



ANNUAL REPORT

VelocityShares Tail Risk Hedged Large Cap ETF | TRSK

VelocityShares Volatility Hedged Large Cap ETF | SPXH

November 30, 2014

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VelocityShares Tail Risk Hedged Large Cap ETF

Performance Overview

November 30, 2014 (Unaudited)

Investment Objective

The VelocityShares Tail Risk Hedged Large Cap ETF (“Exchange Traded Fund”) seeks to provide investment results that correspond generally, before fees and expenses, to the performance of the VelocityShares Tail Risk Hedged Large Cap Index (the “Underlying Index”). The Underlying Index is an index comprised of three large capitalization equity ETFs and two volatility related ETFs (“The Underlying Index ETFs”). The ETF will seek to achieve its investment objective by investing at least 80% of its total assets in Underlying Index ETFs. The ETF also intends to invest 15%, but may invest up to 20%, of its assets in swap agreements or other derivatives instead of investing directly in certain Underlying Index ETFs.

Performance Overview

For the fiscal year ended November 30, 2014, the VelocityShares Tail Risk Hedged Large Cap ETF (TRSK) produced a total return of 8.94% in-line with the VelocityShares Tail Risk Hedged Large Cap Index, the Fund’s Underlying Index, net of fees, which returned 9.41%. The Fund underperformed the S&P 500® which returned 17.17% for the same period.

The Fund’s assets invested in the Large Cap ETFs (SPDR S&P 500 ETF (SPY), Vanguard S&P 500 ETF (VOO) and iShares S&P 500 ETF (IVV)) contributed a return of 13.9%, and the assets invested in the Volatility Component detracted -4.97% for the period. The Volatility Component was net long volatility 70% of the period. This net long position coupled with falling volatility resulted in the Volatility Component’s negative performance for the period.

Volatility, as measured by the VIX®, fell from 13.7 at the beginning of the period to 13.33 at the end of the fiscal year. The VIX spiked considerably in October on economic concerns, the Fed halting Quantitative Easing and risk of an Ebola epidemic, but that was short-lived. In June the Volatility Component had had a net short volatility position, but it jumped to an over 100% long position in during the October VIX spike. The Volatility Component then moved back to a more moderate long position of 14% at the end of the fiscal year. This swift short-term swing in the volatility exposure resulted in a negative performance from mid-October through the end of the fiscal year. The strategy performed as expected: the volatility exposure increased as volatility rose, and then the exposure was reduced as volatility fell.

Performance (as of November 30, 2014)

	1 Year	Since Inception [^]
VelocityShares Tail Risk Hedged Large Cap ETF - NAV	8.94%	12.37%
VelocityShares Tail Risk Hedged Large Cap ETF - Market Price*	8.86%	12.34%
VelocityShares Tail Risk Hedged Large Cap Index	9.41%	12.86%

Total Expense Ratio (per the current prospectus) 0.71%.

[^] The Fund commenced operations on June 21, 2013.

* 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.

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 the 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.

VelocityShares Tail Risk Hedged Large Cap Index: reflects the performance of a portfolio providing a target exposure of 85% to a large cap equity portfolio and a target exposure of 15% to a volatility strategy designed to hedge tail risk in the S&P 500®. An investor cannot directly invest in an index.

The CBOE Volatility Index® (VIX®) is a key measure of market expectations of near-term volatility conveyed by S&P 500 stock index option prices. Since its introduction in 1993, VIX has been considered by many to be the world’s premier barometer of investor sentiment and market volatility.

“VelocityShares” and the VelocityShares logo are trademarks of VelocityShares Index & Calculation Services, a division of VelocityShares, LLC.

VelocityShares Tail Risk Hedged Large Cap ETF

Performance Overview

November 30, 2014 (Unaudited)

Top Holdings* (as of November 30, 2014)

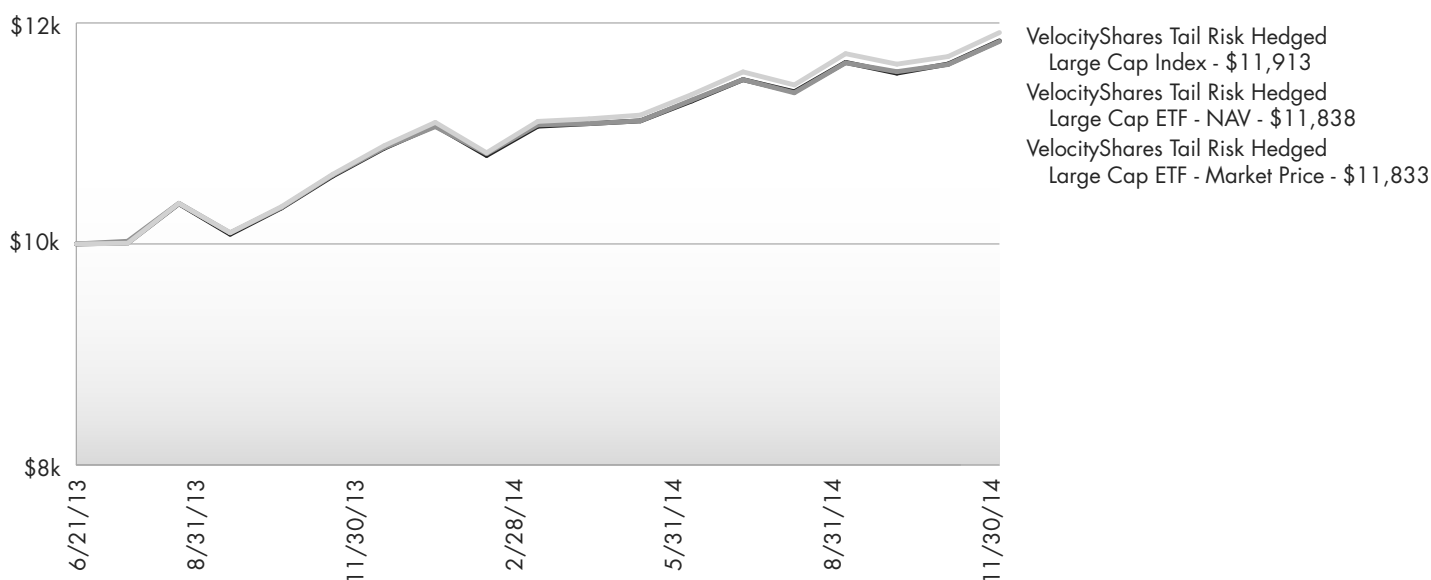
Vanguard® S&P 500® ETF	33.34%
SPDR® S&P 500® ETF	33.33%
iShares® Core S&P 500® ETF	33.33%
Total % of Top Holdings	100.00%

* % of Total Investments.

Future holdings are subject to change.

Growth of \$10,000 (as of November 30, 2014)

Comparison of Change in Value of \$10,000 Investment in the Fund and the 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.

VelocityShares Volatility Hedged Large Cap ETF

Performance Overview

November 30, 2014 (Unaudited)

Investment Objective

The VelocityShares Volatility Hedged Large Cap ETF (“Exchange Traded Fund”) seeks to provide investment results that correspond generally, before fees and expenses, to the performance of the VelocityShares Volatility Hedged LargeCap Index (the “Underlying Index”). The Underlying Index is an index comprised of three large capitalization equity ETFs and two volatility related ETFs (“The Underlying Index ETFs”). The ETF will seek to achieve its investment objective by investing at least 80 % of its total assets in Underlying Index ETFs. The ETF also intends to invest 15%, but may invest up to 20%, of its assets in swap agreements or other derivatives instead of investing directly in certain Underlying Index ETFs.

Performance Overview

For the fiscal year ended November 30, 2014, the VelocityShares Volatility Hedged Large Cap ETF (SPXH) produced a total return of 11.00% in-line with the VelocityShares Volatility Hedged Large Cap Index, the Fund’s Underlying Index, net of fees, which returned 11.58%. The Fund underperformed the S&P 500® which returned 17.17% for the same period.

The Fund’s assets invested in the Large Cap ETFs (SPDR S&P 500 ETF (SPY), Vanguard S&P 500 ETF (VOO) and iShares S&P 500 ETF (IVV)) contributed a return of 13.95%, and the assets invested in the Volatility Component were down 3.3% for the period.

Volatility, as measured by the VIX®, fell from 13.7 at the beginning of the period to 13.33 at the end of the fiscal year. The VIX spiked considerably in October on economic concerns, the Fed halting Quantitative Easing and risk of an Ebola epidemic, but that was short-lived. During the spike the Volatility Component moved from a net short exposure to a net long exposure then back to a net short exposure, and this movement resulted in a negative performance during the month. The strategy performed as expected: it moved from a net short volatility to a net long volatility exposure as volatility started to rise.

