

BLANKINSHIP VALUE FUND

A Series of Blankinship Funds, Inc.

Toll-free: (800) 240-9631

PROSPECTUS

February 28, 2011

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

As with all mutual funds, the Securities and Exchange Commission has not approved or disapproved these securities or passed upon the adequacy of this prospectus. Any representation to the contrary is a criminal offense.

BLANKINSHIP VALUE FUND

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Fund Summary

Investment Objectives/Goals

The Blankinship Value Fund (the “Fund”) seeks long-term growth of capital. Current income is a secondary goal.

Fees and Expenses

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

Shareholder Fees (fees paid directly from your investment):

Maximum Sales Charge (Load) Imposed on Purchases	None
Maximum Deferred Sales Charge (Load)	None
Maximum Sales Charge (Load) on Reinvested Dividends	None
Redemption Fee (1% within 1 year of opening a new account)	1.00%
IRA Custodian Fee (\$25 for accounts less than \$5,000)	None

Annual Fund Operating Expenses (expenses that are deducted from Fund assets):

Management Fees (before fee waiver) ¹	1.50%
Distribution (12b-1) Fees	0.00%
Other Expenses	0.00%
Total Annual Fund Operating Expenses	1.50%
Fee Waiver	0.30%
Net Expenses	1.20%

(1) The Adviser has contractually and irrevocably waived fees equal to 0.30% on an annualized basis, from January 1, 2011 through March 31, 2012. The Management Agreement can be terminated by the Fund’s Board on 30 days written notice.

Example: The following example is intended to help you compare the cost of investing in the fund with the cost of investing in other mutual funds. The example assumes that you invest \$10,000 in the Fund for the time periods indicated and then redeem all of your shares at the end of those periods. The example also assumes that your investment has a 5% return each year and that the Fund's operating expenses don't change. Although your actual costs may be higher or lower, based on these assumptions your costs would be:

1 Year
\$153

3 Years
\$474

5 Years
\$818

10 Years
\$1,791

Portfolio Turnover: The Fund pays transaction costs, such as commissions, when it buys and sells securities (or “turns over” its portfolio). A higher portfolio turnover rate may indicate higher transaction costs and may result in higher taxes when Fund shares are held in a taxable account. These costs, which are not reflected in annual fund operating expenses or in the example, affect the Fund’s performance. During the most recent fiscal year, the Fund’s portfolio turnover rate was 31.69% of the average value of its portfolio.

Principal Investment Strategy Summary

The Fund emphasizes value investing, meaning that it seeks to buy securities for less than their true value. (A security may be selling for less than its value because it is out-of-favor, or for other reasons.) To increase its opportunities to find good values, the Fund is open to a broad range of securities, including common and preferred stocks, convertible securities and bonds. Bonds purchased by the Fund may be of any maturity or credit quality, including low-rated bonds, which are sometimes called “junk” bonds. The Fund can invest in securities of companies of any size, located anywhere in the world, including emerging markets. The Fund may invest up to 50% of its assets in foreign companies, and up to 25% in the securities of a single company. The Fund can also hold cash for long periods of time if it is unable to find better investments. The mix of investments at any time depends on which securities the Adviser believes have the most value.

The Fund is best suited to longer-term investors who are comfortable with its investment strategies and won’t be disturbed by short-term fluctuations in the value of their investment.

Principal Risk Summary

An investment in the Fund could lose money over short or even long periods. Risks include:

Market Risk: Prices of securities have gone up and down over time, and so will the value of your investment in the Fund.

Investment Style Risk: The Fund’s approach to investing may be less successful than others, causing the value of your investment to decline.

Manager Risk: The Portfolio Manager’s decisions could cause the value of your investment to decline.

Focused Portfolio Risk: The Fund is classified as “non-diversified”, meaning that it can invest up to 25% of its assets in a single security. The Fund can hold fewer securities than a “diversified” fund, with a larger percentage invested in each. Because of this, the Fund may be more affected by a decline in the value of one or a few of its holdings.

Small Company Risk: The Fund may invest in companies of any size and may invest all of its assets in the smallest companies (“micro caps”). Investments in smaller companies tend to have greater risk. Smaller companies may not have enough resources to compete and may be more likely to go out of business, especially during difficult economic times.

Foreign Risk: The Fund may invest up to 50% of its assets in foreign securities. Foreign securities can involve additional risks, such as different financial reporting standards, currency fluctuations and potential government instability, which can cause your investment to decline in value.

Credit Risk: The Fund may invest in companies that have low credit ratings, or which suffer a decline in credit rating. Securities with low credit ratings involve additional risks that can cause your investment to decline in value.

