

# Prospectus

February 1, 2009

## SECURITY FUNDS®

- Security Large Cap Value Fund
- Security Equity Fund®
- Security All Cap Value Fund
- Security Alpha Opportunity Fund®
- Security Global Fund
- Security Mid Cap Value Fund
- Security Small Cap Growth Fund
- Security Small Cap Value Fund
- Security Select 25 Fund
- Security Mid Cap Growth Fund

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.

**Security Distributors, Inc.**

**Security Equity Fund  
Security Large Cap Value Fund  
Security Mid Cap Growth Fund  
One Security Benefit Place  
Topeka, Kansas 66636-0001**

**Supplement Dated June 2, 2009,  
To Prospectus and Statement of Additional Information  
Dated February 1, 2009**

As of May 18, 2009, each Fund and its respective series will be marketed with the name "Rydex | SGI." Although the legal name of each Fund and its respective series will maintain the Security title, they all will be marketed with the name Rydex | SGI. Therefore, in the Prospectus and SAI, and in some future communications, each Fund will now be referred to as:

<b>Old Name</b>	<b>New Name</b>
Security Global Fund	Rydex   SGI Global Fund
Security All Cap Value Fund	Rydex   SGI All Cap Value Fund
Security Large Cap Value Fund	Rydex   SGI Large Cap Value Fund
Security Mid Cap Value Fund	Rydex   SGI Mid Cap Value Fund
Security Small Cap Value Fund	Rydex   SGI Small Cap Value Fund
Security Equity Fund <sup>®</sup>	Rydex   SGI Equity Fund
Security Mid Cap Growth Fund	Rydex   SGI Mid Cap Growth Fund
Security Select 25 Fund	Rydex   SGI Select 25 Fund
Security Small Cap Growth Fund	Rydex   SGI Small Cap Growth Fund
Security Alpha Opportunity Fund	Rydex   SGI Alpha Opportunity Fund
Security Large Cap Value Institutional Fund	Rydex   SGI Large Cap Value Institutional Fund
Security Mid Cap Value Institutional Fund	Rydex   SGI Mid Cap Value Institutional Fund
Security Global Institutional Fund	Rydex   SGI Global Institutional Fund

**Please Retain This Supplement For Future Reference**



**Security Equity Fund  
Security Large Value Fund  
Security Mid Cap Growth Fund  
One Security Benefit Place  
Topeka, Kansas 66636-0001**

**Supplement Dated March 16, 2009,  
To Prospectus Dated February 1, 2009**

Effective March 16, 2009, Rydex Distributors, Inc. ("Rydex Distributors") was appointed as an additional distributor to the Security Equity Fund, Security Large Cap Value Fund, and Security Mid Cap Growth Fund (the "Funds"). The Prospectus is therefore supplemented to include references to Rydex Distributors when the Funds' distributor is discussed. Rydex Distributors is located at 9601 Blackwell Road, Suite 500, Rockville, Maryland 20850, and is an indirect wholly-owned subsidiary of Security Benefit Corporation.

**Please Retain This Supplement For Future Reference**



**Security Equity Fund  
One Security Benefit Place  
Topeka, Kansas 66636-0001**

**Supplement Dated February 2, 2009  
to Prospectus Dated February 1, 2009**

*The following information supplements and amends the information in the Prospectus regarding **Security Alpha Opportunity Fund (the “Fund”)**:*

In light of the current market environment, effective as of the close of business on October 3, 2008, and until further notice, the Fund is not accepting subscriptions for shares from either new or existing shareholders (except subscriptions through automatic dividend reinvestments in the Fund). Of course, a shareholder may sell (or “redeem”) shares at any time (please see “Selling Shares” for more information). Because of the current market environment, the Fund is currently unable to pursue its investment strategy of short sales of securities of non-U.S. issuers, which affects its ability to meet its investment objective. The Fund is uncertain when it will resume its full investment program.

**Please Retain This Supplement for Future Reference**

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## Fund Information

Listed below are the investment objectives, principal investment strategies, principal risks and past performance for each Fund. The Board of Directors may change the Funds' investment objectives and strategies at any time without shareholder approval. A Fund will provide written notice to shareholders prior to, or concurrent with, any such change as required by applicable law. As with any investment, there can be no guarantee the Funds will achieve their investment objectives.

### Security Large Cap Value Fund

#### FUND FACTS

Objective:	Long-term growth of capital
Benchmark:	Russell 1000 Value Index

#### INVESTMENT OBJECTIVE

The Large Cap Value Fund seeks long-term growth of capital.

#### PRINCIPAL INVESTMENT STRATEGIES

The Fund pursues its objective by investing, under normal market conditions, at least 80% of its net assets (plus any borrowings for investment purposes) in equity securities of companies that, when purchased, have market capitalizations that are usually within the range of companies in the Russell 1000 Value Index. As of December 31, 2008, the index consisted of securities of companies with capitalizations that ranged from \$24 million to \$421.8 billion. The Fund's investments may include common stocks, American Depositary Receipts ("ADRs"), preferred stocks, futures and options, and convertible securities of both U.S. and U.S. dollar-denominated foreign issuers.

In choosing securities, Security Investors, LLC (the "Investment Manager") primarily invests in value-oriented companies. Value-oriented companies are companies that appear to be undervalued relative to assets, earnings, growth potential or cash flows. The Investment Manager uses a blend of quantitative analysis and fundamental research to identify securities that appear favorably priced and that may be able to sustain or improve their pre-tax ROIC (Return on Invested Capital) over time. The Fund may, consistent with its status as a diversified mutual fund, focus its investments in a limited number of issuers.

The Fund may invest a portion of its assets in futures contracts, options on futures contracts, and options on securities. These instruments are used to hedge the Fund's portfolio, to maintain exposure to the equity markets, or to increase returns.

The Fund may invest in a variety of investment vehicles, including those that seek to track the composition and

performance of a specific index, such as exchange traded funds ("ETFs") and other mutual funds. The Fund may use these investments as a way of managing its cash position, or to gain exposure to the equity markets or a particular sector of the equity markets, while maintaining liquidity.

The Fund typically sells a security when its issuer is no longer considered a value company, shows deteriorating fundamentals or falls short of the Investment Manager's expectations, among other reasons.

Under adverse or unstable market conditions, the Fund could invest some or all of its assets in cash, fixed-income securities, government bonds, money market securities, or repurchase agreements. Although the Fund would do this only in seeking to avoid losses, the Fund may be unable to pursue its investment objective during that time, and it could reduce the benefit from any upswing in the market.


#### PRINCIPAL RISKS

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 value of an investment in the Fund will fluctuate and is subject to investment risks, which means investors could lose money. The principal risks of investing in the Fund are listed below.

**Equity Derivatives Risk.** Equity derivatives may pose risks in addition to those associated with investing directly in securities or other investments, including illiquidity of the equity derivative, imperfect correlations with underlying investments or the Fund's other portfolio holdings, lack of availability and counterparty risk.

**Foreign Securities Risk.** Foreign securities carry additional risks when compared to U.S. securities, including currency fluctuations, adverse political and economic developments, unreliable or untimely information, less liquidity, limited legal recourse and higher transactional costs.

**Investment in Investment Vehicles Risk.** Investing in other investment vehicles subjects the Fund to those risks affecting the investment vehicle, including the possibility that the value of the underlying securities held by the investment vehicle could decrease. Moreover, the Fund



will incur its pro rata share of the expenses of the underlying vehicles' expenses.

**Leverage Risk.** The Fund's use of leverage may cause the Fund to be more volatile than if it had not been leveraged. Leverage can arise through the use of derivatives.

**Market Risk.** The market value of the securities held by the Fund may fluctuate resulting from factors affecting the individual company or other factors such as changing economic, political or financial market conditions.

**Overweighting Risk.** Overweighting investments in certain sectors or industries of the stock market increases the risk that the Fund will suffer a loss because of general declines in the prices of stocks in those sectors or industries.

**Value Stocks Risk.** Value stocks are subject to the risk that the intrinsic value of the stock may never be realized by the market or that the price goes down.

Additional information on these risks is available in the section titled "Descriptions of Principal Risks" beginning on page 38 of this prospectus.

**PAST PERFORMANCE\***

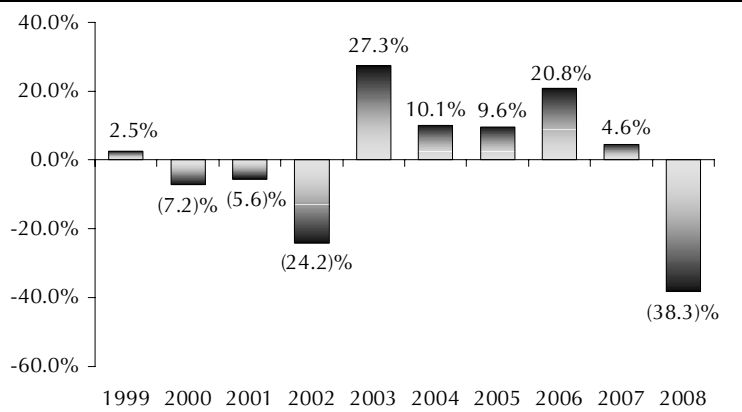
The following chart and table provide some indication of the risks of investing in the Fund by showing changes in the Fund's Class A share performance from year to year and by showing how the Fund's average annual returns have compared to those of broad measures of market performance. The table also shows how the Fund's average annual total returns for the periods indicated compare to those of a broad measure of market performance. Fee waivers and/or reimbursements may have reduced expenses of the Fund, and in the absence of such waivers and/or reimbursements, the performance quoted would be reduced. As with all mutual funds, past performance (before and after taxes) is not a prediction of future results.

The bar chart does not reflect the impact of taxes on distributions or the sales charge applicable to Class A shares which, if reflected, would lower the returns shown. Average annual total returns for the Fund's Class A shares include a deduction of the 5.75% front-end sales charge. Class B shares include a deduction of the appropriate deferred sales charge (5% in the first year declining to 0% in the sixth and later years). Class C shares include a deduction of the deferred sales charge of 1% in the first year.

\*The Dreyfus Companies served as the sub-adviser to the Fund between January 1, 2001 and July 1, 2005. Before January 1, 2001 and since July 1, 2005, advisory services were provided by the Investment Manager.

**Highest and Lowest Returns**  
(Quarterly 1999-2008)

<b>Highest Quarter</b> Q2 ended June 30, 2003	14.92%
<b>Lowest Quarter</b> Q3 ended September 30, 2002	(19.05)%



**Average Annual Total Returns**  
(through December 31, 2008)

	1 Year	5 Years	10 Years/ Inception
<b>Class A</b>			
Return Before Taxes .....	(41.88)%	(2.38)%	(2.60)%
Return After Taxes on Distributions <sup>1</sup> .....	(42.16)%	(2.66)%	(2.90)%
Return After Taxes on Distributions and Sale of Fund Shares <sup>1</sup> .....	(27.14)%	(2.03)%	(2.25)%
<b>Class B</b> .....	(41.16)%	(2.04)%	(2.70)%
<b>Class C</b> .....	(39.42)%	(1.96)%	(2.74)% <sup>2</sup>
Russell 1000 Value Index (reflects no deduction for fees, expenses or taxes) <sup>3</sup> .....	(36.85)%	(0.79)%	1.36%

1 After-tax returns are calculated using the historical highest individual federal marginal income tax rates and do not reflect the impact of any state or local taxes. Actual after-tax returns depend on an investor's tax situation and may differ from those shown. After-tax returns shown are not relevant to investors who hold their Fund shares through tax-deferred arrangements, such as 401(k) plans or individual retirement accounts. After-tax returns are shown for Class A only. After-tax returns for Class B and C will vary.

2 For the period beginning January 29, 1999 (date of inception) to December 31, 2008.

3 The Russell 1000 Value Index is an unmanaged index representing the performance of those Russell 1000 Value Index companies with lower forecasted growth values.

## Security Equity Fund

### FUND FACTS

Objective: Long-term growth of capital  
Benchmark: S&P 500 Index

### INVESTMENT OBJECTIVE

The Equity Fund seeks long-term growth of capital.

### PRINCIPAL INVESTMENT STRATEGIES

The Fund pursues its objective by investing, under normal market conditions, at least 80% of its net assets (plus borrowings for investment purposes) in a widely-diversified portfolio of equity securities, which may include ADRs and convertible securities. The Fund typically invests in the equity securities of domestic and foreign companies whose total market value is \$5 billion or greater at the time of purchase.

The Fund pursues its objective by investing, under normal market conditions, approximately 50% of its total assets according to a Large Cap Growth strategy managed by the Investment Manager and approximately 50% of its total assets to a Large Cap Value strategy managed by the Investment Manager.

The Investment Manager manages its allocation of the Fund's assets according to each respective strategy, and the trading decisions with respect to each strategy are made independently. In order to maintain the target allocations between the two strategies, all daily cash inflows (purchases and reinvested distributions) and outflows (redemptions and expense items) will be divided between the two strategies, as appropriate. The Investment Manager will rebalance the allocation to the Fund's strategies promptly to the extent the percentage of the Fund's assets allocated to either strategy equals or exceeds 60% of the Fund's total assets.

The Investment Manager in its discretion may make adjustments if either of the strategies becomes over- or under-weighted as a result of market appreciation or depreciation. Accordingly, the performance of the Fund could differ from the performance of each strategy if either had been maintained as a separate portfolio. As a consequence of the Investment Manager's efforts to maintain assets between the two strategies at the targeted percentages, the Investment Manager will allocate assets and rebalance when necessary by (1) allocating cash inflow to the strategy that is below its targeted percentage or (2) selling securities in the strategy that exceeds its

targeted percentage with proceeds being reallocated to the strategy that is below its targeted percentage.

In choosing equity securities, the Investment Manager uses a blended approach, investing in growth stocks and value stocks and may invest in a limited number of industries or industry sectors, including the technology sector. Growth-oriented stocks are stocks of established companies that typically have a record of consistent earnings growth. The Investment Manager typically chooses growth-oriented companies through a combination of a qualitative top-down approach in reviewing growth trends that is based upon several fixed income factors, such as bond spreads and interest rates, and a quantitative fundamental bottom-up approach. The Investment Manager will also invest in value-oriented stocks. Value-oriented companies appear to be undervalued relative to assets, earnings, growth potential or cash flows. The Investment Manager uses a blend of qualitative analysis and fundamental research to identify securities that appear favorably priced and that may be able to sustain or improve their pre-tax ROIC (Return on Invested Capital) over time. The Fund typically sells a security when the reasons for buying it no longer apply, when the company begins to show deteriorating fundamentals or poor relative performance, or falls short of the Investment Manager's expectations.

The Fund also may invest a portion of its assets in options and futures contracts. These instruments may be used to hedge the Fund's portfolio, to maintain exposure to the equity markets or to increase returns.

The Fund may invest in a variety of investment vehicles, including those that seek to track the composition and performance of a specific index, such as exchange traded funds ("ETFs") and other mutual funds. The Fund may use these index-based investments as a way of managing its cash position, to gain exposure to the equity markets, or a particular sector of the equity market, while maintaining liquidity.

Although the Fund primarily invests in securities issued by domestic companies, there is no limit in the amount that the Fund may invest in securities issued by foreign companies.

Under adverse or unstable market conditions, the Fund could invest some or all of its assets in cash, fixed-income securities, government bonds, money market securities, or repurchase agreements. Although the Fund would do this only in seeking to avoid losses, the Fund may be unable to pursue its investment objective during that time, and it could reduce the benefit from any upswing in the market.

## PRINCIPAL RISKS

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 value of an investment in the Fund will fluctuate and is subject to investment risks, which means investors could lose money. The principal risks of investing in the Fund are listed below.

**Active Trading Risk.** Active trading, also called “high turnover,” may have a negative impact on performance. Active trading may result in higher brokerage costs or mark-up charges, which are ultimately passed on to shareholders. It may also result in short-term capital gains, which have a negative tax effect.

**Equity Derivatives Risk.** Equity derivatives may pose risks in addition to those associated with investing directly in securities or other investments, including illiquidity of the equity derivative, imperfect correlations with underlying investments or the Fund’s other portfolio holdings, lack of availability and counterparty risk.

**Foreign Securities Risk.** Foreign securities carry additional risks when compared to U.S. securities, including currency fluctuations, adverse political and economic developments, unreliable or untimely information, less liquidity, limited legal recourse and higher transactional costs.

**Growth Stocks Risk.** Growth stocks typically invest a high portion of their earnings back into their business and may lack the dividend yield that could cushion their decline in a market downturn. Growth stocks may be more volatile than other stocks because they are more sensitive to investor perceptions regarding the growth potential of the issuing company.

**Investment in Investment Vehicles Risk.** Investing in other investment vehicles subjects the Fund to those risks affecting the investment vehicle, including the possibility that the value of the underlying securities held by the investment vehicle could decrease. Moreover, the Fund will incur its pro rata share of the expenses of the underlying vehicles’ expenses.

**Leverage Risk.** The Fund’s use of leverage may cause the Fund to be more volatile than if it had not been leveraged. Leverage can arise through the use of derivatives.

**Market Risk.** The market value of the securities held by the Fund may fluctuate resulting from factors affecting the individual company or other factors such as changing economic, political or financial market conditions.

**Overweighting Risk.** Overweighting investments in certain sectors or industries of the stock market increases the risk that the Fund will suffer a loss because of general declines in the prices of stocks in those sectors or industries.

**Technology Stocks Risk.** Stocks of companies involved in the technology sector may be very volatile.

**Value Stocks Risk.** Value stocks are subject to the risk that the intrinsic value of the stock may never be realized by the market or that the price goes down.

Additional information on these risks is available in the section titled “Descriptions of Principal Risks” beginning on page 38 of this prospectus.

**PAST PERFORMANCE**

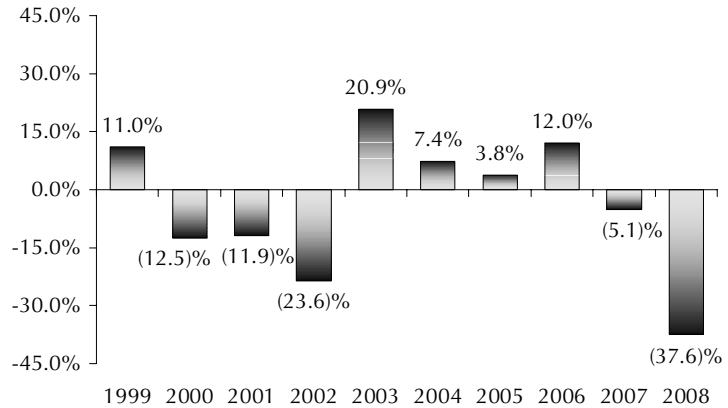
The following chart and table provide some indication of the risks of investing in the Fund by showing changes in the Fund's Class A share performance from year to year and by showing how the Fund's average annual returns have compared to those of broad measures of market performance. The table also shows how the Fund's average annual total returns for the periods indicated compare to those of a broad measure of market performance. Fee waivers and/or reimbursements may have reduced expenses of the Fund, and in the absence of such waivers and/or reimbursements, the performance

quoted would be reduced. As with all mutual funds, past performance (before and after taxes) is not a prediction of future results.

The bar chart does not reflect the impact of taxes on distributions or the sales charge applicable to Class A shares which, if reflected, would lower the returns shown. Average annual total returns for the Fund's Class A shares include a deduction of the 5.75% front-end sales charge. Class B shares include a deduction of the appropriate deferred sales charge (5% in the first year declining to 0% in the sixth and later years). Class C shares include a deduction of the deferred sales charge of 1% in the first year.

**Highest and Lowest Returns**  
(Quarterly 1999-2008)

<b>Highest Quarter</b> Q2 ended June 30, 2003	12.38%
<b>Lowest Quarter</b> Q4 ended December 31, 2008	(22.03)%



**Average Annual Total Returns**  
(through December 31, 2008)

	1 Year	5 Years	10 Years/ Inception
Class A			
Return Before Taxes .....	(41.11)%	(6.97)%	(5.76)%
Return After Taxes on Distributions <sup>1</sup> .....	(41.24)%	(8.15)%	(6.71)%
Return After Taxes on Distributions and Sale of Fund Shares <sup>1</sup> .....	(26.72)%	(5.52)%	(4.50)%
Class B .....	(41.10)%	(6.79)%	(5.83)%
Class C .....	(38.70)%	(6.55)%	(6.20)% <sup>2</sup>
S&P 500 Index (reflects no deduction for fees, expenses or taxes) <sup>3</sup> .....	(37.00)%	(2.19)%	(1.38)%

1 After-tax returns are calculated using the historical highest individual federal marginal income tax rates and do not reflect the impact of any state or local taxes. Actual after-tax returns depend on an investor's tax situation and may differ from those shown. After-tax returns shown are not relevant to investors who hold their Fund shares through tax-deferred arrangements, such as 401(k) plans or individual retirement accounts. After-tax returns are shown for Class A only. After-tax returns for Class B and C will vary.

2 For the period beginning January 29, 1999 (date of inception) to December 31, 2008.

3 The S&P 500 Index is composed of 500 selected common stocks that represent approximately two-thirds of the total market value of all U.S. common stocks.

## Security All Cap Value Fund

### FUND FACTS

Objective:	Long-term growth of capital
Benchmark:	Russell 3000 Value Index

### INVESTMENT OBJECTIVE

The All Cap Value Fund seeks long-term growth of capital.

### PRINCIPAL INVESTMENT STRATEGIES

The Fund pursues its objectives by investing, under normal market conditions, at least 80% of its net assets (including any borrowings for investment purposes) in common stocks. The Fund will invest in common stocks of companies that, when purchased, have market capitalizations that are usually within the range of companies in the Russell 3000 Value Index, which includes companies with micro- to large-capitalizations. As of December 31, 2008, the index consisted of securities of companies with capitalizations that ranged from \$7 million to \$421.8 billion.

The Fund's investments include common stocks and may also include rights, warrants, ADRs, preferred stocks, futures and options, convertible debt, and convertible securities of both U.S. and U.S. dollar-denominated foreign issuers. Although the Fund primarily invests in securities issued by domestic companies, there is no limit in the amount that the Fund may invest in securities issued by foreign companies.

At times, the Fund may invest in a variety of investment vehicles, including those that seek to track the composition and performance of a specific index, such as exchange traded funds ("ETFs") and other mutual funds. The Fund may use these index-based investments as a way of managing its cash position to gain exposure to the equity markets or a particular sector of the equity market, while maintaining liquidity. Certain investment vehicles' securities and other securities in which the Fund may invest are restricted securities, which may be illiquid.

In choosing securities, the Investment Manager primarily invests in value-oriented companies. Value-oriented companies are companies that appear to be undervalued relative to assets, earnings, growth potential or cash flows and may invest in a limited number of industries or industry sectors, including the technology sector. The Investment Manager uses a blend of quantitative analysis and fundamental research to identify securities that appear favorably priced and that may be able to sustain or

improve their pre-tax ROIC (Return on Invested Capital) over time. The Fund typically sells a security when its issuer is no longer considered a value company, shows deteriorating fundamentals or falls short of the Investment Manager's expectations, among other reasons.

The Fund may invest a portion of its assets in futures contracts, options on futures contracts, and options on securities to hedge the Fund's portfolio, to maintain exposure to the equity markets, or to increase returns.

Under adverse or unstable market conditions, the Fund could invest some or all of its assets in cash, fixed-income securities, government bonds, money market securities, or repurchase agreements. Although the Fund would do this only in seeking to avoid losses, the Fund may be unable to pursue its investment objective during that time, and it could reduce the benefit from any upswing in the market.

### PRINCIPAL RISKS

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 value of an investment in the Fund will fluctuate and is subject to investment risks, which means investors could lose money. The principal risks of investing in the Fund are listed below.


**Equity Derivatives Risk.** Equity derivatives may pose risks in addition to those associated with investing directly in securities or other investments, including illiquidity of the equity derivative, imperfect correlations with underlying investments or the Fund's other portfolio holdings, lack of availability and counterparty risk.

**Foreign Securities Risk.** Foreign securities carry additional risks when compared to U.S. securities, including currency fluctuations, adverse political and economic developments, unreliable or untimely information, less liquidity, limited legal recourse and higher transactional costs.

**Investment in Investment Vehicles Risk.** Investing in other investment vehicles subjects the Fund to those risks affecting the investment vehicle, including the possibility that the value of the underlying securities held by the investment vehicle could decrease. Moreover, the Fund will incur its pro rata share of the expenses of the underlying vehicles' expenses.

**Leverage Risk.** The Fund's use of leverage may cause the Fund to be more volatile than if it had not been leveraged. Leverage can arise through the use of derivatives.

**Liquidity Risk.** Investments are subject to liquidity risk when they are difficult to purchase or sell.



**Market Risk.** The market value of the securities held by the Fund may fluctuate resulting from factors affecting the individual company or other factors such as changing economic, political or financial market conditions.

**Restricted Securities Risk.** Restricted securities generally cannot be sold to the public and may involve a high degree of business and financial risk which may result in substantial losses to the Fund.

**Smaller Companies Risk.** The securities of smaller companies are subject to greater volatility, especially during periods of economic uncertainty. These risks are likely to be greater for micro-cap companies.

**Value Stocks Risk.** Value stocks are subject to the risk that the intrinsic value of the stock may never be realized by the market or that the price goes down.

Additional information on these risks is available in the section titled “Descriptions of Principal Risks” beginning on page 38 of this prospectus.

#### **PAST PERFORMANCE**

No performance information is shown for the Fund because it had not yet operated for a full calendar year as of December 31, 2008. Performance information for the Fund will appear in a future version of the prospectus once the Fund has a full calendar year of performance information to report.

## Security Alpha Opportunity Fund

### FUND FACTS

Objective:	Long-term growth of capital
Benchmark:	S&P 500 Index
Sub-Adviser:	Mainstream Investment Advisers, LLC and Security Global Investors, LLC

### INVESTMENT OBJECTIVE

The Alpha Opportunity Fund seeks long-term growth of capital.

### PRINCIPAL INVESTMENT STRATEGIES

The Fund pursues its objective by investing, under normal market conditions, approximately 37.5% of its total assets according to a long/short strategy with an emphasis on securities of domestic issuers managed by Mainstream Investment Advisers, LLC (“Mainstream” and the “Mainstream Sub-Portfolio”), one of the Fund’s sub-advisers, 37.5% of its total assets according to a long/short strategy with an emphasis on securities of non-U.S. issuers managed by Security Global Investors, LLC (“SGI” and the “SGI Sub-Portfolio”), another of the Fund’s sub-advisers, and 25% of its total assets, managed directly by the Investment Manager, in a portfolio of equity securities, equity derivatives and fixed income securities (the “Investment Manager Sub-Portfolio”) that is intended to closely track the performance of the S&P 500 Composite Stock Price Index (the “S&P 500 Index”). Mainstream, SGI and the Investment Manager each manages its allocation of the Fund’s assets according to its respective strategy, and their trading decisions are made independently.

“Alpha” in the Fund’s name refers to the potential for the Fund’s portfolio to achieve returns that are favorable relative to the amount of risk taken. Of course, there is no guarantee that the Fund will achieve its objective of long-term growth of capital, and an investment in the Fund involves significant risk.

The Fund has a target allocation of approximately 37.5% of total assets in the Mainstream Sub-Portfolio, 37.5% of total assets in the SGI Sub-Portfolio and 25% of total assets in the Investment Manager Sub-Portfolio to be managed in accordance with the respective strategies of each sub-portfolio. All daily cash inflows and outflows will be allocated to the Investment Manager Sub-Portfolio of the Fund. Approximately once a month, the Investment Manager will review the allocations in each of the sub-portfolios. When the Investment Manager

Sub-Portfolio is greater than 25% or less than 15% of the Fund’s total assets, the Investment Manager usually will rebalance the Fund’s portfolio by reallocating the assets among the sub-portfolios so that the Fund returns to the target allocation. The Investment Manager will also usually rebalance the SGI and Mainstream Sub-Portfolios of the Fund when the difference between those sub-portfolios is more than 10% of the Fund’s total assets so that the percentage of the Fund’s total assets in each of the Mainstream and SGI Sub-Portfolios returns to approximately 37.5%.