Performance (as of November 30, 2014)

	1 Year	Since Inception [^]
VelocityShares Volatility Hedged Large Cap ETF - NAV	11.00%	16.27%
VelocityShares Volatility Hedged Large Cap ETF - Market Price*	10.85%	16.22%
VelocityShares Volatility Hedged Large Cap Index	11.58%	16.87%

Total Expense Ratio (per the current prospectus) 0.71%.

[^] The Fund commenced operations on June 21, 2013.

* 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.

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 the 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.

VelocityShares Volatility Hedged Large Cap Index: reflects the performance of a portfolio providing a target exposure of 85% to a large cap equity portfolio and a target exposure of 15% to a volatility strategy designed to hedge volatility risk in the S&P 500®. An investor cannot directly invest in an index.

The CBOE Volatility Index® (VIX®) is a key measure of market expectations of near-term volatility conveyed by S&P 500 stock index option prices. Since its introduction in 1993, VIX has been considered by many to be the world’s premier barometer of investor sentiment and market volatility.

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VelocityShares Volatility Hedged Large Cap ETF

Performance Overview

November 30, 2014 (Unaudited)

Top Holdings* (as of November 30, 2014)

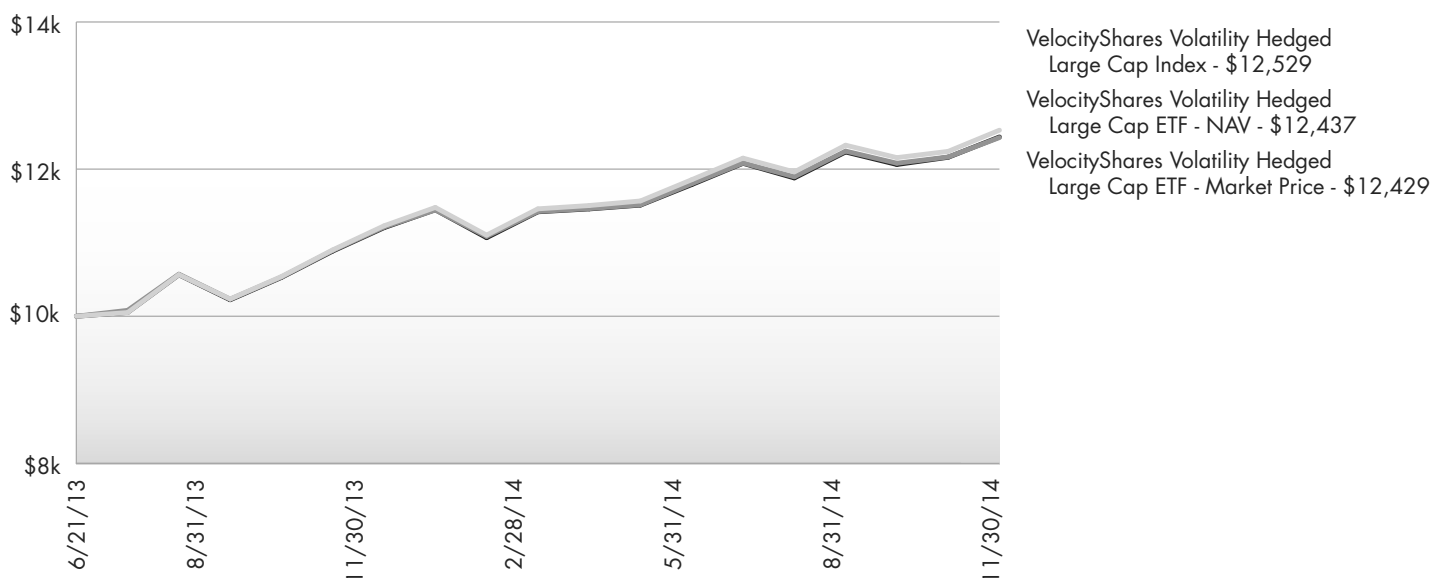
Vanguard® S&P 500® ETF	33.34%
iShares® Core S&P 500® ETF	33.33%
SPDR® S&P 500® ETF	33.33%
Total % of Top Holdings	100.00%

* % of Total Investments.

Future holdings are subject to change.

Growth of \$10,000 (as of November 30, 2014)

Comparison of Change in Value of \$10,000 Investment in the Fund and the 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. The example is based on an investment of \$1,000 invested at the beginning of the (six month) period and held through November 30, 2014.

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 of the table 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 of the table 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 6/1/14	Ending Account Value 11/30/14	Expense Ratio ^(a)	Expenses Paid During Period 6/1/14 - 11/30/14 ^(b)
VelocityShares Tail Risk Hedged Large Cap ETF				
Actual	\$ 1,000.00	\$ 1,048.10	0.65%	\$ 3.34
Hypothetical (5% return before expenses)	\$ 1,000.00	\$ 1,021.81	0.65%	\$ 3.29
VelocityShares Volatility Hedged Large Cap ETF				
Actual	\$ 1,000.00	\$ 1,054.80	0.65%	\$ 3.35
Hypothetical (5% return before expenses)	\$ 1,000.00	\$ 1,021.81	0.65%	\$ 3.29

^(a) Annualized, based on the Fund's most recent fiscal half-year expenses.

^(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 (183), divided by 365.

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

We have audited the accompanying statements of assets and liabilities, including the schedules of investments, of VelocityShares Tail Risk Hedged Large Cap ETF and VelocityShares Volatility Hedged Large Cap ETF, two of the portfolios constituting the ALPS ETF Trust (the "Trust") as of November 30, 2014, and the related statements of operations for the year then ended, and the statements of changes in net assets and the financial highlights for the year then ended and the period June 21, 2013 (Commencement of Operations) to November 30, 2013. 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, 2014, 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 VelocityShares Tail Risk Hedged Large Cap ETF and VelocityShares Volatility Hedged Large Cap ETF of the ALPS ETF Trust as of November 30, 2014, the results of their operations for the year then ended, and the changes in their net assets and the financials highlights for the year then ended and the period June 21, 2013 (Commencement of Operations) to November 30, 2013, in conformity with accounting principles generally accepted in the United States of America.

DELOITTE & TOUCHE LLP

Denver, Colorado
January 29, 2015

VelocityShares Tail Risk Hedged Large Cap ETF

Schedule of Investments

November 30, 2014

Security Description	Shares	Value
EXCHANGE TRADED FUNDS (85.28%)		
Equity Fund (85.28%)		
iShares® Core S&P 500® ETF	47,185	\$ 9,841,847
SPDR® S&P 500® ETF	47,500	9,842,000
Vanguard® S&P 500® ETF	51,792	9,842,034
Total United States		<u>29,525,881</u>
TOTAL EXCHANGE TRADED FUNDS		
(Cost \$26,298,144)		<u>29,525,881</u>
TOTAL INVESTMENTS (85.28%)		
(Cost \$26,298,144)		\$ 29,525,881
NET OTHER ASSETS AND LIABILITIES		
(14.72%)^(a)		<u>5,097,091</u>
NET ASSETS (100.00%)		
		<u>\$ 34,622,972</u>

^(a) Includes cash, in the amount of \$1,350,000, which is being held as collateral for total return swap contracts.

Common Abbreviations:

- ETF - Exchange Traded Fund.
- S&P - Standard and Poor's.
- SPDR - Standard and Poor's Depository Receipt.

TOTAL RETURN SWAP CONTRACTS*

Reference Obligation	Swap Counterparty	Rate Paid by the Fund	Termination Date	Notional Amount	Unrealized Depreciation
S&P 500® VIX® Futures Tail Risk Index- Short Term:	BNP Paribas	1.970%	09/02/2015	\$ 3,259,649	\$ (598,844)
S&P 500® VIX® Futures Tail Risk Index- Short Term:	BNP Paribas	1.970%	10/02/2015	331,161	(51,280)
S&P 500® VIX® Futures Tail Risk Index- Short Term:	BNP Paribas	1.970%	11/03/2015	85,000	(12,046)
S&P 500® VIX® Futures Tail Risk Index- Short Term:	BNP Paribas	1.970%	12/02/2015	98,912	(12,577)
S&P 500® VIX® Futures Tail Risk Index- Short Term:	BNP Paribas	1.970%	01/05/2016	938,152	(119,732)
S&P 500® VIX® Futures Tail Risk Index- Short Term:	BNP Paribas	1.970%	04/14/2016	402,000	(35,092)
S&P 500® VIX® Futures Tail Risk Index- Short Term:	BNP Paribas	1.970%	07/14/2016	880,045	(39,268)
				<u>\$ 5,994,919</u>	<u>\$ (868,839)</u>

* The Fund receives monthly payments based on any positive monthly return of the Reference Obligation net of the rate paid by the Fund. The Fund makes payments on any negative monthly return of such Reference Obligation in addition to the rate paid by the Fund.

See Notes to Financial Statements.

