information about the tax effects of investing in the Funds, including state and local tax matters, please see the SAI and consult your tax advisor.

Organization

The Trust is a Delaware statutory trust, and each Fund is a series of the Trust. The Funds do not expect to hold shareholders' meetings unless required by Federal or Delaware law. Shareholders of a separate series of the Trust are not entitled to vote separately at shareholders' meetings unless a matter relates only to specific series (such as approval of the advisory agreement for a Fund). From time to time, large shareholders may control a Fund or the Trust.

FINANCIAL HIGHLIGHTS

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

Merk Asian Currency Fund

	April 1, 2008 (a) through March 31, 2009
NET ASSET VALUE, Beginning of Period	<u>\$10.00</u>
INVESTMENT OPERATIONS:	
Net investment income (loss) (b)	0.01
Net realized and unrealized gain (loss)	<u>(0.48)</u>
Total from Investment Operations	<u>(0.47)</u>
NET ASSET VALUE, End of Period	<u><u>\$9.53</u></u>
TOTAL RETURN	(4.70)%(c)
RATIO/SUPPLEMENTARY DATA	
Net Assets at End of Period (000's omitted)	\$47,810
Ratios to Average Net Assets:	
Net Expenses	1.30%(d)
Gross Expenses (e)	1.30%(d)
Net investment income (loss)	0.16%(d)
PORTFOLIO TURNOVER RATE	0%(c)

(a) Commencement of operations.

(b) Calculated based on average shares outstanding during the period.

(c) Not annualized.

(d) Annualized.

(e) Reflects the expense ratio excluding any waivers and/or reimbursements.



Merk Hard Currency Fund

	Year Ended March 31, 2009	Year Ended March 31, 2008	Year Ended March 31, 2007	May 10, 2005 (a) through March 31, 2006
NET ASSET VALUE,				
Beginning of Period	<u>\$12.16</u>	<u>\$10.72</u>	<u>\$9.95</u>	<u>\$10.00</u>
INVESTMENT OPERATIONS:				
Net investment income (loss) (b)	0.15	0.28	0.20	0.09
Net realized and unrealized gain (loss)	<u>(1.71)</u>	<u>1.92</u>	<u>0.93</u>	<u>(0.13)(c)</u>
Total from Investment Operations	<u>(1.56)</u>	<u>2.20</u>	<u>1.13</u>	<u>(0.04)</u>
DISTRIBUTIONS TO SHAREHOLDERS FROM:				
Net investment income	(0.10)	(0.73)	(0.36)	-
Net realized gain	<u>(0.08)</u>	<u>(0.03)</u>	<u>- (d)</u>	<u>(0.01)</u>
Total Distributions	<u>(0.18)</u>	<u>(0.76)</u>	<u>(0.36)</u>	<u>(0.01)</u>
NET ASSET VALUE, End of Period	<u><u>\$10.42</u></u>	<u><u>\$12.16</u></u>	<u><u>\$10.72</u></u>	<u><u>\$9.95</u></u>
TOTAL RETURN	(13.01)%	21.02%	11.45%	(0.40)%(e)
RATIO/SUPPLEMENTARY DATA				
Net Assets at End of Period (000's omitted)	\$268,097	\$402,816	\$75,449	\$10,643
Ratios to Average Net Assets:				
Net expenses	1.31%	1.30%	1.30%	1.30%(f)
Gross expenses (g)	1.32%	1.31%	1.31%	1.31%(f)
Net investment income (loss)	1.36%	2.40%	1.93%	1.04%(f)
PORTFOLIO TURNOVER RATE	27%	51%	29%	0%(e)

(a) Commencement of operations.

(b) Calculated based on average shares outstanding during the period.

(c) Per share amount does not reflect the actual net realized and unrealized gain/loss for the period due to the timing of Fund share sales and the amount of per share realized and unrealized gains and losses at such time.

(d) Less than \$0.01 per share.

(e) Not annualized.

(f) Annualized.

(g) Reflects the expense ratio excluding any fee waivers and/or expense reimbursements.