The Fund may invest up to 50% of its net assets in foreign securities, not including ADRs. ADRs are dollar-denominated receipts issued generally by U.S. banks, which represent the deposit with the bank of a foreign company’s securities. ADRs are publicly traded on exchanges or over-the-counter in the United States. Each of the Fund’s sub-portfolios can invest in foreign securities although the SGI Sub-Portfolio will invest a larger portion of its assets in foreign securities so that the assets in the SGI Sub-Portfolio generally will be diversified among investments in a number of different countries throughout the world. The Fund may invest in issuers of any size, including small-capitalization issuers.

Certain investment vehicles’ securities in which the Fund may invest may be illiquid.

Under adverse or unstable market conditions, the Fund (or each of its sub-portfolios) could invest some or all of its assets in cash, fixed-income securities, government bonds, money market securities, or repurchase agreements. Although the Fund would do this only in seeking to avoid losses, the Fund may be unable to pursue its investment objective during that time, and it could reduce the benefit from any upswing in the market.

*Strategies of the Mainstream Sub-Portfolio:* The Fund pursues its domestic long/short strategy by investing primarily in publicly-traded equity securities, principally common stocks, but to a lesser degree in exchange traded funds and other securities with equity characteristics. If there are an insufficient number of available securities meeting the purchase criteria of Mainstream, the Fund may also hold a portion of its assets in cash and money market instruments, and such holdings may be substantial. Dividend and interest income will be an incidental consideration. The Fund may engage in short sales of securities believed to be overvalued.

Mainstream seeks to identify individual stocks with solid underlying financial fundamentals, trading at levels representing value relative to the market generally. Mainstream uses technical and fundamental methods of analysis to choose stocks for the Fund’s portfolio. The technical

analyses used include a relative strength index (“RSI”), price moving averages and price relative to historical market averages.

Mainstream also uses bottom-up analysis by evaluating the 2,000 or so most actively traded stocks in the marketplace. The bottom-up analysis reviews stock prices in relationship to their stock price moving averages and ranks them by their RSIs. A purchase candidate is identified as a stock that is at fair value or undervalued to the marketplace. A sale candidate is identified as a stock that is expensive or overbought. These action candidates are then grouped by industry. Mainstream prefers that the candidates are concentrated in a particular industry. Mainstream also considers the industry and underlying financial fundamentals of the action candidates. Where the fundamentals are positive relative to their valuations, the stocks may be purchased. Stocks with high RSIs may be sold. Stocks with high RSIs and deteriorating fundamentals may be sold short.

A top-down evaluation of the stock and bond markets, primarily based on their RSIs, is also used. A high RSI may indicate that the marketplace is expensive or overbought; conversely, a low RSI may indicate that the marketplace is inexpensive or oversold. Mainstream uses the RSI in combination with an analysis of the short-term outlook for corporate earnings, interest rates, currencies and commodities to determine the overall stock to cash and long stock to short stock allocations.

Mainstream actively manages its portion of the Fund’s portfolio and will buy and sell securities frequently.

*Strategies of the SGI Sub-Portfolio:* The Fund pursues a global long/short strategy by holding long (purchasing) foreign and domestic common stocks or convertible stocks of companies SGI believes will outperform the market and by selling short those securities believed to be overvalued or expected to underperform the market.

SGI may also invest a portion of the Fund’s assets in options, futures contracts and foreign currencies, which may be used to hedge its portion of the Fund’s portfolio, to increase returns or to maintain exposure to the equity markets. SGI may engage in short sales of securities believed to be overvalued or expected to underperform the market. SGI may also invest in emerging market countries.

SGI uses both quantitative and qualitative techniques to identify long and short investment opportunities. SGI’s universe of securities begins with the 5,000 largest publicly traded companies globally. Through quantitative screening and fundamental analysis, SGI narrows the universe of securities to a list of long and short investment

opportunities. SGI then builds a portfolio of securities designed to maximize the absolute returns of the sub-portfolio from SGI’s selection methodology while working to maintain prudent risk controls.

SGI will consider buying a security that is not currently held in its sub-portfolio when the security candidate has passed through the research process and SGI believes that there is a potential for upside price movement over the following year with a return to risk ratio that meets SGI’s criteria. In the case of a security already held in its sub-portfolio, SGI will consider adding to the position in the event the security has been unusually weak in the market based on SGI’s analysis and SGI continues to believe that the one year price objective is valid. SGI will consider selling a security if SGI believes that the price objective is no longer valid. SGI may also reduce a position in its sub-portfolio with respect to a security if the position approaches its price objective and the risk/return is deteriorating. SGI makes additions and reductions in its portion of the Fund’s portfolio and will buy and sell securities frequently.

*Strategies of the Investment Manager Sub-Portfolio:* With respect to the portion of the Fund that it manages, the Investment Manager seeks investment returns that are similar to those of the S&P 500 Index by primarily investing in equity derivatives, such as futures contracts, options on futures contracts, and equity options. An equity derivative is a financial instrument whose value depends on, or is “derived” from, the value of an underlying asset or index, such as the S&P 500 Index. Using S&P 500 equity derivatives, the Investment Manager can obtain investment exposure to the S&P 500 Index equal to the net asset value of the portion of the Fund that it manages with a fraction of the assets that would be needed to purchase an equivalent amount of equity securities directly. Getting magnified investment exposure on a small investment is referred to as “leverage,” and it can increase the volatility of the Fund’s performance. However, because the Fund ultimately is responsible for the entire amount of the investment exposure under an equity derivative, the Investment Manager will manage the remainder of its portion of the Fund so that any leverage achieved through equity derivatives is completely offset by other investments. While there are a number of ways of offsetting the leverage achieved through equity derivatives, the Investment Manager generally will do so by investing in fixed income securities in an amount sufficient to meet the Fund’s obligations under the equity derivatives.

The Investment Manager actively manages the fixed income securities with a view toward enhancing the Fund’s total return and recouping some of the transaction and financing costs associated with investing in equity

derivatives, which are reflected in the operating costs of the Fund. The Fund's overall portfolio duration for its investments in fixed income securities is normally not expected to exceed one year. The fixed income securities in which the Fund may invest include securities issued or guaranteed by the U.S. government, its agencies or instrumentalities; corporate debt securities of U.S. issuers, including mortgage backed and other asset-backed securities; and bank certificates of deposit, fixed time deposits and bankers' acceptances.

Although the Investment Manager does not normally invest this portion of the Fund's portfolio directly in S&P 500 securities, when equity derivatives appear to be overvalued relative to the S&P 500 Index, the Fund may invest in a "basket" of S&P 500 stocks. The S&P 500 Index is a well known stock market index composed of 500 selected common stocks that represent approximately two-thirds of the total market value of all U.S. common stocks. Individual stocks are selected based on an analysis of the historical correlation between the return of every S&P 500 stock and the return of the S&P 500 Index itself. The Investment Manager may employ fundamental analysis of factors such as earnings and earnings growth, price to earnings ratio, dividend growth, and cash flows to choose among stocks that satisfy the correlation tests.

Stocks chosen for the Fund are not limited to those with any particular weighting in the S&P 500 Index. The Fund may also invest in exchange traded funds based on the S&P 500 Index, such as Standard & Poor's Depository Receipts.

#### PRINCIPAL RISKS

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 value of an investment in the Fund will fluctuate and is subject to investment risks, which means investors could lose money. The principal risks of investing in the Fund are listed below.

**Active Trading Risk.** Active trading, also called "high turnover," may have a negative impact on performance. Active trading may result in higher brokerage costs or mark-up charges, which are ultimately passed on to shareholders. It may also result in short-term capital gains, which have a negative tax effect.

**Credit Risk.** The Fund could lose money if the issuer of a bond is unable to repay interest and principal on time or defaults. The issuer of a bond could also suffer a decrease in quality rating, which would affect the volatility and liquidity of the bond.

**Emerging Markets Risk.** Investments in emerging markets securities are generally subject to a greater level of those risks associated with investing in foreign securities, as emerging markets are considered less developed and developing countries.

**Equity Derivatives Risk.** Equity derivatives may pose risks in addition to those associated with investing directly in securities or other investments, including illiquidity of the equity derivative, imperfect correlations with underlying investments or the Fund's other portfolio holdings, lack of availability and counterparty risk.

**Foreign Securities Risk.** Foreign securities carry additional risks when compared to U.S. securities, including currency fluctuations, adverse political and economic developments, unreliable or untimely information, less liquidity, limited legal recourse and higher transactional costs.

**Growth Stocks Risk.** Growth stocks typically invest a high portion of their earnings back into their business and may lack the dividend yield that could cushion their decline in a market downturn. Growth stocks may be more volatile than other stocks because they are more sensitive to investor perceptions regarding the growth potential of the issuing company.


**Interest Rate Risk.** Investments in fixed income securities are subject to the possibility that interest rates could rise sharply, causing the value of the Fund's securities, and share price to decline. Fixed income securities with longer durations are subject to more volatility than those with shorter durations.

**Investment in Investment Vehicles Risk.** Investing in other investment vehicles subjects the Fund to those risks affecting the investment vehicle, including the possibility that the value of the underlying securities held by the investment vehicle could decrease. Moreover, the Fund will incur its pro rata share of the expenses of the underlying vehicles' expenses.

**Leverage Risk.** The Fund's use of leverage may cause the Fund to be more volatile than if it had not been leveraged. Leverage can arise through the use of derivatives.

**Liquidity Risk.** Investments are subject to liquidity risk when they are difficult to purchase or sell.

**Management Risk.** Mainstream will apply investment techniques and risk analyses in making investment decisions, but there can be no assurances that these will achieve the Fund's objective. Mainstream could poorly execute an investment strategy or could use investment techniques or invest in securities inconsistent with the Fund's investment strategy.



**Market Risk.** The market value of the securities held by the Fund may fluctuate resulting from factors affecting the individual company or other factors such as changing economic, political or financial market conditions.

**Overweighting Risk.** Overweighting investments in certain sectors or industries of the stock market increases the risk that the Fund will suffer a loss because of general declines in the prices of stocks in those sectors or industries.

**Short Sales Risk.** Short selling a security involves selling a borrowed security with the expectation that the value of that security will decline, so that the security may be purchased at a lower price when returning the borrowed security. The risk for loss on short selling is greater than the original value of the securities sold short because the price of the borrowed security may rise, thereby increasing the price at which the security must be purchased. Government actions also may affect the Fund's ability to engage in short selling.

**Smaller Companies Risk.** The securities of smaller companies are subject to greater volatility, especially during periods of economic uncertainty. These risks are likely to be greater for micro-cap companies.

**Value Stocks Risk.** Value stocks are subject to the risk that the intrinsic value of the stock may never be realized by the market or that the price goes down.

Additional information on these risks is available in the section titled "Descriptions of Principal Risks" beginning on page 38 of this prospectus.

**PAST PERFORMANCE\***

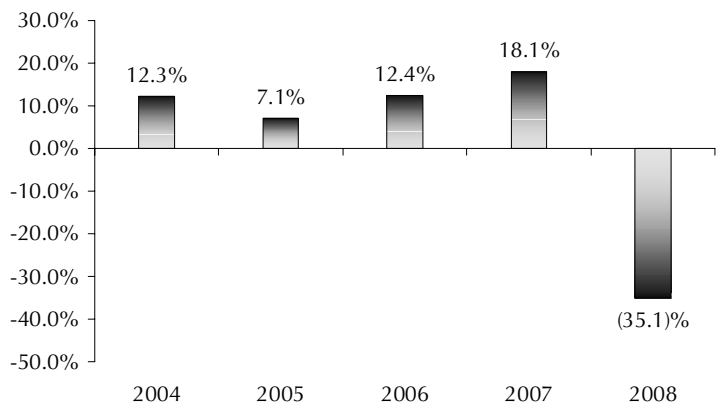
The following chart and table provide some indication of the risks of investing in the Fund by showing changes in the Fund's Class A share performance from year to year and by showing how the Fund's average annual returns have compared to those of broad measures of market performance. The table also shows how the Fund's average annual total returns for the periods indicated compare to those of a broad measure of market performance. Fee waivers and/or reimbursements may have reduced expenses of the Fund, and in the absence of such waivers and/or reimbursements, the performance quoted would be reduced. As with all mutual funds, past performance (before and after taxes) is not a prediction of future results.

The bar chart does not reflect the impact of taxes on distributions or the sales charge applicable to Class A shares which, if reflected, would lower the returns shown. Average annual total returns for the Fund's Class A shares include a deduction of the 5.75% front-end sales charge. Class B shares include a deduction of the appropriate deferred sales charge (5% in the first year declining to 0% in the sixth and later years). Class C shares include a deduction of the deferred sales charge of 1% in the first year.

\*Effective August 18, 2008, certain changes to Alpha Opportunity Fund's principal investment strategies, management fees and sub-advisers became effective, including the addition of Security Global Investors, LLC as an additional sub-adviser to the Fund.

**Highest and Lowest Returns**  
(Quarterly 2004-2008)

<b>Highest Quarter</b> Q1 ended March 31, 2006	9.72%
<b>Lowest Quarter</b> Q4 ended December 31, 2008	(22.65)%



**Average Annual Total Returns**  
(through December 31, 2008)

	1 Year	5 Years	Since Inception <sup>2</sup>
<b>Class A</b>			
Return Before Taxes .....	(38.85)%	(0.46)%	2.69%
Return After Taxes on Distributions <sup>1</sup> .....	(38.85)%	(3.32)%	(0.29)%
Return After Taxes on Distributions and Sale of Fund Shares <sup>1</sup> .....	(25.25)%	(1.57)%	1.02%
<b>Class B</b> .....	(38.90)%	(0.30)%	3.00%
<b>Class C</b> .....	(36.48)%	(0.08)%	2.97%
<b>S&amp;P 500 Index</b> (reflects no deduction for fees, expenses or taxes) <sup>3</sup> .....	(37.00)%	2.19%	(0.00)%

1 After-tax returns are calculated using the historical highest individual federal marginal income tax rates and do not reflect the impact of any state or local taxes. Actual after-tax returns depend on an investor's tax situation and may differ from those shown. After-tax returns shown are not relevant to investors who hold their Fund shares through tax-deferred arrangements, such as 401(k) plans or individual retirement accounts. After-tax returns are shown for Class A only. After-tax returns for Class B and C will vary.

2 For the period beginning July 7, 2003 (date of inception) to December 31, 2008.

3 The S&P 500 Index is composed of 500 selected common stocks that represent approximately two-thirds of the total market value of all U.S. common stocks.

## Security Global Fund

### FUND FACTS

Objective:	Long-term growth of capital
Benchmark:	MSCI World Index
Sub-Adviser:	Security Global Investors, LLC

### INVESTMENT OBJECTIVE

The Global Fund seeks long-term growth of capital primarily through investment in securities of companies in foreign countries and the United States.

### PRINCIPAL INVESTMENT STRATEGIES

The Fund pursues its objective by investing, under normal market conditions, in at least three countries, one of which may be the United States. The Fund invests primarily in foreign and domestic common stocks or convertible stocks of companies considered to have appreciation possibilities. While the Fund may invest in the United States, there is no limit on its foreign investments. Investments in debt securities may be made when market conditions are uncertain. The Fund may invest in issuers of any size, including small-capitalization issuers.

The Fund may also invest a portion of its assets in options, futures contracts and foreign currencies, which may be used to hedge the Fund's portfolio, to increase returns or to maintain exposure to the equity markets. The Fund may also invest in emerging market countries.

The Fund may actively trade its investments without regard to the length of time they have been owned by the Fund.

The Fund's sub-adviser, Security Global Investors, LLC ("SGI"), manages Fund assets pursuant to a Global Equity strategy that seeks consistent alpha in all market environments. Using a proprietary database composed of 5,000 companies from around the world, SGI employs a bottom-up stock selection process designed to generate alpha through stock selection while maintaining a globally diversified portfolio.

To lower the risks of foreign investing, such as currency fluctuations, SGI generally diversifies the Fund's investments broadly across countries and industries.

Although the Fund primarily invests in securities issued by companies from countries with established economies, there is no limit in the amount that the Fund may invest in securities issued by companies from emerging markets.

Under adverse or unstable market conditions, the Fund could invest some or all of its assets in cash, fixed-income securities, government bonds, money market securities, or repurchase agreements. Although the Fund would do this only in seeking to avoid losses, the Fund may be unable to pursue its investment objective during that time, and it could reduce the benefit from any upswing in the market.

### PRINCIPAL RISKS

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 value of an investment in the Fund will fluctuate and is subject to investment risks, which means investors could lose money. The principal risks of investing in the Fund are listed below.

**Active Trading Risk.** Active trading, also called "high turnover," may have a negative impact on performance. Active trading may result in higher brokerage costs or mark-up charges, which are ultimately passed on to shareholders. It may also result in short-term capital gains, which have a negative tax effect.


**Emerging Markets Risk.** Investments in emerging markets securities are generally subject to a greater level of those risks associated with investing in foreign securities, as emerging markets are considered less developed and developing countries.

**Equity Derivatives Risk.** Equity derivatives may pose risks in addition to those associated with investing directly in securities or other investments, including illiquidity of the equity derivative, imperfect correlations with underlying investments or the Fund's other portfolio holdings, lack of availability and counterparty risk.

**Foreign Securities Risk.** Foreign securities carry additional risks when compared to U.S. securities, including currency fluctuations, adverse political and economic developments, unreliable or untimely information, less liquidity, limited legal recourse and higher transactional costs.

**Growth Stocks Risk.** Growth stocks typically invest a high portion of their earnings back into their business and may lack the dividend yield that could cushion their decline in a market downturn. Growth stocks may be more volatile than other stocks because they are more sensitive to investor perceptions regarding the growth potential of the issuing company.

**Leverage Risk.** The Fund's use of leverage may cause the Fund to be more volatile than if it had not been leveraged. Leverage can arise through the use of derivatives.



**Market Risk.** The market value of the securities held by the Fund may fluctuate resulting from factors affecting the individual company or other factors such as changing economic, political or financial market conditions.

**Smaller Companies Risk.** The securities of smaller companies are subject to greater volatility, especially during periods of economic uncertainty. These risks are likely to be greater for micro-cap companies.

Additional information on these risks is available in the section titled “Descriptions of Principal Risks” beginning on page 38 of this prospectus.

**PAST PERFORMANCE\***

The following chart and table provide some indication of the risks of investing in the Fund by showing changes in the Fund's Class A share performance from year to year and by showing how the Fund's average annual returns have compared to those of broad measures of market performance. The table also shows how the Fund's average annual total returns for the periods indicated compare to those of a broad measure of market performance. Fee waivers and/or reimbursements may have reduced expenses of the Fund, and in the absence of such waivers and/or reimbursements, the performance quoted would be reduced. As with all mutual funds, past

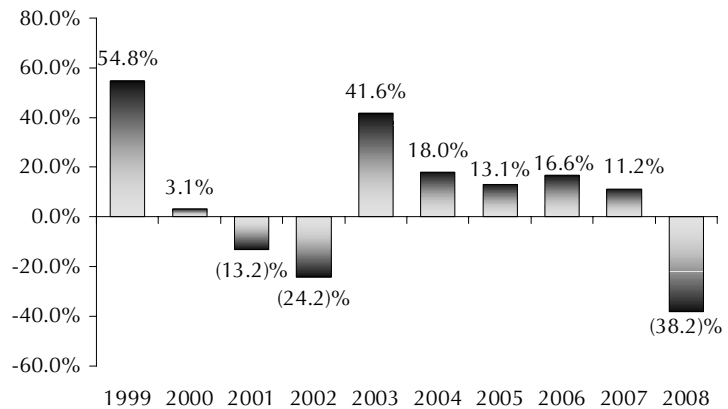
performance (before and after taxes) is not a prediction of future results.

The bar chart does not reflect the impact of taxes on distributions or the sales charge applicable to Class A shares which, if reflected, would lower the returns shown. Average annual total returns for the Fund's Class A shares include a deduction of the 5.75% front-end sales charge. Class B shares include a deduction of the appropriate deferred sales charge (5% in the first year declining to 0% in the sixth and later years). Class C shares include a deduction of the deferred sales charge of 1% in the first year.

\*OppenheimerFunds, Inc. served as the sub-adviser to the Fund between October 28, 1998 and August 1, 2007.

**Highest and Lowest Returns**  
(Quarterly 1999-2008)

<b>Highest Quarter</b>	
Q4 ended December 31, 1999	37.45%
<b>Lowest Quarter</b>	
Q3 ended September 30, 2002	(18.96)%



**Average Annual Total Returns**  
(through December 31, 2008)

	1 Year	5 Years	10 Years/ Inception
Class A			
Return Before Taxes .....	(41.79)%	0.14%	4.12%
Return After Taxes on Distributions <sup>1</sup> .....	(41.99)%	(1.45)%	2.44%
Return After Taxes on Distributions and Sale of Fund Shares <sup>1</sup> .....	(27.17)%	0.57%	3.38%
Class B .....	(41.13)%	1.04%	4.43%
Class C .....	(39.30)%	0.57%	3.73% <sup>2</sup>
MSCI World Index (reflects no deduction for fees, expenses or taxes) <sup>3</sup> .....	(40.71)%	(0.51)%	(0.64)%

1 After-tax returns are calculated using the historical highest individual federal marginal income tax rates and do not reflect the impact of any state or local taxes. Actual after-tax returns depend on an investor's tax situation and may differ from those shown. After-tax returns shown are not relevant to investors who hold their Fund shares through tax-deferred arrangements, such as 401(k) plans or individual retirement accounts. After-tax returns are shown for Class A only. After-tax returns for Class B and C will vary.

2 For the period beginning January 29, 1999 (date of inception) to December 31, 2008.

3 The MSCI World Index is an unmanaged index that measures the performance of over 1,400 securities listed on exchanges in the U.S., Europe, Canada, Australia, New Zealand and the Far East.

## Security Mid Cap Value Fund

### FUND FACTS

Objective: Long-term growth of capital  
Benchmark: Russell 2500 Value Index

### INVESTMENT OBJECTIVE

The Mid Cap Value Fund seeks long-term growth of capital.

### PRINCIPAL INVESTMENT STRATEGIES

The Fund pursues its objective by investing, under normal market conditions, at least 80% of its net assets (plus borrowings for investment purposes) in a diversified portfolio of equity securities that, when purchased, have market capitalizations that are usually within the range of companies in the Russell 2500 Value Index. As of December 31, 2008, the index consisted of securities of companies with capitalizations that ranged from \$7 million to \$6.9 billion. Equity securities include common stock, rights, options, warrants and convertible debt securities. The Fund may also invest in ADRs.

The Investment Manager typically chooses equity securities that appear undervalued relative to assets, earnings, growth potential or cash flows and may invest in a limited number of industries or industry sectors, including the technology sector. Due to the nature of value companies, the securities included in the Fund's portfolio typically consist of small-to medium-sized companies.

The Fund may sell a security if it is no longer considered undervalued or when the company begins to show deteriorating fundamentals.

The Fund also may invest a portion of its assets in options and futures contracts. These instruments may be used to hedge the Fund's portfolio, to maintain exposure to the equity markets or to increase returns.

The Fund may invest in a variety of investment vehicles, including those that seek to track the composition and performance of a specific index, such as exchange traded funds ("ETFs") and other mutual funds. The Fund may use these index-based investments as a way of managing its cash position to gain exposure to the equity markets or a particular sector of the equity market, while maintaining liquidity. Certain investment vehicles' securities and other securities in which the Fund may invest are restricted securities, which may be illiquid.

Under adverse or unstable market conditions, the Fund could invest some or all of its assets in cash, fixed-income securities, government bonds, money market securities, or repurchase agreements. Although the Fund would do this only in seeking to avoid losses, the Fund may be unable to pursue its investment objective during that time, and it could reduce the benefit from any upswing in the market.

### PRINCIPAL RISKS

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 value of an investment in the Fund will fluctuate and is subject to investment risks, which means investors could lose money. The principal risks of investing in the Fund are listed below.

**Equity Derivatives Risk.** Equity derivatives may pose risks in addition to those associated with investing directly in securities or other investments, including illiquidity of the equity derivative, imperfect correlations with underlying investments or the Fund's other portfolio holdings, lack of availability and counterparty risk.

**Foreign Securities Risk.** Foreign securities carry additional risks when compared to U.S. securities, including currency fluctuations, adverse political and economic developments, unreliable or untimely information, less liquidity, limited legal recourse and higher transactional costs.


**Investment in Investment Vehicles Risk.** Investing in other investment vehicles subjects the Fund to those risks affecting the investment vehicle, including the possibility that the value of the underlying securities held by the investment vehicle could decrease. Moreover, the Fund will incur its pro rata share of the expenses of the underlying vehicles' expenses.

**Leverage Risk.** The Fund's use of leverage may cause the Fund to be more volatile than if it had not been leveraged. Leverage can arise through the use of derivatives.

**Liquidity Risk.** Investments are subject to liquidity risk when they are difficult to purchase or sell.

**Market Risk.** The market value of the securities held by the Fund may fluctuate resulting from factors affecting the individual company or other factors such as changing economic, political or financial market conditions.

**Overweighting Risk.** Overweighting investments in certain sectors or industries of the stock market increases the risk that the Fund will suffer a loss because of general declines in the prices of stocks in those sectors or industries.



**Restricted Securities Risk.** Restricted securities generally cannot be sold to the public and may involve a high degree of business and financial risk which may result in substantial losses to the Fund.

**Smaller Companies Risk.** The securities of smaller companies are subject to greater volatility, especially during periods of economic uncertainty. These risks are likely to be greater for micro-cap companies.

**Technology Stocks Risk.** Stocks of companies involved in the technology sector may be very volatile.

**Value Stocks Risk.** Value stocks are subject to the risk that the intrinsic value of the stock may never be realized by the market or that the price goes down.

Additional information on these risks is available in the section titled "Descriptions of Principal Risks" beginning on page 38 of this prospectus.

## PAST PERFORMANCE

The following chart and table provide some indication of the risks of investing in the Fund by showing changes in the Fund's Class A share performance from year to year and by showing how the Fund's average annual returns have compared to those of broad measures of market performance. The table also shows how the Fund's average annual total returns for the periods indicated compare to those of a broad measure of market performance. Fee waivers and/or reimbursements may have reduced expenses of the Fund, and in the absence of such waivers and/or reimbursements, the performance

quoted would be reduced. As with all mutual funds, past performance (before and after taxes) is not a prediction of future results.

The bar chart does not reflect the impact of taxes on distributions or the sales charge applicable to Class A shares which, if reflected, would lower the returns shown. Average annual total returns for the Fund's Class A shares include a deduction of the 5.75% front-end sales charge. Class B shares include a deduction of the appropriate deferred sales charge (5% in the first year declining to 0% in the sixth and later years). Class C shares include a deduction of the deferred sales charge of 1% in the first year.

### Highest and Lowest Returns

(Quarterly 1999-2008)

#### Highest Quarter

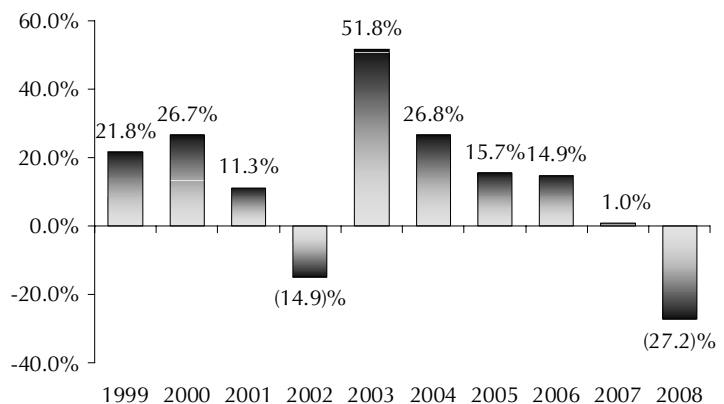
Q2 ended June 30, 2003

27.21%

#### Lowest Quarter

Q3 ended September 30, 2002

(22.48)%



### Average Annual Total Returns

(through December 31, 2008)

	1 Year	5 Years	10 Years/ Inception
Class A			
Return Before Taxes.....	(31.39)%	3.17%	10.01%
Return After Taxes on Distributions <sup>1</sup> .....	(32.76)%	1.43%	8.67%
Return After Taxes on Distributions and Sale of Fund Shares <sup>1</sup> .....	(18.86)%	2.81%	8.73%
Class B.....	(30.82)%	3.40%	9.89%
Class C.....	(28.35)%	3.63%	9.87% <sup>2</sup>
Russell 2500 Value Index (reflects no deduction for fees, expenses or taxes) <sup>3</sup> .....	(31.99)%	(0.15)%	5.72%

<sup>1</sup> After-tax returns are calculated using the historical highest individual federal marginal income tax rates and do not reflect the impact of any state or local taxes. Actual after-tax returns depend on an investor's tax situation and may differ from those shown. After-tax returns shown are not relevant to investors who hold their Fund shares through tax-deferred arrangements, such as 401(k) plans or individual retirement accounts. After-tax returns are shown for Class A only. After-tax returns for Class B and C will vary.