VelocityShares Volatility Hedged Large Cap ETF

Schedule of Investments

November 30, 2014

Security Description	Shares	Value
EXCHANGE TRADED FUNDS (85.26%)		
Equity Fund (85.26%)		
iShares® Core S&P 500® ETF	102,287	\$ 21,335,022
SPDR® S&P 500® ETF	102,968	21,334,970
Vanguard® S&P 500® ETF	112,272	21,335,048
Total United States		<u>64,005,040</u>
TOTAL EXCHANGE TRADED FUNDS		
(Cost \$58,394,070)		<u>64,005,040</u>
TOTAL INVESTMENTS (85.26%)		
(Cost \$58,394,070)		\$ 64,005,040
NET OTHER ASSETS AND LIABILITIES		
(14.74%)^(a)		<u>11,065,063</u>
NET ASSETS (100.00%)		
		<u>\$ 75,070,103</u>

^(a) Includes cash, in the amount of \$1,950,000, which is being held as collateral for total return swap contracts.

Common Abbreviations:

- ETF - Exchange Traded Fund.
- S&P - Standard and Poor's.
- SPDR - Standard and Poor's Depository Receipt.

See Notes to Financial Statements.

VelocityShares Volatility Hedged Large Cap ETF

Schedule of Investments

November 30, 2014

TOTAL RETURN SWAP CONTRACTS*

Reference Obligation	Swap Counterparty	Rate Paid by the Fund	Termination Date	Notional Amount	Unrealized Appreciation
S&P® 500 VIX® Futures Variable Long/Short Index- Short Term:	BNP Paribas	1.970%	07/14/2016	\$ 3,616,073	\$ 3,101
				<u>\$ 3,616,073</u>	<u>\$ 3,101</u>

Reference Obligation	Swap Counterparty	Rate Paid by the Fund	Termination Date	Notional Amount	Unrealized Depreciation
S&P® 500 VIX® Futures Variable Long/Short Index- Short Term:	BNP Paribas	1.970%	01/05/2015	\$ 377,056	\$ (45,465)
S&P® 500 VIX® Futures Variable Long/Short Index- Short Term:	BNP Paribas	1.970%	02/02/2016	77,339	(8,021)
S&P® 500 VIX® Futures Variable Long/Short Index- Short Term:	BNP Paribas	1.970%	02/03/2015	5,271	(737)
S&P® 500 VIX® Futures Variable Long/Short Index- Short Term:	BNP Paribas	1.970%	03/03/2015	5,241	(550)
S&P® 500 VIX® Futures Variable Long/Short Index- Short Term:	BNP Paribas	1.970%	04/02/2015	5,132	(619)
S&P® 500 VIX® Futures Variable Long/Short Index- Short Term:	BNP Paribas	1.970%	05/04/2015	453,217	(44,772)
S&P® 500 VIX® Futures Variable Long/Short Index- Short Term:	BNP Paribas	1.970%	07/02/2015	230,972	(28,557)
S&P® 500 VIX® Futures Variable Long/Short Index- Short Term:	BNP Paribas	1.970%	08/04/2015	2,335,720	(297,330)
S&P® 500 VIX® Futures Variable Long/Short Index- Short Term:	BNP Paribas	1.970%	09/02/2015	679,510	(53,343)
S&P® 500 VIX® Futures Variable Long/Short Index- Short Term:	BNP Paribas	1.970%	10/02/2015	326,517	(17,516)
S&P® 500 VIX® Futures Variable Long/Short Index- Short Term:	BNP Paribas	1.970%	11/03/2015	247,282	(11,190)
S&P® 500 VIX® Futures Variable Long/Short Index- Short Term:	BNP Paribas	1.970%	12/02/2015	214,088	(11,206)
S&P® 500 VIX® Futures Variable Long/Short Index- Short Term:	BNP Paribas	1.970%	01/05/2016	1,585,748	(189,529)
S&P® 500 VIX® Futures Variable Long/Short Index- Short Term:	BNP Paribas	1.970%	03/02/2016	871,311	(86,064)
S&P® 500 VIX® Futures Variable Long/Short Index- Short Term:	BNP Paribas	1.970%	04/14/2016	601,568	(51,518)
S&P® 500 VIX® Futures Variable Long/Short Index- Short Term:	BNP Paribas	1.970%	07/14/2016	371,825	(16,316)
				<u>\$ 8,387,797</u>	<u>\$ (862,733)</u>

* The Fund receives monthly payments based on any positive monthly return of the Reference Obligation net of the rate paid by the Fund. The Fund makes payments on any negative monthly return of such Reference Obligation in addition to the rate paid by the Fund.

See Notes to Financial Statements.

VelocityShares

Statements of Assets and Liabilities

November 30, 2014

	VelocityShares Tail Risk Hedged Large Cap ETF	VelocityShares Volatility Hedged Large Cap ETF
ASSETS:		
Investments, at value	\$ 29,525,881	\$ 64,005,040
Cash	4,465,612	9,929,333
Unrealized appreciation on total return swap contracts	–	3,101
Receivable for investments sold	229,140	196,131
Deposit with broker for total return swaps	1,350,000	1,950,000
Total assets	35,570,633	76,083,605
LIABILITIES:		
Payable due to broker for total return swap contracts	60,504	114,238
Unrealized depreciation on total return swap contracts	868,839	862,733
Payable to adviser	18,318	36,531
Total liabilities	947,661	1,013,502
NET ASSETS	\$ 34,622,972	\$ 75,070,103
NET ASSETS CONSIST OF:		
Paid-in capital	\$ 32,338,612	\$ 70,320,729
Accumulated net realized loss on investments	(74,538)	(1,964)
Net unrealized appreciation on investments	2,358,898	4,751,338
NET ASSETS	\$ 34,622,972	\$ 75,070,103
INVESTMENTS, AT COST	\$ 26,298,144	\$ 58,394,070
PRICING OF SHARES		
Net Assets	\$ 34,622,972	\$ 75,070,103
Shares of beneficial interest outstanding (Unlimited number of shares authorized, par value \$0.01 per share)	1,200,002	2,450,002
Net Asset Value, offering and redemption price per share	\$ 28.85	\$ 30.64

See Notes to Financial Statements.

	VelocityShares Tail Risk Hedged Large Cap ETF	VelocityShares Volatility Hedged Large Cap ETF
INVESTMENT INCOME:		
Dividends	\$ 356,962	\$ 503,280
Total Investment Income	356,962	503,280
EXPENSES:		
Investment adviser fees	151,106	240,850
Total Expenses	151,106	240,850
NET INVESTMENT INCOME	205,856	262,430
REALIZED AND UNREALIZED GAIN/(LOSS)		
Net realized gain on investments	56,846	14,705
Net realized loss on total return swap contracts	(143,586)	(123,986)
Net change in unrealized appreciation on investments	3,091,459	4,963,856
Net change in unrealized depreciation on total return swap contracts	(830,555)	(877,980)
NET REALIZED AND UNREALIZED GAIN ON INVESTMENTS	2,174,164	3,976,595
NET INCREASE IN NET ASSETS RESULTING FROM OPERATIONS	\$ 2,380,020	\$ 4,239,025

See Notes to Financial Statements.

VelocityShares

Statements of Changes in Net Assets

	VelocityShares Tail Risk Hedged Large Cap ETF		VelocityShares Volatility Hedged Large Cap ETF	
	For the Year Ended November 30, 2014	For the Period June 21, 2013 (commencement of operations) to November 30, 2013	For the Year Ended November 30, 2014	For the Period June 21, 2013 (commencement of operations) to November 30, 2013
OPERATIONS:				
Net investment income	\$ 205,856	\$ 20,813	\$ 262,430	\$ 27,141
Net realized gain/(loss) on investments, total return swap contracts	(86,740)	132,810	(109,281)	(7,009)
Net change in unrealized appreciation on investments, total return swap contracts	2,260,904	97,994	4,085,876	665,462
Net increase in net assets resulting from operations	2,380,020	251,617	4,239,025	685,594
DISTRIBUTIONS TO SHAREHOLDERS:				
From net investment income	(134,087)	(18,058)	(148,685)	(20,539)
From net realized gains	–	–	(6,021)	–
From tax return of capital	(51,870)	(1,713)	(88,105)	(9,582)
Total distributions	(185,957)	(19,771)	(242,811)	(30,121)
CAPITAL SHARE TRANSACTIONS:				
Proceeds from sale of shares	31,091,332	5,000,050	62,717,368	7,701,048
Cost of shares redeemed	–	(3,894,319)	–	–
Net increase from share transactions	31,091,332	1,105,731	62,717,368	7,701,048
Net increase in net assets	33,285,395	1,337,577	66,713,582	8,356,521
NET ASSETS				
Beginning of period	1,337,577	–	8,356,521	–
End of period *	\$ 34,622,972	\$ 1,337,577	\$ 75,070,103	\$ 8,356,521
*Including accumulated net investment income of:	\$ –	\$ –	\$ –	\$ –
OTHER INFORMATION:				
CAPITAL SHARE TRANSACTIONS				
Beginning shares	50,002	–	300,002	–
Shares sold	1,150,000	200,002	2,150,000	300,002
Shares redeemed	–	(150,000)	–	–
Shares outstanding, end of period	1,200,002	50,002	2,450,002	300,002

See Notes to Financial Statements.

