

Monteagle Select Value Fund

Prospectus

November 9, 2009

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.



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RISK/RETURN SUMMARY

Investment Objective

The investment objective of the Monteagle Select Value Fund (the “Fund”) is long-term capital appreciation. The Fund will provide shareholders with at least 60 days notice before changing this objective.

Principal Investment Strategies

The Fund uses a “value investing” style by investing, under normal circumstances, at least 80% of its assets in the common stock of domestic companies that the Fund’s Sub-adviser believes are under-priced relative to comparable securities determined by price/earnings ratios, cash flows or other measures. The Sub-adviser relies on stock selection to achieve its results, rather than trying to time market fluctuations. In selecting stocks, the Sub-adviser establishes valuation parameters, by using relative ratios or target prices to evaluate companies on several levels. The Fund seeks to maintain a minimum average weighted market capitalization of at least \$5 billion.

Principal Risks of Investing in the Fund

You could lose money on your investment in the Fund and the Fund could underperform other investments. The principal risks of investing in the Fund include:

- The stock market goes down
- The stock market continues to undervalue the stocks in the Fund’s portfolio
- The Adviser’s judgment as to the value of a stock proves to be wrong
- The Fund’s particular investment style falls out of favor with the market

An investment in the Fund is not a deposit of a bank and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. The Fund is not a complete investment program.

CONCEPTS TO UNDERSTAND

Value Investing

means to invest in stocks whose prices are low relative to stocks of comparable companies.

Common Stock

is ownership shares in a corporation that are sold initially by the corporation and then traded by investors.

Price/Earnings Ratio

means the per share ratio of a company’s current market capitalization to its annual earnings.

Market capitalization

of a company means the value of the company’s common stock in the stock market.

Who May Want to Invest in the Fund

You may want to purchase shares of the Fund if:

- You are willing to tolerate significant fluctuations in the value of your investment
- You are pursuing a long-term goal
- You are willing to accept higher short-term risk

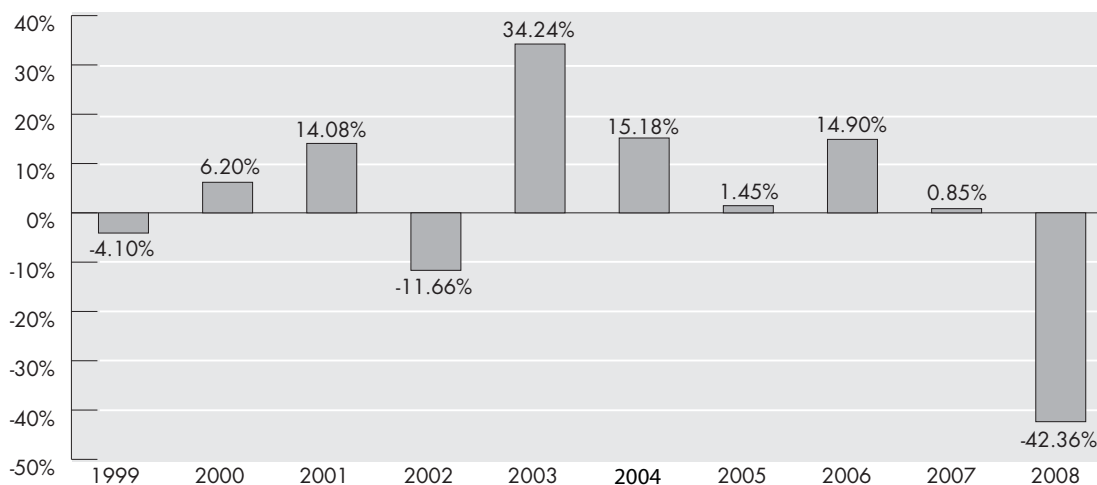
The Fund may *not* be appropriate for you if:

- You want an investment that pursues market trends or focuses only on particular sectors or industries
- You need regular income or stability of principal
- You are pursuing a short-term goal or investing emergency reserves

PERFORMANCE

The bar chart and performance table that follow provide some indication of the risks and variability of investing in the Fund by showing the changes in the Fund's performance from year to year and by showing how the Fund's average annual total returns compare with those of a broad measure of market performance. The Fund's past performance (before and after taxes) is not necessarily an indication of how the Fund will perform in the future.

The following chart shows the total return of the Fund for each full calendar year that the Fund has operated.



The Fund's year-to-date total return through September 30, 2009 was 16.90%.

During the period shown in the bar chart, the highest quarterly return was 19.63% (for the quarter ended June 30, 2003) and the lowest return was -27.73% (for the quarter ended December 31, 2008). The impact of taxes is not reflected in the bar chart; if reflected, returns would be less than those shown.

**Average Annual Total Returns
For Periods Ended December 31, 2008**

The table below shows how the Fund's average annual total returns compare to those of the S&P 500 Index®. The table also presents the impact of taxes on the Fund's returns. 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 tax situation and may differ from those shown. If you own the Fund in a tax-deferred account, such as an individual retirement account ("IRA") or a 401(k) plan, after-tax returns are not relevant to your investment because such accounts are subject to taxes only upon distribution.

Monteagle Select Value Fund¹	1 Year	5 Years	10 Years	Since Inception (March 30, 1998)
Return Before Taxes	-42.36%	-4.84%	0.73%	-0.08%
Return After Taxes on Distributions	-42.36%	-5.75%	-0.01%	-0.78%
Return After Taxes on Distributions and Sale of Fund Shares	-27.48%	-4.05%	0.46%	-0.22%
S&P 500 Index®²				
(reflects no deduction for fees, expenses or taxes)	-37.00%	-2.19%	-0.10%	-0.10%

¹ Performance reflects fee waivers by the Adviser for periods prior to 2008; had advisory fees not been waived during such periods, returns would be less than those shown.