<sup>2</sup> For the period beginning January 29, 1999 (date of inception) to December 31, 2008.

<sup>3</sup> The Russell 2500 Value Index is an unmanaged index that measures the performance of securities of small-to-mid cap U.S. companies with greater-than-average value orientation.

## Security Small Cap Growth Fund

### FUND FACTS

Objective: Long-term growth of capital  
Benchmark: Russell 2000 Growth Index

### INVESTMENT OBJECTIVE

The Small Cap Growth Fund seeks long-term growth of capital.

### PRINCIPAL INVESTMENT STRATEGIES

The Fund pursues its investment objective by investing, under normal circumstances, at least 80% of its net assets (plus borrowings for investment purposes) in equity securities of companies that, when purchased, have market capitalizations that are usually within the range of companies in the Russell 2500 Growth Index. The Fund's benchmark is the Russell 2000 Growth Index, but the Fund defines small-capitalization companies as those companies with market capitalizations substantially similar to that of companies in the Russell 2500 Growth Index at the time of purchase. As of December 31, 2008, the Russell 2500 Growth Index consisted of securities of companies with capitalizations that ranged from \$8 million to \$6.9 billion. Equity securities include common and preferred stocks, warrants and securities convertible into common or preferred stocks.

The Investment Manager uses a combination of a qualitative economic approach in reviewing growth trends that is based upon several fixed income factors, such as bond spreads and interest rates, along with a quantitative fundamental bottom-up approach in selecting growth stocks. The Investment Manager chooses portfolio securities that it believes are attractively valued with the greatest potential for long term growth of capital and may invest in a limited number of industries or industry sectors. The Investment Manager identifies the securities of companies that are in the early to middle stages of growth and are valued at a reasonable price. Equity securities considered to have appreciation potential may include securities of smaller and less mature companies which have unique proprietary products or profitable market niches and the potential to grow very rapidly (including, without limitation, technology companies).

The Fund typically sells a stock if its growth prospects diminish, or if better opportunities become available.

The Fund also may invest a portion of its assets in options and futures contracts. These instruments may be used to hedge the Fund's portfolio, to increase returns or to

maintain exposure to the equity markets. The Fund may also invest in ADRs.

The Fund may actively trade its investments without regard to the length of time they have been owned by the Fund.

The Fund may invest in a variety of investment vehicles, including those that seek to track the composition and performance of a specific index, such as exchange traded funds ("ETFs") and other mutual funds. The Fund may use these index-based investments as a way of managing its cash position, to gain exposure to the equity markets, or a particular sector of the equity market, while maintaining liquidity. Certain investment company securities and other securities in which the Fund may invest are restricted securities, which may be illiquid.

Under adverse or unstable market conditions, the Fund could invest some or all of its assets in cash, fixed-income securities, government bonds, money market securities, or repurchase agreements. Although the Fund would do this only in seeking to avoid losses, the Fund may be unable to pursue its investment objective during that time, and it could reduce the benefit from any upswing in the market.


### PRINCIPAL RISKS

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 value of an investment in the Fund will fluctuate and is subject to investment risks, which means investors could lose money. The principal risks of investing in the Fund are listed below.

**Active Trading Risk.** Active trading, also called "high turnover," may have a negative impact on performance. Active trading may result in higher brokerage costs or mark-up charges, which are ultimately passed on to shareholders. It may also result in short-term capital gains, which have a negative tax effect.

**Growth Stocks Risk.** Growth stocks typically invest a high portion of their earnings back into their business and may lack the dividend yield that could cushion their decline in a market downturn. Growth stocks may be more volatile than other stocks because they are more sensitive to investor perceptions regarding the growth potential of the issuing company.

**Investment in Investment Vehicles Risk.** Investing in other investment vehicles subjects the Fund to those risks affecting the investment vehicle, including the possibility that the value of the underlying securities held by the investment vehicle could decrease. Moreover, the Fund



will incur its pro rata share of the expenses of the underlying vehicles' expenses.

**Leverage Risk.** The Fund's use of leverage may cause the Fund to be more volatile than if it had not been leveraged. Leverage can arise through the use of derivatives.

**Liquidity Risk.** Investments are subject to liquidity risk when they are difficult to purchase or sell.

**Market Risk.** The market value of the securities held by the Fund may fluctuate resulting from factors affecting the individual company or other factors such as changing economic, political or financial market conditions.

**Restricted Securities Risk.** Restricted securities generally cannot be sold to the public and may involve a high degree of business and financial risk which may result in substantial losses to the Fund.

**Smaller Companies Risk.** The securities of smaller companies are subject to greater volatility, especially during periods of economic uncertainty. These risks are likely to be greater for micro-cap companies.

**Technology Stocks Risk.** Stocks of companies involved in the technology sector may be very volatile.

Additional information on these risks is available in the section titled "Descriptions of Principal Risks" beginning on page 38 of this prospectus.

**PAST PERFORMANCE\***

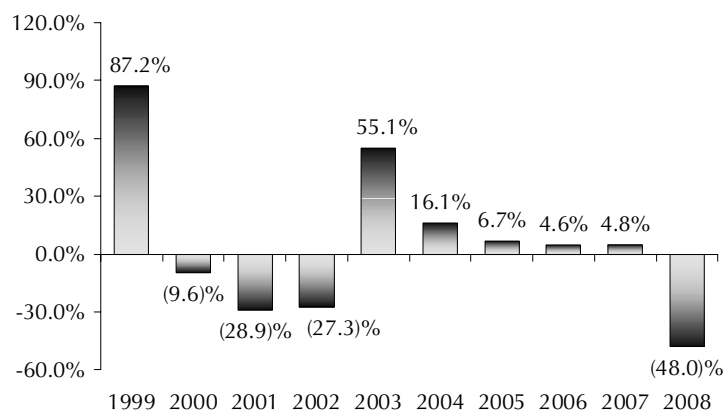
The following chart and table provide some indication of the risks of investing in the Fund by showing changes in the Fund's Class A share performance from year to year and by showing how the Fund's average annual returns have compared to those of broad measures of market performance. The table also shows how the Fund's average annual total returns for the periods indicated compare to those of a broad measure of market performance. Fee waivers and/or reimbursements may have reduced expenses of the Fund, and in the absence of such waivers and/or reimbursements, the performance quoted would be reduced. As with all mutual funds, past performance (before and after taxes) is not a prediction of future results.

The bar chart does not reflect the impact of taxes on distributions or the sales charge applicable to Class A shares which, if reflected, would lower the returns shown. Average annual total returns for the Fund's Class A shares include a deduction of the 5.75% front-end sales charge. Class B shares include a deduction of the appropriate deferred sales charge (5% in the first year declining to 0% in the sixth and later years). Class C shares include a deduction of the deferred sales charge of 1% in the first year.

\*RS Investment Management Co. LLC served as the sub-adviser to the Fund from September 30, 2002 to November 24, 2008. Since then, advisory services have been provided by the Investment Manager, and the Fund has new principal investment strategies.

**Highest and Lowest Returns**  
(Quarterly 1999-2008)

<b>Highest Quarter</b> Q4 ended December 31, 1999	52.99%
<b>Lowest Quarter</b> Q1 ended March 31, 2001	(27.00)%



**Average Annual Total Returns**  
(through December 31, 2008)

	1 Year	5 Years	10 Years/ Inception
Class A			
Return Before Taxes .....	(51.01)%	(7.83)%	(1.02)%
Return After Taxes on Distributions <sup>1</sup> .....	(51.07)%	(8.14)%	(1.46)%
Return After Taxes on Distributions and Sale of Fund Shares <sup>1</sup> .....	(33.08)%	(6.41)%	(0.86)%
Class B .....	(50.95)%	(7.75)%	(1.12)%
Class C .....	(48.91)%	(7.42)%	(1.73)% <sup>2</sup>
Russell 2000 Growth Index (reflects no deduction for fees, expenses or taxes) <sup>3</sup> ....	(38.54)%	(2.35)%	(0.76)%

1 After-tax returns are calculated using the historical highest individual federal marginal income tax rates and do not reflect the impact of any state or local taxes. Actual after-tax returns depend on an investor's tax situation and may differ from those shown. After-tax returns shown are not relevant to investors who hold their Fund shares through tax-deferred arrangements, such as 401(k) plans or individual retirement accounts. After-tax returns are shown for Class A only. After-tax returns for Class B and C will vary.

2 For the period beginning January 29, 1999 (date of inception) to December 31, 2008.

3 The Russell 2000 Growth Index is an unmanaged index that measures the performance of securities of smaller U.S. companies with greater-than-average growth orientation.

## Security Small Cap Value Fund

### FUND FACTS

Objective: Long-term capital appreciation  
Benchmark: Russell 2000 Value Index

### INVESTMENT OBJECTIVE

The Small Cap Value Fund seeks long-term capital appreciation.

### PRINCIPAL INVESTMENT STRATEGIES

The Fund pursues its objective by investing, under normal market conditions, at least 80% of its net assets (plus borrowings for investment purposes) in a diversified portfolio of equity securities that, when purchased, have market capitalizations that are usually within the range of companies in the Russell 2000 Value Index. As of December 31, 2008, the index consisted of securities of companies with capitalizations that ranged from \$7 million to \$3.3 billion. Equity securities include common stock, rights, options, warrants and convertible debt securities. The Fund may also invest in ADRs.

The Investment Manager typically chooses equity securities that appear undervalued relative to assets, earnings, growth potential or cash flows and may invest in a limited number of industries or industry sectors, including the technology sector.

The Fund may sell a security if it is no longer considered undervalued or when the company begins to show deteriorating fundamentals.

The Fund also may invest a portion of its assets in options and futures contracts. These instruments may be used to hedge the Fund's portfolio, to maintain exposure to the equity markets or to increase returns.

The Fund may invest in a variety of investment vehicles, including those that seek to track the composition and performance of a specific index, such as exchange traded funds ("ETFs") and other mutual funds. The Fund may use these index-based investments as a way of managing its cash position to gain exposure to the equity markets or a particular sector of the equity market, while maintaining liquidity. Certain investment vehicles' securities and other securities in which the Fund may invest are restricted securities, which may be illiquid.

Under adverse or unstable market conditions, the Fund could invest some or all of its assets in cash, fixed-income securities, government bonds, money market securities, or

repurchase agreements. Although the Fund would do this only in seeking to avoid losses, the Fund may be unable to pursue its investment objective during that time, and it could reduce the benefit from any upswing in the market.

### PRINCIPAL RISKS

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 value of an investment in the Fund will fluctuate and is subject to investment risks, which means investors could lose money. The principal risks of investing in the Fund are listed below.

**Equity Derivatives Risk.** Equity derivatives may pose risks in addition to those associated with investing directly in securities or other investments, including illiquidity of the equity derivative, imperfect correlations with underlying investments or the Fund's other portfolio holdings, lack of availability and counterparty risk.

**Foreign Securities Risk.** Foreign securities carry additional risks when compared to U.S. securities, including currency fluctuations, adverse political and economic developments, unreliable or untimely information, less liquidity, limited legal recourse and higher transactional costs.

**Investment in Investment Vehicles Risk.** Investing in other investment vehicles subjects the Fund to those risks affecting the investment vehicle, including the possibility that the value of the underlying securities held by the investment vehicle could decrease. Moreover, the Fund will incur its pro rata share of the expenses of the underlying vehicles' expenses.


**Leverage Risk.** The Fund's use of leverage may cause the Fund to be more volatile than if it had not been leveraged. Leverage can arise through the use of derivatives.

**Liquidity Risk.** Investments are subject to liquidity risk when they are difficult to purchase or sell.

**Market Risk.** The market value of the securities held by the Fund may fluctuate resulting from factors affecting the individual company or other factors such as changing economic, political or financial market conditions.

**Overweighting Risk.** Overweighting investments in certain sectors or industries of the stock market increases the risk that the Fund will suffer a loss because of general declines in the prices of stocks in those sectors or industries.

**Restricted Securities Risk.** Restricted securities generally cannot be sold to the public and may involve a high



degree of business and financial risk which may result in substantial losses to the Fund.

**Smaller Companies Risk.** The securities of smaller companies are subject to greater volatility, especially during periods of economic uncertainty. These risks are likely to be greater for micro-cap companies.

**Technology Stocks Risk.** Stocks of companies involved in the technology sector may be very volatile.

**Value Stocks Risk.** Value stocks are subject to the risk that the intrinsic value of the stock may never be realized by the market or that the price goes down.

Additional information on these risks is available in the section titled "Descriptions of Principal Risks" beginning on page 38 of this prospectus.

#### **PAST PERFORMANCE**

No performance information is shown for the Fund because it had not yet operated for a full calendar year as of December 31, 2008. Performance information for the Fund will appear in a future version of the prospectus once the Fund has a full calendar year of performance information to report.

## Security Select 25 Fund

### FUND FACTS

Objective: Long-term growth of capital  
Benchmark: Russell 1000 Growth Index

### INVESTMENT OBJECTIVE

The Select 25 Fund® seeks long-term growth of capital.

### PRINCIPAL INVESTMENT STRATEGIES

The Fund pursues its objective by focusing its investments in a core position of 20-30 common stocks of growth companies which have exhibited consistent above average earnings and/or revenue growth. The Fund is non-diversified as defined in the Investment Company Act of 1940 ("1940 Act"), which means that it may invest a larger portion of its assets in a limited number of companies than a diversified fund. The Investment Manager selects what it believes to be premier growth companies as the core position for the Fund using a combination of a qualitative top-down approach in reviewing growth trends that is based upon several fixed income factors, such as bond spreads and interest rates, along with a quantitative fundamental bottom-up approach. Portfolio holdings will be replaced when one or more of a company's fundamentals have changed, and, in the opinion of the Investment Manager, it is no longer a premier growth company.

The Fund may invest a portion of its assets in options and futures contracts. These instruments may be used to hedge the Fund's portfolio, to maintain exposure to the equity markets or to increase returns. The Fund also may invest in ADRs.

The Fund may actively trade its investments without regard to the length of time they have been owned by the Fund.

The Fund also may invest in a variety of investment vehicles, including those that seek to track the composition and performance of a specific index, such as exchange traded funds ("ETFs") and other mutual funds. The Fund may use these index-based investments as a way of managing its cash position, to gain exposure to the equity markets or a particular sector of the equity market, while maintaining liquidity.

Under adverse or unstable market conditions, the Fund could invest some or all of its assets in cash, fixed-income securities, government bonds, money market securities, or repurchase agreements. Although the Fund would do this

only in seeking to avoid losses, the Fund may be unable to pursue its investment objective during that time, and it could reduce the benefit from any upswing in the market.

### PRINCIPAL RISKS

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 value of an investment in the Fund will fluctuate and is subject to investment risks, which means investors could lose money. The principal risks of investing in the Fund are listed below.

**Active Trading Risk.** Active trading, also called "high turnover," may have a negative impact on performance. Active trading may result in higher brokerage costs or mark-up charges, which are ultimately passed on to shareholders. It may also result in short-term capital gains, which have a negative tax effect.


**Equity Derivatives Risk.** Equity derivatives may pose risks in addition to those associated with investing directly in securities or other investments, including illiquidity of the equity derivative, imperfect correlations with underlying investments or the Fund's other portfolio holdings, lack of availability and counterparty risk.

**Foreign Securities Risk.** Foreign securities carry additional risks when compared to U.S. securities, including currency fluctuations, adverse political and economic developments, unreliable or untimely information, less liquidity, limited legal recourse and higher transactional costs.

**Growth Stocks Risk.** Growth stocks typically invest a high portion of their earnings back into their business and may lack the dividend yield that could cushion their decline in a market downturn. Growth stocks may be more volatile than other stocks because they are more sensitive to investor perceptions regarding the growth potential of the issuing company.

**Investment in Investment Vehicles Risk.** Investing in other investment vehicles subjects the Fund to those risks affecting the investment vehicle, including the possibility that the value of the underlying securities held by the investment vehicle could decrease. Moreover, the Fund will incur its pro rata share of the expenses of the underlying vehicles' expenses.

**Market Risk.** The market value of the securities held by the Fund may fluctuate resulting from factors affecting the individual company or other factors such as changing economic, political or financial market conditions.



**Non-Diversification Risk.** The Fund is considered non-diversified because it invests a large portion of the Fund's assets in a small number of issuers. As a result, the Fund is more susceptible to risks associated with those issuers than a more diversified portfolio, and its performance may be more volatile.

**Overweighting Risk.** Overweighting investments in certain sectors or industries of the stock market increases the risk that the Fund will suffer a loss because of general declines in the prices of stocks in those sectors or industries.

**Technology Stocks Risk.** Stocks of companies involved in the technology sector may be very volatile.

Additional information on these risks is available in the section titled "Descriptions of Principal Risks" beginning on page 38 of this prospectus.

## PAST PERFORMANCE

The following chart and table provide some indication of the risks of investing in the Fund by showing changes in the Fund's Class A share performance from year to year and by showing how the Fund's average annual returns have compared to those of broad measures of market performance. The table also shows how the Fund's average annual total returns for the periods indicated compare to those of a broad measure of market performance. Fee waivers and/or reimbursements may have reduced expenses of the Fund, and in the absence of such waivers and/or reimbursements, the performance

quoted would be reduced. As with all mutual funds, past performance (before and after taxes) is not a prediction of future results.

The bar chart does not reflect the impact of taxes on distributions or the sales charge applicable to Class A shares which, if reflected, would lower the returns shown. Average annual total returns for the Fund's Class A shares include a deduction of the 5.75% front-end sales charge. Class B shares include a deduction of the appropriate deferred sales charge (5% in the first year declining to 0% in the sixth and later years). Class C shares include a deduction of the deferred sales charge of 1% in the first year.

### Highest and Lowest Returns

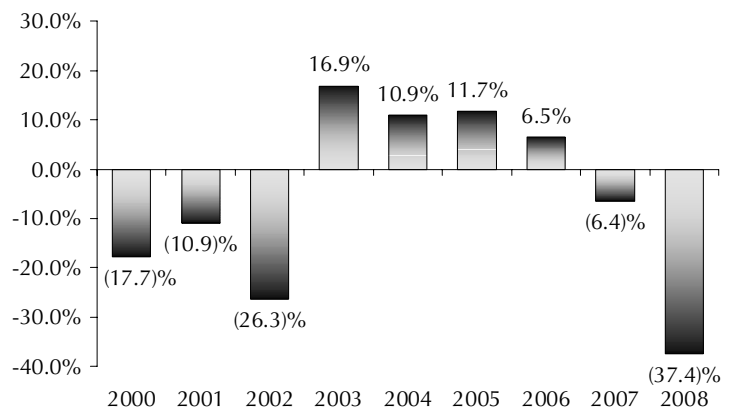
(Quarterly 2000-2008)

#### Highest Quarter

Q4 ended December 31, 2001 20.45%

#### Lowest Quarter

Q4 ended December 31, 2008 (19.83)%



### Average Annual Total Returns

(through December 31, 2008)

	1 Year	5 Years	Since Inception <sup>2</sup>
Class A			
Return Before Taxes .....	(41.00)%	(6.15)%	(5.46)%
Return After Taxes on Distributions <sup>1</sup> .....	(41.00)%	(6.40)%	(5.58)%
Return After Taxes on Distributions and Sale of Fund Shares <sup>1</sup> .....	(26.65)%	(5.00)%	(4.38)%
Class B .....	(40.97)%	(6.08)%	(5.45)%
Class C .....	(38.47)%	(5.72)%	(5.55)%
Russell 1000 Growth Index (reflects no deduction for fees, expenses or taxes) <sup>3</sup> ....	(38.44)%	(3.42)%	(4.86)%

1 After-tax returns are calculated using the historical highest individual federal marginal income tax rates and do not reflect the impact of any state or local taxes. Actual after-tax returns depend on an investor's tax situation and may differ from those shown. After-tax returns shown are not relevant to investors who hold their Fund shares through tax-deferred arrangements, such as 401(k) plans or individual retirement accounts. After-tax returns are shown for Class A only. After-tax returns for Class B and C will vary.

2 For the period beginning January 29, 1999 (date of inception) to December 31, 2008.

3 The Russell 1000 Growth Index is an unmanaged index which includes stocks incorporated in the United States and its territories and measures the performance of those Russell 1000 companies with higher price-to-book ratios and higher forecasted growth values. Index performance assumes reinvestment of dividends and distributions.

## Security Mid Cap Growth Fund

### FUND FACTS

Objective: Capital appreciation  
Benchmark: Russell Mid Cap Growth Index

### INVESTMENT OBJECTIVE

The Mid Cap Growth Fund seeks capital appreciation.

### PRINCIPAL INVESTMENT STRATEGIES

The Fund pursues its objective by investing, under normal market conditions, at least 80% of its net assets (plus borrowings for investment purposes) in a diversified portfolio of equity securities that, when purchased, have market capitalizations that are usually within the range of companies in the Russell Mid Cap Growth Index. As of December 31, 2008, the index consisted of securities of companies with capitalizations that ranged from \$24 million to \$14.9 billion. Equity securities include common stock, rights, options, warrants and convertible debt securities.

The Investment Manager uses a combination of a qualitative top-down approach in reviewing growth trends that is based upon several fixed income factors, such as bond spreads and interest rates, along with a quantitative fundamental bottom-up approach in selecting growth stocks. The Investment Manager chooses portfolio securities that it believes are attractively valued with the greatest potential for appreciation and may invest in a limited number of industries or industry sectors. The Investment Manager identifies the securities of companies that are in the early to middle stages of growth and are valued at a reasonable price. Equity securities considered to have appreciation potential may include securities of smaller and less mature companies which have unique proprietary products or profitable market niches and the potential to grow very rapidly. Certain investment vehicles' securities in which the Fund may invest may be illiquid.

The Fund also may invest a portion of its assets in options and futures contracts. These instruments may be used to hedge the Fund's portfolio, to increase returns or to maintain exposure to the equity markets. The Fund may also invest in ADRs.

The Fund may actively trade its investments without regard to the length of time they have been owned by the Fund.

The Fund may invest in a variety of investment vehicles, including those that seek to track the composition and performance of a specific index, such as exchange traded funds ("ETFs") and other mutual funds. The Fund may use these index-based investments as a way of managing its cash position, to gain exposure to the equity markets, or a particular sector of the equity market, while maintaining liquidity. Certain investment vehicles' securities and other securities in which the Fund may invest are restricted securities, which may be illiquid.

The Fund typically sells a stock if its growth prospects diminish or if better opportunities become available.

Under adverse or unstable market conditions, the Fund could invest some or all of its assets in cash, fixed-income securities, government bonds, money market securities, or repurchase agreements. Although the Fund would do this only in seeking to avoid losses, the Fund may be unable to pursue its investment objective during that time, and it could reduce the benefit from any upswing in the market.

### PRINCIPAL RISKS


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 value of an investment in the Fund will fluctuate and is subject to investment risks, which means investors could lose money. The principal risks of investing in the Fund are listed below.

**Active Trading Risk.** Active trading, also called "high turnover," may have a negative impact on performance. Active trading may result in higher brokerage costs or mark-up charges, which are ultimately passed on to shareholders. It may also result in short-term capital gains, which have a negative tax effect.

**Equity Derivatives Risk.** Equity derivatives may pose risks in addition to those associated with investing directly in securities or other investments, including illiquidity of the equity derivative, imperfect correlations with underlying investments or the Fund's other portfolio holdings, lack of availability and counterparty risk.

**Foreign Securities Risk.** Foreign securities carry additional risks when compared to U.S. securities, including currency fluctuations, adverse political and economic developments, unreliable or untimely information, less liquidity, limited legal recourse and higher transactional costs.

**Growth Stocks Risk.** Growth stocks typically invest a high portion of their earnings back into their business and may lack the dividend yield that could cushion their



decline in a market downturn. Growth stocks may be more volatile than other stocks because they are more sensitive to investor perceptions regarding the growth potential of the issuing company.

**Leverage Risk.** The Fund's use of leverage may cause the Fund to be more volatile than if it had not been leveraged. Leverage can arise through the use of derivatives.

**Liquidity Risk.** Investments are subject to liquidity risk when they are difficult to purchase or sell.

**Investment in Investment Vehicles Risk.** Investing in other investment vehicles subjects the Fund to those risks affecting the investment vehicle, including the possibility that the value of the underlying securities held by the investment vehicle could decrease. Moreover, the Fund will incur its pro rata share of the expenses of the underlying vehicles' expenses.

**Market Risk.** The market value of the securities held by the Fund may fluctuate resulting from factors affecting the individual company or other factors such as changing economic, political or financial market conditions.

**Overweighting Risk.** Overweighting investments in certain sectors or industries of the stock market increases the risk that the Fund will suffer a loss because of general declines in the prices of stocks in those sectors or industries.

**Restricted Securities Risk.** Restricted securities generally cannot be sold to the public and may involve a high degree of business and financial risk which may result in substantial losses to the Fund.

**Smaller Companies Risk.** The securities of smaller companies are subject to greater volatility, especially during periods of economic uncertainty. These risks are likely to be greater for micro-cap companies.

**Technology Stocks Risk.** Stocks of companies involved in the technology sector may be very volatile.

Additional information on these risks is available in the section titled "Descriptions of Principal Risks" beginning on page 38 of this prospectus.

## PAST PERFORMANCE

The following chart and table provide some indication of the risks of investing in the Fund by showing changes in the Fund's Class A share performance from year to year and by showing how the Fund's average annual returns have compared to those of broad measures of market performance. The table also shows how the Fund's average annual total returns for the periods indicated compare to those of a broad measure of market performance. Fee waivers and/or reimbursements may have reduced expenses of the Fund, and in the absence of such waivers and/or reimbursements, the performance

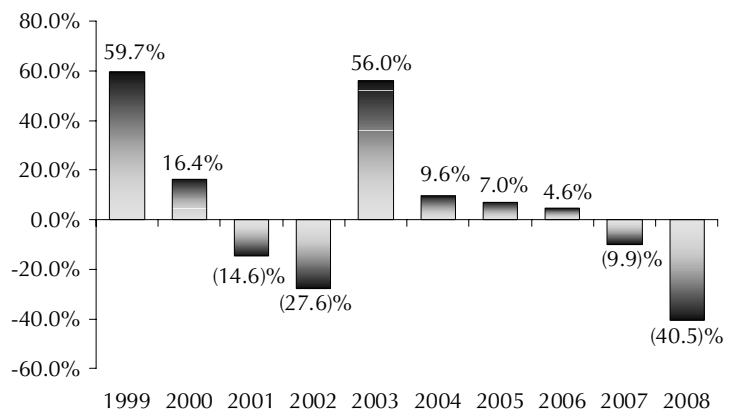
quoted would be reduced. As with all mutual funds, past performance (before and after taxes) is not a prediction of future results.

The bar chart does not reflect the impact of taxes on distributions or the sales charge applicable to Class A shares which, if reflected, would lower the returns shown. Average annual total returns for the Fund's Class A shares include a deduction of the 5.75% front-end sales charge. Class B shares include a deduction of the appropriate deferred sales charge (5% in the first year declining to 0% in the sixth and later years). Class C shares include a deduction of the deferred sales charge of 1% in the first year.