VelocityShares Tail Risk Hedged Large Cap ETF

Financial Highlights

For a Share Outstanding Throughout the Years Presented

	For the Year Ended November 30, 2014	For the Period June 21, 2013 (commencement of operations) to November 30, 2013
NET ASSET VALUE, BEGINNING OF PERIOD	\$ 26.75	\$ 25.00
INCOME/(LOSS) FROM INVESTMENT OPERATIONS:		
Net investment income ^(a)	0.24	0.24
Net realized and unrealized gain	2.14	1.91
Total from investment operations	2.38	2.15
DISTRIBUTIONS:		
From net investment income	(0.23)	(0.37)
From tax return of capital	(0.05)	(0.03)
Total distributions	(0.28)	(0.40)
NET INCREASE IN NET ASSET VALUE	2.10	1.75
NET ASSET VALUE, END OF PERIOD	\$ 28.85	\$ 26.75
TOTAL RETURN^(b)	8.94%	8.66%
RATIOS/SUPPLEMENTAL DATA:		
Net assets, end of period (000s)	\$ 34,623	\$ 1,338
Ratio of expenses to average net assets	0.65%	0.65% ^(c)
Ratio of net investment income to average net assets	0.89%	2.21% ^(c)
Portfolio turnover rate ^(d)	2%	4%

^(a) Based on average shares outstanding during the period.

^(b) 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 reinvestment prices. Total return calculated for a period of less than one year is not annualized.

^(c) Annualized.

^(d) Portfolio turnover for periods less than one year are not annualized and does not include securities received or delivered from processing creations or redemptions.

See Notes to Financial Statements.

VelocityShares Volatility Hedged Large Cap ETF

Financial Highlights

For a Share Outstanding Throughout the Years Presented

	For the Year Ended November 30, 2014	For the Period June 21, 2013 (commencement of operations) to November 30, 2013
NET ASSET VALUE, BEGINNING OF PERIOD	\$ 27.85	\$ 25.00
INCOME/(LOSS) FROM INVESTMENT OPERATIONS:		
Net investment income ^(a)	0.21	0.12
Net realized and unrealized gain	2.84	2.88
Total from investment operations	3.05	3.00
DISTRIBUTIONS:		
From net investment income	(0.19)	(0.10)
From net realized gains	(0.00) ^(b)	–
From tax return of capital	(0.07)	(0.05)
Total distributions	(0.26)	(0.15)
NET INCREASE IN NET ASSET VALUE	2.79	2.85
NET ASSET VALUE, END OF PERIOD	\$ 30.64	\$ 27.85
TOTAL RETURN^(c)	11.00%	12.04%
RATIOS/SUPPLEMENTAL DATA:		
Net assets, end of period (000s)	\$ 75,070	\$ 8,357
Ratio of expenses to average net assets	0.65%	0.65% ^(d)
Ratio of net investment income to average net assets	0.71%	1.05% ^(d)
Portfolio turnover rate ^(e)	1%	2%

^(a) Based on average shares outstanding during the period.

^(b) Less than \$0.005 per share.

^(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 reinvestment prices. Total return calculated for a period of less than one year is not annualized.

^(d) Annualized.

^(e) Portfolio turnover for periods less than one year are 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”), a Delaware statutory trust, is an open-end management investment company registered under the Investment Company Act of 1940, as amended (the “1940 Act”). As of November 30, 2014, the Trust consists of sixteen separate portfolios. Each portfolio represents a separate series of the Trust. This report pertains to the VelocityShares Tail Risk Hedged Large Cap ETF and VelocityShares Volatility Hedged Large Cap ETF (each a “Fund” and collectively, the “Funds”).

The investment objective of the VelocityShares Tail Risk Hedged Large Cap ETF is to seek investment results that correspond generally to the performance, before fees and expenses, of its underlying index, the VelocityShares Tail Risk-Hedged Large Cap Index. The investment objective of the VelocityShares Volatility Hedged Large Cap ETF is to seek investment results that correspond generally to the performance, before fees and expenses, of its underlying index, the VelocityShares Volatility Hedged Large Cap Index. Together with the VelocityShares Tail Risk Hedged Large Cap Index, the “Underlying Indexes”. Each Fund is considered non-diversified and may invest a greater portion of assets in securities of individual issuers than a diversified fund. As a result, changes in the market value of a single investment could cause greater fluctuations in share price than would occur in a diversified fund.

Shares of the Funds are listed on the New York Stock Exchange (“NYSE”) Arca. Each Fund issues and redeems Shares on a continuous basis, at net asset value (“NAV”), in blocks of 50,000 Shares, each of which is called a “Creation Unit.” A portion of Creation Units are issued and redeemed in securities and/or derivatives included in a specified index and will be created and redeemed in-kind. Except when aggregated in Creation Units, Shares are not redeemable securities of the Fund.

Pursuant to 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.

2. SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of significant accounting policies consistently followed by the Funds 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. Each Fund is considered an investment company under U.S. GAAP and follows the accounting and reporting guidance applicable to investment companies in the Financial Accounting Standards Board *Accounting Standards Codification* Topic 946.

A. Portfolio Valuation

Each Fund’s NAV is determined daily, as of the close of regular trading on the NYSE and NASDAQ, normally 4:00 p.m. Eastern Time, on each day the exchanges are 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 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. Portfolio securities traded on more than one securities exchange are valued at the last sale price on the business day as of which such value is being determined at the close of the exchange representing the principal market for such securities. Portfolio securities traded in the over-the-counter market, but excluding securities traded on the NASDAQ, are valued at the closing bid prices. Over-the-counter swap contracts for which market quotations are readily available are valued based on quotes received from independent pricing services or one or more dealers that make markets in such securities.

Each 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.

B. Fair Value Measurements

Each Fund discloses the classification of 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.

Valuation techniques used to value the Funds' investments by major category are as follows:

Exchange Traded Funds, for which market quotations are readily available, are valued at the last reported sale price or official closing price as reported by a third party pricing vendor on the primary market or exchange on which they are traded and are categorized as Level 1 in the hierarchy. In the event there were no sales during the day or closing prices are not available, securities are valued at the mean of the most recent quoted bid and ask prices on such day and are generally categorized as Level 2 in the hierarchy. Investments in open-end mutual funds are valued at their closing net asset value (NAV) each business day and are categorized as Level 1 in the hierarchy.

Changes in valuation techniques may result in transfers in or out of an assigned level within the disclosure hierarchy.

Various inputs are used in determining the value of each 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 investments, unrestricted assets or liabilities that a Fund has the ability to access at the measurement date;
- Level 2 – Quoted prices which are not active, quoted prices for similar assets or liabilities in active markets or inputs other than quoted prices that are observable (either directly or indirectly) for substantially the full term of the asset or liability; and
- Level 3 – Significant unobservable prices or inputs (including the Fund's own assumptions in determining the fair value of investments) where there is little or no market activity for the asset or liability at the measurement date.

The following is a summary of the inputs used to value each Fund's investments at November 30, 2014:

VelocityShares Tail Risk Hedged Large Cap ETF

Investments in Securities at Value	Level 1 - Unadjusted Quoted Prices	Level 2 - Unadjusted Quoted Prices	Level 3 - Unadjusted Quoted Prices	Total
Exchange Traded Funds	\$ 29,525,881	\$ -	\$ -	\$ 29,525,881
TOTAL	\$ 29,525,881	\$ -	\$ -	\$ 29,525,881

Other Financial Instruments*

Liabilities

Total Return Swap Contracts	\$ -	\$ (868,839)	\$ -	\$ (868,839)
Total	\$ -	\$ (868,839)	\$ -	\$ (868,839)

VelocityShares Volatility Hedged Large Cap ETF

Investments in Securities at Value	Level 1 - Unadjusted Quoted Prices	Level 2 - Unadjusted Quoted Prices	Level 3 - Unadjusted Quoted Prices	Total
Exchange Traded Funds	\$ 64,005,040	\$ -	\$ -	\$ 64,005,040
TOTAL	\$ 64,005,040	\$ -	\$ -	\$ 64,005,040

Other Financial Instruments*

Assets

Total Return Swap Contracts	\$ -	\$ 3,101	\$ -	\$ 3,101
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Liabilities

Total Return Swap Contracts	\$ -	\$ (862,733)	\$ -	\$ (862,733)
Total	\$ -	\$ (859,632)	\$ -	\$ (859,632)

* Other financial instruments are instruments not reflected in the Schedule of Investments.

Each Fund recognizes transfers between levels as of the end of the period. For the year ended November 30, 2014, none of the Funds had any transfers between Level 1 and Level 2 securities. The Funds did not have any securities which used significant unobservable inputs (Level 3) in determining fair value.