² The S&P 500 Index® is the Standard & Poor's 500 Index, a widely recognized, unmanaged index of common stock. The index figures assume reinvestment of all dividends paid by stocks included in the index. One cannot invest directly in the index.

FEE TABLE

The following tables describe the fees and expenses that you will pay if you buy and hold shares of the Fund.

Shareholder Fees (fees paid directly from your investment)	
Sales Charge (Load) Imposed on Purchases	None
Deferred Sales Charge (Load)	None
Sales Charge (Load) Imposed on Reinvested Distributions	None
Redemption Fee	None
Exchange Fee	None
Annual Fund Operating Expenses (expenses that are deducted from Fund assets)	
Management Fees ¹	1.20%
Distribution [and/or Service] (12b-1) Fees	0.00%
Other Expenses ²	0.13%
Acquired (Underlying) Fund Fees and Expenses ³	<u>0.05%</u>
Total Annual Fund Operating Expenses	1.38%
Fee Waivers and Expense Reimbursements	0.00%
Net Expenses (after expense reimbursements)	1.38%

¹ The Adviser is responsible for paying all of the Fund's expenses except costs of membership in trade associations, Securities and Exchange Commission registration fees and related expenses, brokerage fees and commissions, taxes, borrowing costs, litigation expenses, fees and expenses of non-interested Trustees, 50% of the compensation of the Trust's Chief Compliance Officer attributable to the Fund and extraordinary expenses.

² Other Expenses are based on amounts for the current fiscal year ended August 31, 2009.

³ Acquired Fund Fees and Expenses are the fees and expenses incurred indirectly by the Fund as a result of its investments in investment companies and other pooled investment vehicles.

Example

This Example is intended to help you compare the cost of investing in the Fund with the cost of investing in other mutual funds. It assumes that you invest \$10,000 in the Fund for the time periods indicated, reinvest all dividends and distributions, and then redeem all of your shares at the end of those periods. This Example also assumes that your investment has a 5 percent return each year and that the Fund's operating expenses remain the same as stated in the table above. Although your actual costs may be higher or lower, based on these assumptions your costs would be:

1 Year	3 Years	5 Years	10 Years
\$141	\$437	\$755	\$1,657

INVESTMENT OBJECTIVE, INVESTMENT STRATEGIES AND RISKS

Investment Objective

The investment objective of the Fund is long-term capital appreciation.

Investment Strategies

The Fund seeks to achieve its objective by investing, under normal circumstances, at least 80% of its assets in common stocks of domestic companies. This policy will not be changed without 60 days' prior written notice to shareholders. The Fund seeks to maintain a minimum average weighted market capitalization of at least \$5 billion.

Using a value approach, the Fund seeks to invest in stocks that are under-priced relative to other stocks, determined by price/earnings ratios, cash flows or other measures. The Adviser relies on stock selection to achieve its results, rather than trying to time market fluctuations. In selecting stocks, the Adviser establishes valuation parameters, by using relative ratios or target prices to evaluate companies on several levels.

Investment Risks

Generally. There is no assurance that the Fund will achieve its investment objective, and the Fund's net asset value and total return will fluctuate based upon changes in the value of its portfolio securities. Upon redemption, an investment in the Fund may be worth less than its original cost. The Fund, by itself, does not provide a complete investment program.

All investments made by the Fund have some risk. In addition to the specific risks outlined above, the market value of any security in which the Fund may invest is based upon the market's perception of value and not necessarily the book value of an issuer or other objective measure of the issuer's worth.

The Fund may be an appropriate investment if you are seeking long-term growth in your investment, and are willing to tolerate significant fluctuations in the value of your investment in response to changes in the market value of the stocks the Fund holds. This type of market movement may affect the price of the securities of a single issuer, a segment of the domestic stock market or the entire market. The value of the Fund's investments could be impacted by changes in interest rates. The investment style for the Fund could fall out of favor with the market. In other words, if investors lose interest in "value" stocks, then the net asset value of the Fund could also decrease.

The Fund is not intended to be a "Sector Fund" (a fund concentrating its investments in one industry or related group of industries). To address this risk, the Fund's policy is: (1) limit its investments in any industry or group of related industries to twenty-five percent (25%) of fund assets; and (2) if the 25% threshold is exceeded

due to market appreciation, the portfolio manager shall commence an orderly reduction in holdings to bring the aggregate investment in any industry or group of related industries to below 25%. The Fund will provide Shareholders with at least sixty (60) days notice of any change to this limitation.

Temporary Defensive Position. In order to respond to adverse market, economic or other conditions, the Fund may from time to time assume a temporary defensive position and invest without limit in securities issued by the U.S. Government, cash or cash equivalents such as high quality money market instruments. If the Fund invests in shares of another mutual fund, the shareholders of the Fund generally will be subject to duplicative management fees. As a result of engaging in these temporary measures, the Fund may not achieve its investment objective.

MANAGEMENT

Adviser

Nashville Capital Corporation (“Nashville Capital” or the “Adviser”), 209 10th Avenue South, Suite 332, Nashville Tennessee, serves as investment adviser to the Fund pursuant to a Management Agreement with Monteagle Funds (the “Trust”). Subject to the general oversight of the Board of Trustees of the Trust (the “Board”), the Adviser is responsible for among other things, developing a continuing investment program for the Fund in accordance with its investment objective, reviewing the investment strategies and policies of the Fund and advising the Board on the selection of Sub-advisers.