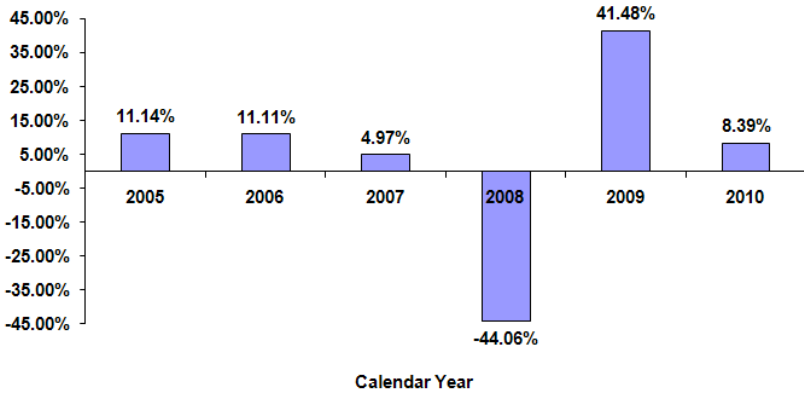
Interest Rate Risk: The Fund’s securities may lose value due changes in market interest rates.

Performance

The bar chart and table below show the historical performance and potential risk of investing in the Fund, although past performance is not necessarily an indication of future performance. The bar chart shows changes in the Fund’s yearly performance over the lifetime of the Fund. The table compares the Fund’s average annual returns, before and after estimated taxes, to the performance of market indexes.

Updated performance information is available without charge by contacting the Fund at (800) 240-9631, or by download from the Fund’s web site at www.blankinship.com.

Annual Returns



The Fund's **best** calendar quarter: **+24.34%** (Q2 of 2009)

The Fund's **worst** calendar quarter: **-31.53%** (Q4 of 2008)

Average Annual Total Returns

(For the Periods ended December 31, 2010)

	1 Year	5 Years	Life of Fund <i>(from 1/16/04)</i>
Return Before Taxes	8.39%	0.01%	2.34%
Return After Taxes on Distributions	8.04%	-0.41%	1.77%
Return After Taxes on Distributions and Sale of Fund Shares	6.93%	-0.58%	1.77%
S&P 500 Index (Does not include fees, expenses or taxes – costs that are reflected in the Fund's results)	15.06%	1.64%	3.49%

The Fund's 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. Your actual after-tax returns depend on your individual tax situation and may differ from those shown. If your Fund shares are held through a tax-deferred arrangement, such as a 401(k) plan or individual retirement account, then the after-tax returns shown are not relevant.

Fund Management Summary

Investment Adviser: Blankinship Corporation

Portfolio Manager: Dr. Rex Blankinship, President of the Adviser.

Purchase and Sale of Fund Shares

Purchase of Fund Shares: The minimum initial investment is \$2,000. The minimum subsequent investment is \$200, although there is no minimum for additions made at least monthly through an automatic investment plan.

Sale of Fund Shares: The Fund's shares are redeemable on any business day. To sell your shares of the Fund, please contact us at (800) 240-9631 or mail your request to:

**Blankinship Value Fund
1210 South Huntress Court
McLean, VA 22102**

Tax Information

The Fund makes distributions that may be taxed as ordinary income or capital gains. These distributions are taxable, whether received in cash or reinvested in shares of the Fund. Redemption of shares is a taxable event and a capital gain or loss may be recognized.

More About the Fund

Investment Strategies

The Fund emphasizes value investing, meaning it seeks to buy securities for less than their true, or intrinsic value. This approach was pioneered by the late Benjamin Graham, who believed that, although markets are efficient much of the time, they are not always efficient, and investment results can be improved through careful research and patience. The Fund's Adviser believes value investing both lowers risk and increases potential returns.

The Fund blends value and growth investing to the extent that it prefers to buy great companies at fair prices, rather than fair companies at great prices. In the Adviser's view, "great companies" are those which earn above average returns on invested capital, without excessive leverage or accounting tricks, and seem likely to continue doing so in the future. However, tradeoffs are usually required, and a low purchase price can compensate for some shortcomings.

The Fund often looks for opportunities where there is bad news or uncertainty surrounding a company from events such as earnings shortfalls, management problems, product recalls, lawsuits, corporate reorganizations, liquidations, or other major or negative events. The Adviser believes that short-term investors often misjudge or avoid these situations, causing market prices to decline, and creating buying opportunities for longer term investors. If the Adviser believes damage and risk are limited, then the affected company's securities may be considered for purchase by the Fund.

The Fund tends to use broader diversification when greater compromise or uncertainty is involved. When the Adviser believes an exceptional opportunity has been identified, the Fund has the freedom to invest up to 25% of its total assets in that company's stock. The Adviser believes focusing on the best investments improves chances of above average results.