### Highest and Lowest Returns

(Quarterly 1999-2008)

<b>Highest Quarter</b> Q4 ended December 31, 1999	37.08%
<b>Lowest Quarter</b> Q3 ended September 30, 2001	(27.27)%



### Average Annual Total Returns

(through December 31, 2008)

	1 Year	5 Years	10 Years/ Inception
Class A			
Return Before Taxes .....	(43.92)%	(9.13)%	1.01%
Return After Taxes on Distributions <sup>1</sup> .....	(44.01)%	(10.53)%	(0.15)%
Return After Taxes on Distributions and Sale of Fund Shares <sup>1</sup> .....	(28.43)%	(7.01)%	1.13%
Class B .....	(43.78)%	(8.89)%	0.91%
Class C .....	(41.53)%	(8.70)%	0.46% <sup>2</sup>
Russell Mid Cap Growth Index (reflects no deduction for fees, expenses, or taxes) <sup>3</sup> .....	(44.32)%	(2.33)%	(0.19)%
Russell 2500 Growth Index (reflects no deduction for fees, expenses or taxes) <sup>4</sup> ....	(41.50)%	(2.24)%	0.75%

1 After-tax returns are calculated using the historical highest individual federal marginal income tax rates and do not reflect the impact of any state or local taxes. Actual after-tax returns depend on an investor's tax situation and may differ from those shown. After-tax returns shown are not relevant to investors who hold their Fund shares through tax-deferred arrangements, such as 401(k) plans or individual retirement accounts. After-tax returns are shown for Class A only. After-tax returns for Class B and C will vary.

2 For the period beginning January 29, 1999 (date of inception) to December 31, 2008.

3 The Russell Mid Cap Growth Index is an unmanaged capitalization-weighted index that is designed to measure the performance of the 800 smallest companies in the Russell 1000 Index with higher price-to-book ratios and higher forecasted growth values. The Russell Mid Cap Growth Index replaced the Russell 2500 Growth Index as the Fund's primary benchmark effective February 1, 2008, to provide a more meaningful comparison of the Fund's performance in light of the investment strategies that it employs.

4 The Russell 2500 Growth Index is an unmanaged index that measures the performance of securities of small-to-mid cap U.S. companies with greater-than-average growth orientation.

## Fees and Expenses of the Funds

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

### SHAREHOLDER FEES

Fees paid directly from your investment.

Unless otherwise noted, the following fees apply to the shares of the Funds:

	Class A Shares	Class B Shares <sup>1</sup>	Class C Shares
Maximum Sales Charge Imposed on Purchases (as a percentage of offering price)	5.75%	None	None
Maximum Deferred Sales Charge (as a percentage of original purchase price or redemption proceeds, whichever is lower)	None <sup>2</sup>	5% <sup>3</sup>	1% <sup>4</sup>
Global Fund Only — Redemption Charge (as a percentage of amount redeemed or exchanged)	2% <sup>5</sup>	None	None
<p>1 Class B shares convert tax-free to Class A shares automatically after eight years.</p> <p>2 Purchases of Class A shares in amounts of \$1,000,000 or more are not subject to an initial sales load; however, a deferred sales charge of 1% is imposed in the event of redemption within one year of purchase.</p> <p>3 5% during the first year, decreasing incrementally to 0% in the sixth and following years.</p> <p>4 A deferred sales charge of 1% is imposed in the event of redemption within one year of purchase.</p> <p>5 A redemption charge of 2% will be assessed on any shares redeemed or exchanged within 30 days after the date they were acquired. This charge does not apply to (1) shares held in retirement plans purchased from the Investment Manager or an affiliate or that are administered by the Investment Manager or an affiliate, such as 401(k), 403(b), 457, Keogh, SIMPLE IRA, SEP-IRA and money purchase pension accounts, (2) shares purchased through the reinvestment of dividends or capital gains distributions, (3) redemptions in an amount less than \$10,000, or (4) redemptions and/or exchanges made through pre-approved asset allocation programs.</p>			

## ANNUAL FUND OPERATING EXPENSES

Expenses that are deducted from Fund assets.

	Class A	Class B	Class C
<b>LARGE CAP VALUE FUND</b>			
Management fee.....	0.65%	0.65%	0.65%
Distribution (12b-1) fees.....	0.25%	1.00% <sup>1</sup>	1.00%
Other expenses .....	0.46%	0.46%	0.46%
<b>Total annual fund operating expenses .....</b>	<b>1.36%</b>	<b>2.11%</b>	<b>2.11%</b>
Fee reduction <sup>2</sup> .....	(0.11)%	(0.11)%	(0.11)%
<b>Net expenses.....</b>	<b>1.25%</b>	<b>2.00%</b>	<b>2.00%</b>
<b>EQUITY FUND</b>			
Management fee.....	0.75%	0.75%	0.75%
Distribution (12b-1) fees.....	0.25%	1.00%	1.00%
Other expenses .....	0.36%	0.36%	0.36%
<b>Total annual fund operating expenses .....</b>	<b>1.36%</b>	<b>2.11%</b>	<b>2.11%</b>
<b>ALL CAP VALUE FUND<sup>3</sup></b>			
Management fee.....	0.70%	N/A	0.70%
Distribution (12b-1) fees.....	0.25%	N/A	1.00%
Other expenses .....	0.55%	N/A	0.55%
<b>Total annual fund operating expenses .....</b>	<b>1.50%</b>	<b>N/A</b>	<b>2.25%</b>
Fee reduction <sup>2</sup> .....	(0.15)%	N/A	(0.15)%
<b>Net expenses.....</b>	<b>1.35%</b>	<b>N/A</b>	<b>2.10%</b>
<b>ALPHA OPPORTUNITY FUND</b>			
Management fee <sup>4</sup> .....	1.25%	1.25%	1.25%
Distribution (12b-1) fees.....	0.25%	1.00%	1.00%
Acquired fund fees and expenses .....	0.01%	0.01%	0.01%
Other expenses .....	0.85%	0.85%	0.85%
<b>Total annual fund operating expenses .....</b>	<b>2.36%</b>	<b>3.11%</b>	<b>3.11%</b>
Fee reduction <sup>2</sup> .....	(0.41)%	(0.41)%	(0.41)%
<b>Net expenses.....</b>	<b>1.95%</b>	<b>2.70%</b>	<b>2.70%</b>
<b>GLOBAL FUND</b>			
Management fee.....	1.00%	1.00%	1.00%
Distribution (12b-1) fees.....	0.25%	1.00% <sup>5</sup>	1.00%
Other expenses .....	0.48%	0.48%	0.49%
<b>Total annual fund operating expenses .....</b>	<b>1.73%</b>	<b>2.48%</b>	<b>2.49%</b>
<b>MID CAP VALUE FUND</b>			
Management fee <sup>6</sup> .....	0.81%	0.81%	0.81%
Distribution (12b-1) fees.....	0.25%	1.00%	1.00%
Other expenses .....	0.31%	0.31%	0.31%
<b>Total annual fund operating expenses .....</b>	<b>1.37%</b>	<b>2.12%</b>	<b>2.12%</b>
<b>SMALL CAP GROWTH FUND</b>			
Management fee <sup>4</sup> .....	0.85%	0.85%	0.85%
Distribution (12b-1) fees.....	0.25%	1.00%	1.00%
Other expenses .....	0.73%	0.82%	0.83%
<b>Total annual fund operating expenses .....</b>	<b>1.83%</b>	<b>2.67%</b>	<b>2.68%</b>

	Class A	Class B	Class C
<b>SMALL CAP VALUE FUND<sup>3</sup></b>			
Management fee.....	1.00%	N/A	1.00%
Distribution (12b-1) fees.....	0.25%	N/A	1.00%
Other expenses .....	4.85%	N/A	4.88%
<b>Total annual fund operating expenses .....</b>	<b>6.10%</b>	<b>N/A</b>	<b>6.88%</b>
Fee reduction <sup>2</sup> .....	(4.55)%	N/A	(4.58)%
<b>Net expenses.....</b>	<b>1.55%</b>	<b>N/A</b>	<b>2.30%</b>
<b>SELECT 25 FUND</b>			
Management fee.....	0.75%	0.75%	0.75%
Distribution (12b-1) fees.....	0.25%	1.00%	1.00%
Other expenses .....	0.72%	0.72%	0.72%
<b>Total annual fund operating expenses .....</b>	<b>1.72%</b>	<b>2.47%</b>	<b>2.46%</b>
Fee reduction <sup>2</sup> .....	(0.37)%	(0.37)%	(0.36)%
<b>Net expenses.....</b>	<b>1.35%</b>	<b>2.10%</b>	<b>2.10%</b>
<b>MID CAP GROWTH FUND</b>			
Management fee.....	0.75%	0.75%	0.75%
Distribution (12b-1) fees.....	0.25%	1.00%	1.00%
Other expenses .....	0.50%	0.51%	0.51%
<b>Total annual fund operating expenses .....</b>	<b>1.50%</b>	<b>2.26%</b>	<b>2.26%</b>
<p>1 Effective August 1, 2007, Class B shares of the Large Cap Value Fund ceased charging 12b-1 fees in accordance with FINRA rules, although it is possible that such fees may be charged in the future. As a result of this 12b-1 cap the total annual fund operating expenses attributable to Class B shares for fiscal year 2008 were 1.11%.</p> <p>2 The Fund's Investment Manager has contractually agreed through January 31, 2010 to waive fees and/or reimburse Fund expenses to the extent necessary to limit the ordinary operating expenses (including distribution (12b-1) fees, but exclusive of brokerage costs, dividends on securities sold short, acquired fund fees and expenses, interest, taxes, litigation, indemnification, and extraordinary expenses) ("Operating Expenses") of the Large Cap Value, All Cap Value, Alpha Opportunity, Small Cap Value and Select 25 Funds to the indicated annual percentages of average daily net assets: 1.25% of Large Cap Value Class A shares; 2.00% of Large Cap Value Class B and C shares; 1.35% of All Cap Value Class A shares; 2.10% of All Cap Value Class C shares; 1.95% of Alpha Opportunity Class A shares; 2.70% of Alpha Opportunity Class B and Class C shares; 1.55% of Small Cap Value Class A shares; 2.30% of Small Cap Value Class C shares; 1.35% of Select 25 Class A shares; and 2.10% of Select 25 Class B and C shares. The Net expenses shown above for Security Large Cap Value Fund and Security Select 25 Fund are one basis point (0.01%) higher than the cap provided under the expense limitation agreement because acquired fund fees and expenses are excluded from the calculation. The Investment Manager is entitled to reimbursement by a Fund of fees waived or expenses reimbursed during any of the previous 36 months beginning on the date of the expense limitation agreement if on any day the estimated annualized Operating Expenses are less than the indicated percentages.</p> <p>3 All Cap Value and Small Cap Value Funds only offer Class A and C shares in this prospectus. Other expenses for All Cap Value and Small Cap Value Funds Class A and Class C shares are based on estimates for the current fiscal year.</p> <p>4 The management fees for Alpha Opportunity Fund and Small Cap Growth Fund have been restated to reflect the management fees for the current fiscal year.</p> <p>5 Effective August 25, 2005, Class B shares of the Global Fund ceased charging 12b-1 fees in accordance with FINRA rules, although it is possible that such fees may be charged in the future. As a result of this 12b-1 cap, the total annual fund operating expenses attributable to Class B shares for fiscal year 2008 were 1.48%.</p> <p>6 Mid Cap Value Fund pays an advisory fee at an annual rate of 1.00% of the average daily net assets of \$200 million or less and 0.75% of the average daily net assets of the Fund in excess of \$200 million.</p>			

## Examples\*

The Examples are intended to help you compare the cost of investing in the Funds with the cost of investing in other mutual funds.

Each Example assumes that you invest \$10,000 in a Fund for the time periods indicated. Each Example also assumes that your investment has a 5% return each year and that the Funds' operating expenses remain the same. Although your actual costs may be higher or lower, based on these assumptions your costs would be as follows:

You would pay the following expenses if you redeemed your shares at the end of each period.

<b>Class A</b>	<b>1 Year</b>	<b>3 Years</b>	<b>5 Years</b>	<b>10 Years</b>
Large Cap Value Fund	\$695	\$ 949	\$1,221	\$1,994
Equity Fund	706	981	1,277	2,116
All Cap Value Fund	705	978	N/A**	N/A**
Alpha Opportunity Fund	762	1,152	1,563	2,690
Global Fund	741	1,089	1,460	2,499
Mid Cap Value Fund	706	984	1,282	2,127
Small Cap Growth Fund	750	1,117	1,508	2,599
Small Cap Value Fund	724	1,036	N/A**	N/A**
Select 25 Fund	705	978	1,269	2,087
Mid Cap Growth Fund	719	1,022	1,346	2,263

<b>Class B</b>	<b>1 Year</b>	<b>3 Years</b>	<b>5 Years</b>	<b>10 Years</b>
Large Cap Value Fund	\$703	\$ 927	\$1,277	\$2,126
Equity Fund	714	961	1,334	2,250
Alpha Opportunity Fund	773	1,138	1,624	2,813
Global Fund	751	1,073	1,521	2,632
Mid Cap Value Fund	715	964	1,339	2,261
Small Cap Growth Fund	770	1,129	1,615	2,822
Select 25 Fund	713	957	1,325	2,215
Mid Cap Growth Fund	729	1,006	1,410	2,407

<b>Class C</b>	<b>1 Year</b>	<b>3 Years</b>	<b>5 Years</b>	<b>10 Years</b>
Large Cap Value Fund	\$303	\$627	\$1,077	\$2,319
Equity Fund	314	661	1,134	2,441
All Cap Value Fund	313	658	N/A**	N/A**
Alpha Opportunity Fund	373	838	1,424	2,991
Global Fund	352	776	1,326	2,826
Mid Cap Value Fund	315	664	1,139	2,452
Small Cap Growth Fund	371	832	1,420	3,012
Small Cap Value Fund	333	718	N/A**	N/A**
Select 25 Fund	313	657	1,125	2,402
Mid Cap Growth Fund	329	706	1,210	2,595

You would pay the following expenses if you did not redeem your shares.

<b>Class A</b>	<b>1 Year</b>	<b>3 Years</b>	<b>5 Years</b>	<b>10 Years</b>
Large Cap Value Fund	\$695	\$ 949	\$1,221	\$1,994
Equity Fund	706	981	1,277	2,116
All Cap Value Fund	705	978	N/A**	N/A**
Alpha Opportunity Fund	762	1,152	1,563	2,690
Global Fund	741	1,089	1,460	2,499
Mid Cap Value Fund	706	984	1,282	2,127
Small Cap Growth Fund	750	1,117	1,508	2,599
Small Cap Value Fund	724	1,036	N/A**	N/A**
Select 25 Fund	705	978	1,269	2,087
Mid Cap Growth Fund	719	1,022	1,346	2,263

<b>Class B</b>	<b>1 Year</b>	<b>3 Years</b>	<b>5 Years</b>	<b>10 Years</b>
Large Cap Value Fund	\$203	\$627	\$1,077	\$2,126
Equity Fund	214	661	1,134	2,250
Alpha Opportunity Fund	273	838	1,424	2,813
Global Fund	251	773	1,321	2,632
Mid Cap Value Fund	215	664	1,139	2,261
Small Cap Growth Fund	270	829	1,415	2,822
Select 25 Fund	213	657	1,125	2,215
Mid Cap Growth Fund	229	706	1,210	2,407

<b>Class C</b>	<b>1 Year</b>	<b>3 Years</b>	<b>5 Years</b>	<b>10 Years</b>
Large Cap Value Fund	\$203	\$627	\$1,077	\$2,319
Equity Fund	214	661	1,134	2,441
All Cap Value Fund	213	658	N/A**	N/A**
Alpha Opportunity Fund	273	838	1,424	2,991
Global Fund	252	776	1,326	2,826
Mid Cap Value Fund	215	664	1,139	2,452
Small Cap Growth Fund	271	832	1,420	3,012
Small Cap Value Fund	233	718	N/A**	N/A**
Select 25 Fund	213	657	1,125	2,402
Mid Cap Growth Fund	229	706	1,210	2,595

\* The above Examples reflect applicable contractual fee waiver/expense reimbursement arrangements for the duration of the arrangements only.

\*\* The values are not required to be disclosed, but will nevertheless be charged.

## Descriptions of Principal Risks

Additional information on the principal risks of the Funds is described below. Not all of the risks apply to each Fund. A list of the main risks that apply to a particular Fund can be found under the “Principal Risks” heading for that Fund. However, the fact that a particular risk was not indicated as a principal risk for a Fund does not mean that the Fund is prohibited from investing its assets in securities that give rise to that risk. It simply means that the risk is not a principal risk for that Fund. For example, the risk of investing in smaller companies was not listed as a principal risk for Large Cap Value Fund. This does not mean that Large Cap Value Fund is prohibited from investing in smaller companies, only that the risk of smaller companies is not one of the main risks associated with Large Cap Value Fund. The Portfolio Manager for a Fund has considerable leeway in choosing investment strategies and selecting securities that he or she believes will help the Fund achieve its investment objective. In seeking to meet its investment objective, a Fund’s assets may be invested in any type of security or instrument whose investment characteristics are consistent with the Fund’s investment program.

In addition, investors should note that, to the extent authorized by law, each Fund reserves the right to discontinue offering shares at any time, to merge or reorganize itself or a class of shares, or to cease operations and liquidate at any time.

**Market Risk** — Equity securities fluctuate in price, and their prices tend to fluctuate more dramatically over the shorter term than do the prices of other asset classes. These movements may result from factors affecting individual companies or from broader influences like changes in interest rates, market conditions, investor confidence or changes in economic, political or financial market conditions. Volatility of financial markets can expose a Fund to greater market risk, possibly resulting in greater liquidity risk. Market conditions also may lead to increased regulation of a Fund and the instruments in which a Fund may invest, which may, in turn, affect the Fund’s ability to pursue its investment objective and the Fund’s performance.

**Smaller Companies** — The equity securities of smaller companies may be particularly volatile, especially during periods of economic uncertainty. Securities of smaller companies may present additional risks because their earnings are less predictable and their securities are often less liquid than those of larger, more established companies. Smaller companies are more likely than larger companies to have limited product lines, markets or financial resources, or to depend on a small, inexperi-

enced management group. Stocks of these companies may therefore be more vulnerable to adverse developments than those of larger companies. These risks are likely to be greater for micro-cap companies.

**Value Stocks** — Investments in value stocks are subject to the risk that their intrinsic values may never be realized by the market or that their prices may go down. While the Funds’ investments in value stocks may limit downside risk over time, a Fund may, as a trade-off, produce more modest gains than riskier stock funds.

**Growth Stocks** — Investments in growth stocks may lack the dividend yield that can cushion stock prices in market downturns. Growth companies often are expected to increase their earnings at a certain rate. If expectations are not met, investors can punish the stocks, even if earnings do increase.

**Short Sales** — A short sale entails selling a borrowed security with the expectation that the price of the security will decline so that a Fund may purchase the security at a lower price when the Fund must return the security that it borrowed. While the potential losses associated with investing in stocks are typically limited to the original cost of the securities, the potential for losses associated with short positions is much greater than the original value of the securities sold short. A Fund may not always be able to close out a short position at a particular time or at an acceptable price. A lender may request that borrowed securities be returned to it on short notice, and a Fund may have to buy the borrowed securities at an unfavorable price, resulting in a loss. The use of short sales may cause a Fund to have higher expenses than those of equity mutual funds that do not engage in short sales, including the cost of paying the lender an amount equal to any dividends on the borrowed securities. Also, short sales may be subject to legal restrictions, which may limit the ability of a Fund to implement its strategies.

**Management Risk** — Alpha Opportunity Fund is an actively managed investment portfolio. There is no guarantee that the management techniques employed with respect to the index strategy will closely track the performance of the S&P 500 Index. Also, Mainstream and its portfolio managers will apply investment techniques and risk analyses in making investment decisions for the portion of the Fund managed by Mainstream, but there can be no guarantee that these will produce the desired results.

**Foreign Securities** — Investing in foreign investments, including investing in foreign securities through ADRs, involve certain special risks, including, but not limited to: (i) unfavorable changes in currency exchange rates;

(ii) adverse political and economic developments; (iii) unreliable or untimely information; (iv) limited legal recourse; (v) limited markets; (vi) higher operational expenses; and (vii) illiquidity. These risks may even be higher in underdeveloped markets.

Foreign investments are normally issued and traded in foreign currencies. As a result, their values may be affected by changes in the exchange rates between particular foreign currencies and the U.S. dollar. Foreign investments may be subject to the risks of seizure by a foreign government, imposition of restrictions on the exchange or transport of foreign currency, and tax increases. There may also be less information publicly available about a foreign company than about most U.S. companies, and foreign companies are usually not subject to accounting, auditing and financial reporting standards and practices comparable to those in the United States. The legal remedies for investors in foreign investments may be more limited than those available in the United States. Certain foreign investments may be less liquid (harder to buy and sell) and more volatile than domestic investments, which means a Fund may at times be unable to sell its foreign investments at desirable prices. For the same reason, a Fund may at times find it difficult to value its foreign investments. Brokerage commissions and other fees are generally higher for foreign investments than for domestic investments. The procedures and rules for settling foreign transactions may also involve delays in payment, delivery or recovery of money or investments. Foreign withholding taxes may reduce the amount of income available to distribute to shareholders of the Funds.

**Emerging Markets** — All of the risks of investing in foreign securities are heightened by investing in less developed and developing countries, which are sometimes referred to as emerging markets. The markets of developing countries historically have been more volatile than the markets of developed countries with mature economies. For example, the political and economic structures in these countries may be young and developing rapidly, which can cause instability. These countries are also more likely to experience high levels of inflation, deflation or currency devaluation, which could hurt their economies and securities markets. For these and other reasons, investments in emerging markets are often considered speculative, but often have provided higher rates of return, and greater risks, to investors.

**Equity Derivatives** — Equity derivatives include options, futures and options on futures, which may be used to hedge a Fund's portfolio, to increase returns or to maintain exposure to a market without buying individual

securities. These investments may pose risks in addition to those associated with investing directly in securities or other investments. These risks may include illiquidity of the equity derivative, imperfect correlation with underlying investments or the Fund's other portfolio holdings, lack of availability, counterparty risks, valuation risks and legal restrictions. In addition, when a Fund sells covered call options, it receives cash but limits its opportunity to profit from an increase in the market value of the security beyond the exercise price (plus the premium received). The gain may be less than if the Fund had not sold an option on the underlying security. Accordingly, there is the risk that such practices may fail to serve their intended purposes and may reduce returns or increase volatility. There is also the risk that a Fund could lose more than the amount the Fund invested in the derivatives. These practices also entail transactional expenses and may cause a Fund to realize higher amounts of short-term capital gains than if the Fund had not engaged in such transactions.

**Leverage** — The use of derivatives may create leveraging risk. For example, because of the low margin deposits required, futures trading involves an extremely high degree of leverage. As a result, a relatively small price movement in a futures contract may result in an immediate and substantial impact on the net asset value of the Fund. Leveraging may cause a Fund to be more volatile than if it had not been leveraged. To mitigate leveraging risk, the Fund segregates liquid assets to meet its obligations under, or otherwise covers, the transactions that may give rise to this risk. Leverage can also arise through the use of derivatives.

**Non-Diversification** — A non-diversified Fund may hold larger positions in a smaller number of securities than a diversified Fund. As a result, a change in the market value of a single security may have a greater impact on a Fund's net asset value and total return. A non-diversified Fund is expected to be more volatile than a diversified Fund.

**Investment in Investment Vehicles** — Investments in investment companies or other investment vehicles may include index-based unit investment trusts such as Standard & Poor's Depositary Receipts ("SPDRs") and similar securities of other investment companies or other investment vehicles, including exchange traded funds ("ETFs"). Such index-based investments sometimes hold substantially all of their assets in securities representing a specific index. In the case of SPDRs, the index represented is the S&P 500, but a Fund may invest in other index-based investments designed to track other indexes or market sectors. To the extent a Fund invests in other investment companies or vehicles, it will incur its

pro rata share of the underlying investment companies' or vehicles' expenses, such as investment advisory and other management expenses, and shareholders will be required to pay the operating expenses of two or more investment vehicles. In addition, a Fund will be subject to the effects of business and regulatory developments that affect an underlying investment company or vehicle or the investment company industry generally. A Fund may use index-based investments as a way of managing its cash position, to maintain liquidity while gaining exposure to the equity markets, or a particular sector of the equity market, or to seek to avoid losses in declining market conditions.

**Restricted Securities** — Restricted securities cannot be sold to the public without registration under the Securities Act of 1933 ("1933 Act"). Unless registered for sale, restricted securities can be sold only in privately negotiated transactions or pursuant to an exemption from registration. Restricted securities are generally considered illiquid and, therefore, are subject to a Fund's limitation on illiquid securities.

Restricted securities (including Rule 144A Securities) may involve a high degree of business and financial risk which may result in substantial losses. The securities may be less liquid than publicly traded securities. Although these securities may be resold in privately negotiated transactions, the prices realized from these sales could be less than those originally paid by the Fund. In particular, Rule 144A Securities may be resold only to qualified institutional buyers in accordance with Rule 144A under the 1933 Act. Rule 144A permits the resale to "qualified institutional buyers" of "restricted securities" that, when issued, were not of the same class as securities listed on a U.S. securities exchange or quoted in the National Association of Securities Dealers Automated Quotation System ("Rule 144A Securities").

Investing in Rule 144A Securities and other restricted securities could have the effect of increasing the amount of a Fund's assets invested in illiquid securities to the extent that qualified institutional buyers become uninterested, for a time, in purchasing these securities.

**Active Trading** — Active trading will increase the costs a Fund incurs because of higher brokerage charges or mark-up charges, which are passed on to shareholders, and, as a result, may lower a Fund's performance. It may also result in short-term capital gains, which may increase the amount of tax an investor pays on a Fund's returns.

**Technology Stocks** — Companies in the rapidly changing fields of technology often face unusually high price volatility, both in terms of gains and losses. The potential for wide variation in performance is based on

the special risks common to these stocks. For example, products or services that at first appear promising may not prove commercially successful or may become obsolete quickly. Earnings disappointments can result in sharp price declines. The level of risk will be increased to the extent that a Fund has significant exposure to smaller or unseasoned companies (those with less than a three-year operating history), which may not have established products or more experienced management.

**Overweighting** — Overweighting investments in certain sectors or industries of the stock market increases the risk that a Fund will suffer a loss because of general declines in the prices of stocks in those sectors or industries.

**Interest Rate Risk** — Investments in fixed income securities are subject to the possibility that interest rates could rise sharply, causing the value of a Fund's securities, and share price, to decline. Longer term bonds and zero coupon bonds are generally more sensitive to interest rate changes than shorter-term bonds. Generally, the longer the average maturity of the bonds in a Fund, the more a Fund's share price will fluctuate in response to interest rate changes.

**Credit Risk** — It is possible that some issuers of fixed income securities will not make payments on debt securities held by a Fund, or there could be defaults on repurchase agreements held by a Fund. Also, an issuer may suffer adverse changes in financial condition that could lower the credit quality of a security, leading to greater volatility in the price of the security and in shares of a Fund. A change in the quality rating of a bond can affect the bond's liquidity and make it more difficult for a Fund to sell.

**Liquidity Risk** — Investments are subject to liquidity risks when they are difficult to purchase or sell. Investments in illiquid securities may reduce the returns of a Fund because it may be unable to sell the illiquid securities at an advantageous time or price.

## Portfolio Holdings

A description of the Funds' policies and procedures with respect to the disclosure of the Funds' underlying portfolio securities is available in the Funds' Statement of Additional Information and on their website at [www.securitybenefit.com](http://www.securitybenefit.com). In addition, investors should note that the Funds publish a complete list of their month-end portfolio holdings on their website generally within one to two business days after the end of each calendar month. Such information will remain online for four months, or as otherwise required by law.