C. Concentration of Risk

The Funds seek to track the Underlying Indexes, which may have concentrations in certain regions, economies, countries, markets, industries or sectors. Underperformance or increased risk in such concentrated areas may result in underperformance or increased risk in the Funds.

D. 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 highest cost basis. Dividend income and capital gains distributions, if any, are recorded on the ex-dividend date. Interest income, if any, is recorded on the accrual basis.

E. Dividends and Distributions to Shareholders

Dividends from net investment income of the Fund, if any, are declared and paid quarterly or as the Board may determine from time to time. Distributions of net realized capital gains earned by the Fund, if any, are distributed at least annually.

F. Federal Tax and Tax Basis Information

The timing and character of income and capital gain distributions are determined in accordance with income tax regulations, which may differ from U.S. GAAP. Reclassifications are made to the Fund's capital accounts for permanent tax differences to reflect income and gains available for distribution (or available capital loss carryforwards) under income tax regulations.

For the period ended November 30, 2014, permanent book and tax differences resulting primarily from in-kind transactions and swap adjustments were identified and reclassified among the components of the Funds' net assets as follows:

Fund	Paid-in Capital	Accumulated Net Investment Loss	Accumulated Net Realized Gain on Investments
VelocityShares Tail Risk Hedged Large Cap ETF	\$ –	\$ (71,769)	\$ 71,769
VelocityShares Volatility Hedged Large Cap ETF	–	(113,745)	113,745

Net investment income and net realized (loss), as disclosed on the Statement of Operations, and net assets were not affected by their reclassifications.

At November 30, 2014, the Funds had available for tax purposes unused capital loss carryforwards as follows:

Fund	Short-Term	Long-Term
VelocityShares Tail Risk Hedged Large Cap ETF	\$ 27,471	\$ 47,067

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.

The tax character of the distributions paid by the Funds during the year ended November 30, 2014 was as follows:

	Ordinary Income	Long Term Capital Gain	Return of Capital
November 30, 2014			
VelocityShares Tail Risk Hedged Large Cap ETF	\$ 134,087	\$ –	\$ 51,870
VelocityShares Volatility Hedged Large Cap ETF	148,685	6,021	88,105
November 30, 2013			
VelocityShares Tail Risk Hedged Large Cap ETF	\$ 18,058	\$ –	\$ 1,713
VelocityShares Volatility Hedged Large Cap ETF	20,539	–	9,582

As of November 30, 2014, the components of distributable earnings on a tax basis for the Fund were as follows:

	VelocityShares Tail Risk Hedged Large Cap ETF	VelocityShares Volatility Hedged Large Cap ETF
Accumulated net realized loss on investments	\$ (74,538)	\$ –
Net unrealized appreciation on investments	2,358,898	4,749,374
Total	\$ 2,284,360	\$ 4,749,374

As of November 30, 2014, the costs of investments for federal income tax purposes and accumulated net unrealized appreciation/(depreciation) on investments were as follows:

	Gross Appreciation (excess of value over tax cost)	Net Appreciation/(Depreciation) of Foreign Currency and Derivatives	Net Unrealized Appreciation/(Depreciation)	Cost of Investments for Income Tax Purposes
VelocityShares Tail Risk Hedged Large Cap ETF	\$ 3,227,737	\$ (868,839)	\$ 2,358,898	\$ 26,298,144
VelocityShares Volatility Hedged Large Cap ETF	5,609,006	(859,632)	4,749,374	58,396,034

The differences between book-basis and tax-basis are primarily due to the deferral of losses from wash sales.

G. Income Taxes

No provision for income taxes is included in the accompanying financial statements, as each Fund intends to distribute to shareholders all taxable investment income and realized gains and otherwise comply with Subchapter M of the Internal Revenue Code of 1986, as amended, applicable to regulated investment companies. Each Fund evaluates tax positions taken (or expected to be taken) in the course of preparing each Fund's tax

returns to determine whether these positions meet a “more-likely-than-not” standard that, based on the technical merits, have a more than fifty percent likelihood of being sustained by a taxing authority upon examination. A tax position that meets the “more-likely-than-not” recognition threshold is measured to determine the amount of benefit to recognize in the financial statements.

As of and during the year ended November 30, 2014, none of the Funds had a liability for any unrecognized tax benefits. Each Fund files U.S. federal, state, and local tax returns as required. Each Fund’s tax returns are subject to examination by the relevant tax authorities until expiration of the applicable statute of limitations which is generally three years after the filing of the tax return, but may extend to four years in certain jurisdictions. Tax returns for open years incorporate no uncertain tax positions that require a provision for income taxes.

3. DERIVATIVE INSTRUMENTS AND HEDGING ACTIVITIES

As a part of their investment strategy, the VelocityShares Tail Risk Hedged Large Cap ETF and the VelocityShares Volatility Hedged Large Cap ETF are permitted to purchase investment securities, and enter into various types of derivatives contracts. In doing so, the Funds employ strategies in differing combinations that permit them to increase, decrease, or change the level or types of exposure to market factors. Central to those strategies are features inherent in derivatives that make them more attractive for this purpose than equity or debt securities; they require little or no initial cash investment, they can focus exposure on only certain selected risk factors, and they may not require the ultimate receipt or delivery of the underlying security (or securities) to the contract. This may allow the Funds to pursue their objectives more quickly and efficiently than if they were to make direct purchases or sales of securities capable of affecting a similar response to market factors.

Cash collateral that has been pledged to cover derivative obligations of the Funds and cash collateral received from the counterparty, if any, is reported separately on the Statements of Assets and Liabilities as cash pledged as collateral and cash received as collateral, respectively. Non-cash collateral pledged by the Funds, if any, is noted in the Statements of Investments.

A Fund’s use of derivative instruments involves risks different from, or possibly greater than, the risks associated with investing directly in securities and other traditional investments. Derivatives are subject to a number of risks including liquidity risk, market risk, credit risk, default risk, counterparty risk and management risk. They also involve the risk of mispricing or improper valuation and the risk that changes in the value of the derivative may not correlate exactly with the change in the value of the underlying asset, rate or index.

Market Risk Factors: In pursuit of their investment objectives, certain Funds may seek to use derivatives to increase or decrease their exposure to the following market risk factors:

Credit Risk: Credit risk is the risk an issuer will be unable to make principal and interest payments when due, or will default on its obligations.

Equity Risk: Equity risk relates to the change in value of equity securities as they relate to increases or decreases in the general market.

Swaps: Swap agreements are contracts between parties in which one party agrees to make periodic payments to the other party (the “Counterparty”) based on the change in market value or level of a specified rate, index or asset. In return, the Counterparty agrees to make periodic payments to the first party based on the return of a different specified rate, index or asset. Swap agreements will usually be done on a net basis, the Funds receiving or paying only the net amount of the two payments. The net amount of the excess, if any, of the Funds’ obligations over its entitlements with respect to each swap is accrued on a daily basis and an amount of cash or highly liquid securities having an aggregate value at least equal to the accrued excess is maintained in an account at the Trust’s custodian bank. The use of interest rate and index swaps is a highly specialized activity that involves investment techniques and risks different from those associated with ordinary portfolio security transactions. These transactions generally do not involve the delivery of securities or other underlying assets or principal. The use of swap agreements involves certain risks. For example, if the Counterparty under a swap agreement defaults on its obligation to make payments due from it, as a result of its bankruptcy or otherwise, the Funds may lose such payments altogether, or collect only a portion thereof, which collection could involve costs or delays.

Swap Risk: The VelocityShares Tail Risk Hedged Large Cap ETF and the VelocityShares Volatility Hedged Large Cap ETF use swap agreements to obtain exposure to the volatility component of each Fund’s underlying index. Swap agreements provide that when the period payment dates for both parties are the same, the payments are made on a net basis (i.e., the two payment streams are netted out, with only the net amount paid by one party to the other). The Fund’s obligations or rights under a swap contract entered into on a net basis will generally be equal only to the net amount to be paid or received under the agreement, based on the relative values of the positions held by each counterparty. The swap agreements are traded over the counter. The counterparty to swap agreements is generally a single bank or other financial institution, rather than a clearing organization backed by a group of financial institutions.

As a result, the VelocityShares Tail Risk Hedged Large Cap ETF and the VelocityShares Volatility Hedged Large Cap ETF are subject to credit risk with respect to amounts they expect to receive from counterparties to swaps entered into as part of their principal investment strategies. If a counterparty becomes bankrupt or otherwise fails to perform its obligations due to financial difficulties, the Funds could suffer significant losses on these contracts and the value of an investor's investment in the Funds may decline. The Funds typically enter into swap transactions only with large, well capitalized and well established financial institutions. Swaps are less marketable because they are not traded on an exchange, do not have uniform terms and conditions, and are entered into based upon the creditworthiness of the parties and the availability of credit support, such as collateral, and in general, are not transferable without the consent of the counterparty. Swap agreements may entail breakage costs if terminated prior to the final maturity date.