In this capacity, Nashville Capital advises and assists the officers of the Trust in conducting the business of the Fund and is responsible for providing general investment advice and guidance to the Fund, although the Adviser has delegated responsibility for the selection and ongoing monitoring of the securities in the Fund’s investment portfolio to Parkway Advisors, LP. Nashville Capital was formed in 1986 and, as of September 30, 2009, managed assets of over \$114 million. Pursuant to the Management Agreement, the Adviser is paid a management fee based upon the Fund’s average daily net assets according to the following schedule:

Average Daily Net Assets of the Fund	Management Fee Rate
First \$25 million	1.200%
\$25 million to \$50 million	1.115%
\$50 million to \$100 million	0.975%
Over \$100 million	0.875%

The Adviser pays all of the operating expenses of the Fund except costs of membership in trade associations, SEC registration fees and related expenses, brokerage fees and commissions, taxes, borrowing costs (such as (a) interest and (b) dividend expense on securities sold short), litigation expenses, fees and expenses of non-interested Trustees, 50% of the compensation of the Trust's Chief Compliance Officer (the "CCO") attributable to the Fund and extraordinary expenses.

A discussion regarding the basis for approval by the Board of Trustees of the Fund's Management Agreement with the Adviser is available in the Fund's semi-annual report for the period ended February 28, 2009.

Sub-Adviser / Portfolio Managers

The Adviser has the ultimate responsibility (subject to oversight by the Board) to oversee the Fund's Sub-adviser and recommend its hiring, termination and replacement. The Adviser has entered into an investment sub-advisory agreement with Parkway Advisors, LP ("Parkway"), under which Parkway serves as the Fund's Sub-adviser. The Adviser has retained Parkway to render advisory services and make daily investment decisions for the Fund. The day-to-day management of the Fund is performed by the portfolio managers employed by Parkway. Parkway is registered as an investment adviser under the Investment Advisers Act of 1940. Information regarding Parkway and the business experience and educational background of the Fund's portfolio managers follow:

Parkway Advisors, LP ("Parkway") is a wholly owned subsidiary of Directors Investment Group, Inc., a holding company of several businesses which include insurance companies. Prior to May 2001, Parkway was the investment management department of a related insurance company responsible for the management of assets for over 13 years. The investment management department spun out of the insurance company, organized Parkway in April of 2001 and has been registered with the Securities and Exchange Commission ("SEC") as an investment adviser since May 16, 2001. As of September 30, 2009, Parkway manages client portfolios with assets in excess of \$731 million. Carl C. Peterson is its Chief Executive Officer and Principal and Theron R. Holladay, CFA is the Vice President and Chief Investment Officer.

A discussion regarding the basis for the most recent approval by the Board of Trustees of the Sub-Advisory Agreement by and among the Fund, the Adviser and Parkway is available in the Fund's semi-annual report for the period ended February 28, 2009.

Carl C. Peterson and Theron R. Holladay are jointly and primarily responsible for the day-to-day management of the Fund (since March 2004). They have been with the Sub-adviser since its inception and worked together with its predecessor operation.

Carl C. Peterson. Mr. Peterson attended Texas A&M University and received a Bachelor of Business Administration degree in Accounting in 1983. His business background for the preceding five 5 years includes the following: Parkway Advisors, L.P., CEO from 04/01 to present; Directors Investment Group, Inc., Director from

04/03 to present; Monteagle Funds, Trustee from 10/02 to present, President from 10/02 to 04/09; Parkway Advisors Group, Inc., President from 04/01 to present; Parkway Advisors Holdings, Inc., President from 04/01 to present.

Theron R. Holladay, CFA. Mr. Holladay attended Hardin-Simmons University and received a Bachelor of Business Administration degree in Finance in 1993. His business background for the preceding five 5 years includes the following: Parkway Advisors, L.P., Chief Investment Officer from 04/01 to present; Parkway Advisors Group, Inc., Vice President from 04/01 to present; Parkway Advisors Holdings, Inc., Vice President from 04/01 to present. Mr. Holladay is a Certified Financial Analyst.

The Fund's Statement of Additional Information contains further details about the portfolio managers' compensation, other accounts they manage, and their ownership of Fund shares.

SEC Exemptive Order

The Trust and the Adviser have applied for an exemptive order from the SEC that permits the Adviser, subject to certain conditions, to enter into agreements relating to the Fund with unaffiliated Sub-advisers approved by the Board, without obtaining shareholder approval. The exemptive order would also permit the Adviser, subject to the approval of the Board but without shareholder approval, to employ new unaffiliated Sub-advisers for new or existing funds, change the terms of particular agreements with unaffiliated Sub-advisers or continue the employment of existing unaffiliated Sub-advisers after events that would otherwise cause an automatic termination of a sub-advisory agreement. Shareholders of the Fund have the right to terminate an agreement with a Sub-adviser for the Fund at any time by a vote of the majority of the outstanding voting securities of the Fund. Shareholders will be notified of any Sub-adviser changes. If the Adviser hires more than one Sub-adviser for the Fund, the order would also permit the Fund to disclose to shareholders the Sub-advisers' fees only in the aggregate for the Fund.