The Fund's research and investments often include small companies, especially micro-cap (under \$200 million market capitalization) companies. Some research indicates that small companies provide better investment opportunities because they receive less attention. And, having a small asset base should be an advantage for a fund investing in small companies because it tends to be easier to trade without affecting market prices. For this reason, if management believes the Fund's growth has become a drag on performance, the Fund may close to new investments.

In addition to small companies, the Fund is open to a broad range of investment types to increase its chances of finding good values, and allow it to adapt as market opportunities change. The Fund may invest in:

- Companies of any size.
- Bonds and preferred stocks, including those convertible into common stock. (Bonds may be of any maturity or duration.)
- Foreign securities, which may include emerging markets, up to 50% of Fund assets.
- Real estate investment trusts (REITs), up to 25% of Fund assets.
- High-yield bonds of any ratings, up to 25% of Fund assets. (High-yield bonds rated below “Baa” and below “BBB” are commonly referred to as “junk bonds”.)

The focus of the Fund’s research and its mix of investments at any time depend on which securities the Adviser believes hold the most value.

The Fund favors long holding periods to reduce its brokerage costs and the taxes paid by its shareholders. Although not planned as part of normal operations, the Fund may engage in active and frequent trading to achieve its principal investment strategies, and that could increase the trading costs of the Fund and the taxes paid by its shareholders. The Fund may also, from time to time, take temporary defensive positions that are inconsistent with the Fund’s principal investment strategies in response to adverse market, economic, political, or other conditions. When taking such a temporary defensive position, the Fund may not achieve its investment objective.

The Fund has the freedom to hold cash when attractively priced investments are scarce. The Adviser believes this helps protect the Fund from the losses that often follow inflated prices, and is an important part of the Fund’s value investing discipline. As a result, the Adviser is willing to hold up to 100% of assets in cash for extended periods while seeking good investment values. The Fund will also tend to hold some cash as a matter of course -- to fund redemptions, and to be ready for new investment opportunities.

Risks

Your investment in the Fund is not guaranteed and is subject to risks, including the ones listed below, which could cause you to lose money or reduce the returns on your investment:

Market Risk: Prices of securities (and stocks in particular) have historically fluctuated, and the value of your investment in the Fund will similarly fluctuate. The risk that you will lose money may be increased if you have a short-term perspective, or need to sell your shares quickly.

Investment Style Risk: The Fund often finds value in companies or industries that are out of favor. The prices of these securities may tend to go down more than those of other companies. In addition, since the Fund is not limited to investing in stocks, the Fund may own significant cash or non-equity investments in a rising stock market, thereby producing smaller gains than funds invested solely in stocks. Or, the Fund could be heavily invested in stocks during a period of stock market or sector decline, causing the Fund's shares to decline in value.

Manager Risk: The Portfolio Manager's decisions could cause the value of your investment to decline.

Focused Portfolio Risk: The Fund is classified as "non-diversified". This means that the Fund can have fewer investments than a "diversified" fund of comparable size. As a result, the Fund may be more subject to the risk of a price decline or loss due to a change in value of one, or a few of its holdings.

Small Company Risk: The Fund may invest in companies of any size, and may invest up to 100% of assets in micro-cap companies (market capitalization below \$200 million). Securities of smaller companies tend to be more volatile than those of larger companies, with the smallest companies tending to be the most volatile. Smaller companies may have limited resources for expanding or surviving in a competitive environment, lack depth of management, have a limited product line, and be more sensitive to economic downturns than the largest companies. The markets for the securities of smaller companies are also less liquid than those for larger companies.

Foreign Risk: The Fund may invest in foreign securities, which involve greater risks compared to domestic investments for the following reasons: foreign companies may not be subject to the regulatory requirements of U.S. companies and there may be less publicly available information about

foreign issuers than U.S. companies; foreign companies generally are not subject to uniform accounting, auditing and financial reporting standards; dividends and interest on foreign securities may be subject to foreign withholding taxes and such taxes may reduce the net return to Fund shareholders; and foreign securities are often denominated in a currency other than the U.S. dollar. The Fund will be subject to the risks associated with fluctuations in currency values. Although the Fund will only invest in foreign issuers that are domiciled in nations the Adviser believes have sufficiently stable and friendly governments, judgments are required and there is the possibility of expropriation, confiscation, taxation, currency blockage, or political or social instability, any of which could negatively affect the Fund. Investment in securities of issuers based in emerging markets entails all of the risks of investing in securities of foreign issuers, but to a heightened degree.

Credit Risk: The Fund may invest in companies that have low credit ratings or which suffer a decline in credit rating. For example, high-yield securities (commonly known as "junk bonds") may expose the Fund to greater risks than higher-grade securities. These securities are usually considered to be speculative investments and their values often fluctuate more widely than higher-grade securities.

Interest Rate Risk: Generally, when interest rates rise, prices of financial investments tend to fall. Prices of securities covering longer time frames, such as stocks and long-term bonds, are particularly susceptible to increasing interest rates. During periods of increasing interest rates, the Fund's investments in these securities may decline in value.