During the year ended November 30, 2014, the VelocityShares Tail Risk Hedged Large Cap ETF and the VelocityShares Volatility Hedged Large Cap ETF invested in swap agreements consistent with their investment strategies to gain exposure to certain indices. Swap agreements held at November 30, 2014 are disclosed in the Schedule of Investments.

The effect of derivative instruments on the Statements of Assets and Liabilities for the year ended November 30, 2014:

Risk Exposure	Asset Derivatives Statement of Assets and Liabilities Location		Fair Value	Liability Derivatives Statement of Assets and Liabilities Location		Fair Value
VelocityShares Tail Risk Hedged Large Cap ETF						
Equity Contracts (Total Return Swap Contracts)	Unrealized appreciation on total return swap contracts		\$ -	Unrealized depreciation on total return swap contracts		\$ 868,839
			\$ -			\$ 868,839
VelocityShares Volatility Hedged Large Cap ETF						
Equity Contracts (Total Return Swap Contracts)	Unrealized appreciation on total return swap contracts		\$ 3,101	Unrealized depreciation on total return swap contracts		\$ 862,733
			\$ 3,101			\$ 862,733

The gains/(losses) in the table below are included in the "Net realized gain/(loss)" or "Net change in unrealized gain/(loss)" on the Statements of Operations.

The effect of derivative Instruments on the Statements of Operations for the year ended November 30, 2014:

Risk Exposure	Location of Gain/(Loss) on Derivatives Recognized in Income	Realized	Change in
		Gain/(Loss) on Derivatives Recognized in Income	Unrealized Depreciation on Derivatives Recognized in Income
VelocityShares Tail Risk Hedged Large Cap ETF			
Equity Contracts (Total Return Swap Contracts)	Net realized loss on total return swap contracts/Net change in unrealized depreciation on total return swap contracts	\$ (143,586)	\$ (830,555)
		\$ (143,586)	\$ (830,555)
VelocityShares Volatility Hedged Large Cap ETF			
Equity Contracts (Total Return Swap Contracts)	Net realized loss on total return swap contracts/Net change in unrealized depreciation on total return swap contracts	\$ (123,986)	\$ (877,980)
		\$ (123,986)	\$ (877,980)

Volume of derivative instruments for the Funds for the year ended November 30, 2014 was as follows:

Derivative Type	Unit of Measurement	Monthly Average
VelocityShares Tail Risk Hedged Large Cap ETF		
Total Return Swap Contracts	Notional Amount	\$ 3,961,482
VelocityShares Volatility Hedged Large Cap ETF		
Total Return Swap Contracts	Notional Amount	\$ 6,102,442

U.S. GAAP requires an entity that has financial instruments that are either (1) offset or (2) subject to an enforceable master netting arrangement or similar agreement to disclose information about offsetting and related arrangements to enable users of its financial statements to understand the effect of those arrangements on its financial position.

The following table presents financial instruments that are subject to enforceable netting arrangements or other similar agreements as of November 30, 2014:

Offsetting of Derivatives Assets

November 30, 2014

Description	Gross Amounts of Recognized Assets	Gross Amounts Offset in the Statement of Assets and Liabilities	Net Amounts Presented in the Statement of Assets and Liabilities	Gross Amounts Not Offset in the Statement of Assets and Liabilities		
				Financial Instruments	Cash Collateral Received	Net Amount Receivable
VelocityShares Volatility Hedged Large Cap ETF						
Total Return Swap Contracts	\$ 3,101	\$ -	\$ 3,101	\$ (3,101)	\$ -	\$ -
Total	\$ 3,101	\$ -	\$ 3,101	\$ (3,101)	\$ -	\$ -

Offsetting of Derivatives Liabilities

November 30, 2014

Description	Gross Amounts of Recognized Liabilities	Gross Amounts Offset in the Statement of Assets and Liabilities	Net Amounts Presented in the Statement of Assets and Liabilities	Gross Amounts Not Offset in the Statement of Assets and Liabilities		
				Financial Instruments	Cash Collateral Pledged	Net Amount Payable
VelocityShares Tail Risk Hedged Large Cap ETF						
Total Return Swap Contracts	\$ (868,839)	\$ -	\$ (868,839)	\$ -	\$ 868,839	\$ -
Total	\$ (868,839)	\$ -	\$ (868,839)	\$ -	\$ 868,839	\$ -
VelocityShares Volatility Hedged Large Cap ETF						
Total Return Swap Contracts	\$ (862,733)	\$ -	\$ (862,733)	\$ 3,101	\$ 859,632	\$ -
Total	\$ (862,733)	\$ -	\$ (862,733)	\$ 3,101	\$ 859,632	\$ -

4. INVESTMENT ADVISORY FEE AND OTHER AFFILIATED TRANSACTIONS

ALPS Advisors, Inc. (the “Adviser”) acts as each Fund’s investment adviser pursuant to an advisory agreement with the Trust on behalf of each Fund (the “Advisory Agreement”). Pursuant to the Advisory Agreement, each Fund pays the Adviser a unitary fee for the services and facilities it provides, payable on a monthly basis, at the annual rates listed below. From time to time, the Adviser may waive all or a portion of its fee.

Fund	Advisory Fee
VelocityShares Tail Risk Hedged Large Cap ETF	0.65%
VelocityShares Volatility Hedged Large Cap ETF	0.65%

Out of the unitary management fee, the Adviser pays substantially all expenses of each Fund, including the cost of transfer agency, custody, fund administration, legal, audit, independent trustees and other services, except for acquired fund fees and expenses, interest expenses, distribution fees or expenses, brokerage expenses, taxes and extraordinary expenses, such as litigation and other expenses not incurred in the ordinary course of each Fund’s business. The Adviser’s unitary management fee is designed to pay substantially all of each Fund’s expenses and to compensate the Adviser for providing services for the each Fund.

ALPS Fund Services, Inc., an affiliate of the Adviser, is the administrator of the Funds.

Each Trustee who is not an officer or employee of the Adviser, any sub-adviser or any of their affiliates (“Independent Trustees”) receives (1) a quarterly retainer of \$5,000, (2) a per meeting fee or \$3,750, (3) \$1,500 for any special meeting held outside of a regularly scheduled board meeting, and (4) reimbursement for all reasonable out-of-pocket expenses relating to attendance at meetings.

5. PURCHASES AND SALES OF SECURITIES

For the year ended November 30, 2014, the cost of purchases and proceeds from sales of investment securities, excluding short-term investments and in-kind transactions, were as follows:

	Purchases	Sales
VelocityShares Tail Risk Hedged Large Cap ETF	\$ 408,278	\$ 1,926,935
VelocityShares Volatility Hedged Large Cap ETF	369,354	1,775,979

For the year ended November 30, 2014, the cost of in-kind purchases and proceeds from in-kind sales, were as follows:

	Purchases	Sales
VelocityShares Tail Risk Hedged Large Cap ETF	\$ 26,757,838	\$ —
VelocityShares Volatility Hedged Large Cap ETF	53,322,542	—

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

6. CAPITAL SHARE TRANSACTIONS

Shares are created and redeemed by each 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 each 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.

PROXY VOTING POLICIES AND PROCEDURES

A description of the Funds' proxy voting policies and procedures used in determining how to vote for proxies and information regarding how the Funds 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 (toll-free) 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 (toll-free) 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 (toll-free) 1-800-732-0330.

TAX INFORMATION

The Fund designates the following for federal income tax purposes for distributions made during the calendar year ended December 31, 2013:

	ODI	DRD
VelocityShares Tail Risk Hedged Large Cap ETF	71.84%	46.90%
VelocityShares Volatility Hedged Large Cap ETF	100.00%	91.20%

In early 2014, if applicable, shareholders of record received this information for the distribution paid to them by the Fund during the calendar year 2013 via Form 1099. The Fund will notify shareholders in early 2015 of amounts paid to them by the Funds, if any, during the calendar year 2014.

Pursuant to Section 852(b)(3) of the Internal Revenue Code, the Velocity Shares Volatility Hedged Large Cap Fund designated \$6,021 as long-term capital gain distributions for the year ended November 30, 2014.

LICENSING AGREEMENTS**VelocityShares Tail Risk Hedged Large Cap ETF**

The VelocityShares Tail Risk Hedged Large Cap Index is the exclusive property of Velocity Shares Index and Calculation Services, a division of VelocityShares LLC.

Neither VelocityShares Index & Calculation Services, VelocityShares LLC (together, "VelocityShares") nor any other party makes any representation or warranty, express or implied, to the owners of the Funds or any member of the public regarding the advisability of investing in the Funds generally or the similarities or variations between the performance of the index and the performance of the underlying security. VelocityShares is the licensor of certain trademarks, service marks and trade names of VelocityShares and of the index which is determined, composed and calculated by VelocityShares without regard to the issuer of the Funds. Neither VelocityShares nor any other party guarantees the accuracy and/or the completeness of the indices or any data included therein. VelocityShares disclaims all warranties of merchantability or fitness for any particular purpose with respect to the indices or any data included therein.