Prior to October 2002, the Trust operated under an exemptive order covering Sub-adviser matters. With the October 1, 2002 change in investment advisers, the Trust could no longer utilize the exemptive order specific to the previous investment adviser. On November 29, 2002, shareholders instructed management to submit an application for an exemptive order on the same terms and conditions as the prior order. On October 23, 2003, the SEC proposed Rule 15a-5 under the Investment Company Act of 1940 that would allow funds to operate under conditions like those in the application for an exemptive order. The SEC staff was advised that the Trust and the Adviser wish to proceed with the application and that they have added a condition to the application providing that any exemptive order will terminate if and when Rule 15a-5 is adopted. In January 2005, the SEC staff provided comments on the application for exemption; and, in light of timing, the Trust deferred responding to the comments in anticipation of the rule being adopted. As of the date of this Prospectus, Rule 15a-5 is still being considered for adoption; however, there is no assurance that the rule will be adopted or exemptive relief will be granted.

Other Service Providers

Matrix Capital Group, Inc. (the “Transfer Agent”) provides certain administration, portfolio accounting, and transfer agent and shareholder services to the Fund. The Transfer Agent’s address is 630 Fitzwatertown Road, Building A, Second Floor, Willow Grove, Pennsylvania 19090.

Matrix Capital Group, Inc. (the “Distributor”), the principal underwriter of the Fund, acts as the Fund’s representative in connection with the offering of Fund shares. The Fund may be offered by other broker-dealers as well. The Distributor is affiliated with the Transfer Agent but is not affiliated with the Adviser nor its affiliated companies.

The fees and other expenses (except for any extraordinary expenses) associated with the Fund’s service providers are paid by the Adviser.

Fund Expenses

The Adviser pays all of the operating expenses of the Fund except costs of membership in trade associations, SEC registration fees and related expenses, brokerage fees and commissions, taxes, borrowing costs (such as (a) interest and (b) dividend expense on securities sold short), litigation expenses, fees and expenses of non-interested Trustees, 50% of the compensation of the Trust’s CCO attributable to the Fund and extraordinary expenses. In this regard, it should be noted that most investment companies pay their own operating expenses directly, while the Fund’s expenses, except those specified above, are paid by the Adviser. The Fund’s expenses are comprised of expenses directly attributable to the Fund as well as expenses that are allocated among all series of the Trust. In addition, the Adviser is responsible for distribution expenses – including, among other things, the expense of printing and mailing prospectuses and sales materials used for promotional purposes. The Adviser (not the Fund) may, from its management fee, pay certain financial institutions (which may include banks, brokers, securities dealers and other industry professionals) a fee for providing distribution-related services and/or performing certain administrative servicing functions for Fund shareholders to the extent these institutions are allowed to do so by applicable statute or regulation.

YOUR ACCOUNT

General Information

You pay no sales charges to purchase or sell (redeem) shares of the Fund. You may purchase and sell shares at the net asset value (“NAV”) next calculated after receipt of your purchase order in proper form. If your purchase order is received in proper form prior to 4:00 p.m. (Eastern time), your transaction will be priced at that day’s NAV. The Fund will not accept orders that request a particular day or price for the transaction or any other special conditions.

The Fund does not issue share certificates.

You will receive quarterly statements and a confirmation of each transaction. You should verify the accuracy of all transactions in your account as soon as you receive your confirmation.

The Fund reserves the right to impose new minimum investment amounts and may temporarily suspend (during unusual market conditions) or discontinue any service or privilege.

When and How NAV is Determined. The Fund calculates its NAV as of the close of regular trading on the New York Stock Exchange (the “Exchange”) (generally 4:00 p.m., Eastern time) on each weekday except days when the Exchange is closed. The time at which NAV is calculated may change in case of an emergency or if the Exchange closes early. The Fund’s NAV is determined by taking the market value of all securities owned by the Fund (plus all other assets such as cash), subtracting all liabilities and then dividing the result (net assets) by the number of shares outstanding. The Fund values securities for which market quotations are readily available at current market value. If market quotations are not readily available or are considered to be unreliable due to significant market or other events, the Fund values securities at fair value, as determined under procedures adopted by the Board (e.g., if the exchange on which a portfolio security is principally traded closes early or if trading in a particular portfolio security was halted during the day and did not resume prior to the Fund’s NAV calculation). The NAV may be different if fair value is utilized rather than using market quotations.

How to Contact the Fund

Write to us at:

Monteagle Funds
630 Fitzwatertown Road
Building A, Second Floor
Willow Grove, PA 19090-1904

Overnight Address:

Monteagle Funds
630 Fitzwatertown Road
Building A, Second Floor
Willow Grove, PA 19090

Distributor:

Matrix Capital Group, Inc.
420 Lexington Avenue
Suite 601
New York, NY 10170

Telephone us Toll-Free at:

(888) 263-5593

Wire investments

(or ACH payments) to:

Please call the Transfer Agent
at (888) 263-5593 for wiring
instructions.

Transactions Through Third Parties. Shares of the Fund may be purchased through certain brokerage firms and financial institutions that are authorized to accept orders on behalf of the Fund and such organizations may be authorized to designate intermediaries to accept orders on behalf of the Fund. Orders will be priced at the NAV next determined after your order is received by such organization, or its designee, in proper form. These organizations may charge you transaction fees on purchases of Fund shares and may impose other charges or restrictions or account options that differ from those applicable to shareholders who purchase shares directly through the Fund. These organizations may be the shareholders of record of your shares. The Fund is not responsible for ensuring that the organizations carry out their obligations to their customers. Shareholders investing in this manner should look to the organization through which they invest for specific instructions on how to purchase and redeem shares.