Real Estate Risk: In addition to general market risks, investments in REITs have risks similar to those for direct investments in real estate, including terrorist attacks, war, and other events that destroy property. REITs are also sensitive to changes in factors such as real estate supply and demand, taxes, regulations, and interest rates, cash flow of the underlying real estate assets, and the management skill and creditworthiness of the issuer.

Disclosure of Portfolio Holdings: A description of the Fund's policies and procedures with respect to the disclosure of the Fund's portfolio securities is available in the Fund's Statement of Additional Information (SAI).

Fund Suitability: The Adviser believes the Fund is most suitable for long-term investors who understand and endorse its investment strategies, and can remain committed through fluctuations in the value of their

investment. Long-term, as defined by management and the Adviser, is at least five years. The Fund may be appropriate for investors in either taxable or non-taxable accounts. It is not appropriate for short-term investors, those trying to time the market, those requiring broad diversification in a single fund, or those who would panic during a major decline in the overall market or the value of the Fund's shares.

Management of the Fund

Investment Adviser: Blankinship Corporation, 1210 South Huntress Court, McLean, VA 22102 serves as the Fund's investment adviser (the "Adviser"), pursuant to the Management Agreement approved by the Fund's Board of Directors. The Adviser manages the investments of the Fund and is also responsible for the overall administration of the business affairs of the Fund. As compensation for its services the Adviser receives annualized fees equal to 1.50% of the average net assets of the Fund. (1.00% of which is investment advisory fees and 0.50% of which is administrative service fees.) The Adviser pays all of the operating expenses of the Fund except brokerage, taxes, interest, and extraordinary expenses. For the most recent fiscal year (ended October 31, 2010), the Adviser contractually waived all fees, resulting in a fee of 0.00% as a percentage of average net assets. A discussion regarding the basis for the Board of Director's approving the Management Agreement is available in the Fund's Annual Report for the fiscal year ended October 31, 2010.

Portfolio Manager: Dr. Rex Blankinship, President of the Adviser, is a Certified Public Accountant in Virginia, and has been responsible for the day-to-day management of the Fund's portfolio since it began operations in January 2004. He is also employed by Primatics Financial, where he specializes in product development for their widely used mortgage loan accounting system for the banking industry. As President of Blankinship Corporation, he has provided consulting services focused on the design and installation of financial systems since 1987. He holds a Ph.D. in Information Systems from the University of Maryland's Smith School of Business, and an MBA in Management from Virginia Tech. He is a member of the American Institute of Certified Public Accountants, and the Virginia Society of CPAs.

Investments by Directors: Each Director's investment holdings in the Fund are listed below. Additional information about the Directors is provided in the Fund's Statement of Additional Information (SAI).

Name of Director	Dollar Range of Equity Securities Invested in the Fund as of February 25, 2011
Rex Blankinship, Ph.D., CPA	Over \$100,000
Alexander J. Falk, Jr.	Over \$100,000
Barbara A. Stewart, Ph.D.	Over \$100,000

Investing in the Fund

Pricing of Fund Shares: Shares of the Fund are offered at each share's net asset value (NAV). The NAV per share is calculated by: (1) adding the value of Fund investments, cash and other assets; (2) subtracting Fund liabilities, and then; (3) dividing the result by the number of shares outstanding. The Fund generally determines the total value of its shares by using market prices for the securities comprising its portfolio, although certain short-term debt securities are valued on the basis of amortized cost. Securities for which quotations are not available and any other assets are valued at fair market value as determined in good faith by the Adviser, subject to the review and supervision of the Board of Directors. The Fund's per share NAV is computed on days on which the New York Stock Exchange (NYSE) is open for business as of the close of regular trading hours on the Exchange, currently 4:00 P.M. Eastern Time. In the event that the NYSE closes early, the share price is determined as of the time of closing. When the Fund holds 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's shares may change on days when shareholders will not be able to purchase or redeem the Fund's shares. Since the NAV changes daily, the price you pay for your shares is based on the next calculated NAV after your order is received by the Company's transfer agent, whose job it is to keep track of shareholder records.

When Management determines that market quotations are not readily available for a security, including, but not limited to, when (i) the exchange or market on which a security is traded does not open for trading for an entire trading day and no other market prices are available, (ii) a particular security does not trade regularly or has had its trading halted, (iii) a security does not have a price source due to its lack of liquidity, (iv) a market quotation from a broker-dealer is believed to be unreliable (e.g., where it varies significantly from a recent trade), (v) the security is thinly traded or (vi) there has been a significant subsequent event, the Fund

values the affected securities at fair value as determined under the direction of the Board of Directors. For example, in valuing a security that trades principally on a foreign market, the Fund normally uses the most recent closing market price from the market on which the security principally trades, unless because of a significant event subsequent to the market close such closing market price, in Management's judgment, does not represent the current market value of the security. Because significant events could affect the value of a foreign security between the close of the foreign market where the security is principally traded and the time the Fund calculates its NAV, such closing price may not be reflective of current market conditions. Therefore, the Fund may adjust the closing market price of a foreign security as a result of a significant subsequent event to reflect what it believes to be the fair value of the security as of the time the Fund calculates its NAV.