ALTHOUGH VELOCITYSHARES SHALL OBTAIN INFORMATION FOR INCLUSION IN OR FOR USE IN THE CALCULATION OF THE INDEXES FROM SOURCES WHICH VELOCITYSHARES CONSIDERS RELIABLE, NEITHER VELOCITYSHARES NOR ANY OTHER PARTY GUARANTEES THE ACCURACY AND/OR THE COMPLETENESS OF THE INDEXES OR ANY DATA INCLUDED THEREIN. NEITHER VELOCITYSHARES NOR ANY OTHER PARTY MAKES ANY WARRANTY, EXPRESS OR IMPLIED, AS TO RESULTS TO BE OBTAINED BY LICENSEE, LICENSEE'S CUSTOMERS AND COUNTERPARTIES, HOLDERS OF THE FUNDS, OR ANY OTHER PERSON OR ENTITY FROM THE USE OF THE INDEXES OR ANY OTHER DATA INCLUDED THEREIN IN CONNECTION WITH THE RIGHTS LICENSED HEREUNDER OR FOR ANY OTHER USE. NEITHER VELOCITYSHARES NOR ANY OTHER PARTY MAKES ANY EXPRESS OR IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE WITH RESPECT TO THE INDEXES OR ANY DATA INCLUDED THEREIN AND VELOCITYSHARES HEREBY EXPRESSLY DISCLAIMS ALL SUCH WARRANTIES. WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT SHALL VELOCITYSHARES OR ANY OTHER PARTY HAVE ANY LIABILITY FOR ANY DIRECT, INDIRECT, SPECIAL, PUNITIVE, CONSEQUENTIAL OR ANY OTHER DAMAGES (INCLUDING LOST PROFITS) EVEN IF NOTIFIED OF THE POSSIBILITY OF SUCH DAMAGES.

VelocityShares Volatility Hedged Large Cap ETF

The VelocityShares Volatility Hedged LargeCap Index is the exclusive property of Velocity Shares Index and Calculation Services, a division of VelocityShares LLC.

Neither VelocityShares Index & Calculation Services, VelocityShares LLC (together, "VelocityShares") nor any other party makes any representation or warranty, express or implied, to the owners of the Funds or any member of the public regarding the advisability of investing in the Funds generally or the similarities or variations between the performance of the index and the performance of the underlying security. VelocityShares is the licensor of certain trademarks, service marks and trade names of VelocityShares and of the index which is determined, composed and calculated by VelocityShares without regard to the issuer of the Funds. Neither VelocityShares nor any other party guarantees the accuracy and/or the completeness of the indices or any data included therein. VelocityShares disclaims all warranties of merchantability or fitness for any particular purpose with respect to the indices or any data included therein.

ALTHOUGH VELOCITYSHARES SHALL OBTAIN INFORMATION FOR INCLUSION IN OR FOR USE IN THE CALCULATION OF THE INDEXES FROM SOURCES WHICH VELOCITYSHARES CONSIDERS RELIABLE, NEITHER VELOCITYSHARES NOR ANY OTHER PARTY GUARANTEES THE ACCURACY AND/OR THE COMPLETENESS OF THE INDEXES OR ANY DATA INCLUDED THEREIN. NEITHER VELOCITYSHARES NOR ANY OTHER PARTY MAKES ANY WARRANTY, EXPRESS OR IMPLIED, AS TO RESULTS TO BE OBTAINED BY LICENSEE, LICENSEE'S CUSTOMERS AND COUNTERPARTIES, HOLDERS OF THE FUNDS, OR ANY OTHER PERSON OR ENTITY FROM THE USE OF THE INDEXES OR ANY OTHER DATA INCLUDED THEREIN IN CONNECTION WITH THE RIGHTS LICENSED HEREUNDER OR FOR ANY OTHER USE. NEITHER VELOCITYSHARES NOR ANY OTHER PARTY MAKES ANY EXPRESS OR IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE WITH RESPECT TO THE INDEXES OR ANY DATA INCLUDED THEREIN AND VELOCITYSHARES HEREBY EXPRESSLY DISCLAIMS ALL SUCH WARRANTIES. WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT SHALL VELOCITYSHARES OR ANY OTHER PARTY HAVE ANY LIABILITY FOR ANY DIRECT, INDIRECT, SPECIAL, PUNITIVE, CONSEQUENTIAL OR ANY OTHER DAMAGES.

VelocityShares Tail Risk Hedged Large Cap ETF

At an in-person meeting held on June 9, 2014, 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 1940 Act, as amended (the “Independent Trustees”), evaluated a proposal to approve the continuance of the Advisory Agreement between the Trust and ALPS Advisors, Inc. (the “Adviser”) with respect to the VelocityShares Tail Risk Hedged Large Cap ETF (“TRSK”). The Independent Trustees also met separately to consider the Advisory Agreement.

In evaluating whether to approve the Advisory Agreement for TRSK, the Board considered numerous factors, including (i) the nature, extent and quality of the services to be provided by the Adviser with respect to TRSK under the Advisory Agreement; (ii) the advisory fees and other expenses to be paid by TRSK compared to those of similar funds managed by other investment advisers; (iii) the costs of the services provided to TRSK by the Adviser and the profits realized by the Adviser and its affiliates from its relationship to TRSK; (iv) the extent to which economies of scale would be realized if and as TRSK’s assets increase and whether the fee level in the Advisory Agreement reflects these economies of scale; and (v) any additional benefits and other considerations, as further described below.

With respect to the nature, extent and quality of the services to be provided by the Adviser under the Advisory Agreement, representatives from the Adviser presented the Adviser’s materials regarding consideration of approval of the Advisory Agreement. The Independent Trustees noted that included in the Board materials were responses by the Adviser to a questionnaire drafted by legal counsel to the Trust to assist the Board in evaluating whether to renew the Advisory Agreement (the “15(c) Materials”). The Independent Trustees considered and reviewed information concerning the services to be provided under the Advisory Agreement, the investment parameters of the index for TRSK, financial information regarding the Adviser and its parent company, information describing the Adviser’s current organizations and the background and experience of the persons responsible for the day-to-day management of TRSK.

The Independent Trustees reviewed information on the performance of TRSK and the performance of its benchmark index. The Trustees also evaluated the correlation and tracking error between the underlying index and TRSK’s performance. Based upon their review, the Board concluded the nature and extent of services provided to SPXH under the Advisory Agreement were appropriate and that the quality was satisfactory.

The Independent Trustees noted the services to be provided by the Adviser for the annual advisory fee of 0.65% of TRSK’s average daily net assets. The Independent Trustees noted that the advisory fee for TRSK was a unitary fee pursuant to which the Adviser assumes all expenses of TRSK (including the cost of transfer agency, custody, fund administration, legal, audit and other services) other than the payments under the Advisory Agreement, brokerage expenses, taxes, interest, litigation expenses and other extraordinary expenses.

The Independent Trustees reviewed the comparative fee information, including data from Lipper Analytical Services (“Lipper”). The Independent Trustees noted that Lipper’s report contained comparisons of the cost and expense structures of TRSK with other funds’ cost and expense structures during similar periods of members of a Lipper identified peer expense group. The Independent Trustees noted that the advisory fee rate for TRSK was higher than others in its Lipper peer group but that TRSK’s total expense ratio was at the median of its Lipper peer group. The Independent Trustees also noted that Lipper intentionally omitted the performance group and performance universe due to the limited performance history of TRSK. The Independent Trustees also considered information provided by the Adviser about the costs and profitability of the Adviser with respect to TRSK. Based on the foregoing and the other information available to them, the Independent Trustees concluded that the advisory fee for TRSK was reasonable under the circumstances and in light of the quality of services provided.

The Independent Trustees also considered other benefits that may be realized by the Adviser from its relationship with TRSK and concluded that the advisory fee was reasonable taking into account any such benefits. The Independent Trustees noted the relatively small size of TRSK and considered whether there have been economies of scale with respect to management of TRSK, whether TRSK has appropriately benefited from any economies of scale, and whether the fee is reasonable in relation to TRSK’s assets and any economies of scale that may exist. The Independent Trustees concluded that the Adviser was not realizing any economies of scale.

Based on consideration of all factors deemed relevant, the Independent Trustees determined that approval of the Advisory Agreement was in the best interests of TRSK and its shareholders. The Independent Trustees did not identify any single factor or group of factors as all important or controlling and considered all factors together.

In voting to approve the Advisory Agreement, the Trustees, including the Independent Trustees, concluded that the terms of the Advisory Agreement are reasonable and fair in light of the services to be performed, the fees paid by certain other funds, expenses to be incurred and such other matters as the Trustees considered relevant in the exercise of their reasonable business judgment.