Buying Shares

How to Make Payments. All investments must be in U.S. dollars and checks must be drawn on a U.S. financial institution. The Fund does not accept cash, drafts, “starter” checks, traveler’s checks, credit card checks, post-dated checks, cashier’s checks under \$10,000, or money orders. In addition, the Fund does not accept checks made payable to third parties.

- **Checks.** Checks must be made payable to “Monteagle Funds.” The Transfer Agent will charge \$25 against a shareholder’s account for any check returned for insufficient funds.

By sending your check to the Transfer Agent, please be aware that you are authorizing the Transfer Agent to make a one-time electronic debit from your account at the financial institution indicated on your check. Your bank account will be debited as early as the same day the Transfer Agent receives your payment in the amount of your check; no additional amount will be added to the total. The transaction will appear on your bank statement. Your original check will be destroyed once processed, and you will not receive your canceled check back. If the Transfer Agent cannot post the transaction electronically, you authorize the Transfer Agent to present an image copy of your check for payment.

- **Bank Wires.** Instruct your financial institution to make a federal funds wire payment to us. Your financial institution may charge you a fee for this service. The Fund requires advance notification of all wire purchases in order to ensure that the wire is received in proper form and that your account is subsequently credited in a timely fashion. Failure to notify the Transfer Agent prior to the transmittal of the bank wire may result in a delay in purchasing shares of the Fund. An order is considered received when U.S. Bank, N.A., the Fund’s custodian, receives payment by wire. If your account application was telecopied to the Transfer Agent, you must also mail the completed account application to the Transfer Agent on the same day the wire payment is made. Shares will be issued at the NAV next computed after receipt of your wire in proper form.

- **IRA Accounts.** Please note that a different procedure is used for opening Individual Retirement Accounts (IRAs). Please call the Transfer Agent at (888) 263-5593 for details.

Minimum Investments. The minimum initial investment for the Fund is \$100,000. There is no minimum for additional investments. Management of the Fund may choose to waive the initial investment minimum.

Account Requirements

Type of Account	Requirement
<p><i>Individual, Sole Proprietorship and Joint Accounts</i></p> <p>Individual accounts are owned by one person, as are sole proprietorship accounts. Joint accounts have two or more owners (tenants).</p>	<ul style="list-style-type: none"> • Instructions must be signed by all persons required to sign exactly as their names appear on the account.
<p><i>Gifts or Transfers to a Minor (UGMA, UTMA)</i></p> <p>These custodial accounts provide a way to give money to a child and obtain tax benefits.</p>	<ul style="list-style-type: none"> • Depending on state laws, you can set up a custodial account under the UGMA or the UTMA. • The custodian must sign instructions in a manner indicating custodial capacity.
<p><i>Business Entities</i></p>	<ul style="list-style-type: none"> • Submit a Corporate/Organization Resolution form or similar document.
<p><i>Trusts</i></p>	<ul style="list-style-type: none"> • The trust must be established before an account can be opened. • Provide a certified trust document, or the pages from the trust document that identify the trustees.

Investment Procedures

How to Open an Account	How to Add to Your Account
<p><i>By Check</i></p> <ul style="list-style-type: none">• Call or write us for an account application (and a Corporate/Organization Resolution form, if applicable).• Complete the application (and resolution form).• Mail us your application (and resolution form) and a check.	<p><i>By Check</i></p> <ul style="list-style-type: none">• Fill out an investment slip from a confirmation statement or write us a letter.• Write your account number on your check.• Mail us the slip (or your letter) and a check.
<p><i>By Bank Wire</i></p> <ul style="list-style-type: none">• Call or write us for an account application (and a Corporate/Organization Resolution form, if applicable).• Complete the application (and resolution form).• Call us to fax the completed application (and resolution form) and we will assign you an account number.• Mail us your original application (and resolution form).• Instruct your bank to wire your money to us.	<p><i>By Bank Wire</i></p> <ul style="list-style-type: none">• Call to notify us of your incoming wire.• Instruct your bank to wire your money to us.
<p><i>By Systematic Investment</i></p> <ul style="list-style-type: none">• Complete the Systematic Investment section of the application.• Attach a voided check to your application.• Mail us the completed application and the voided check.	

Systematic Investments. You may invest a specified amount of money in the Fund once or twice a month on specified dates. These payments are taken from your bank account by electronic transfer. The Transfer Agent currently pays the costs of this service, but reserves the right, upon 30 days' written notice, to make reasonable changes. Your depository institution may impose its own charge for making transfers from your account. Systematic investments must be for at least \$100. Please call the Transfer Agent at (888) 263-5593 for details.

Limitations on Purchases. The Fund reserves the right to refuse any purchase (including exchange) request, particularly requests that could adversely affect the Fund or its operations. This includes those from any individual or group who, in the Fund's view, is likely to engage in excessive trading.

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

Customer Identification and Verification. To help the government fight the funding of terrorism and money laundering activities, federal law requires all financial institutions to obtain, verify and record information that identifies each person that opens a new account, and to determine whether such person's name appears on government lists of known or suspected terrorists and terrorist organizations. As a result, the Fund must obtain the following information for each person that opens a new account:

- Name;
- Date of birth (for individuals);
- Residential or business street address (although post office boxes are still permitted for mailing); and
- Social security number, taxpayer identification number, or other identifying number.