Fair value pricing represents a good faith approximation of the value of a security. A security's valuation may differ depending on the method used for determining value. Valuing securities at fair value involves greater reliance on judgment than valuation of securities based on readily available market quotations. The fair value of one or more securities may not, in retrospect, be the prices at which those assets could have been sold during the period in which the particular fair values were used in determining the Fund's NAV. As a result, the Fund's sale or redemption of its shares at NAV, at a time when a holding or holdings are valued at fair value, may have the effect of diluting or increasing the economic interest of existing shareholders.

Short-Term Trading Policies and Redemption Fee: Short-term trading (i.e. frequent purchases and redemptions of the Fund's shares) is discouraged and will not be accommodated or allowed by the Fund. Short-term trading generally increases the risk of a loss on the Fund's shares, because stock market investments tend to increase in value over time. In addition, short term trading tends to hurt the results of all the Fund's investors through effects such as: 1) increasing the Fund's expenses for administration and brokerage; 2) requiring the Fund to hold more assets in cash to prepare for redemptions; 3) causing higher turnover of the Fund's investment holdings, thereby reducing tax efficiency.

To discourage short-term trading, the Fund's Board has approved a fee of 1% on redemptions made within one year of the initial investment in a new account. The 1% fee is calculated on the net asset value of the redeemed shares at the time of redemption. This is neither a deferred sales charge nor a commission paid to a distributor. This fee is retained in the Fund, and is designed to compensate remaining Fund investors for the effects of short-term investors. This redemption fee will not be charged on distributions required by law, systematic distributions

from retirement accounts, or on forced redemptions of very small accounts (see below). This fee may be modified or discontinued at any time.

Management of the Fund reserves the right to reject any specific purchase order for the Fund's shares. If Management believes, in its sole discretion, that your short-term trading is excessive or that you are engaging in market timing activity, your purchase order will be rejected. If the Fund rejects your purchase or exchange order, you will not be able to execute that transaction, and neither the Fund nor Management will be responsible for any losses you may suffer as a result. For transactions placed directly with the Fund or its transfer agent, Management may consider the trading history of accounts under common ownership or control for the purpose of enforcing these policies.

The Fund enters into a written agreement with each financial intermediary of the Fund, under which the intermediary agrees to provide information regarding purchases and sales to support enforcement of the Fund's policies against short-term trading. The intermediaries also must agree to execute any instructions from the Fund to restrict or prohibit further purchases or exchanges of Fund shares by a shareholder who has been identified by the Fund as having engaged in transactions of Fund shares (directly or indirectly through the intermediary's account) that violate policies established by the Fund. In the event that a financial intermediary is determined by the Fund to be engaged in market timing or other improper trading activity, the Fund may terminate such financial intermediary's agreement with the Fund, suspend such financial intermediary's trading privileges or take other appropriate actions.

Finally, when there is a delay between the change in value of a fund's portfolio securities and the determination of the fund's NAV, an investor may seek to take advantage of this disparity by buying or selling fund shares at a price that does not reflect their true value. This activity can reduce the return received by long-term shareholders. The Fund tries to eliminate these opportunities by using fair value pricing, as described in "Pricing of Fund Shares", above.

Opening Your Account: The Fund is "no-load", meaning that there are no purchase or sales charges. There are also no distribution (12b-1) fees, which funds can charge and still be classified as "no-load". Please be aware there is a fee of 1% of any redemptions made in less than one year after opening your account (see "Short-Term Trading Policies and Redemption Fee", above, for details). The redemption fee is retained in the Fund, and is designed to compensate other Fund investors for the effects of short-term investors, whose in-and-out activity can increase the Fund's transaction costs and reduce the Fund's tax efficiency by causing it to realize capital gains.

To open your new account with the Fund, complete the steps below. If you have any questions, please contact the Fund at (800) 240-9631.