Merk Mutual Funds
Three Canal Plaza, Suite 600
Portland, Maine 04101
(866) 637-5386

Protecting Your Privacy

This is our policy as of September 2008. This privacy policy applies to individuals, and we reserve the right to change any or all of the principles, along with related provisions, at any time. You trust us with your financial and other personal information; we in turn are committed to respect your privacy and safeguard that information. By adhering to the practices described in this brochure, we affirm our continuing commitment to protecting your privacy.

Collection and use of shareholder information

Merk Mutual Funds (the “Funds”) collect only relevant information about the Funds’ shareholders that the law allows or requires us to have in order to conduct our business and properly service you.

We collect non-public financial and other personal information about you from the following sources (“Personal Information”):

- Information you provide on applications or other forms (for example, your name, address, social security number and birth date)
- Information derived from your transactions with us (for example, transaction amount, account balance and account number)
- Information you provide to us if you access account information or conduct account transactions online (for example, password, account number, e-mail address, and alternate telephone number)

Keeping information secure

We maintain physical, electronic and procedural safeguards to protect your Personal Information, and we continually assess new technology with the aim of adding new safeguards to those we have in place.

Use of personal and financial information by us and third parties

We do not sell Personal Information about current or former customers or their accounts to any third parties, and we have policies and procedures intended to prevent the disclosure of such information to third parties unless necessary to support the operations and administration of the Funds, the Funds’ compliance with applicable laws and regulations, or as otherwise permitted by law.

Those who may receive Personal Information include companies that provide services to the Funds, such as transfer agency, technology and administrative services, as well as the investment adviser who is an affiliate of the Funds (collectively, “Service Providers”).

Limiting employee access to information

We limit access to Personal Information to only those employees of the Service Providers with a business reason to know such information.

Accuracy of information

We strive to keep our records of your Personal Information accurate, and we take immediate steps to correct errors. If there are any inaccuracies in your statements or in any other communications from us, please contact us or contact your investment professional.

THIS IS NOT A PART OF THE PROSPECTUS.



MERK[®] | **MUTUAL
FUNDS**

MERK INVESTMENTS, LLC

MERK ASIAN CURRENCY FUND

INVESTOR SHARES

MERK HARD CURRENCY FUND

INVESTOR SHARES

FOR MORE INFORMATION

Annual/Semi-Annual Reports

Additional information about the Funds' investments will be available in the Funds' annual/semi-annual reports (when available) to shareholders. In the Funds' annual report, you will find a discussion of the market conditions and investment strategies that significantly affected the Funds' performance during its last fiscal year.

Statement of Additional Information ("SAI")

The SAI provides more detailed information about the Funds and is incorporated by reference into, and is legally part of, this Prospectus.

Contacting the Funds

You may obtain free copies of the annual/semi-annual reports (when available) and the SAI, request other information and discuss your questions about the Funds by contacting the Funds at:

Merk Mutual Funds
c/o Atlantic Fund Administration
P.O. Box 588
Portland, Maine 04112
(866) MERK FUND or
(866) 637-5386 (toll free)

The Funds' prospectus, SAI, and annual/semi-annual reports (when available), as well as a description of the policies and procedures with respect to the disclosure of the Funds' portfolio securities, are available without charge on the Funds' website at:
www.merkfund.com

Securities and Exchange Commission Information

You may also review the Funds' annual/semi-annual reports (when available), the SAI and other information about the Funds at the Public Reference Room of the Securities and Exchange Commission ("SEC"). The scheduled hours of operation of the Public Reference Room may be obtained by calling the SEC at (202) 551-8090.

You may obtain copies of this information, for a fee, by e-mailing or writing to:

Public Reference Room
Securities and Exchange Commission
Washington, D.C. 20549
<mailto:publicinfo@sec.gov>

Fund information, including copies of the annual/semi-annual reports (when available) and the SAI, is available on the SEC's Web site at <http://www.sec.gov/>.

Distributor
Foreside Fund Services, LLC
<http://www.foreside.com/>

Investment Company Act File No. 811-3023