You may also be asked for a copy of your driver's license, passport, or other identifying document in order to verify your identity. In addition, it may be necessary to verify your identity by cross-referencing your identification information with a consumer report or other electronic database. Additional information may be required to open accounts for corporations and other entities. *Federal law prohibits the Fund and other financial institutions from opening a new account unless they receive the minimum identifying information listed above.*

After an account is opened, the Fund may restrict your ability to purchase additional shares until your identity is verified. The Fund also may close your account or take other appropriate action if they are unable to verify your identity within a reasonable time. If your account is closed for this reason, your shares

will be redeemed at the NAV next calculated after the account is closed. In each case, your redemption proceeds may be worth more or less than your original investment. The Fund will not be responsible for any loss incurred due to the Fund's inability to verify your identity.

Selling Shares

The Fund processes redemption orders promptly and you will generally receive redemption proceeds within a week. Delays may occur in cases of very large redemptions, excessive trading or during unusual market conditions. Under unusual circumstances as provided by the rules of the SEC, the Fund may delay payment of redemption proceeds for more than 7 days. The Fund will redeem your shares when the redemption request is received in proper form; however, if you recently purchased your shares by check and the Fund has not yet collected payment for those shares, your redemption proceeds will only be released when the Fund is reasonably satisfied that the check has cleared, which may take up to 15 calendar days.

How to Sell Shares from Your Account

By Mail

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

By Bank Wire

- Wire requests are only available if you provided bank account information on your account application and your request is for \$5,000 or more
- Call us with your request (unless you declined telephone redemption privileges on your account application) (See “By Telephone”) **OR**
- Mail us your request (See “By Mail”)

How to Sell Shares from Your Account

By Telephone (for redemptions of \$25,000 or less)

- Call us with your request (unless you declined telephone redemption privileges on your account application)
- Provide the following information:
 - Your account number
 - Exact name(s) in which the account is registered
 - Additional form of identification
- Your proceeds will be:
 - Mailed to you **OR**
 - Wired to you (unless you did not provide bank account information on your account application) (See “By Wire”)

Systematically

- Complete the systematic withdrawal section of the application
- Attach a voided check to your application
- Mail us your completed application

Telephone Redemption Privileges. You may redeem your shares having a value of \$25,000 or less by telephone by calling the Transfer Agent at (888) 263-5593 unless you declined telephone redemption privileges on your account application. Telephone redemptions may be requested only if the proceeds are to be sent to the shareholder of record and mailed to the address on record with the Fund.

Upon request, redemption proceeds of \$100 or more may be sent to your bank by electronic transfer, and proceeds of \$5,000 or more may be transferred by wire, in either case to the account stated on the account application. Shareholders may be charged a fee of \$15 by the Fund’s custodian for outgoing wires.

Telephone redemption privileges and account designations may be changed by sending the Transfer Agent a written request with all signatures guaranteed as described above. The Transfer Agent requires personal identification before accepting any redemption request by telephone, and telephone redemption instructions may be recorded. If reasonable procedures are followed by the Transfer Agent, neither the Transfer Agent nor the Fund will be liable for losses due to unauthorized or fraudulent telephone instructions. In the event of drastic economic or market changes, a shareholder may experience difficulty in redeeming shares by telephone. If such a case should occur, redemption by mail should be considered.

Wire Redemptions. You may have your redemption proceeds wired to you if you provided bank account information on your account application. The minimum amount you may redeem by wire is \$5,000. If you wish to make your wire request by telephone, you must also have telephone redemption privileges.

IRA Redemptions. If you are an IRA shareholder, you must indicate on your redemption request whether or not to withhold federal income tax. Requests that do not indicate a preference will be subject to withholding.

Systematic Withdrawal. If you own shares of the Fund with an aggregate value of at least \$10,000, you may request a specified amount of money from your account once a month or once a quarter on a specified date. These payments can be sent to your address of record by check or to a designated bank account by electronic transfer. Systematic requests must be for at least \$100.

Signature Guarantee Requirements. To protect you and the Fund against fraud, certain redemption options will require a signature guarantee. A signature guarantee verifies the authenticity of your signature. The Transfer Agent will accept signatures guaranteed by a domestic bank or trust company, broker, dealer, clearing agency, savings association or other financial institution which participates in the STAMP Medallion program sponsored by the Securities Transfer Association. Signature guarantees from financial institutions which do not participate in the STAMP Medallion program will not be accepted. A notary public cannot provide a signature guarantee. Written instructions signed by all registered owners, with a signature guarantee for each owner, are required for any of the following:

- Request to redeem \$100,000 or more;
- Redemption from an account for which the address or account registration has changed within the last 30 days;
- Sending redemption or distribution proceeds to any person, address, brokerage firm or bank account not on record; or
- Sending redemption or distribution proceeds to an account with a different registration (name or ownership) from yours.

We reserve the right to require a signature guarantee(s) on all redemptions.

Small Accounts. If the value of your account falls below \$2,000, the Fund may ask you to increase your balance. If the account value is still below \$2,000 after 60 days, the Fund may close your account and send you the proceeds. The Fund will not close your account if it falls below this amount solely as a result of a reduction in your account's market value.

Redemptions In Kind. The Fund reserves the right to pay redemption proceeds in portfolio securities rather than cash. These redemptions "in kind" usually occur if the amount requested is large enough to affect the Fund's operations (for example, if it represents more than 1 percent of the Fund's assets). A redemption in kind will consist of securities equal in market value to the Fund shares being redeemed. When you convert these securities to cash, you will pay brokerage charges.

Lost Accounts. The Transfer Agent will consider your account “lost” if correspondence to your address of record is returned as undeliverable, unless the Transfer Agent determines your new address. When an account is “lost,” all distributions on the account will be reinvested in additional shares of the Fund. In addition, the amount of any outstanding (unpaid for 6 months or more) checks for distributions that have been returned to the Transfer Agent will be reinvested and the checks will be cancelled.