- 1. Complete and sign the Account Application form provided with this Prospectus.**
- 2. Complete and sign the Form W-9 provided with this Prospectus.** (Without a signed Form W-9, the Fund is required by law to withhold Federal Taxes from any dividends, distributions and redemptions you may have.)
- 3. Your initial investment may be made by check, money order, or wire transfer payable to Blankinship Value Fund. The minimum initial investment is \$2,000.** (Less may be accepted under special circumstances; the Fund reserves the right to change its minimums at any time.) If you wish to make payment by wire transfer, please contact the Fund at (800) 240-9631 for wire transfer instructions.
- 4. Mail your completed Account Application, with Form W-9, and payment to:**

**Blankinship Value Fund
1210 South Huntress Court
McLean, VA 22102**

The price paid for shares is the Net Asset Value per share ("NAV") next determined after receipt of the purchase order by the Fund. The Fund reserves the right, at its sole discretion, to terminate the offering of its shares made by this Prospectus at any time and to reject purchase applications when, in the judgment of management, such termination or rejection is in the best interests of the Fund. There will be no solicitation of states' residents as potential shareholders until registration under the Blue Sky or Notification Laws of such states have been met.

The Fund does not issue share certificates. Instead, your account will be credited with the number of shares purchased, relieving you of responsibility for safekeeping of certificates and the need to deliver them upon redemption. Any transaction in your account, including reinvestment of dividends and distributions, will be confirmed to you in writing. The financial statements of the Fund with a summary of portfolio composition and performance, along with the management's letter to shareholders, will be mailed to shareholders twice a year.

In compliance with the USA Patriot Act of 2001, please note that the Fund will verify certain information on your account application as part of

the Fund's Anti-Money Laundering Program. As requested on the application, you should supply your full name, date of birth, social security number and permanent street address. Mailing addresses containing a P.O. Box will not be accepted.

Adding to Your Account: Subsequent purchases may be made by mail, wire transfer, or by phone and are due and payable three business days after the purchase date. **To make purchases to your existing account by mail, simply send a check payable to the Blankinship Value Fund to the address above. Be sure to note your Fund account number on the check.** The minimum is \$200, but there is no minimum for additions to an account registered in the name of a 501(c)(3) organization, or for additions made at least monthly through an automatic investment plan (see below). The Fund reserves the right to change its minimums at any time.

Reinvestments: The Fund will automatically retain and reinvest dividends and capital gain distributions. Reinvestment, for the shareholder, will be at net asset value on the close of business on the distribution date. A Shareholder may at any time, by letter or forms supplied by the Fund, direct the Fund to pay the dividends and/or capital gains distributions to the shareholder in cash.

Purchasing through Financial Service Organizations: You may purchase shares of the Fund through participating brokers, dealers, and other financial professionals. Simply call your investment professional to make your purchase. If you are a client of a securities broker or other financial organization, such organizations may charge a separate fee for administrative services in connection with investments in Fund shares and may impose account minimums and other requirements. These fees and requirements would be in addition to those imposed by the Fund. If you are investing through a securities broker or other financial organization, please refer to its program materials for any additional special provisions or conditions that may be different from those described in this Prospectus (for example, some or all of the services and privileges described may not be available to you). Securities brokers and other financial organizations have the responsibility of transmitting purchase orders and funds, and of crediting their customers' accounts following redemptions, in a timely manner in accordance with their customer agreements and this Prospectus.

Investing by Automatic Plan: You may purchase shares of the Fund through an Automatic Investment Plan (Plan). The Plan provides a convenient way for you to have money deducted directly from your checking, savings, or other accounts for investment in shares of the Fund, and may be helpful to you in implementing "dollar-cost-averaging" in a

taxable account. The Fund may alter, modify, amend, or terminate the Plan at any time, but will notify Plan participants at least 30 days in advance if it does so. For more information about the Plan, please call the Fund at (800) 240-9631.

Redeeming (Selling) Your Shares: You may sell your shares at any time. However, a fee of 1% is deducted from proceeds of redemptions made within a year after the initial investment in a new account. (See “Redemption Fee” below.)

Redemption requests should be sent via U.S. mail or courier service to:

**Blankinship Value Fund
1210 South Huntress Court
McLean, VA 22102**

The redemption price you receive will be the Fund's per share NAV next calculated after receipt of all required documents in Good Order, which means your request must include:

1. Your account number.
2. The number of shares to be redeemed or the dollar value of the amount to be redeemed.
3. The signatures of all account owners exactly as they are registered on the account, with signature guarantees. Signature guarantees are designed to protect both you and the Fund from fraud, and are required for redemptions, unless the shareholder is known to management. To obtain a signature guarantee, visit a bank, trust company, broker-dealer, or other eligible guarantor institution. (Notaries public cannot provide signature guarantees.) Guarantees must be signed by an authorized person at one of these institutions and be accompanied by the words, “Signature Guarantee”.
4. Any supporting legal documentation that is required in the case of estates, trusts, corporations, or partnerships, and certain other types of accounts.
5. If you wish to have redemption proceeds wired to a bank account, include full and complete wire instructions in the written redemption request. A fee may be deduct from your account or proceeds for outgoing wire transfers.