## Investment Manager

Security Investors, LLC (the "Investment Manager"), One Security Benefit Place, Topeka, Kansas 66636, is the Funds' investment manager. On September 30, 2008, the aggregate assets under the investment management of the Investment Manager were approximately \$9.02 billion.

**Management Fees** — The following chart shows the aggregate investment management fees paid by each Fund (with the exception of All Cap Value Fund) during the last fiscal year, except as otherwise indicated. For Funds for which the Investment Manager has retained a sub-adviser, the Investment Manager, and not the Funds, is responsible for payment of sub-advisory fees. With respect to All Cap Value Fund, the following chart shows the maximum investment management fees payable by the Funds, because the Funds had no operating history during the last fiscal year.

The Investment Manager may waive some or all of its management fee to limit the total operating expenses of a Fund to a specified level. The Investment Manager also may reimburse expenses of a Fund from time to time to help it maintain competitive expense ratios. These arrangements may be voluntary, in which case they may be terminated at any time. The fees without waivers or reimbursements are shown in the fee table on page 34.

<b>Management Fees (Net of Waivers)</b> (expressed as a percentage of average net assets)	
Large Cap Value Fund .....	0.65%
Equity Fund .....	0.75%
All Cap Value Fund .....	0.70%
Alpha Opportunity Fund <sup>1</sup> .....	1.25%
Global Fund .....	1.00%
Mid Cap Value Fund <sup>2</sup> .....	0.81%
Small Cap Growth Fund <sup>3</sup> .....	0.85%
Small Cap Value Fund .....	1.00%
Select 25 Fund .....	0.75%
Mid Cap Growth Fund .....	0.75%
<sup>1</sup> Prior to August 18, 2008, Alpha Opportunity Fund's management fee was a "fulcrum-type" performance fee that varied on a monthly basis depending on the Fund's investment performance against the investment record of the S&P 500 Index over a rolling 12-month period.	
<sup>2</sup> Mid Cap Value Fund's management fee is paid at an annual rate of 1.00% of the average daily net assets of \$200 million or less, plus 0.75% of the average daily net assets of the Fund in excess of \$200 million.	
<sup>3</sup> Effective November 24, 2008, the investment management fee payable by Small Cap Growth Fund to the Investment Manager is equal to 0.85% of average daily net assets on an annual basis.	

A discussion regarding the basis of the Board of Directors approving any investment advisory contract on behalf of each of the Funds (with the exception of All Cap Value

Fund and Small Cap Value Fund) is available in the Fund's semi-annual report for fiscal half-year ending March 31, 2008. A discussion regarding the basis of the Board of Directors approving the investment advisory contract of All Cap Value Fund and Small Cap Value Fund and an amendment to the investment advisory contracts for Alpha Opportunity Fund, which became effective on August 18, 2008, is available in the Fund's annual report for the fiscal year ending September 30, 2008. A discussion regarding the basis of the Board of Directors approving an amendment to the investment advisory contract for Small Cap Growth Fund, which became effective on November 24, 2008, is available in the Fund's annual report for the fiscal year ending September 30, 2008.

**Portfolio Managers** — The Portfolio Managers of the Investment Manager oversee the day-to-day operations of the following Funds:

### EQUITY FUND AND SELECT 25 FUND

**Mark P. Bronzo**, Portfolio Manager of the Investment Manager, has been the co-manager of Equity Fund and the manager of Select 25 Fund since February 2008. Prior to joining the Investment Manager in 2008, he was a Managing Director and member of the Board of Managers of Nationwide Separate Accounts LLC, the successor advisor to Groupama Asset Management N.A. ("GAMNA") and Chairman, President and Chief Executive Officer of the Gartmore Mutual Funds II, Inc. From 1995 to 2003, he served as Senior Vice President, Managing Director and Board member of GAMNA. Mr. Bronzo earned a Bachelor of Arts degree in Economics from Boston College and an MBA in Finance from New York University. He is a Chartered Financial Analyst charterholder.

### MID CAP GROWTH FUND AND SMALL CAP GROWTH FUND

**Joseph C. O'Connor**, Portfolio Manager of the Investment Manager, has been the manager of Mid Cap Growth Fund since February 2008 and Small Cap Growth Fund since November 2008. Prior to joining the Investment Manager in 2008, he was a Managing Director of Nationwide Separate Accounts LLC, the successor advisor to Groupama Asset Management N.A. ("GAMNA"). From 2000 to 2003, he served as Senior Vice President, Managing Director and Board member of GAMNA. Mr. O'Connor earned a Bachelor of Science degree in Finance from St. John's University.

**ALL CAP VALUE FUND,  
MID CAP VALUE FUND AND  
SMALL CAP VALUE FUND**

**James P. Schier**, Senior Portfolio Manager of the Investment Manager, has been the manager of Mid Cap Value Fund since its inception in 1997 and the Small Cap Value Fund since its inception in 2008. He has also managed the All Cap Value Fund since October 2008 (co-managing with Mr. Mitchell from its inception). While employed by the Investment Manager, he also served as a research analyst. Prior to joining the Investment Manager in 1995, he was a portfolio manager for Mitchell Capital Management from 1993 to 1995. From 1988 to 1993, he served as Vice President and Portfolio Manager for Fourth Financial. Prior to 1988, Mr. Schier served in various positions in the investment field for Stifel Financial, Josephthal & Company and Mercantile Trust Company. Mr. Schier earned a Bachelor of Business degree from the University of Notre Dame and an MBA from Washington University. He is a Chartered Financial Analyst charterholder.

**ALL CAP VALUE FUND,  
EQUITY FUND AND  
LARGE CAP VALUE FUND**

**Mark A. Mitchell**, Portfolio Manager of the Investment Manager, has managed the Large Cap Value Fund since July 2005. He has managed the Equity Fund since February 2004 (co-managing with Mr. Bronzo since February 2008). He has also managed the All Cap Value Fund since October 2008 (co-managing with Mr. Schier from its inception). Prior to joining the Investment Manager, Mr. Mitchell was employed by GE Investments and its successor company, GE Asset Management, from 1994 to 2002 in the following positions: Senior Financial Analyst, Taxable Fixed Income from 1994 to 1995; Sector Portfolio Manager and Research Analyst from 1996 to 1998; Vice President, Assistant Portfolio Manager from 1998 to 1999; Vice President, Sector Portfolio Manager and Research Analyst from 1999 to 2001; and most recently as Vice President, Portfolio Manager, US Equities. Prior to 1994, Mr. Mitchell served in various positions with GE Capital. Mr. Mitchell holds a Bachelor of Science degree with an emphasis in Finance from the University of Nebraska and is a graduate of the GE Financial Management Program. He is a Chartered Financial Analyst charterholder.

**ALPHA OPPORTUNITY FUND**

**Steven M. Bowser**, Senior Portfolio Manager of the Investment Manager, has managed a portion of the

Alpha Opportunity Fund since its inception in July 2003. Mr. Bowser joined the Investment Manager in 1992. From 1989 to 1992, Mr. Bowser was Assistant Vice President and Portfolio Manager with the Federal Home Loan Bank of Topeka. He was employed at the Federal Reserve Bank of Kansas City in 1988 and began his career with the Farm Credit System from 1982 to 1987, serving as a Senior Financial Analyst and Assistant Controller. He earned a Bachelor of Science degree from Kansas State University. He is a Chartered Financial Analyst charterholder and FINRA Series 7 license holder.

The Funds' Statement of Additional Information provides information about the portfolio managers' compensation, other accounts managed by the portfolio managers and the portfolio managers' ownership of Fund shares.

## Sub-Advisers

The Investment Manager and the Funds have received from the U.S. Securities and Exchange Commission an exemptive order for a multi-manager structure that allows the Investment Manager to hire, replace or terminate sub-advisers without the approval of shareholders. The order also allows the Investment Manager to revise a sub-advisory agreement with the approval of the Funds' Board of Directors, but without shareholder approval. If a new sub-adviser is hired, shareholders will receive information about the new sub-adviser within 90 days of the change. The order allows the Funds to operate more efficiently and with greater flexibility. The Investment Manager provides the following oversight and evaluation services to those Funds which use a sub-adviser:

- performing initial due diligence on prospective sub-advisers for the Funds
- monitoring the performance of the sub-advisers
- communicating performance expectations to the sub-advisers
- ultimately recommending to the Board of Directors whether a sub-adviser's contract should be renewed, modified or terminated.

The Investment Manager does not expect to recommend frequent changes of sub-advisers. Although the Investment Manager will monitor the performance of the sub-advisers, there is no certainty that any sub-adviser or Fund will obtain favorable results at any given time.

The Investment Manager has engaged Mainstream Investment Advisers, LLC ("Mainstream") to provide investment advisory services to a portion of Alpha Opportunity Fund. Mainstream, 101 West Spring Street, Fourth Floor, New Albany, Indiana 47150, managed approximately \$420 million in client assets as of December 31, 2008.

The Investment Manager has engaged Security Global Investors, LLC (“SGI”), 801 Montgomery Street, 2nd Floor, San Francisco, California 94133, to provide investment advisory services to Global Fund and a portion of Alpha Opportunity Fund. SGI has operated as an investment sub-adviser to Global Fund since August 2007 and Alpha Opportunity Fund since October 2008. SGI managed more than \$488.17 million in assets as of December 31, 2008. SGI is a wholly owned subsidiary of Security Benefit Corporation. Security Benefit Corporation is a wholly owned subsidiary of Security Benefit Mutual Holding Company. SGI is an affiliate of the Investment Manager. Together, SGI and the Investment Manager operate as Security Global Investors, the investment advisory arm of Security Benefit Corporation.

**Portfolio Managers** — The Portfolio Managers of the Sub-Advisers oversee the day-to-day operations of the following Funds as indicated:

#### ALPHA OPPORTUNITY FUND

**William H. Jenkins**, Manager of Mainstream, has been a co-manager of a portion of the Alpha Opportunity Fund since its inception in July 2003. He has more than 35 years of investment experience. Prior to co-founding Mainstream in July 1997, Mr. Jenkins spent the most recent 15 years with Providian Corporation as their equity portfolio manager. From 1988 to 1991, he was head of new asset and liability strategies for Providian, in addition to his equity portfolio management responsibilities. Prior to Providian, Mr. Jenkins worked as a portfolio manager/analyst at McGlenn Capital, Delaware Investment Advisors and Mellon Bank and Trust. Mr. Jenkins holds a Bachelor’s degree from Grove City College and an MBA from New York University. He is a Chartered Financial Analyst charterholder.

**Charles F. Craig**, Portfolio Manager at Mainstream, has primary responsibility for the international long/short strategy portion of the Fund that is managed by Mainstream. He has a long history with the firm and its personnel dating back over 11 years ago when he began an internship with William Jenkins at Providian Corporation. In addition to his experience in equity analysis, trading and portfolio management with Mainstream, Mr. Craig worked in futures trading for RQSI and financial planning with American Express. Mr. Craig holds a Bachelor’s degree from the University of Louisville and an MBA from the Kelley School of Business at Indiana University. He is a Chartered Financial Analyst charterholder.

#### ALPHA OPPORTUNITY FUND AND GLOBAL FUND

**John Boich**, Head of Global Equity of SGI, has a track record in global equity investing that dates back to 1990. He has been a co-manager of Global Fund since August 2007 and a co-manager of a portion of Alpha Opportunity Fund since August 2008. Prior to joining SGI in June 2007, Mr. Boich founded Avera Global Partners, L.P. (“Avera”) in August 2001, where he served as Chief Investment Officer until June 2007. Prior to founding Avera, he was a founding partner and senior portfolio manager in the global equities division of Montgomery Asset Management. In this capacity, Mr. Boich spent eight years directing research and investment decisions for Montgomery Asset Management’s \$4 billion global and international mandates. Prior to joining Montgomery Asset Management in March 1993, he was an analyst and portfolio manager at The Boston Company Institutional Investor Inc. where he led the development and subsequent management of the flagship international equity product. Mr. Boich holds a Bachelor of Arts degree in Economics from the University of Colorado and is a Chartered Financial Analyst charterholder.

**Scott F. Klimo**, Portfolio Manager at SGI, joined SGI in June 2007. He has been a co-manager of Global Fund since August 2007 and a co-manager of a portion of Alpha Opportunity Fund since August 2008. Mr. Klimo was a portfolio manager of Avera from October 2001 until he joined SGI in June 2007. Prior to joining Avera, he worked as a senior international analyst for Founders Asset Management in Denver from December 1999 to September 2001, focusing on consumer durables and non-durables, telecommunications and telecom equipment. Before joining Founders, Mr. Klimo was an assistant portfolio manager for the State of Wisconsin Investment Board from May 1998 to November 1999 where he helped manage a \$4 billion international portfolio with a value-oriented investment style. He began his investment career in 1987 as an analyst for Crosby Securities in Hong Kong, before progressing to Thailand Research Director for Smith New Court Far East. Mr. Klimo graduated from Hamilton College with a Bachelor of Arts degree in Asian Studies and immediately left for Asia, where he spent the next eleven years. He is a Chartered Financial Analyst charterholder.

**David Whittall**, Portfolio Manager at SGI, joined SGI in June 2007. He has been a co-manager of Global Fund since August 2007 and a co-manager of a portion of Alpha Opportunity Fund since August 2008. Mr. Whittall was a portfolio manager of Avera from March 2004 until June 2007. Prior to joining Avera, Mr. Whittall was senior vice president and the senior international equity

salesman at HSBC in San Francisco from January 2003. Prior to HSBC, he was a vice president at JP Morgan and their senior European equity salesman in San Francisco from May 2001 to October 2002. Before his work in international equity sales, Mr. Whittall spent seven years at Montgomery Asset Management where he was a senior analyst, portfolio manager and principal. Mr. Whittall graduated from UC Berkeley with a Bachelor of Arts degree in Asian Studies. He spent one year as a UC Regent's scholar at Beijing University in the People's Republic of China.

**Mark Kress**, Portfolio/Risk Manager at SGI, joined SGI in June 2007. He has been a co-manager of Global Fund since August 2007 and a co-manager of a portion of Alpha Opportunity Fund since August 2008. Along with Mr. Perullo, Mr. Kress is jointly responsible for risk management analysis and the implementation of quantitative research methods for the Funds. Mr. Kress was a senior quantitative analyst at Avera from August 2001 until he joined SGI in June 2007. Mr. Kress holds a Bachelor of Science degree in Managerial Economics from the University of California at Davis and an MBA from the University of California at Berkeley Haas School of Business. He is a Chartered Financial Analyst charterholder.

**Yon Perullo**, Senior Quantitative Analyst, joined SGI in June 2007. He has been co-manager of Global Fund since June 2007 and a co-manager of a portion of Alpha Opportunity Fund since August 2008. Along with Mr. Kress, Mr. Perullo is jointly responsible for risk management analysis and the implementation of quantitative research methods for the Funds. From 2004 to 2007, Mr. Perullo was co-founder and portfolio manager at Nascent Strategies, LLC, a hedge fund that specialized in quantitative market neutral investing, where he was directly responsible for building the quantitative screening and risk management models employed by the fund. From 1998 to 2004, Mr. Perullo served as Vice President of Quantitative Analytics at FactSet Research Systems where he directed the global sales and development of FactSet's suite of quantitative products, including alpha modeling, portfolio simulation and risk analysis. Mr. Perullo holds a Bachelor of Arts in Chemistry from the University of Rhode Island and is a Chartered Financial Analyst charterholder.

The Funds' Statement of Additional Information provides information about the portfolio managers' compensation, other accounts managed by the portfolio managers and the portfolio managers' ownership of Fund shares.

## Buying Shares

Shares of the Funds are available through broker/dealers, banks, and other financial intermediaries that have an agreement with the Funds' Distributor, Security Distributors, Inc., or with the Investment Manager, who serves as the Funds' transfer agent ("authorized financial intermediaries"). Shares are priced at the net asset value per share (NAV) next determined after receipt and acceptance of a purchase order by the Fund's transfer agent, Distributor or an authorized financial intermediary. Authorized financial intermediaries of the Funds may also designate further intermediaries to accept purchase and redemption orders on behalf of the Funds. Authorized financial intermediaries may charge fees in connection with an investment in the Fund. Fund shares purchased directly from the Fund are not assessed such additional charges but may be subject to a front-end sales charge as noted under the section titled "Class A Shares."

There are three different ways to buy shares of the Funds: Class A shares, Class B shares or Class C shares. The All Cap Value Fund and Small Cap Value Fund do not offer Class B shares. The different classes of a Fund differ primarily with respect to the sales charges and Rule 12b-1 distribution and service fees for each class. The minimum initial investment is \$100. Subsequent investments must be \$100 (or \$20 under an Accumulation Plan). The Funds reserve the right to reject any order to purchase shares in whole or in part.

The Funds offer you the option to submit purchase orders through your financial intermediary or send purchase orders by mail and send purchase proceeds by check, wire transfer or ACH. The Funds do not accept cash or cash equivalents (such as traveler's checks, money orders or bearer bonds), government checks, third-party checks, starter checks or checks drawn on a line of credit (including credit card convenience checks), cashiers checks, or bank checks. The Funds reserve the right to refuse other payment instruments if, in the sole discretion of Fund management, it is deemed to be in the best interests of the Funds. Retirement contributions will be coded for the year in which they are received unless otherwise instructed in writing at the time of the contribution.

The Funds no longer issue certificates; all Fund shares are issued in non-certificate form.

The All Cap Value Fund, Alpha Opportunity Fund and Small Cap Value Fund also offer Institutional Class shares in a different prospectus.

**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 an account and to determine whether such person's name appears on government lists of known or suspected terrorists and terrorist organizations.

What this means for you: The Fund must obtain the following information for each person that opens an 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 to show your driver's license, passport or other identifying documents 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, plans and other entities.

Federal law prohibits the Fund and other financial institutions from opening accounts unless they receive the minimum identifying information listed above. They also may be required to close your account 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 your account is closed, and you bear the risk of any loss.

**Market Timing/Short-Term Trading** — Some investors try to profit from various short-term or frequent trading strategies known as market timing, for example, transferring money into mutual funds when they expect prices to rise and taking money out when they expect prices to fall, or transferring from one Fund to another and then back again after a short period of time. As money is transferred in and out, a Fund incurs expenses for buying and selling securities. Excessive purchases, redemptions or exchanges of a Fund's shares disrupt portfolio management, hurt Fund performance and drive Fund expenses higher. These costs are borne by all shareholders, including long-term investors who do not generate these costs. Investors may be more likely to attempt to engage in market timing with respect to Funds that invest a significant portion of their assets in the securities of foreign issuers, securities that are thinly

traded and/or securities such as certain high yield securities that do not routinely have readily available market quotations.

The Board of Directors has adopted policies and procedures against market timing, and the Funds discourage market timing or excessive trading. If you wish to engage in such practices, we request that you do not purchase shares of any of the Funds. Each Fund reserves the right to reject any request to purchase shares, including purchases in connection with an exchange transaction, that it reasonably determines to be market timing or excessive trading by a shareholder or accounts under common control. Transactions placed through the same authorized financial intermediary on an omnibus basis may be rejected in whole or in part by a Fund. Transactions accepted by an authorized financial intermediary in violation of the market timing/short-term trading policies and procedures are not deemed accepted by the Funds and may be cancelled or revoked by the Funds by the close of business on the next business day following receipt.

The policies and procedures of the Funds are intended to restrict transactions that are disruptive to the Funds or potentially disadvantageous to other shareholders. Although the Funds have adopted policies and procedures, the Funds may be dependant upon authorized financial intermediaries that offer the Funds' shares to assist in implementing these policies and procedures or may rely on the policies and procedures of such financial intermediaries. When considering if certain restrictions or limitations should be applied to shareholder transactions, the Funds' policies and procedures take into account, among other things, the following factors:

- the total dollar amount being transferred;
- the number of transfers made within the previous 12 months;
- transfers to and from (or from and to) the same Fund;
- whether a shareholder's transfers appear to follow a pattern designed to take advantage of short-term market fluctuations; and
- whether a shareholder's transfers appear to be part of a group of transfers made by a third party on behalf of individual shareholders in the group.

If it is determined that a shareholder's transfer patterns among the Fund and others are disruptive or potentially disadvantageous to other shareholders, the Fund will send the shareholder a letter notifying the shareholder that the Fund is prohibiting the shareholder from making any additional purchases for a 90-day period that begins on the date of the letter. This restriction will be applied

after the shareholder makes four “round trip transfers” during any prior 12-month period. A “round trip transfer” is a transfer (1) from the Fund followed by a transfer to the Fund or (2) to the Fund followed by a transfer from the Fund.

In their sole discretion, the Funds may revise their market timing procedures at any time without prior notice as they deem necessary or appropriate, including changing the criteria for monitoring market timing and other harmful trading (including, without limitation, imposing dollar or percentage limits on transfers). For purposes of applying the criteria used to detect potential market timing and other potentially harmful trading activity, the Funds may aggregate transfers made in two or more transactions that the Funds believe are connected (for example, two transactions by the same owner, or by spouses, or by different partnerships or corporations that are under common control, etc.).

Shareholders who seek to engage in programmed, frequent, or high volume transfer activity may deploy a variety of strategies to avoid detection, and the Funds’ or an authorized financial intermediary’s ability to detect and deter harmful trading activity may be limited by operational and information systems capabilities. Furthermore, the identification of investors determined to engage in harmful trading activity involves judgments that are inherently subjective. Accordingly, despite their best efforts, neither the Funds nor the authorized financial intermediaries that sell the Funds’ shares can guarantee that the policies and procedures will detect every potential market timer. The Funds apply the policies and procedures adopted by the Board of Directors consistently to all investors without special arrangement, waiver, or exception.

Because the Funds cannot guarantee that all harmful trading activity will be detected and because the cooperation of authorized financial intermediaries cannot be assured, shareholders bear the risks associated with such activity, including potential disruption of portfolio management, potentially lower performance, and higher expenses. Due to the risk that the Funds or a financial intermediary implementing the policies and procedures may not detect all harmful trading activity, it is possible that some shareholders may inadvertently be treated differently than shareholders who are not permitted to engage in harmful trading activity. Those shareholders that do not engage in harmful trading activity nonetheless will bear the costs associated with such activity.

**Class A Shares** — Class A shares are subject to a sales charge at the time of purchase. An order for Class A shares will be priced at a Fund’s NAV next calculated after the order is accepted by the Funds or an authorized financial

intermediary, plus the sales charge set forth below. The NAV, plus the sales charge, is the “offering price.” A Fund’s NAV is generally calculated as of the close of trading on every day the New York Stock Exchange (NYSE) is open. An order for Class A shares is priced at the NAV next calculated after the order is accepted by the Fund, plus the sales charge.

Amount of Order (Offering Price)	Sales Charge	
	As a Percentage of Offering Price	As a Percentage of Net Amount Invested
Less than \$50,000	5.75%	6.10%
\$50,000 to \$99,999	4.75%	4.99%
\$100,000 to \$249,999	3.75%	3.90%
\$250,000 to \$499,999	2.75%	2.83%
\$500,000 to \$999,999	2.00%	2.04%
\$1,000,000 or more*	None	None

\*Purchases of \$1,000,000 or more are not subject to a sales charge at the time of purchase, but are subject to a deferred sales charge of 1.00% if redeemed within one year following purchase. The deferred sales charge is a percentage of the lesser of the NAV of the shares redeemed or the net cost of such shares. Shares that are not subject to a deferred sales charge are redeemed first.

As indicated in the table above, substantial investments receive lower sales charge rates. In order to reduce your Class A sales charges, you, your spouse, and your dependents (under the age of 21) may combine all of your Fund investments into one purchase. You may also, under rights of accumulation, combine all previous purchases of the Fund with a contemplated current purchase and receive the reduced applicable front-end sales charge. In addition, you may submit a Statement of Intention to help reduce your sales charges. This Statement allows you to count all Class A investments within a 13-month period as if you were making all of the investments at the same time, in order to qualify for reduced sales charges. If you do not fulfill the commitment reflected in your Statement of Intention, you will bear the sales charge rate associated with your total purchases, less redemptions. The Funds also make available a reinstatement privilege to reduce your sales charges in the event you redeem your shares and then subsequently reinstate your account within 30 days. Furthermore, Class A shares of a Fund may be purchased without a sales charge when the purchase is made on the recommendation of (i) a registered investment adviser, trustee or financial intermediary who has authority to make investment decisions on behalf of the investor or (ii) a certified financial planner or registered broker-dealer who either charges periodic fees to its customers for financial planning, investment advisory or asset management services, or provides such services in connection with the establishment of an investment account for which a comprehensive “wrap fee” is imposed.

The Distributor must be notified when a purchase is made that may qualify under any of the above provisions. Consequently, an investor acquiring Class A shares directly from the Distributor must indicate in the purchase order that the purchase may qualify under any of the above provisions and must provide enough information to substantiate the claim. If an investor purchases Class A shares through an authorized financial intermediary, the investor must inform such intermediary of any facts, including any records required by the intermediary, that may qualify a purchase for any of the above provisions, such as other holdings of Class A shares held directly with the Funds or through other accounts with other authorized financial intermediaries.

Please see Appendix A and the Statement of Additional Information for a more detailed description of options that are available for reducing the sales charge applicable to purchases of Class A shares. For more information, you may also consult your broker or financial intermediary, or visit our website at [www.securitybenefit.com](http://www.securitybenefit.com). This website provides hyperlinks that facilitate access to information, stated in a clear and prominent format, that will assist you in determining means of reducing your Class A shares initial sales charge as well as provide other information on the Funds' sales loads and breakpoint discounts.

**Class A Distribution Plan** — The Funds have adopted a Class A Distribution Plan that allows each of the Funds to pay distribution fees to the Funds' Distributor. The Distributor uses the fees to pay for activities related to the sale of Class A shares and services provided to shareholders. The distribution and service fee is equal to 0.25% on an annual basis of the average daily net assets of the Funds' Class A shares. Because the distribution fees are paid out of the Funds' assets on an ongoing basis, over time these fees will increase the cost of a shareholder's investment and may cost an investor more than paying other types of sales charges.

**Class B Shares** — Class B shares are not subject to a sales charge at the time of purchase. An order for Class B shares will be priced at a Fund's NAV next calculated after the order is accepted by the Fund or an authorized financial intermediary. A Fund's NAV is generally calculated as of the close of trading on every day the NYSE is open.

Class B shares are subject to a deferred sales charge if redeemed within 5 years from the date of purchase. The deferred sales charge is a percentage of the NAV of the shares at the time they are redeemed or the original purchase price, whichever is less. Shares that are not subject to the deferred sales charge are redeemed first.

Then, shares held the longest will be the first to be redeemed.

The amount of the deferred sales charge is based upon the number of years since the shares were purchased, as follows:

Number of Years Since Purchase	Deferred Sales Charge
1	5%
2	4%
3	3%
4	3%
5	2%
6 and more	0%

The Distributor will waive the deferred sales charge under certain circumstances. See the section titled "Waiver of the Deferred Sales Charge."

**Class B Distribution Plan** — Each Fund, with the exception of All Cap Value Fund and Small Cap Value Fund, has adopted a Class B Distribution Plan that allows each of the Funds to pay distribution fees to the Distributor. The Distributor uses the fees to finance activities related to the sale of Class B shares and services to shareholders. The distribution and service fee is equal to 1.00% on an annual basis of the average daily net assets of the Funds' Class B shares. Because the distribution fees are paid out of the respective Fund's assets on an ongoing basis, over time these fees will increase the cost of a shareholder's investment and may cost an investor more than paying other types of sales charges.

Class B shares automatically convert on a tax-free basis to Class A shares on the eighth anniversary of purchase. This is advantageous to such shareholders because Class A shares are subject to a lower distribution fee than Class B shares. A pro rata amount of Class B shares purchased through the reinvestment of dividends or other distributions is also converted to Class A shares each time the shares purchased directly are converted.

**Class C Shares** — Class C shares are not subject to a sales charge at the time of purchase. An order for Class C shares will be priced at a Fund's NAV next calculated after the order is accepted by the Fund or an authorized financial intermediary. A Fund's NAV is generally calculated as of the close of trading on every day the NYSE is open.