Exchange Privileges

You may sell your Fund shares and buy shares of any other series of the Trust, also known as an exchange, by telephone or in writing. Because exchanges are treated as a sale and purchase, they may have tax consequences. Shares of the Fund acquired by means of an exchange will be purchased at the NAV next determined after receipt of the exchange request in proper form by the Transfer Agent.

Requirements. You may exchange only between identically registered accounts (name(s), address and taxpayer ID number). To prevent the abuse of the exchange privilege to the disadvantage of other shareholders, the Fund reserves the right to terminate or modify the exchange privilege upon 60 days notice to shareholders. There is currently no limit on the number of exchanges, but each Fund reserves the right to limit exchanges. You may exchange your shares by mail or telephone, unless you declined telephone exchange privileges on your account application.

How to Exchange Shares

By Mail

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

By Telephone

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

The Transfer Agent requires personal identification before accepting any exchange request by telephone, and telephone exchange instructions may be recorded. If reasonable procedures are followed by the Transfer Agent, neither the Transfer Agent nor the Fund will be liable for losses due to unauthorized or fraudulent telephone instructions. In the event of drastic economic or market changes, a shareholder may experience difficulty in exchanging shares by telephone. If such a case should occur, sending exchange instructions by mail should be considered.

Market Timing

Excessive, short-term market timing or other abusive trading practices may disrupt portfolio management strategies, may drive Fund expenses higher, may increase taxable capital gains, and may harm Fund performance (diluting the value of Fund shares held by long-term investors).

It is the Trust's policy to strongly discourage abusive short-term trading or market timing in the Fund. This policy and related procedures are designed to reduce, to the extent possible, investors from using the Fund for abusive short-term trading or market timing. To minimize harm to the Fund and its shareholders, the Trust reserves the right to reject any purchase order, including exchange purchases, for any reason without prior notice, particularly orders that the Trust believes are made on behalf of persons engaging in excessive short-term trading.

Service providers to the Trust (primarily the Adviser and the Transfer Agent) will assist the Trust in undertaking steps necessary to implement this policy and related procedures. Trust service providers will assist the Trust in monitoring selected trades based on a shareholder's trading activity and history in an effort to detect short-term trading activities. If as a result of this monitoring the service providers believe a shareholder has engaged in abusive trading practices, they will inform the Trust's CCO and may, after consultation with or at the discretion of the Trust's CCO, ask the shareholder to stop such activities or refuse to process purchases or exchanges in the shareholder's account.

The Fund relies on intermediaries to help enforce its market timing policies. If the Fund detects short-term trading activity, the Fund will seek the assistance of the intermediary to investigate that trading activity and take appropriate action, including prohibiting additional purchases of Fund shares by the intermediary and/or its client. Although the Fund has taken steps to discourage abusive short-term trading or market timing, the Fund cannot guarantee that such trading will not occur.

DISTRIBUTIONS AND TAXES

Distributions

The Fund declares and pays distributions from net investment income quarterly. Any net capital gains realized by the Fund will be distributed at least annually.

All distributions are reinvested in additional shares, unless you elect to receive distributions in cash. For Federal income tax purposes, distributions are treated the same whether they are received in cash or reinvested. Shares become entitled to receive distributions on the day after the shares are issued.

Taxes

The following information is meant as a general summary for U.S. taxpayers. Additional information appears in the SAI. Shareholders should rely on their own tax advisors for advice about the particular federal, state, and local tax consequences of investing in the Fund.

The Fund intends to qualify as a regulated investment company for federal income tax purposes, and as such, will not be subject to federal income tax on its taxable income and gains that it distributes to its shareholders. The Fund intends to distribute its income and gains in such a way that it will not be subject to federal excise tax on certain undistributed amounts.

The Fund's distributions of net investment income (including short-term capital gains) are generally taxable to you as ordinary income, although certain income dividends may be taxed to non-corporate shareholders at long-term capital gains rates. The Fund's distributions of long-term capital gains, if any, generally are taxable to you as long-term capital gains regardless of how long you have held your shares of the Fund. Distributions may also be subject to state and local taxes.

If you purchase shares shortly before the Fund makes a distribution, you are taxed on the distribution even though the distribution may represent a return of your investment. The sale or exchange of Fund shares is a taxable transaction for Federal income tax purposes.

The Fund may be required to withhold Federal income taxes at the rate of 28% of all taxable distributions payable to you if you fail to provide the Fund with your correct taxpayer identification number or to make required certifications, or if you have been notified by the Internal Revenue Service that you are subject to backup withholding. Backup withholding is not an additional tax. Any amounts withheld may be credited against your Federal income tax liability.

The Fund will mail you reports by February 15 of each year containing information about the income tax status of distributions paid during the prior year. For further information about the tax effects of investing in the Fund, including state and local tax matters, please see the SAI and consult your tax advisor.

FINANCIAL HIGHLIGHTS

The financial highlights table is intended to help you understand the Fund's financial performance for the past 5 years. Certain information reflects financial results for a single Fund share. The total returns in the table represent the rate an investor would have earned (or lost) on an investment in the Fund (assuming the reinvestment of all dividends and distributions). The information for the fiscal periods ended August 31, 2009, August 31, 2008, August 31, 2007, August 31, 2006, December 31, 2005 and December 31, 2004 has been audited by Cohen Fund Audit Services, Ltd., whose report, along with the Fund's financial statements, is included in the annual report to shareholders, which may be obtained at no charge by calling the Fund.