If you have any questions about what is required for your redemption request, please call the Fund at (800) 240-9631.

Payment by the Fund will ordinarily be made within four business days after tender. If you purchase your shares by check and then redeem your shares before your check has cleared, the Fund may hold your redemption proceeds until your check clears or for 15 days, whichever comes first. The Fund may suspend the right of redemption or postpone the date of payment for the following reasons:

- The New York Stock Exchange is closed for other than customary weekend or holiday closings;
- Trading on the New York Stock Exchange is restricted as determined by the Securities and Exchange Commission or other authority;
- The Securities and Exchange Commission or other authority has determined that an emergency exists making disposal of the Fund's securities or valuation of net assets not practicable;
- Other extraordinary events which may restrict the Fund from selling its securities or distributing its liquid assets.

The Fund intends to redeem its shares for cash. However, to protect the interest of remaining shareholders, the Fund reserves the right to redeem its shares "in kind" if your redemptions during any 90-day period exceed \$250,000 or 1% of the Fund's net asset value. In kind redemption means you receive portfolio securities rather than cash. If this occurs, the securities you receive may decline in value or lack liquidity, and you will also incur brokerage fees on their sale. The securities given as payment are selected by the Fund and are valued the same way as for calculating the Funds' net asset value.

Redemption of Very Small Accounts: If the value of the shares in your account falls to less than \$1,500, the Fund may notify you that, unless your account is increased to \$1,500 in value, the Fund will redeem all your shares and close the account by paying you the redemption proceeds and any dividends and distributions declared and unpaid at the date of redemption. You will have thirty days after notice to bring the account up to \$1,500 before any action is taken. This mandatory redemption shall not apply if the value of your account drops below \$1,500 solely as the result of market action. The Fund reserves the right to make mandatory redemptions because of the expense to the Fund of maintaining relatively small accounts.

Redemption of Large Amounts: Although advance notice is never required, it is very helpful to the Fund if you provide at least a week's notice before redeeming more than \$100,000. We must consider the interests of all Fund shareholders and reserve the right to delay delivery of your redemption proceeds – up to seven days – if the amount will disrupt

the Fund's operation or performance. Please note that NAV is always determined on the date the shares are actually redeemed, not the date you call the Fund to provide advance notice.

Retirement Distributions: A request for distribution from an IRA or other retirement account may be delayed by the Fund pending proper documentation and determining the withholding requirement for the specific situation. If a shareholder does not want tax withholding from distributions, the shareholder may state in the distribution request that no withholding is desired and the shareholder understands there may be a liability for income tax on the distribution, including penalties for failure to pay estimated taxes. If a request for a distribution from a retirement account is delayed, the redemption price will be the NAV next calculated after receipt of the redemption request in good order.

Dividends and Distributions: Dividends paid by the Fund are derived from its net investment income. Net investment income will be distributed at least annually. The Fund's net investment income is made up of dividends received from the stocks it holds, as well as interest accrued and paid on any other obligations that might be held in its portfolio.

The Fund realizes a capital gain when it sells a security for more than it paid, and a capital loss when it sells a security for less than it paid. The Fund makes distributions of its net realized capital gains (after any reductions for capital loss carry forwards), at least annually.

Unless you elect in writing to have your distributions paid in cash, your distributions will be reinvested in additional shares of the Fund. You may change the manner in which your dividends are paid at any time by writing to the Fund.

Tax Consequences: The Fund intends to qualify as a regulated investment company under Subchapter M of the Internal Revenue Code of 1986, as amended, so as to be relieved of federal income tax on its capital gains and net investment income currently distributed to its shareholders.

Dividends from investment income and net short-term capital gains are generally taxable to you as ordinary income. Distributions of capital gains are taxable based on the Fund's holding period, either short or long-term, regardless of the length of you're your shares in the Fund have been held. Distributions are taxable, whether received in cash or reinvested in shares of the Fund. You will be advised annually of the source of distributions for federal income tax purposes.

Redemption of shares is a taxable event and, accordingly, a capital gain or loss may be recognized. You should consult a tax adviser regarding the effect of federal, state, local, and foreign taxes on an investment in the Fund.

Backup Withholding: By law, the Fund must withhold 31% of your taxable distributions and any redemption proceeds if you do not provide your correct taxpayer identification number, or if you do not certify that it is correct, or if the IRS instructs the Fund to do so.

Distribution Arrangements: The Fund is “no-load”, meaning that there are no purchase or sales charges. There are also no distribution (12b-1) fees.

Privacy Policy: Protecting your personal information is a priority for the Blankinship Value Fund and our privacy policy has been designed to support this objective. Former shareholders are afforded the same security and confidentiality as current shareholders.

The Fund may collect non-public personal information about you in the following ways: from information provided by you on applications or other forms submitted to the Fund or to the Transfer Agent; and from information arising from your investment in the Fund.