Class C shares are subject to a deferred sales charge of 1.00% if redeemed within one year from the date of purchase. The deferred sales charge is a percentage of the NAV of the shares at the time they are redeemed or the original purchase price, whichever is less. Shares that are

not subject to the deferred sales charge are redeemed first. Then, shares held the longest will be the first to be redeemed. The Distributor will waive the deferred sales charge under certain circumstances. See the section titled “Waiver of Deferred Sales Charge.”

**Class C Distribution Plan** — The Funds have adopted a Class C Distribution Plan that allows each of the Funds to pay distribution fees to the Distributor. The Distributor uses the fees to finance activities related to the sale of Class C shares and services to shareholders. The distribution and service fee is equal to 1.00% on an annual basis of the average daily net assets of the Funds’ Class C shares. Because the distribution fees are paid out of the Funds’ assets on an ongoing basis, over time these fees will increase the cost of a shareholder’s investment and may cost an investor more than paying other types of sales charges.

**Waiver of Deferred Sales Charge** — The Distributor will waive the deferred sales charge (when applicable) under the following circumstances:

- Upon the death of the shareholder if shares are redeemed within one year of the shareholder’s death
- Upon the disability of the shareholder prior to age 65 if shares are redeemed within one year of the shareholder becoming disabled and the shareholder was not disabled when the shares were purchased
- In connection with required minimum distributions from a retirement plan qualified under Section 401(a), 401(k), 403(b) or 408 of the Internal Revenue Code (“Code”)
- In connection with distributions from retirement plans qualified under Section 401(a), 401(k) or 403(b) of the Code for:
  - returns of excess contributions to the plan
  - retirement of a participant in the plan
  - a loan from the plan (loan repayments are treated as new sales for purposes of the deferred sales charge)
  - financial hardship (as defined in regulations under the Code) of a participant in a plan
  - termination of employment of a participant in a plan
  - any other permissible withdrawal under the terms of the plan.

**Revenue Sharing Payments** — The Investment Manager, Distributor or their affiliates may, out of their own resources and at no additional costs to the Funds or

shareholders, make payments to financial intermediaries (including payments to affiliates of the Investment Manager or Distributor). Such payments, commonly referred to as “revenue sharing,” do not increase Fund expenses and are not reflected in the fees and expenses listed in the expense table of this prospectus. Such compensation may be paid to intermediaries for (without limitation) marketing support and/or access to sales meetings, sales representatives and management representatives of the intermediary. Such compensation may also be paid to intermediaries for inclusion of the Funds on a sales list, including a preferred or select sales list, or in other sales programs. Revenue sharing may also be paid to intermediaries that provide services to the Funds or to shareholders, including (without limitation) shareholder servicing, sub-administration or sub-transfer agency services. The compensation received by such intermediaries via these payments may be more or less than the overall compensation received by the intermediaries in connection with the sale of other investment products and may influence the products offered or recommended by the intermediary. Additional information about these arrangements is provided in the Statement of Additional Information. Shareholders also may obtain more information about these arrangements, including associated conflicts of interest, from their intermediary and should so inquire if they would like more detailed information. Shareholders also may inquire of an intermediary how the intermediary will be compensated for investments made in the Funds.

## Selling Shares

A shareholder may sell (or “redeem”) shares at any time through his or her authorized financial intermediary or directly through the Fund’s transfer agent. Shares will be redeemed at the NAV next determined after the order is received by the Fund’s transfer agent or an authorized financial intermediary, less any applicable deferred sales charge and in the case of Global Fund Class A shares, any applicable redemption charge. A Fund’s NAV is generally calculated as of the close of trading on every day the NYSE is open. Any share certificates representing Fund shares being sold must be returned with a request to sell the shares.

When redeeming recently purchased shares, if the Fund has not collected payment for the shares, it may delay sending the proceeds until it has collected payment, which may take up to 15 days.

**By Mail** — To sell shares by mail, send a letter of instruction that includes:

- The name and signature of the account owner(s)

- The name of the Fund
- The dollar amount or number of shares to sell
- Where to send the proceeds
- A signature guarantee if
  - The check will be mailed to a payee or address different than that of the account owner, or
  - The sale of shares is more than \$25,000.

A signature guarantee helps protect against fraud. Banks, brokers, credit unions, national securities exchanges and savings associations provide signature guarantees. A notary public is not an eligible signature guarantor. For joint accounts, both signatures must be guaranteed.

Mail your request to:

Security Investors, LLC  
P.O. Box 750525  
Topeka, KS 66675-9135

Signature requirements vary based on the type of account you have:

- **Individual or Joint Tenants:** Written instructions must be signed by an individual shareholder, or in the case of joint accounts, all of the shareholders, exactly as the name(s) appears on the account.
- **UGMA or UTMA:** Written instructions must be signed by the custodian as it appears on the account.
- **Sole Proprietor or General Partner:** Written instructions must be signed by an authorized individual as it appears on the account.
- **Corporation or Association:** Written instructions must be signed by the person(s) authorized to act on the account. A certified resolution dated within six months of the date of receipt, authorizing the signer to act, must accompany the request if not on file with the Funds.
- **Trust:** Written instructions must be signed by the trustee(s). If the name of the current trustee(s) does not appear on the account, a certified certificate of incumbency dated within 60 days must also be submitted.
- **Retirement:** Written instructions must be signed by the account owner.

**By Telephone** — If you selected this option on your account application, you may make redemptions from your account by calling 1-800-888-2461 on weekdays (except holidays) between 7:00 a.m. and 6:00 p.m.

Central Time. The Funds require that requests for redemptions over \$25,000 be in writing with signatures guaranteed. You may not close your account by telephone or redeem shares for which a certificate has been issued. If you would like to establish this option on an existing account, please call 1-800-888-2461. Shareholders may not redeem shares held in an Individual Retirement Account (“IRA”) or 403(b)(7) account by telephone.

**By Broker** — You may redeem your shares through your authorized financial intermediary. Such intermediaries may charge a commission upon the redemption of shares.

**Payment of Redemption Proceeds** — Payments may be made by check. Redemption proceeds (less any redemption charge payable with respect to Global Fund Class A shares) will be sent to the shareholder(s) of record at the address on our records generally within seven days after receipt of a valid redemption request. For a charge of \$20 deducted from redemption proceeds, the Investment Manager will, upon the shareholder’s request, send the redemption proceeds by express mail or send the proceeds by wire transfer to the shareholder’s bank account upon receipt of appropriate wire transfer instructions.

In addition, redemption proceeds can be sent by electronic funds transfer, free of charge, to the shareholder’s bank account.

The Funds may suspend the right of redemption during any period when trading on the NYSE is restricted or the NYSE is closed for a reason other than weekend or holiday, or any emergency is deemed to exist by the Securities and Exchange Commission.

**Redemption Charge (Global Fund Class A Shares)** — The Global Fund, like all of the Funds, is intended for long-term investors. Investors who engage in frequent, short-term trading in the Global Fund’s shares can disrupt the Fund’s investment program. Accordingly, the Global Fund imposes a 2% charge on redemptions (including exchanges) of Global Fund Class A shares that have been held for 30 days or less, which charge is paid to Global Fund to protect the Fund’s long-term shareholders. The Global Fund uses the “first-in, first-out” method to determine the 30-day holding period, under which shares that have been held the longest will be the first to be redeemed to satisfy a redemption or exchange order. If any of the shares redeemed have been held for 30 days or less, the redemption charge will be charged against the redemption of those shares.

The redemption charge does not apply to Class B or Class C shares of Global Fund. In addition, the redemp-

tion charge does not apply to (1) Class A shares held in retirement plans purchased from the Investment Manager or an affiliate or that are administered by the Investment Manager or an affiliate, such as 401(k), 403(b), 457, Keogh, SIMPLE IRA, SEP-IRA and money purchase pension accounts, (2) Class A shares purchased through the reinvestment of dividends or capital gains distributions, (3) redemptions in an amount less than \$10,000, or (4) redemptions and/or exchanges made through pre-approved asset allocation programs. The Global Fund reserves the right to waive the redemption charge in its discretion.

## Dividends and Taxes

Each Fund pays its shareholders dividends from its net investment income, and distributes any net capital gains that it has realized, at least annually. Your dividends and distributions will be reinvested in the Fund, unless you instruct the Investment Manager otherwise. There are no fees or sales charges on reinvestments.

**Tax on Distributions** — Fund dividends and distributions are taxable to shareholders (unless your investment is in an IRA or other tax-advantaged retirement account) whether you reinvest your dividends or distributions or take them in cash.

In addition to federal tax, dividends and distributions may be subject to state and local taxes. If a Fund declares a dividend or distribution in October, November or December but pays it in January, you may be taxed on that dividend or distribution as if you received it in the previous year.

Current tax law generally provides for a maximum tax rate for individual taxpayers of 15% on long-term gains and from certain qualifying dividends on corporate stock. These rate reductions do not apply to corporate taxpayers or to foreign shareholders. The following are guidelines for how certain distributions by the Funds are generally taxed to individual taxpayers:

- Distributions of earnings from qualifying dividends and qualifying long-term capital gains will be taxed at a maximum rate of 15%.
- Distributions of earnings from dividends paid by certain “qualified foreign corporations” can also qualify for the lower tax rates on qualifying dividends.
- A shareholder will also have to satisfy a more than 60-day holding period with respect to any distributions of qualifying dividends in order to obtain the benefit of the lower tax rate.

- Distributions of earnings from non-qualifying dividends, interest income, other types of ordinary income and short-term capital gains will be taxed at the ordinary income tax rate applicable to the taxpayer.

The favorable tax treatment for qualified dividends and the lower rates on long-term capital gains are currently scheduled to expire after 2010.

Tax-deferred retirement accounts generally do not generate a tax liability unless you are taking a distribution or making a withdrawal.

A Fund has “short-term capital gains” when it sells assets within one year after buying them. Your share of a Fund’s net short-term capital gains will be taxed at ordinary income rates. The Fund has “long-term capital gains” when it sells assets that it has owned for more than one year. Distributions designated by a Fund as long-term capital gain distributions will be taxable to you at your long-term capital gains rate no matter how long you have held your Fund shares.

The Funds will mail you information concerning the tax status of the distributions for each calendar year on or before January 31 of the following year.

**Taxes on Sales or Exchanges** — You may be taxed on any sale or exchange of Fund shares. The amount of gain or loss will depend primarily upon how much you pay for the shares, how much you sell them for, and how long you hold them. “Short-term capital gains” applies to Fund shares sold or exchanged up to one year after buying them. “Long-term capital gains” applies to shares held for more than one year.

If your tax basis in your shares exceeds the amount of proceeds you received from a sale, exchange or redemption of shares, you will recognize a taxable loss on the sale of shares of a Fund. Any loss recognized on shares held for six months or less will be treated as long-term capital loss to the extent of any long-term capital gain distributions that were received with respect to the shares. Additionally, any loss realized on a sale, redemption or exchange of shares of a Fund may be disallowed under “wash sale” rules to the extent the shares disposed of are replaced with other shares of that Fund within a period of 61 days beginning thirty days before and ending thirty days after shares are disposed of, such as pursuant to a dividend reinvestment in shares of that Fund. If disallowed, the loss will be reflected in an adjustment to the tax basis of the shares acquired.

**Backup Withholding** — As with all mutual funds, a Fund may be required to withhold U.S. federal income tax 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; rather, it is a way in which the Internal Revenue Service ensures it will collect taxes otherwise due. Any amounts withheld may be credited against your U.S. federal income tax liability.

If more than 50% of the value of a Fund's total assets at the close of its taxable year consists of securities of foreign corporations, that Fund will be eligible and may elect to treat a proportionate amount of certain foreign taxes paid by it as a distribution to each shareholder which would permit each shareholder (1) to credit this amount or (2) to deduct this amount for purposes of computing its U.S. federal income tax liability. The Fund will notify you if it makes this election.

You should consult your tax professional about federal, state and local tax consequences to you of an investment in the Fund. Please see the Statement of Additional Information for additional tax information.

## Determination of Net Asset Value

The NAV of each Fund is computed as of the close of regular trading hours on the NYSE (normally 3:00 p.m. Central Time) on days when the NYSE is open. The NYSE is open Monday through Friday, except on observation of the following holidays: New Year's Day, Martin Luther King, Jr. Day, Presidents' Day, Good Friday, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day.

Foreign securities are valued based on quotations from the primary market in which they are traded and are converted from the local currency into U.S. dollars using current exchange rates. Foreign securities may trade in their primary markets on weekends or other days when the Funds do not price their shares. Therefore, the NAV of Funds holding foreign securities may change on days when shareholders will not be able to buy or sell shares of the Funds.

Portfolio securities and other investments are valued at market value when market quotations are readily available. Securities traded on a domestic securities exchange are valued at the last sale price on that exchange on the day the valuation is made, provided, however, that securities listed on Nasdaq will be valued at the Nasdaq Official Closing Price, which may not necessarily

represent the last sale price. If no sale is reported, the last current bid price is used. Securities traded over-the-counter are valued at the last current bid price. Market quotations for securities prices may be obtained from automated pricing services. Investments in securities maturing in 60 days or less may be valued at amortized cost.

When a market quotation for a security is not readily available (which may include closing prices deemed to be unreliable because of the occurrence of a subsequent event), the Investment Manager, in good faith, establishes a fair value for the security in accordance with the Funds' valuation procedures. The types of securities for which such fair value pricing may be required include, but are not limited to: foreign securities, where a significant event occurs after the close of the foreign market on which such security principally trades, but before the close of the NYSE, that is likely to have changed the value of such security, or the closing value is otherwise deemed unreliable; securities of an issuer that has entered into a restructuring; securities whose trading has been halted or suspended; fixed-income securities that have gone into default and for which there is no current market value quotation; and securities that are restricted as to transfer or resale.

Valuing securities at fair value involves greater reliance on judgment than valuing securities that have readily available market quotations. Fair value determinations can also involve reliance on quantitative models employed by a fair value pricing service. The Investment Manager makes such determinations in good faith in accordance with the Funds' valuation procedures. There can be no assurance that a Fund could obtain the fair value assigned to a security if it were to sell the security at approximately the time at which the Fund determines its net asset value per share.

For further information about valuation of investments, see the Statement of Additional Information.

## Shareholder Services

**Accumulation Plan** — An investor may choose to invest in one of the Funds through a voluntary Accumulation Plan. This allows for an initial investment of \$100 minimum and subsequent investments of \$20 minimum at any time. An Accumulation Plan involves no obligation to make periodic investments and is terminable at will.

Payments are made by sending a check to the Distributor who (acting as an agent for the dealer) will purchase whole and fractional shares of a Fund as of the close of business on such day as the payment is received. The

investor will receive a confirmation and statement after each investment.

Investors may also choose to use an Automatic Investment Plan (automatic bank draft) to make Fund purchases. There is no additional charge for choosing to use an Automatic Investment Plan. Withdrawals from your bank account may occur up to three business days before the date scheduled to purchase Fund shares. An application for an Automatic Investment Plan may be obtained from the Funds.

**Systematic Withdrawal Program** — Shareholders who wish to receive regular monthly, bi-monthly, quarterly, semiannual, or annual payments of \$25 or more may establish a Systematic Withdrawal Program. A shareholder may elect a payment that is a specified percentage of the initial or current account value or a specified dollar amount. A Systematic Withdrawal Program will be allowed only if shares with a current aggregate net asset value of \$5,000 or more are deposited with the Investment Manager, which will act as agent for the shareholder under the Program. Shares are liquidated at NAV. The Program may be terminated on written notice, or it will terminate automatically if all shares are liquidated or redeemed from the account.

A shareholder may establish a Systematic Withdrawal Program with respect to Class B and Class C shares without the imposition of any applicable contingent deferred sales charge, provided that such withdrawals do not in any 12-month period, beginning on the date the Program is established, exceed 10% of the value of the account on that date ("Free Systematic Withdrawals"). Free Systematic Withdrawals are not available if a Program established with respect to Class B or Class C shares provides for withdrawals in excess of 10% of the value of the account in any Program year and, as a result, all withdrawals under such a Program would be subject to any applicable contingent deferred sales charge. Free Systematic Withdrawals will be made first by redeeming those shares that are not subject to the contingent deferred sales charge and then by redeeming shares held the longest. The contingent deferred sales charge applicable to a redemption of Class B or Class C shares requested while Free Systematic Withdrawals are being made will be calculated as described under "Class B Shares" or "Class C Shares," as applicable. A Systematic Withdrawal form may be obtained from the Funds.

**Exchange Privilege** — Shareholders of the Funds may exchange their shares for shares of another Fund or for shares of other mutual funds distributed by the Funds' Distributor. An exchange is two transactions: a sale of shares of one fund and the purchase of shares of another fund. In general, the same policies that apply to purchases

and sales apply to exchanges, including a Fund's right to reject any order to purchase shares.

Shares of a particular class of the Funds may be exchanged only for shares of the same class of another available Fund or for Class A shares of Security Cash Fund, if available. In addition, shareholders should note that Class A shares may be exchanged for Institutional Class shares of funds distributed by the Funds' Distributor if the shareholder meets the minimum initial investment and the specific eligibility requirements, which are described in a different prospectus. Shareholders should consult that prospectus prior to making such an exchange. A copy of the prospectus may be requested by contacting the Funds' Distributor.

Exchanges may be made only in those states where shares of the Fund into which an exchange is to be made are qualified for sale. No service fee or sales charge is presently imposed on such an exchange; however, any applicable redemption charge will be imposed on an exchange of Global Fund Class A shares held for 30 days or less. Any applicable contingent deferred sales charge will be imposed upon redemption and calculated from the date of the initial purchase without regard to the time shares were held in Security Cash Fund. For tax purposes, an exchange is a sale of shares that may result in a taxable gain or loss. Special rules may apply to determine the amount of gain or loss on an exchange occurring within 90 days after purchase of the exchanged shares. Exchanges are made upon receipt of a properly completed Exchange Authorization form. Before exchanging your shares for shares of another mutual fund that is distributed by the Distributor and offered through another prospectus, you should request the prospectus of the mutual fund into which you are contemplating exchanging your shares and review it carefully, as the other mutual fund may be subject to fees, charges or expenses that are different from the shares that you are exchanging. A current prospectus of the Fund into which an exchange is made will be given to each shareholder exercising this privilege.

The terms of an employee-sponsored retirement plan may affect a shareholder's right to exchange shares as described above. Contact your plan sponsor or administrator to determine if all of the exchange options discussed above are available under your plan.

To exchange shares by telephone, a shareholder must hold shares in non-certificate form and must either have completed the Telephone Exchange section of the application or a Telephone Transfer Authorization form which may be obtained from the Investment Manager. Once authorization has been received by the Investment Manager, a shareholder may exchange shares by telephone by calling the Funds at 1-800-888-2461, on week-

days (except holidays) between the hours of 7:00 a.m. and 6:00 p.m. Central Time. Exchange requests received by telephone after the close of the NYSE (normally 3:00 p.m. Central Time) will be treated as if received on the next business day. The exchange privilege, including telephone exchanges, dollar cost averaging and asset rebalancing, may be changed or discontinued at any time by either the Investment Manager or the Funds upon 60 days' notice to shareholders.

The exchange privilege is not intended as a vehicle for short-term or excessive trading. Because excessive trading by a shareholder can hurt a Fund's performance and its other shareholders, the Funds reserve the right to limit the amount or number of exchanges or discontinue this privilege if (1) a Fund or its Investment Manager believes that the Fund would be harmed or unable to invest effectively, or (2) a Fund receives or anticipates simultaneous orders that may significantly affect the Fund. The Funds also may reject future investments from a shareholder if the shareholder engages in, or is suspected of engaging in, short-term or excessive trading.

**Dollar Cost Averaging.** This option allows shareholders to make periodic exchanges of shares to one or more of the Funds available under the exchange privilege as described above. Such periodic exchanges in which securities are purchased at regular intervals are known as "dollar cost averaging." With dollar cost averaging, the cost of the securities is averaged over time and possibly over various market cycles. Dollar cost averaging does not guarantee profits, nor does it assure that a shareholder will not have losses.

Shareholders may obtain a dollar cost averaging request form from the Investment Manager. Shareholders designate on the form whether amounts are to be exchanged on the basis of a specific dollar amount or a specific number of shares. The Investment Manager will exchange shares as requested on the first business day of the month.

The Investment Manager will make exchanges until account value is depleted or until you instruct the Investment Manager to terminate dollar cost averaging. Dollar cost averaging may be terminated at any time by written request to the Investment Manager.

**Asset Rebalancing.** This option allows shareholders to automatically exchange shares of those Funds available under the exchange privilege as described above on a quarterly basis to maintain a particular percentage allocation among the Funds. Shares of such Funds must be held in non-certificated form. Account value allocated to a Fund will grow or decline in value at different rates

during the selected period, and asset rebalancing will automatically reallocate account value in the Funds to the allocation you select on a quarterly basis.

Shareholders may obtain an asset rebalancing request form from the Investment Manager. You must designate on the form the applicable Funds and the percentage of account value to be maintained in each Fund. Thereafter, the Investment Manager will exchange shares of the Funds to maintain that allocation on the first business day of each calendar quarter. Asset rebalancing may be terminated at any time by written request to the Investment Manager.

**Retirement Plans** — The Funds have available tax-qualified retirement plans for individuals, prototype plans for the self-employed, pension and profit sharing plans for corporations and custodial accounts for employees of public school systems and organizations meeting the requirements of Section 501(c)(3) of the Code. Further information concerning these plans is contained in the Funds' Statement of Additional Information.

## General Information

**Shareholder Inquiries** — Shareholders who have questions concerning their account or wish to obtain additional information may call the Funds (see back cover for address and telephone numbers) or contact their securities dealer.

## Financial Highlights

The financial highlights table is intended to help you understand the financial performance of the Funds' Class A shares, Class B shares and Class C shares, as applicable, during the past five years (except All Cap Value Fund), or the period since commencement of a Fund or share class. 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 (or lost) on an investment in a Fund assuming reinvestment of all dividends and distributions. The information for the fiscal years ended September 30 has been derived from financial statements that have been audited by Ernst & Young LLP, whose report, along with the Funds' financial statements, are included in the annual report, which is available upon request.

Since the All Cap Value Fund had not commenced operations prior to the most recent reporting period, financial highlights information has not been provided.

**SECURITY LARGE CAP VALUE FUND (Class A)**

	Fiscal period ended September 30				
	<u>2008(b)(c)</u>	<u>2007(b)(c)</u>	<u>2006(c)</u>	<u>2005(c)(i)</u>	<u>2004(c)</u>
<b>Per Share Data</b>					
Net asset value beginning of period.....	\$ 9.18	\$ 7.65	\$ 6.78	\$ 5.71	\$ 5.11
<b>Income from Investment Operations:</b>					
Net investment income (loss) .....	0.05	0.04	0.01	0.03	0.01
Net gain (loss) on securities (realized and unrealized).....	<u>(2.14)</u>	<u>1.49</u>	<u>0.90</u>	<u>1.04</u>	<u>0.60</u>
Total from investment operations .....	(2.09)	1.53	0.91	1.07	0.61
<b>Less Distributions:</b>					
Dividends (from net investment income).....	(0.04)	---	(0.04)	---	(0.01)
Distributions (from realized gains).....	<u>(0.33)</u>	---	---	---	---
Total distributions .....	<u>(0.37)</u>	---	<u>(0.04)</u>	---	<u>(0.01)</u>
Net asset value end of period .....	<u>\$ 6.72</u>	<u>\$ 9.18</u>	<u>\$ 7.65</u>	<u>\$ 6.78</u>	<u>\$ 5.71</u>
Total return (a) .....	(23.45)%	20.04%	13.45%	18.74%	11.98%
<b>Ratios/Supplemental Data</b>					
Net assets end of period (thousands) .....	\$66,902	\$79,998	\$64,786	\$45,295	\$43,071
Ratio of expenses to average net assets.....	1.25%	1.27%	1.49%	1.61%	1.52%
Ratio of net investment income (loss) to average net assets .....	0.68%	0.51%	0.17%	0.56%	0.19%
Portfolio turnover rate .....	48%	25%	54%	110%	75%

**SECURITY LARGE CAP VALUE FUND (Class B)**

	Fiscal period ended September 30				
	<u>2008(b)(c)(k)</u>	<u>2007(b)(c)(k)</u>	<u>2006(c)</u>	<u>2005(c)(i)</u>	<u>2004(c)</u>
<b>Per Share Data</b>					
Net asset value beginning of period.....	\$ 8.58	\$ 7.18	\$ 6.38	\$ 5.42	\$ 4.87
<b>Income from Investment Operations:</b>					
Net investment income (loss) .....	0.07	(0.01)	(0.04)	(0.01)	(0.03)
Net gain (loss) on securities (realized and unrealized).....	<u>(2.02)</u>	<u>1.41</u>	<u>0.84</u>	<u>0.97</u>	<u>0.58</u>
Total from investment operations .....	(1.95)	1.40	0.80	0.96	0.55
<b>Less Distributions:</b>					
Dividends (from net investment income).....	(0.01)	---	---	---	---
Distributions (from realized gains).....	<u>(0.33)</u>	---	---	---	---
Total distributions .....	<u>(0.34)</u>	---	---	---	---
Net asset value end of period .....	<u>\$ 6.29</u>	<u>\$ 8.58</u>	<u>\$ 7.18</u>	<u>\$ 6.38</u>	<u>\$ 5.42</u>
Total return (a) .....	(23.39)%	19.50%	12.54%	17.71%	11.29%
<b>Ratios/Supplemental Data</b>					
Net assets end of period (thousands) .....	\$8,097	\$13,784	\$12,761	\$8,500	\$10,164
Ratio of expenses to average net assets.....	1.00%	1.85%	2.26%	2.36%	2.27%
Ratio of net investment income (loss) to average net assets .....	0.93%	(0.08)%	(0.58)%	(0.16)%	(0.57)%
Portfolio turnover rate .....	48%	25%	54%	110%	75%

**SECURITY LARGE CAP VALUE FUND (Class C)**

	Fiscal period ended September 30				
	<u>2008(b)(c)</u>	<u>2007(b)(c)</u>	<u>2006(c)</u>	<u>2005(c)(i)</u>	<u>2004(c)</u>
<b>Per Share Data</b>					
Net asset value beginning of period.....	\$ 8.72	\$ 7.31	\$ 6.49	\$ 5.52	\$ 4.96
<b>Income from Investment Operations:</b>					
Net investment income (loss) .....	---	(0.02)	(0.04)	(0.01)	(0.03)
Net gain (loss) on securities (realized and unrealized).....	<u>(2.04)</u>	<u>1.43</u>	<u>0.86</u>	<u>0.98</u>	<u>0.59</u>
Total from investment operations .....	(2.04)	1.41	0.82	0.97	0.56
<b>Less Distributions:</b>					
Dividends (from net investment income).....	(0.33)	---	---	---	---
Distributions (from realized gains).....	---	---	---	---	---
Total distributions .....	<u>(0.33)</u>	---	---	---	---
<b>Net asset value end of period .....</b>	<b><u>\$ 6.35</u></b>	<b><u>\$ 8.72</u></b>	<b><u>\$ 7.31</u></b>	<b><u>\$ 6.49</u></b>	<b><u>\$ 5.52</u></b>
<b>Total return (a) .....</b>	<b>(24.09)%</b>	<b>19.29%</b>	<b>12.63%</b>	<b>17.57%</b>	<b>11.29%</b>
<b>Ratios/Supplemental Data</b>					
Net assets end of period (thousands) .....	\$4,410	\$5,717	\$3,536	\$2,899	\$2,561
Ratio of expenses to average net assets.....	2.00%	2.02%	2.25%	2.36%	2.28%
Ratio of net investment income (loss) to average net assets .....	(0.07)%	(0.23)%	(0.60)%	(0.18)%	(0.57)%
Portfolio turnover rate.....	48%	25%	54%	110%	75%