For a Share Outstanding Throughout the Period

	Year Ended August 31, 2009	Year Ended August 31, 2008	Year Ended August 31, 2007	Eight Months Ended August 31, 2006 ^(a)	Year Ended December 31, 2005	Year Ended December 31, 2004
Net asset value, beginning of period	\$ 11.63	\$ 15.67	\$ 14.02	\$ 13.48	\$ 13.51	\$ 11.84
Income from investment operations:						
Net investment income	0.07	0.13	0.13	0.12 ^(b)	0.11 ^(b)	0.12 ^(b)
Net realized and unrealized gain (loss) on investments	(3.30)	(2.11)	1.98	0.50	0.08	1.67
Total from investment operations	(3.23)	(1.98)	2.11	0.62	0.19	1.79
Less distributions:						
From net investment income	(0.10)	(0.12)	(0.15)	(0.08)	(0.11)	(0.12)
From net realized gains on investments	—	(1.94)	(0.31)	—	(0.11)	—
Total distributions	(0.10)	(2.06)	(0.46)	(0.08)	(0.22)	(0.12)
Net asset value, end of period	\$ 8.30	\$ 11.63	\$ 15.67	\$ 14.02	\$ 13.48	\$ 13.51
Total Return^(c)	(27.76%)	(14.01%)	15.21%	4.60% ^(d)	1.45%	15.18%
Net assets, end of period (000's omitted)	\$ 8,312	\$ 11,502	\$ 13,628	\$ 16,065	\$ 16,120	\$ 7,763
Ratio of expenses to average net assets:						
After reimbursement/waiver of fees	1.33%	1.26%	1.22%	1.26% ^(e)	1.26%	1.17%
Before reimbursement/waiver of fees	1.33%	1.26%	1.22%	1.49% ^(e)	1.66%	1.78%
Ratio of net investment income to average net assets:						
After reimbursement/waiver of fees	0.96%	1.00%	0.82%	1.25% ^(e)	0.93%	0.98%
Portfolio turnover rate	108%	71%	88%	31% ^(d)	71%	69%

^(a) Fund changed fiscal year end to August 31st.

^(b) Net investment income (loss) per share is based on average shares outstanding during the period.

^(c) Total return is a measure of the change in value of an investment in the Fund over the periods covered, which assumes any dividends or capital gains distributions are reinvested in shares of the Fund. Returns do not reflect the deduction of taxes a shareholder would pay on Fund distributions or the redemption of Fund shares.

^(d) Not Annualized.

^(e) Annualized.

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NOTICE OF PRIVACY POLICY AND PROCEDURES

At the Monteagle Funds, we are committed to protecting your financial privacy.

The personal information that we have about you comes directly from you. You disclosed much of this information on your mutual fund account application or we may have contacted you by telephone or mail for additional information.

We keep information about the investments you purchase, transactions and payment history. We may in extreme cases collect personal information from outside sources, including consumer reporting agencies.

We do not sell shareholder information to anyone. We do not disclose your personal information to companies or organizations not affiliated with us. We may use your personal information to communicate with you about your investments. In addition, we may, as permitted by law and without your prior permission, provide personal information about you contained in our records or files to persons or organizations such as:

- Persons who perform business functions for us, such as third parties that provide assistance in processing and servicing your account;
- The Fund's investment adviser; and
- Regulatory or law-enforcement authorities.

We recognize the need to provide protection against unauthorized access to the information we collect, including that held in an electronic format on our computer systems. We maintain physical, electronic, and organizational safeguards to protect your personal information. We continually review our policies and practices, monitor our computer networks and test the strength of our security in order to help us ensure the safety of client information.

The Monteagle Funds consider privacy a fundamental right of shareholders and take seriously the obligation to safeguard shareholder information. We will adhere to the policies and practices above for both current and former shareholders. If you believe that any information about you is not accurate, please let us know.

FOR MORE INFORMATION

Annual/Semi-Annual Reports

The Fund publishes annual and semi-annual reports to shareholders that provide additional information about the Fund's investments. In the Fund's annual report, you will find a discussion of the market conditions and investment strategies that significantly affected the Fund's performance during its last fiscal year.

Statement of Additional Information ("SAI")

The SAI provides more detailed information about the Fund and it is incorporated by reference into, and is legally part of, this Prospectus. A description of the Fund's policies and procedures with respect to the disclosure of its portfolio holdings is available in the SAI.

Contacting the Fund

You can get free copies of the Fund's annual and semi-annual reports and SAI, request other information and make inquiries about the Fund by contacting your broker, or by calling or writing the Fund at:

MONTEAGLE FUNDS
209 Tenth Avenue South, Suite 332
Nashville, Tennessee 37203
(888) 263-5593
www.monteaglefunds.com

Securities and Exchange Commission Information

You can also review the Fund's reports, SAI and other information about the Fund at the Public Reference Room of the SEC. The scheduled hours of operation of the Public Reference Room may be obtained by calling the SEC at (202) 551-8090. You can get copies of this information, for a fee, by e-mailing or by writing to:

Public Reference Room
Securities and Exchange Commission
Washington, D.C. 20549-0102
E-mail address: publicinfo@sec.gov

Free copies of the reports and SAI are available from the SEC's Web site at: <http://www.sec.gov>

Investment Company Act File No. 811-08529



**Monteagle Fixed
Income Fund**

—
**Monteagle Informed
Investor Growth Fund**

—
**Monteagle Large Cap
Growth Fund**

—
**Monteagle Quality
Growth Fund**

—
**Monteagle Select
Value Fund**

—
Monteagle Value Fund

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