The Fund utilizes electronic, procedural, and physical controls in keeping with industry standards and procedures. For example, the Fund authorizes access to your personal and account information on a needs information only basis to personnel utilizing this information to provide products or services to you.

The Fund does not disclose non-public personal information about you, except as required by the Adviser to fulfill its obligations to the Fund or as required by law. For example, the Fund has entered into arrangements with the Adviser to provide investment advisory, administrative, and other services and the Fund may disclose information about you or information that you have provided to the Fund to the Adviser in connection with the Adviser’s responsibilities to the Fund.

Disclosure of Portfolio Holdings: A description of the Fund’s policies and procedures with respect to the disclosure of the Fund’s portfolio securities is in the Fund’s Statement of Additional Information (SAI). You can obtain a free copy of the SAI by calling the Fund at (800) 240-9631 or by downloading it from the Fund’s web site at www.blankinship.com.

Financial Highlights

The financial highlights table on the next page is intended to help you understand the Fund's financial performance for the past five years. Certain information reflects financial results for a single Fund share. The total returns in the table represent the rate that an investor would have earned on an investment in the Fund (assuming reinvestment of all dividends and distributions). This information has been audited by Sanville & Company, whose report, along with the Fund's financial statements, are included in the annual report, which is available upon request.

Financial Highlights

	<u>For the Years Ended</u>				
	<u>10/31/10</u>	<u>10/31/09</u>	<u>10/31/08</u>	<u>10/31/07</u>	<u>10/31/06</u>
Net Asset Value, Beginning of period	<u>\$8.87</u>	<u>\$8.14</u>	<u>\$13.74</u>	<u>\$12.20</u>	<u>\$11.06</u>
Investment operations:					
Net investment income (loss)*	0.11	.07	(.71)	.21	.24
Net realized and unrealized gain (loss) on investments	<u>1.02</u>	<u>.80</u>	<u>(4.58)</u>	<u>1.67</u>	<u>1.13</u>
Total from investment Operations	<u>1.13</u>	<u>.87</u>	<u>(5.29)</u>	<u>1.88</u>	<u>1.37</u>
Less Distributions:					
Net investment income	(.06)	(.14)	(.23)	(.24)	(.23)
Capital gains	<u>-</u>	<u>-</u>	<u>(.08)</u>	<u>(.10)</u>	<u>-</u>
Total distributions	<u>(.06)</u>	<u>(.14)</u>	<u>(.31)</u>	<u>(.34)</u>	<u>(.23)</u>
Net asset value, End of period	<u>\$9.94</u>	<u>\$8.87</u>	<u>\$8.14</u>	<u>\$13.74</u>	<u>\$12.20</u>
Total return**	12.71%	11.16%	(39.34%)	15.71%	12.57%
Ratios/ Supplemental Data:					
Net Assets, end of period	\$847,526	\$709,665	\$628,105	\$936,972	\$758,122
Ratio of Expenses to Average Net Assets:					
Before Expenses Reimbursed	1.50%	1.50%	1.50%	1.50%	1.50%
After Expenses Reimbursed	0.00%	0.00%	0.00%	0.00%	0.30%
Ratio of Net Investment Income to Average Net Assets	1.02%	0.92%	1.35%	1.66%	1.94%
Portfolio Turnover Rate	31.69%	34.37%	47.22%	14.29%	4.97%

* Based on average shares outstanding.

** Assumes reinvestment of dividends.

BLANKINSHIP VALUE FUND

Shareholder Services
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McLean, VA 22102
Phone: (800) 240-9631
Fax: (703) 448-0173
www.blankinship.com

For more information about Blankinship Value Fund, please refer to:

Statement of Additional Information (SAI), which contains more information about the fund, its investments and policies. It is incorporated by reference (is legally a part of this prospectus).

Annual and Semi-Annual Reports, which include detailed portfolio holdings and financial statements. Annual Reports also include a discussion of recent market conditions and Fund investment strategy, and the report of the independent registered public accounting firm.

For a free copy of the current annual/semi-annual report or the SAI, or for any questions, please call the Fund at (800) 240-9631. These documents can also be downloaded, free of charge, from the Fund's web site at www.blankinship.com.

Information about the Fund (including the Statement of Additional Information) can also be reviewed and copied at the Security and Exchange Commission's Public Reference Room in Washington, D.C. Information on the operation of the Public Reference room may be obtained by calling the Commission at (202) 551-8090. Reports and other information about the Fund are available on the EDGAR Database on the Commission's Internet site at <http://www.sec.gov>, and copies of this information may be obtained, after paying a duplicating fee, by electronic request at the following E-mail address: publicinfo@sec.gov, or by writing the Commission's Public Reference Section, Washington, D.C. 20549-1520.

Investment Company Act file no. 811-21387