<b>SECURITY EQUITY FUND (CLASS A)</b>					
	<b>Fiscal period ended September 30</b>				
	<b><u>2008(c)(m)</u></b>	<b><u>2007(c)</u></b>	<b><u>2006(c)</u></b>	<b><u>2005(c)</u></b>	<b><u>2004(c)</u></b>
<b>Per Share Data</b>					
Net asset value beginning of period.....	\$ 6.84	\$ 6.85	\$ 6.58	\$ 6.50	\$ 5.98
<b>Income from Investment Operations:</b>					
Net investment income (loss) .....	0.01	---	(0.01)	0.04	0.01
Net gain (loss) on securities (realized and unrealized).....	<u>(1.61)</u>	<u>0.69</u>	<u>0.52</u>	<u>0.49</u>	<u>0.52</u>
Total from investment operations .....	(1.60)	0.69	0.51	0.53	0.53
<b>Less Distributions:</b>					
Dividends (from net investment income).....	---	---	(0.04)	---	(0.01)
Distributions (from realized gains).....	(0.97)	(0.70)	(0.20)	(0.45)	---
Return of capital .....	<u>(0.01)</u>	---	---	---	---
Total distributions .....	<u>(0.98)</u>	<u>(0.70)</u>	<u>(0.24)</u>	<u>(0.45)</u>	<u>(0.01)</u>
Net asset value end of period .....	<b><u>\$ 4.26</u></b>	<b><u>\$ 6.84</u></b>	<b><u>\$ 6.85</u></b>	<b><u>\$ 6.58</u></b>	<b><u>\$ 6.50</u></b>
Total return (a) .....	<b>(26.12)%</b>	<b>10.33%</b>	<b>7.88%</b>	<b>8.20%</b>	<b>8.87%</b>
<b>Ratios/Supplemental Data</b>					
Net assets end of period (thousands) .....	\$205,908	\$322,850	\$371,006	\$375,280	\$391,384
Ratio of expenses to average net assets.....	1.36%	1.34%	1.34%	1.30%	1.28%
Ratio of net investment income (loss) to average net assets .....	0.15%	0.02%	(0.08)%	0.57%	0.08%
Portfolio turnover rate .....	111%	20%	34%	32%	28%

<b>SECURITY EQUITY FUND (Class B)</b>					
	<b>Fiscal period ended September 30</b>				
	<b><u>2008(c)(m)</u></b>	<b><u>2007(c)</u></b>	<b><u>2006(c)</u></b>	<b><u>2005(c)</u></b>	<b><u>2004(c)</u></b>
<b>Per Share Data</b>					
Net asset value beginning of period.....	\$ 5.89	\$ 6.04	\$ 5.83	\$ 5.85	\$ 5.41
<b>Income from Investment Operations:</b>					
Net investment income (loss) .....	(0.03)	(0.04)	(0.05)	(0.01)	(0.04)
Net gain (loss) on securities (realized and unrealized).....	<u>(1.35)</u>	<u>0.59</u>	<u>0.46</u>	<u>0.44</u>	<u>0.48</u>
Total from investment operations .....	(1.38)	0.55	0.41	0.43	0.44
<b>Less Distributions:</b>					
Dividends (from net investment income).....	---	---	---	---	---
Distributions (from realized gains).....	(0.97)	(0.70)	(0.20)	(0.45)	---
Return of capital .....	<u>(0.01)</u>	---	---	---	---
Total distributions .....	<u>(0.98)</u>	<u>(0.70)</u>	<u>(0.20)</u>	<u>(0.45)</u>	---
Net asset value end of period .....	<b><u>\$ 3.53</u></b>	<b><u>\$ 5.89</u></b>	<b><u>\$ 6.04</u></b>	<b><u>\$ 5.83</u></b>	<b><u>\$ 5.85</u></b>
Total return (a) .....	<b>(26.69)%</b>	<b>9.33%</b>	<b>7.16%</b>	<b>7.35%</b>	<b>8.13%</b>
<b>Ratios/Supplemental Data</b>					
Net assets end of period (thousands) .....	\$10,621	\$19,928	\$27,842	\$39,962	\$49,600
Ratio of expenses to average net assets.....	2.11%	2.09%	2.09%	2.05%	2.03%
Ratio of net investment income (loss) to average net assets .....	(0.61)%	(0.74)%	(0.83)%	(0.16)%	(0.67)%
Portfolio turnover rate .....	111%	20%	34%	32%	28%

**SECURITY EQUITY FUND (Class C)**

	<b>Fiscal period ended September 30</b>				
	<u>2008(c)(m)</u>	<u>2007(c)</u>	<u>2006(c)</u>	<u>2005(c)</u>	<u>2004(c)</u>
<b>Per Share Data</b>					
Net asset value beginning of period.....	\$ 6.28	\$ 6.39	\$ 6.16	\$ 6.16	\$ 5.69
<b>Income from Investment Operations:</b>					
Net investment income (loss) .....	(0.03)	(0.05)	(0.05)	(0.01)	(0.04)
Net gain (loss) on securities (realized and unrealized).....	<u>(1.46)</u>	<u>0.64</u>	<u>0.48</u>	<u>0.46</u>	<u>0.51</u>
Total from investment operations .....	(1.49)	0.59	0.43	0.45	0.47
<b>Less Distributions:</b>					
Dividends (from net investment income).....	---	---	---	---	---
Distributions (from realized gains).....	(0.97)	(0.70)	(0.20)	(0.45)	---
Return of capital .....	<u>(0.01)</u>	---	---	---	---
Total distributions .....	<u>(0.98)</u>	<u>(0.70)</u>	<u>(0.20)</u>	<u>(0.45)</u>	---
<b>Net asset value end of period .....</b>	<b><u>\$ 3.81</u></b>	<b><u>\$ 6.28</u></b>	<b><u>\$ 6.39</u></b>	<b><u>\$ 6.16</u></b>	<b><u>\$ 6.16</u></b>
<b>Total return (a) .....</b>	<b>(26.79)%</b>	<b>9.45%</b>	<b>7.10%</b>	<b>7.32%</b>	<b>8.26%</b>
<b>Ratios/Supplemental Data</b>					
Net assets end of period (thousands) .....	\$2,915	\$5,048	\$5,794	\$5,706	\$6,329
Ratio of expenses to average net assets.....	2.11%	2.09%	2.09%	2.05%	2.03%
Ratio of net investment income (loss) to average net assets .....	(0.60)%	(0.73)%	(0.83)%	(0.18)%	(0.67)%
Portfolio turnover rate .....	111%	20%	34%	32%	28%

**SECURITY ALPHA OPPORTUNITY FUND (Class A)**

	Fiscal period ended September 30				
	2008 <u>(b)(c)(d)(n)</u>	2007 <u>(b)(c)(d)</u>	2006 <u>(b)(c)(d)</u>	2005 <u>(b)(c)(d)</u>	2004 <u>(b)(c)(d)</u>
<b>Per Share Data</b>					
Net asset value beginning of period.....	\$13.94	\$12.23	\$12.37	\$11.79	\$10.21
<b>Income from Investment Operations:</b>					
Net investment income (loss) .....	(0.16)	(0.01)	(0.06)	(0.10)	(0.16)
Net gain (loss) on securities (realized and unrealized).....	<u>(1.68)</u>	<u>2.99</u>	<u>0.93</u>	<u>1.50</u>	<u>2.33</u>
Total from investment operations .....	(1.84)	2.98	0.87	1.40	2.17
<b>Less Distributions:</b>					
Dividends (from net investment income).....	---	---	---	---	---
Distributions (from realized gains).....	(2.57)	(1.27)	(1.01)	(0.82)	(0.59)
Return of capital .....	<u>(0.16)</u>	---	---	---	---
Total distributions .....	<u>(2.73)</u>	<u>(1.27)</u>	<u>(1.01)</u>	<u>(0.82)</u>	<u>(0.59)</u>
Net asset value end of period .....	<u>\$ 9.37</u>	<u>\$13.94</u>	<u>\$12.23</u>	<u>\$12.37</u>	<u>\$11.79</u>
Total return (a) .....	(15.99)%	26.10%	7.39%	12.26%	21.68%
<b>Ratios/Supplemental Data</b>					
Net assets end of period (thousands) .....	\$30,615	\$25,072	\$20,595	\$14,622	\$6,556
Ratio of expenses to average net assets.....	3.32%	2.88%	3.10%	2.86%	2.79%
Net expenses prior to performance adjustment (j).....	2.75%	2.77%	2.82%	2.78%	2.78%
Ratio of net investment income (loss) to average net assets .....	(1.44)%	(0.08)%	(0.50)%	(0.83)%	(1.48)%
Portfolio turnover rate .....	1248%	1697%	1302%	1502%	1175%

**SECURITY ALPHA OPPORTUNITY FUND (Class B)**

	Fiscal period ended September 30				
	2008 <u>(b)(c)(d)(n)</u>	2007 <u>(b)(c)(d)</u>	2006 <u>(b)(c)(d)</u>	2005 <u>(b)(c)(d)</u>	2004 <u>(b)(c)(c)</u>
<b>Per Share Data</b>					
Net asset value beginning of period.....	\$13.42	\$11.90	\$12.15	\$11.68	\$10.20
<b>Income from Investment Operations:</b>					
Net investment income (loss) .....	(0.23)	(0.09)	(0.15)	(0.18)	(0.25)
Net gain (loss) on securities (realized and unrealized).....	<u>(1.59)</u>	<u>2.88</u>	<u>0.91</u>	<u>1.47</u>	<u>2.32</u>
Total from investment operations .....	(1.82)	2.79	0.76	1.29	2.07
<b>Less Distributions:</b>					
Dividends (from net investment income).....	---	---	---	---	---
Distributions (from realized gains).....	(2.57)	(1.27)	(1.01)	(0.82)	(0.59)
Return of capital .....	<u>(0.16)</u>	---	---	---	---
Total distributions .....	<u>(2.73)</u>	<u>(1.27)</u>	<u>(1.01)</u>	<u>(0.82)</u>	<u>(0.59)</u>
Net asset value end of period .....	<u>\$ 8.87</u>	<u>\$13.42</u>	<u>\$11.90</u>	<u>\$12.15</u>	<u>\$11.68</u>
Total return (a) .....	(16.66)%	25.14%	6.56%	11.39%	20.68%
<b>Ratios/Supplemental Data</b>					
Net assets end of period (thousands) .....	\$5,391	\$3,154	\$4,846	\$4,106	\$2,324
Ratio of expenses to average net assets.....	4.04%	3.59%	3.85%	3.61%	3.53%
Net expenses prior to performance fee adjustment (j) .....	3.49%	3.51%	3.57%	3.53%	3.53%
Ratio of net investment income (loss) to average net assets .....	(2.18)%	(0.77)%	(1.24)%	(1.60)%	(2.25)%
Portfolio turnover rate .....	1248%	1697%	1302%	1502%	1175%

**SECURITY ALPHA OPPORTUNITY FUND (Class C)**

	Fiscal period ended September 30				
	2008 <u>(b)(c)(d)(n)</u>	2007 <u>(b)(c)(d)</u>	2006 <u>(b)(c)(d)</u>	2005 <u>(b)(c)(d)</u>	2004 <b><u>(b)(c)</u></b>
<b>Per Share Data</b>					
Net asset value beginning of period.....	\$13.43	\$11.90	\$12.15	\$11.68	\$10.20
<b>Income from Investment Operations:</b>					
Net investment income (loss) .....	(0.23)	(0.10)	(0.15)	(0.18)	(0.25)
Net gain (loss) on securities (realized and unrealized).....	<u>(1.60)</u>	<u>2.90</u>	<u>0.91</u>	<u>1.47</u>	<u>2.32</u>
Total from investment operations .....	(1.83)	2.80	0.76	1.29	2.07
<b>Less Distributions:</b>					
Dividends (from net investment income).....	---	---	---	---	---
Distributions (from realized gains).....	(2.57)	(1.27)	(1.01)	(0.82)	(0.59)
Return of capital .....	<u>(0.16)</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>
Total distributions .....	<u>(2.73)</u>	<u>(1.27)</u>	<u>(1.01)</u>	<u>(0.82)</u>	<u>(0.59)</u>
<b>Net asset value end of period .....</b>	<b><u>\$ 8.87</u></b>	<b><u>\$13.43</u></b>	<b><u>\$11.90</u></b>	<b><u>\$12.15</u></b>	<b><u>\$11.68</u></b>
<b>Total return (a) .....</b>	<b>(16.63)%</b>	<b>25.24%</b>	<b>6.56%</b>	<b>11.39%</b>	<b>20.68%</b>
<b>Ratios/Supplemental Data</b>					
Net assets end of period (thousands) .....	\$4,935	\$4,216	\$5,576	\$7,813	\$3,143
Ratio of expenses to average net assets.....	4.09%	3.60%	3.83%	3.61%	3.53%
Net expenses prior to performance fee adjustment (j) .....	3.51%	3.51%	3.57%	3.53%	3.53%
Ratio of net investment income (loss) to average net assets .....	(2.21)%	(0.77)%	(1.18)%	(1.58)%	(2.24)%
Portfolio turnover rate .....	1248%	1697%	1302%	1502%	1175%

<b>SECURITY GLOBAL FUND (Class A)</b>					
	<b>Fiscal period ended September 30</b>				
	<b>2008(c)(d)(o)</b>	<b>2007(c)(l)</b>	<b>2006(c)</b>	<b>2005(c)</b>	<b>2004(c)(f)</b>
<b>Per Share Data</b>					
Net asset value beginning of period.....	\$20.69	\$19.65	\$17.47	\$13.93	\$11.68
<b>Income from Investment Operations:</b>					
Net investment income (loss) .....	0.05	0.06	(0.03)	(0.02)	(0.03)
Net gain on securities (realized and unrealized).....	<u>(3.63)</u>	<u>3.60</u>	<u>2.21</u>	<u>3.56</u>	<u>2.28</u>
Total from investment operations .....	(3.58)	3.66	2.18	3.54	2.25
<b>Less Distributions</b>					
Dividends (from net investment income)...	(0.04)	---	---	---	---
Distributions (from realized gains).....	<u>(6.72)</u>	<u>(2.62)</u>	<u>---</u>	<u>---</u>	<u>---</u>
Total distributions .....	<u>(6.76)</u>	<u>(2.62)</u>	<u>---</u>	<u>---</u>	<u>---</u>
<b>Net asset value end of period .....</b>	<b><u>\$10.35</u></b>	<b><u>\$20.69</u></b>	<b><u>\$19.65</u></b>	<b><u>\$17.47</u></b>	<b><u>\$13.93</u></b>
<b>Total return (a) .....</b>	<b>(25.16)%</b>	<b>20.07%</b>	<b>12.48%</b>	<b>25.41%</b>	<b>19.26%</b>
<b>Ratios/Supplemental Data</b>					
Net assets end of period (thousands) .....	\$88,782	\$145,158	\$119,176	\$127,970	\$98,450
Ratio of expenses to average net assets.....	1.73%	1.69%	1.75%	1.73%	1.79%
Ratio of net investment income (loss) to average net assets .....	0.33%	0.29%	(0.17)%	(0.14)%	(0.20)%
Portfolio turnover rate.....	280%	162%	28%	31%	25%

<b>SECURITY GLOBAL FUND (Class B)</b>					
	<b>Fiscal period ended September 30</b>				
	<b>2008 (c)(d)(h)(o)</b>	<b>2007(c)(h)(l)</b>	<b>2006(c)(h)</b>	<b>2005(c)(h)</b>	<b>2004(c)(f)</b>
<b>Per Share Data</b>					
Net asset value beginning of period.....	\$18.96	\$18.17	\$16.12	\$12.93	\$10.93
<b>Income from Investment Operations:</b>					
Net investment income (loss) .....	0.07	0.09	0.02	(0.12)	(0.13)
Net gain on securities (realized and unrealized).....	<u>(3.17)</u>	<u>3.32</u>	<u>2.03</u>	<u>3.31</u>	<u>2.13</u>
Total from investment operations .....	(3.10)	3.41	2.05	3.19	2.00
<b>Less Distributions:</b>					
Dividends (from net investment income).....	(0.09)	---	---	---	---
Distributions (from realized gains).....	<u>(6.72)</u>	<u>(2.62)</u>	<u>---</u>	<u>---</u>	<u>---</u>
Total distributions .....	<u>(6.81)</u>	<u>(2.62)</u>	<u>---</u>	<u>---</u>	<u>---</u>
<b>Net asset value end of period .....</b>	<b><u>\$ 9.05</u></b>	<b><u>\$18.96</u></b>	<b><u>\$18.17</u></b>	<b><u>\$16.12</u></b>	<b><u>\$12.93</u></b>
<b>Total return (a) .....</b>	<b>(24.91)%</b>	<b>20.36%</b>	<b>12.72%</b>	<b>24.67%</b>	<b>18.30%</b>
<b>Ratios/Supplemental Data</b>					
Net assets end of period (thousands) .....	\$15,303	\$29,659	\$27,494	\$28,999	\$28,360
Ratio of expenses to average net assets.....	1.48%	1.44%	1.50%	2.38%	2.54%
Ratio of net investment income (loss) to average net assets .....	0.55%	0.50%	0.11%	(0.80)%	(1.00)%
Portfolio turnover rate.....	280%	162%	28%	31%	25%

**SECURITY GLOBAL FUND (Class C)**

	Fiscal period ended September 30				
	<u>2008(c)(d)(o)</u>	<u>2007(c)(l)</u>	<u>2006(c)(d)</u>	<u>2005(c)</u>	<u>2004(c)(f)</u>
<b>Per Share Data</b>					
Net asset value beginning of period.....	\$19.00	\$18.37	\$16.46	\$13.22	\$11.17
<b>Income from Investment Operations:</b>					
Net investment income (loss) .....	(0.05)	(0.09)	(0.15)	(0.13)	(0.13)
Net gain (loss) on securities (realized and unrealized).....	<u>(3.18)</u>	<u>3.34</u>	<u>2.06</u>	<u>3.37</u>	<u>2.18</u>
Total from investment operations .....	(3.23)	3.25	1.91	3.24	2.05
<b>Less Distributions:</b>					
Dividends (from net investment income).....	---	---	---	---	---
Distributions (from realized gains).....	<u>(6.73)</u>	<u>(2.62)</u>	<u>---</u>	<u>---</u>	<u>---</u>
Total distributions .....	<u>(6.73)</u>	<u>(2.62)</u>	<u>---</u>	<u>---</u>	<u>---</u>
<b>Net asset value end of period .....</b>	<b><u>\$ 9.04</u></b>	<b><u>\$19.00</u></b>	<b><u>\$18.37</u></b>	<b><u>\$16.46</u></b>	<b><u>\$13.22</u></b>
<b>Total return (a) .....</b>	<b>(25.69)%</b>	<b>19.14%</b>	<b>11.60%</b>	<b>24.51%</b>	<b>18.35%</b>
<b>Ratios/Supplemental Data</b>					
Net assets end of period (thousands) .....	\$7,866	\$12,449	\$10,361	\$8,841	\$7,557
Ratio of expenses to average net assets.....	2.49%	2.44%	2.51%	2.48%	2.54%
Ratio of net investment income (loss) to average net assets .....	(0.44)%	(0.48)%	(0.87)%	(0.90)%	(1.02)%
Portfolio turnover rate.....	280%	162%	28%	31%	25%

**SECURITY MID CAP VALUE FUND (Class A)**

	Fiscal period ended September 30				
	<u>2008(c)</u>	<u>2007(c)</u>	<u>2006(c)</u>	<u>2005(c)</u>	<u>2004(c)</u>
<b>Per Share Data</b>					
Net asset value beginning of period.....	\$40.79	\$38.27	\$36.34	\$30.45	\$24.48
<b>Income from Investment Operations:</b>					
Net investment income (loss) .....	0.25	0.25	0.04	0.01	(0.09)
Net gain (loss) on securities (realized and unrealized).....	<u>(4.77)</u>	<u>4.59</u>	<u>3.96</u>	<u>8.16</u>	<u>6.32</u>
Total from investment operations .....	(4.52)	4.84	4.00	8.17	6.23
<b>Less Distributions:</b>					
Dividends (from net investment income).....	(0.14)	(0.23)	---	---	---
Distributions (from realized gains).....	(7.72)	(2.09)	(2.07)	(2.28)	(0.26)
Return of capital .....	---	---	---	---	---
Total distributions .....	<u>(7.86)</u>	<u>(2.32)</u>	<u>(2.07)</u>	<u>(2.28)</u>	<u>(0.26)</u>
Net asset value end of period .....	<u>\$28.41</u>	<u>\$40.79</u>	<u>\$38.27</u>	<u>\$36.34</u>	<u>\$30.45</u>
Total return (a) .....	(12.48)%	12.96%	11.44%	27.77%	25.59%
<b>Ratios/Supplemental Data</b>					
Net assets end of period (thousands) .....	\$656,044	\$687,484	\$596,074	\$373,031	\$215,659
Ratio of expenses to average net assets.....	1.37%	1.32%	1.36%	1.41%	1.48%
Ratio of net investment income (loss) to average net assets .....	0.79%	0.61%	0.10%	0.04%	(0.31)%
Portfolio turnover rate .....	68%	44%	33%	19%	45%

**SECURITY MID CAP VALUE FUND (Class B)**

	Fiscal period ended September 30				
	<u>2008(c)</u>	<u>2007(c)</u>	<u>2006(c)</u>	<u>2005(c)</u>	<u>2004(c)</u>
<b>Per Share Data</b>					
Net asset value beginning of period.....	\$36.78	\$34.76	\$33.43	\$28.37	\$22.99
<b>Income from Investment Operations:</b>					
Net investment income (loss) .....	---	(0.04)	(0.23)	(0.22)	(0.28)
Net gain (loss) on securities (realized and unrealized).....	<u>(4.23)</u>	<u>4.15</u>	<u>3.63</u>	<u>7.56</u>	<u>5.92</u>
Total from investment operations .....	(4.23)	4.11	3.40	7.34	5.64
<b>Less Distributions:</b>					
Dividends (from net investment income).....	---	---	---	---	---
Distributions (from realized gains).....	(7.72)	(2.09)	(2.07)	(2.28)	(0.26)
Return of capital .....	---	---	---	---	---
Total distributions .....	<u>(7.72)</u>	<u>(2.09)</u>	<u>(2.07)</u>	<u>(2.28)</u>	<u>(0.26)</u>
Net asset value end of period .....	<u>\$24.83</u>	<u>\$36.78</u>	<u>\$34.76</u>	<u>\$33.43</u>	<u>\$28.37</u>
Total return (a) .....	(13.14)%	12.10%	10.60%	26.83%	24.67%
<b>Ratios/Supplemental Data</b>					
Net assets end of period (thousands) .....	\$66,641	\$106,179	\$108,784	\$97,664	\$74,650
Ratio of expenses to average net assets.....	2.12%	2.07%	2.11%	2.16%	2.23%
Ratio of net investment income (loss) to average net assets .....	(0.01)%	(0.10)%	(0.68)%	(0.72)%	(1.07)%
Portfolio turnover rate .....	68%	44%	33%	19%	45%

**SECURITY MID CAP VALUE FUND (Class C)**

	<b>Fiscal period ended September 30</b>				
	<u>2008(c)</u>	<u>2007(c)</u>	<u>2006(c)</u>	<u>2005(c)</u>	<u>2004(c)</u>
<b>Per Share Data</b>					
Net asset value beginning of period.....	\$37.54	\$35.43	\$34.03	\$28.85	\$23.37
<b>Income from Investment Operations:</b>					
Net investment income (loss) .....	---	(0.05)	(0.22)	(0.21)	(0.29)
Net gain (loss) on securities (realized and unrealized).....	<u>(4.33)</u>	<u>4.25</u>	<u>3.69</u>	<u>7.67</u>	<u>6.03</u>
Total from investment operations .....	(4.33)	4.20	3.47	7.46	5.74
<b>Less Distributions:</b>					
Dividends (from net investment income).....	---	---	---	---	---
Distributions (from realized gains).....	(7.72)	(2.09)	(2.07)	(2.28)	(0.26)
Return of capital .....	---	---	---	---	---
Total distributions .....	<u>(7.72)</u>	<u>(2.09)</u>	<u>(2.07)</u>	<u>(2.28)</u>	<u>(0.26)</u>
<b>Net asset value end of period .....</b>	<b><u>\$25.49</u></b>	<b><u>\$37.54</u></b>	<b><u>\$35.43</u></b>	<b><u>\$34.03</u></b>	<b><u>\$28.85</u></b>
<b>Total return (a) .....</b>	<b>(13.15)%</b>	<b>12.13%</b>	<b>10.62%</b>	<b>26.80%</b>	<b>24.70%</b>
<b>Ratios/Supplemental Data</b>					
Net assets end of period (thousands) .....	\$113,192	\$176,746	\$152,579	\$93,887	\$54,133
Ratio of expenses to average net assets.....	2.12%	2.07%	2.11%	2.16%	2.23%
Ratio of net investment income (loss) to average net assets .....	(0.01)%	(0.12)%	(0.65)%	(0.71)%	(1.06)%
Portfolio turnover rate .....	68%	44%	33%	19%	45%

**SECURITY SMALL CAP GROWTH FUND (Class A)**

	Fiscal period ended September 30				
	<u>2008(c)</u>	<u>2007(c)</u>	<u>2006(c)</u>	<u>2005(c)</u>	<u>2004(c)</u>
<b>Per Share Data</b>					
Net asset value beginning of period.....	\$18.53	\$15.63	\$15.76	\$13.11	\$11.63
<b>Income from Investment Operations:</b>					
Net investment income (loss) .....	(0.24)	(0.23)	(0.23)	(0.24)	(0.25)
Net gain (loss) on securities (realized and unrealized).....	<u>(5.55)</u>	<u>3.13</u>	<u>0.10</u>	<u>2.89</u>	<u>1.73</u>
Total from investment operations .....	(5.79)	2.90	(0.13)	2.65	1.48
<b>Less Distributions:</b>					
Dividends (from net investment income).....	---	---	---	---	---
Distributions (from realized gains).....	<u>(1.31)</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>
Total distributions.....	<u>(1.31)</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>
Net asset value end of period .....	<u>\$11.43</u>	<u>\$18.53</u>	<u>\$15.63</u>	<u>\$15.76</u>	<u>\$13.11</u>
Total return (a).....	(33.25)%	18.55%	(0.82)%	20.21%	12.73%
<b>Ratios/Supplemental Data</b>					
Net assets end of period (thousands) .....	\$12,414	\$45,430	\$45,451	\$22,637	\$21,443
Ratio of expenses to average net assets.....	1.98%	1.80%	2.01%	2.10%	2.09%
Ratio of net investment income (loss) to average net assets .....	(1.59)%	(1.32)%	(1.46)%	(1.67)%	(1.95)%
Portfolio turnover rate.....	169%	145%	136%	134%	157%

**SECURITY SMALL CAP GROWTH FUND (Class B)**

	Fiscal period ended September 30				
	<u>2008(c)</u>	<u>2007(c)(d)</u>	<u>2006(c)</u>	<u>2005(c)</u>	<u>2004(c)(d)</u>
<b>Per Share Data</b>					
Net asset value beginning of period.....	\$16.92	\$14.38	\$14.60	\$12.24	\$10.94
<b>Income from Investment Operations:</b>					
Net investment income (loss) .....	(0.32)	(0.33)	(0.36)	(0.33)	(0.33)
Net gain (loss) on securities (realized and unrealized).....	<u>(5.01)</u>	<u>2.87</u>	<u>0.14</u>	<u>2.69</u>	<u>1.63</u>
Total from investment operations .....	(5.33)	2.54	(0.22)	2.36	1.30
<b>Less Distributions:</b>					
Dividends (from net investment income)...	---	---	---	---	---
Distributions (from realized gains).....	<u>(1.31)</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>
Total distributions .....	<u>(1.31)</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>
Net asset value end of period .....	<u>\$10.28</u>	<u>\$16.92</u>	<u>\$14.38</u>	<u>\$14.60</u>	<u>\$12.24</u>
Total return (a).....	(33.72)%	17.66%	(1.51)%	19.28%	11.88%
<b>Ratios/Supplemental Data</b>					
Net assets end of period (thousands) .....	\$2,675	\$5,792	\$5,919	\$8,283	\$9,218
Ratio of expenses to average net assets.....	2.82%	2.56%	2.79%	2.85%	2.84%
Ratio of net investment income (loss) to average net assets .....	(2.42)%	(2.07)%	(2.31)%	(2.41)%	(2.69)%
Portfolio turnover rate.....	169%	145%	136%	134%	157%