VelocityShares Volatility Hedged Large Cap ETF

At an in-person meeting held on June 9, 2014, 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 1940 Act, as amended (the “Independent Trustees”), evaluated a proposal to approve the continuance of the Advisory Agreement between the Trust and ALPS Advisors, Inc. (the “Adviser”) with respect to the VelocityShares Volatility Hedged Large Cap ETF (“SPXH”). The Independent Trustees also met separately to consider the Advisory Agreement.

In evaluating whether to approve the Advisory Agreement for SPXH, the Board considered numerous factors, including (i) the nature, extent and quality of the services to be provided by the Adviser with respect to SPXH under the Advisory Agreement; (ii) the advisory fees and other expenses to be paid by SPXH compared to those of similar funds managed by other investment advisers; (iii) the costs of the services provided to SPXH by the Adviser and the profits realized by the Adviser and its affiliates from its relationship to SPXH; (iv) the extent to which economies of scale would be realized if and as SPXH’s assets increase and whether the fee level in the Advisory Agreement reflects these economies of scale; and (v) any additional benefits and other considerations, as further described below.

With respect to the nature, extent and quality of the services to be provided by the Adviser under the Advisory Agreement, representatives from the Adviser presented the Adviser’s materials regarding consideration of approval of the Advisory Agreement. The Independent Trustees noted that included in the Board materials were responses by the Adviser to a questionnaire drafted by legal counsel to the Trust to assist the Board in evaluating whether to renew the Advisory Agreement (the “15(c) Materials”). The Independent Trustees considered and reviewed information concerning the services to be provided under the Advisory Agreement, the investment parameters of the index for SPXH, financial information regarding the Adviser and its parent company, information describing the Adviser’s current organizations and the background and experience of the persons responsible for the day-to-day management of SPXH.

The Independent Trustees reviewed information on the performance of SPXH and the performance of its benchmark index. The Trustees also evaluated the correlation and tracking error between the underlying index and SPXH’s performance. Based upon their review, the Board concluded that the nature and extent of services provided to SPXH under the Advisory Agreement were appropriate and that the quality was satisfactory.

The Independent Trustees noted the services to be provided by the Adviser for the annual advisory fee of 0.65% of SPXH’s average daily net assets. The Independent Trustees noted that the advisory fee for SPXH was a unitary fee pursuant to which the Adviser assumes all expenses of SPXH (including the cost of transfer agency, custody, fund administration, legal, audit and other services) other than the payments under the Advisory Agreement, brokerage expenses, taxes, interest, litigation expenses and other extraordinary expenses.

The Independent Trustees reviewed the comparative fee information, including data from Lipper Analytical Services (“Lipper”). The Independent Trustees noted that Lipper’s report contained comparisons of the cost and expense structures of SPXH with other funds’ cost and expense structures during similar periods of members of a Lipper identified peer expense group. The Independent Trustees noted that the advisory fee rate for SPXH was higher than others in its Lipper peer group but that SPXH’s total expense ratio was only slightly higher than the median of its Lipper peer group. The Independent Trustees also noted that Lipper intentionally omitted the performance group and performance universe due to the limited performance history of SPXH. The Independent Trustees also considered information provided by the Adviser about the costs and profitability of the Adviser with respect to SPXH. Based on the foregoing and the other information available to them, the Independent Trustees concluded that the advisory fee for SPXH was reasonable under the circumstances and in light of the quality of services provided.

The Independent Trustees also considered other benefits that may be realized by the Adviser from its relationship with SPXH and concluded that the advisory fee was reasonable taking into account any such benefits. The Independent Trustees noted the relatively small size of SPXH and considered whether there have been economies of scale with respect to management of SPXH, whether SPXH has appropriately benefited from any economies of scale, and whether the fee is reasonable in relation to SPXH’s assets and any economies of scale that may exist. The Independent Trustees concluded that the Adviser was not realizing any economies of scale.

Based on consideration of all factors deemed relevant, the Independent Trustees determined that approval of the Advisory Agreement was in the best interests of SPXH. The Independent Trustees did not identify any single factor or group of factors as all important or controlling and considered all factors together.

In voting to approve the Advisory Agreement, the Trustees, including the Independent Trustees, concluded that the terms of the Advisory Agreement are reasonable and fair in light of the services to be performed, the fees paid by certain other funds, expenses to be incurred and such other matters as the Trustees considered relevant in the exercise of their reasonable business judgment.

INDEPENDENT TRUSTEES

Name, Address and Year of Birth of 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, 1940	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.	45	Ms. Anstine is a Trustee of ALPS Variable Investment Trust (9 funds); Financial Investors Trust (32 funds); Reaves Utility Income Fund; and Westcore Trust (12 funds).
Jeremy W. Deems, 1976	Trustee	Since March 2008	Mr. Deems is the Co-Founder and Chief Financial Officer of Green Alpha Advisors, LLC. Mr. Deems is Co-Portfolio Manager of the Shelton Green Alpha Fund. 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 1998 to June 2007.	45	Mr. Deems is a Trustee of ALPS Variable Investment Trust (9 funds); Financial Investors Trust (32 funds); and Reaves Utility Income Fund.
Rick A. Pederson, 1952	Trustee	Since March 2008	Mr. Pederson is President, Foundation Properties, Inc. (a real estate investment management company), 1994 – present; Advisory Board member, Bow River Capital Partners (private equity management), 2003 – present; Advisor, Pauls Corporation (real estate investment management and development), 2008 – present; Chairman, Ross Consulting Group (real estate consulting services) 1983 – 2013; Advisory Board, Neenan Company (construction services) 2002 – present; Board Member, Prosci Inc. (private business services), 2013 – present; Board Member, Citywide Banks (Colorado community bank) 2014 – present; Director, National Western Stock Show (not-for-profit organization); Director, Biennial of the Americas (not-for-profit organization).	23	Mr. Pederson is Trustee of Westcore Trust (12 funds) and Principal Real Estate Income Fund.

* 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 Year of Birth of 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, 1966	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"), and ALPS Portfolio Solutions Distributor, Inc. ("APSD") and Executive Vice President and Director of ALPS and ALPS Holdings, Inc. ("AHI") and ALPS Distributors, Inc. ("ADI"). Because of his position with AHI, ALPS, ADI, APSD 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 & Touché 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.	29	Mr. Carter is a Trustee of ALPS Variable Investment Trust (9 funds) and Principal Real Estate Income Fund.

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

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*** 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 Year of Birth of Officer*	Position(s) Held with Trust	Length of Time Served**	Principal Occupation(s) During Past 5 Years
Melanie H. Zimdars, 1976	Chief Compliance Officer ("CCO")	Since December 2009	Ms. Zimdars is Vice President and 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. 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 ALPS Variable Investment Trust, Liberty All-Star Growth Fund, Inc., Liberty All-Star Equity Fund, Broadview Funds Trust, BLDRS Index Funds Trust and Powershares QQQ Trust.
William Parmentier, 1952	Vice President	Since March 2008	Mr. Parmentier is Chief Investment Officer of AAI (since 2006); President and Chief Executive Officer of the Liberty All-Star Funds (since April 1999); Senior Vice President (2005 – 2006), Banc of America Investment Advisors, Inc. Because of his position with AAI, Mr. Parmentier is deemed an affiliate of the Trust as defined under the 1940 Act.
Patrick D. Buchanan, 1972	Treasurer	Since June 2012	Mr. Buchanan is Vice President of AAI. Mr. Buchanan joined ALPS in 2007 and because of his position with AAI, he is deemed an affiliate of the Trust as defined under the 1940 Act. Mr. Buchanan is also Treasurer of ALPS Variable Investment Trust and the Principal Real Estate Income Fund.
Erin D. Nelson, 1977	Secretary	Since October 2013	Ms. Nelson is Vice President and Assistant General Counsel of ALPS Advisors, Inc. Ms. Nelson joined ALPS in January, 2003. Ms. Nelson is also Secretary of the Principal Real Estate Income Fund since 2014, Clough Global Allocation Fund since 2004, Clough Global Equity Fund since 2005, Clough Global Opportunities Fund since 2006, Liberty All-Star Equity Fund since 2013 and Liberty All-Star Growth Fund since 2013. Because of her position with ALPS, Ms. Nelson is deemed an affiliate of the Trust as defined under the 1940 Act.
Jennifer A. Craig, 1973	Assistant Secretary	Since October 2013	Ms. Craig joined ALPS in 2007 and is currently Assistant Vice-Principal and Paralegal Manager of ALPS. Prior to joining ALPS, Ms. Craig was Legal Manager at Janus Capital Management LLC and served as Assistant Secretary of Janus Investment Fund, Janus Adviser Series and Janus Aspen Series. Because of her position with ALPS, Ms. Craig is deemed an affiliate of the Trust as defined under the 1940 Act.

* 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.



This report has been prepared for shareholders of the ETFs described herein and may be distributed to others only if preceded or accompanied by a prospectus.

ALPS Portfolio Solutions Distributor, Inc., distributor for the ETFs.