**SECURITY SMALL CAP GROWTH FUND (Class C)**

	Fiscal period ended September 30				
	<u>2008(c)</u>	<u>2007(c)(d)</u>	<u>2006(c)</u>	<u>2005(c)</u>	<u>2004(c)(d)</u>
<b>Per Share Data</b>					
Net asset value beginning of period.....	\$17.23	\$14.64	\$14.88	\$12.47	\$11.15
<b>Income from Investment Operations:</b>					
Net investment income (loss) .....	(0.33)	(0.33)	(0.35)	(0.33)	(0.33)
Net gain (loss) on securities (realized and unrealized).....	<u>(5.11)</u>	<u>2.92</u>	<u>0.11</u>	<u>2.74</u>	<u>1.65</u>
Total from investment operations .....	(5.44)	2.59	(0.24)	2.41	1.32
<b>Less Distributions:</b>					
Dividends (from net investment income).....	---	---	---	---	---
Distributions (from realized gains).....	<u>(1.31)</u>	---	---	---	---
Total distributions .....	<u>(1.31)</u>	---	---	---	---
<b>Net asset value end of period .....</b>	<b><u>\$10.48</u></b>	<b><u>\$17.23</u></b>	<b><u>\$14.64</u></b>	<b><u>\$14.88</u></b>	<b><u>\$12.47</u></b>
<b>Total return (a) .....</b>	<b>(33.76)%</b>	<b>17.69%</b>	<b>(1.61)%</b>	<b>19.33%</b>	<b>11.84%</b>
<b>Ratios/Supplemental Data</b>					
Net assets end of period (thousands) .....	\$2,318	\$3,964	\$4,304	\$4,420	\$4,160
Ratio of expenses to average net assets.....	2.83%	2.56%	2.79%	2.85%	2.83%
Ratio of net investment income (loss) to average net assets .....	(2.43)%	(2.07)%	(2.29)%	(2.42)%	(2.69)%
Portfolio turnover rate.....	169%	145%	136%	134%	157%

**SECURITY SMALL CAP VALUE FUND (Class A)**

	Fiscal period ended September 30
	<u>2008(b)(c)(p)</u>
<b>Per Share Data</b>	
Net asset value beginning of period.....	\$10.00
<b>Income from Investment Operations:</b>	
Net investment income (loss) .....	---
Net gain (loss) on securities (realized and unrealized).....	<u>1.48</u>
Total from investment operations .....	1.48
<b>Less Distributions:</b>	
Dividends (from net investment income).....	---
Distributions (from realized gains).....	---
Total distributions .....	---
<b>Net asset value end of period .....</b>	<b><u>\$11.48</u></b>
<b>Total return (a) .....</b>	<b>14.80%</b>
<b>Ratios/Supplemental Data</b>	
Net assets end of period (thousands) .....	\$400
Ratio of expenses to average net assets.....	1.55%
Ratio of net investment income (loss) to average net assets .....	(0.19)%
Portfolio turnover rate .....	86%

**SECURITY SMALL CAP VALUE FUND (Class C)**

	Fiscal period ended September 30
	<u>2008(b)(c)(p)</u>
<b>Per Share Data</b>	
Net asset value beginning of period.....	\$10.00
<b>Income from Investment Operations:</b>	
Net investment income (loss) .....	(0.02)
Net gain (loss) on securities (realized and unrealized).....	<u>1.48</u>
Total from investment operations .....	1.46
<b>Less Distributions:</b>	
Dividends (from net investment income).....	---
Distributions (from realized gains).....	---
Total distributions .....	---
<b>Net asset value end of period .....</b>	<b><u>\$11.46</u></b>
<b>Total return (a) .....</b>	<b>14.60%</b>
<b>Ratios/Supplemental Data</b>	
Net assets end of period (thousands) .....	\$391
Ratio of expenses to average net assets.....	2.30%
Ratio of net investment income (loss) to average net assets .....	(0.94)%
Portfolio turnover rate .....	86%

**SECURITY SELECT 25 FUND (Class A)**

	Fiscal period ended September 30				
	<u>2008(b)(c)(h)</u>	<u>2007(b)(c)</u>	<u>2006(c)(e)</u>	<u>2005(c)</u>	<u>2004(c)</u>
<b>Per Share Data</b>					
Net asset value beginning of period.....	\$10.66	\$ 9.86	\$ 9.36	\$ 7.81	\$ 7.27
<b>Income from Investment Operations:</b>					
Net investment income (loss) .....	(0.02)	(0.01)	(0.06)	(0.07)	(0.06)
Net gain (loss) on securities (realized and unrealized).....	<u>(2.87)</u>	<u>0.81</u>	<u>0.56</u>	<u>1.62</u>	<u>0.60</u>
Total from investment operations .....	(2.89)	0.80	0.50	1.55	0.54
<b>Less Distributions:</b>					
Dividends (from net investment income).....	---	---	---	---	---
Distributions (from realized gains).....	<u>(0.86)</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>
Total distributions .....	<u>(0.86)</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>
Net asset value end of period .....	<u>\$ 6.91</u>	<u>\$10.66</u>	<u>\$ 9.86</u>	<u>\$ 9.36</u>	<u>\$ 7.81</u>
Total return (a) .....	(28.85)%	8.11%	5.34%	19.85%	7.43%
<b>Ratios/Supplemental Data</b>					
Net assets end of period (thousands) .....	\$23,723	\$30,375	\$30,078	\$8,912	\$9,228
Ratio of expenses to average net assets.....	1.35%	1.40%	1.76%	1.67%	1.56%
Ratio of net investment income (loss) to average net assets .....	(0.20)%	(0.10)%	(0.68)%	(0.79)%	(0.75)%
Portfolio turnover rate .....	198%	21%	39%	13%	44%

**SECURITY SELECT 25 FUND (Class B)**

	Fiscal period ended September 30				
	<u>2008(b)(c)(h)</u>	<u>2007(b)(c)</u>	<u>2006(c)(e)</u>	<u>2005(c)</u>	<u>2004(c)</u>
<b>Per Share Data</b>					
Net asset value beginning of period.....	\$10.01	\$ 9.33	\$ 8.92	\$ 7.50	\$ 7.04
<b>Income from Investment Operations:</b>					
Net investment income (loss) .....	(0.08)	(0.09)	(0.13)	(0.13)	(0.11)
Net gain (loss) on securities (realized and unrealized).....	<u>(2.67)</u>	<u>0.77</u>	<u>0.54</u>	<u>1.55</u>	<u>0.57</u>
Total from investment operations .....	(2.75)	0.68	0.41	1.42	0.46
<b>Less Distributions:</b>					
Dividends (from net investment income)	---	---	---	---	---
Distributions (from realized gains).....	<u>(0.86)</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>
Total distributions .....	<u>(0.86)</u>	<u>---</u>	<u>---</u>	<u>---</u>	<u>---</u>
Net asset value end of period .....	<u>\$ 6.40</u>	<u>\$10.01</u>	<u>\$ 9.33</u>	<u>\$ 8.92</u>	<u>\$ 7.50</u>
Total return (a) .....	(29.36)%	7.29%	4.60%	18.93%	6.53%
<b>Ratios/Supplemental Data</b>					
Net assets end of period (thousands) .....	\$7,394	\$10,868	\$16,073	\$7,000	\$7,333
Ratio of expenses to average net assets.....	2.10%	2.15%	2.53%	2.42%	2.31%
Ratio of net investment income (loss) to average net assets .....	(0.95)%	(0.88)%	(1.46)%	(1.54)%	(1.50)%
Portfolio turnover rate .....	198%	21%	39%	13%	44%

**SECURITY SELECT 25 FUND (Class C)**

	Fiscal period ended September 30				
	<u>2008(b)(c)(h)</u>	<u>2007(b)(c)</u>	<u>2006(c)(e)</u>	<u>2005(c)</u>	<u>2004(c)</u>
<b>Per Share Data</b>					
Net asset value beginning of period.....	<b>\$10.04</b>	<b>\$ 9.36</b>	<b>\$ 8.94</b>	<b>\$ 7.52</b>	<b>\$ 7.06</b>
<b>Income from Investment Operations:</b>					
Net investment income (loss) .....	(0.08)	(0.08)	(0.13)	(0.13)	(0.11)
Net gain (loss) on securities (realized and unrealized).....	<u>(2.68)</u>	<u>0.76</u>	<u>0.55</u>	<u>1.55</u>	<u>0.57</u>
Total from investment operations .....	(2.76)	0.68	0.42	1.42	0.46
<b>Less Distributions:</b>					
Dividends (from net investment income).....	---	---	---	---	---
Distributions (from realized gains).....	<u>(0.86)</u>	---	---	---	---
Total distributions .....	<u>(0.86)</u>	---	---	---	---
<b>Net asset value end of period .....</b>	<b><u>\$ 6.42</u></b>	<b><u>\$10.04</u></b>	<b><u>\$ 9.36</u></b>	<b><u>\$ 8.94</u></b>	<b><u>\$ 7.52</u></b>
<b>Total return (a) .....</b>	<b>(29.37)%</b>	<b>7.26%</b>	<b>4.70%</b>	<b>18.88%</b>	<b>6.52%</b>
<b>Ratios/Supplemental Data</b>					
Net assets end of period (thousands) .....	\$5,501	\$11,245	\$12,777	\$5,029	\$5,866
Ratio of expenses to average net assets.....	2.10%	2.15%	2.52%	2.42%	2.31%
Ratio of net investment income (loss) to average net assets .....	(0.92)%	(0.86)%	(1.44)%	(1.54)%	(1.50)%
Portfolio turnover rate.....	198%	21%	39%	13%	44%

**SECURITY MID CAP GROWTH Fund (Class A)**

	Fiscal period ended September 30				
	<u>2008(c)(h)</u>	<u>2007(c)</u>	<u>2006(c)</u>	<u>2005(c)</u>	<u>2004(c)(g)</u>
<b>Per Share Data</b>					
Net asset value beginning of period.....	\$11.11	\$12.03	\$12.65	\$11.02	\$10.84
<b>Income from Investment Operations:</b>					
Net investment income (loss) .....	(0.05)	(0.08)	(0.12)	(0.10)	(0.13)
Net gain (loss) on securities (realized and unrealized).....	<u>(2.46)</u>	<u>0.35</u>	<u>0.47</u>	<u>2.46</u>	<u>0.71</u>
Total from investment operations .....	(2.51)	0.27	0.35	2.36	0.58
<b>Less Distributions:</b>					
Dividends (from net investment income).....	---	---	---	---	---
Distributions (from realized gains).....	<u>(2.14)</u>	<u>(1.19)</u>	<u>(0.97)</u>	<u>(0.73)</u>	<u>(0.40)</u>
Total distributions .....	<u>(2.14)</u>	<u>(1.19)</u>	<u>(0.97)</u>	<u>(0.73)</u>	<u>(0.40)</u>
Net asset value end of period .....	<u>\$ 6.46</u>	<u>\$11.11</u>	<u>\$12.03</u>	<u>\$12.65</u>	<u>\$11.02</u>
Total return (a) .....	(26.24)%	2.10%	2.81%	21.76%	5.23%
<b>Ratios/Supplemental Data</b>					
Net assets end of period (thousands) .....	\$71,655	\$160,544	\$192,159	\$183,676	\$149,715
Ratio of expenses to average net assets.....	1.50%	1.41%	1.40%	1.42%	1.41%
Ratio of net investment income (loss) to average net assets .....	(0.63)%	(0.67)%	(0.93)%	(0.85)%	(1.11)%
Portfolio turnover rate .....	191%	34%	41%	31%	50%

**SECURITY MID CAP GROWTH FUND (Class B)**

	Fiscal period ended September 30				
	<u>2008(c)(h)</u>	<u>2007(c)</u>	<u>2006(c)</u>	<u>2005(c)</u>	<u>2004(c)(g)</u>
<b>Per Share Data</b>					
Net asset value beginning of period.....	\$ 9.09	\$10.12	\$10.86	\$ 9.61	\$ 9.57
<b>Income from Investment Operations:</b>					
Net investment income (loss) .....	(0.09)	(0.14)	(0.18)	(0.16)	(0.19)
Net gain (loss) on securities (realized and unrealized).....	<u>(1.94)</u>	<u>0.30</u>	<u>0.41</u>	<u>2.14</u>	<u>0.63</u>
Total from investment operations .....	(2.03)	0.16	0.23	1.98	0.44
<b>Less Distributions:</b>					
Dividends (from net investment income).....	---	---	---	---	---
Distributions (from realized gains).....	<u>(2.14)</u>	<u>(1.19)</u>	<u>(0.97)</u>	<u>(0.73)</u>	<u>(0.40)</u>
Total distributions .....	<u>(2.14)</u>	<u>(1.19)</u>	<u>(0.97)</u>	<u>(0.73)</u>	<u>(0.40)</u>
Net asset value end of period .....	<u>\$ 4.92</u>	<u>\$ 9.09</u>	<u>\$10.12</u>	<u>\$10.86</u>	<u>\$ 9.61</u>
Total return (a) .....	(26.92)%	1.34%	2.12%	20.95%	4.44%
<b>Ratios/Supplemental Data</b>					
Net assets end of period (thousands) .....	\$7,711	\$14,877	\$22,010	\$27,115	\$26,578
Ratio of expenses to average net assets.....	2.26%	2.16%	2.15%	2.17%	2.16%
Ratio of net investment income (loss) to average net assets .....	(1.40)%	(1.43)%	(1.68)%	(1.61)%	(1.86)%
Portfolio turnover rate .....	191%	34%	41%	31%	50%

**SECURITY MID CAP GROWTH FUND (Class C)**

	Fiscal period ended September 30				
	<u>2008(c)(h)</u>	<u>2007(c)</u>	<u>2006(c)</u>	<u>2005(c)</u>	<u>2004(c)(g)</u>
<b>Per Share Data</b>					
Net asset value beginning of period.....	<b>\$10.11</b>	<b>\$11.13</b>	<b>\$11.84</b>	<b>\$10.43</b>	<b>\$10.34</b>
<b>Income from Investment Operations:</b>					
Net investment income (loss) .....	(0.10)	(0.15)	(0.19)	(0.18)	(0.21)
Net gain (loss) on securities (realized and unrealized).....	<u>(2.20)</u>	<u>0.32</u>	<u>0.45</u>	<u>2.32</u>	<u>0.70</u>
Total from investment operations .....	(2.30)	0.17	0.26	2.14	0.49
<b>Less Distributions:</b>					
Dividends (from net investment income).....	---	---	---	---	---
Distributions (from realized gains).....	<u>(2.14)</u>	<u>(1.19)</u>	<u>(0.97)</u>	<u>(0.73)</u>	<u>(0.40)</u>
Total distributions .....	<u>(2.14)</u>	<u>(1.19)</u>	<u>(0.97)</u>	<u>(0.73)</u>	<u>(0.40)</u>
<b>Net asset value end of period .....</b>	<b><u>\$ 5.67</u></b>	<b><u>\$10.11</u></b>	<b><u>\$11.13</u></b>	<b><u>\$11.84</u></b>	<b><u>\$10.43</u></b>
<b>Total return (a) .....</b>	<b>(26.87)%</b>	<b>1.31%</b>	<b>2.20%</b>	<b>20.83%</b>	<b>4.59%</b>
<b>Ratios/Supplemental Data</b>					
Net assets end of period (thousands) .....	\$6,452	\$10,717	\$15,505	\$16,330	\$14,759
Ratio of expenses to average net assets.....	2.26%	2.16%	2.15%	2.17%	2.16%
Ratio of net investment income (loss) to average net assets .....	(1.40)%	(1.43)%	(1.68)%	(1.60)%	(1.86)%
Portfolio turnover rate.....	191%	34%	41%	31%	50%

- (a) Total return information does not reflect deduction of any sales charges imposed at the time of purchase for Class A shares or upon redemption for Class A, Class B and Class C shares.
- (b) Fund expenses were reduced by the Investment Manager during the period. An expense reimbursement lowers the expense ratio and increases overall returns to investors. Expense ratios absent such reimbursement would have been as follows:

	Class	2008	2007	2006	2005	2004
Alpha Opportunity Fund	A	3.41%	2.88%	3.20%	2.94%	3.57%
	B	4.16%	3.59%	3.95%	3.69%	4.29%
	C	4.16%	3.60%	3.95%	3.68%	4.30%
Select 25 Fund	A	1.72%	1.57%	---	---	---
	B	2.47%	2.32%	---	---	---
	C	2.46%	2.32%	---	---	---
Large Cap Value Fund	A	1.36%	1.35%	---	---	---
	B	1.11%	1.92%	---	---	---
	C	2.11%	2.10%	---	---	---
Small Cap Value Fund	A	6.10%	---	---	---	---
	C	6.88%	---	---	---	---

- (c) Net investment income (loss) was computed using average shares outstanding throughout the period.
- (d) Expense ratios are calculated without reduction for custodian fees earnings credits. Expense ratios net of custodian fees earnings credits and applicable management fee reimbursements would have been as follows:

	Class	2008	2007	2006	2005	2004
Small Cap Growth Fund	A	---	---	---	---	---
	B	---	2.55%	---	---	2.83%
	C	---	2.55%	---	---	2.82%
Alpha Opportunity Fund	A	3.16%	2.68%	3.01%	2.86%	2.78%
	B	3.89%	3.39%	3.76%	3.61%	---
	C	3.93%	3.40%	3.75%	3.61%	---
Global Fund	A	1.72%	---	---	---	---
	B	1.47%	---	---	---	---
	C	2.47%	---	2.50%	---	---

- (e) Financial highlights for the Select 25 Fund exclude the historical financial highlights of Class A, B and C shares of Enhanced Index Fund, Large Cap Growth Fund, and the Social Awareness Fund. The assets of those Funds were acquired by the Select 25 Fund on June 16, 2006. A total of \$29,412,366 was excluded from purchases in the portfolio turnover calculation. This was the cost of the securities Select 25 Fund received as a result of the merger.
- (f) The financial highlights for the Global Fund exclude the historical financial highlights of the International Fund Class A, B and C shares. The assets of the International Fund were acquired by the Global Fund on October 3, 2003.
- (g) The financial highlights for the Mid Cap Growth Fund exclude the historical financial highlights of the Technology Fund Class A, B and C shares. The assets of the Technology Fund were acquired by the Mid Cap Growth Fund on October 3, 2003.
- (h) Effective August 25, 2005, Class B shares ceased charging 12b-1 fees in accordance with the NASD sales cap regulations. Per share information reflects this change. This fee may be reinstated at any time.
- (i) Security Investors, LLC (SI) became the Adviser of Security Large Cap Value Fund effective June 30, 2005. Prior to June 30, 2005, SI paid Dreyfus Corporation for sub-advisory services.
- (j) Net expenses prior to performance fee adjustment reflect ratios after expense waivers, reimbursements, custodian earnings credits, and before performance fee adjustments, as applicable.
- (k) Effective August 1, 2007, Class B shares ceased charging 12b-1 fees in accordance with the NASD sales cap regulations. Per share information reflects this change. This fee may be reinstated at any time.
- (l) Security Global Investors, LLC (SGI) became the Sub-Adviser of the Security Global Fund effective August 1, 2007. Prior to August 1, 2007, Security Investors, LLC (SI) paid OppenheimerFunds, Inc. for sub-advisory services.
- (m) Significant variation in the portfolio turnover rate is due to the Investment Manager's appointment of new portfolio managers for the Series.
- (n) Security Global Investors, LLC ("SGI") became the sub-adviser of 37.5% of the assets of the Alpha Opportunity Series effective August 18, 2008. Also effective August 18, 2008, Mainstream Investment Advisers, LLC ("Mainstream") sub-advises 37.5% of the assets, and Security Investors, LLC ("SI") manages 25% of the assets. Prior to August 18, 2008, SI paid Mainstream sub-advisory fees for 60% of the assets of the Series. SI managed the remaining 40% of the assets of the Series.
- (o) Significant variation in the portfolio turnover rate is due to the re-alignment of the Series' portfolio following the appointment of Security Global Investors, LLC as sub-adviser.
- (p) Security Small Cap Value Series was initially capitalized on July 11, 2008, with a net asset value of \$10 per share. Percentage amounts for the period except total return have been annualized.

## APPENDIX A

### Reduced Sales Charges

**Class A Shares** — Initial sales charges may be reduced or eliminated for persons or organizations purchasing Class A shares of the Funds alone or in combination with Class A shares of other Security Funds.

For purposes of qualifying for reduced sales charges on purchases made pursuant to Rights of Accumulation or a Statement of Intention, (i) the amount purchased is measured with respect to the offering price of the shares, and (ii) the term “Purchaser” includes the following persons: an individual, his or her spouse and children under the age of 21; a trustee or other fiduciary of a single trust estate or single fiduciary account established for their benefit; an organization exempt from federal income tax under Section 501(c)(3) or (13) of the Internal Revenue Code; or a pension, profit-sharing or other employee benefit plan whether or not qualified under Section 401 of the Internal Revenue Code.

**Rights of Accumulation** — To reduce sales charges on purchases of Class A shares of a Fund, a Purchaser may combine the current value of all its holdings of Class A shares of the Funds (including Class A accounts purchased at net asset value) with a contemplated current purchase and receive the applicable reduced front-end sales charge. Current share value may be more or less than at the time of purchase due to price fluctuations and account activity. The Distributor must be notified when a sale takes place which might qualify for the reduced charge on the basis of previous purchases.

Rights of accumulation also apply to purchases representing a combination of the Class A shares of the Funds and Class A shares of other Security Funds (except Security Cash Fund) in those states where shares of the Fund being purchased are qualified for sale.

**Statement of Intention** — A Purchaser may choose to sign a Statement of Intention within 90 days after the first purchase to be included thereunder, which will cover future purchases of Class A shares of the Funds and other Security Funds, except Security Cash Fund. The amount of these future purchases shall be specified and must be made within a 13-month period (or 36-month period for purchases of \$1 million or more) to become eligible for the reduced front-end sales charge applicable to the actual amount purchased under the Statement. Shares equal to five percent (5%) of the amount specified in the Statement of Intention will be held in escrow until the statement is completed or terminated. These shares may be redeemed

by the Fund if the Purchaser is required to pay additional sales charges.

A Statement of Intention may be revised during the 13-month (or, if applicable, 36-month) period. Additional Class A shares received from reinvestment of income dividends and capital gains distributions are included in the total amount used to determine reduced sales charges. A Statement of Intention may be obtained from the Funds.

**Reinstatement Privilege** — Shareholders who redeem their Class A shares of the Funds have a one-time privilege (1) to reinstate their accounts by purchasing Class A shares without a sales charge up to the dollar amount of the redemption proceeds; or (2) to the extent the redeemed shares would have been eligible for the exchange privilege, to purchase Class A shares of another of the Security Funds, without a sales charge up to the dollar amount of the redemption proceeds. To exercise this privilege, a shareholder must provide written notice and a check in the amount of the reinvestment within thirty days after the redemption request; the reinstatement will be made at the net asset value on the date received by the Fund or the Security Funds, as appropriate.

**Purchases at Net Asset Value** — Class A shares of the Funds may be purchased at net asset value by (1) directors, officers and employees of the Funds, the Funds’ Investment Manager or Distributor; directors, officers and employees of Security Benefit Life Insurance Company and its subsidiaries; agents licensed with Security Benefit Life Insurance Company; spouses or minor children of any such agents; as well as the following relatives of any such directors, officers and employees (and their spouses): spouses, grandparents, parents, children, grandchildren, siblings, nieces and nephews; (2) any trust, pension, profit sharing or other benefit plan established by any of the foregoing corporations for persons described above; (3) retirement plans where third party administrators of such plans have entered into certain arrangements with the Distributor or its affiliates provided that no commission is paid to dealers; and (4) officers, directors, partners or registered representatives (and their spouses and minor children) of broker-dealers who have a selling agreement with the Distributor. Such sales are made upon the written assurance of the purchaser that the purchase is made for investment purposes and that the securities will not be transferred or resold except through redemption or repurchase by or on behalf of the Funds.

Class A shares of the Funds may be purchased at net asset value when the purchase is made on the recommendation of (i) a registered investment adviser, trustee or financial intermediary who has authority to make investment decisions on behalf of the investor; or (ii) a certified financial planner or registered broker-dealer who either charges periodic fees to its customers for financial planning, investment advisory or asset management services, or provides such services in connection with the establishment of an investment account for which a comprehensive “wrap fee” is imposed. Class A shares may be purchased at net asset value by customers of financial intermediaries that have a contractual arrangement with the Distributor or Investment Manager where such contract provides for the waiver of the front-end sales charge. Class A shares of the Funds may also be purchased at net asset value when the purchase is made by retirement plans that (i) buy shares of the Security Funds worth \$500,000 or more; (ii) have 100 or more eligible employees at the time of purchase; (iii) certify it expects to have annual plan purchases of shares of Security Funds of \$200,000 or more; (iv) are provided administrative services by certain third-party adminis-

trators that have entered into a special service arrangement with the Security Funds relating to such plans; or (v) have at the time of purchase, aggregate assets of at least \$1,000,000. Purchases made pursuant to this provision may be subject to a deferred sales charge of up to 1% in the event of a redemption within one year of the purchase.

The Distributor must be notified when a purchase is made that qualifies under any of the above provisions. Consequently, when a Purchaser acquires shares directly from the Funds, he/she must indicate in his/her purchase order that such purchase qualifies under any of the above provisions and must provide enough information to substantiate that claim. When a Purchaser acquires shares through a broker/dealer or other financial intermediary, he/she must inform his/her broker/dealer or other financial intermediary of any facts that may qualify a purchase for any of the above provisions, such as, for example, information about other holdings of Class A shares of the Funds that the Purchaser has, directly with the Funds, or through other accounts with broker/dealers or financial intermediaries.

## For More Information

**By Telephone** — Call 1-800-888-2461.

**By Mail** — Write to:  
Security Investors, LLC  
One Security Benefit Place  
Topeka, KS 66636-0001

**On the Internet** — Reports and other information about the Funds can be viewed online or downloaded from:

**SEC:** On the EDGAR Database at <http://www.sec.gov>

**SI, LLC:** <http://www.securitybenefit.com>

Additional information about the Funds (including the Statement of Additional Information) can be reviewed and copied at the Securities and Exchange Commission's Public Reference Room in Washington, DC. Information about the operation of the Public Reference Room may be obtained by calling the Commission at 1-202-551-8090. Copies may be obtained, upon payment of a duplicating fee, by electronic request at the following e-mail address: [publicinfo@sec.gov](mailto:publicinfo@sec.gov) or by writing the Public Reference Section of the Commission, Washington, DC 20549-0102.

**Annual/Semi-Annual Report** — Additional information about the Funds' investments is available in the Funds' annual and semi-annual reports to shareholders. In the Funds' annual reports, you will find a discussion of the market conditions and investment strategies that significantly affected each Fund's performance during its last fiscal year.

**Statement of Additional Information** — The Funds' Statement of Additional Information and the Funds' annual or semi-annual reports are available, without charge, upon request by calling the Funds' toll-free telephone number 1-800-888-2461. Shareholder inquiries should be addressed to SI, LLC, One Security Benefit Place, Topeka, Kansas 66636-0001, or by calling the Funds' toll-free telephone number listed above. The Funds' Statement of Additional Information is incorporated into this prospectus by reference.

Each Fund's Investment Company Act file number is listed below:

Security Equity Fund.....	811-01136
• Security Equity Series	
• Security All Cap Value Series	
• Security Alpha Opportunity Series	
• Security Global Series	
• Security Mid Cap Value Series	
• Security Small Cap Growth Series	
• Security Small Cap Value Series	
• Security Select 25 Series	
Security Large Cap Value Fund.....	811-00487
Security Mid Cap Growth Fund .....	811-01316



## SECURITY BENEFIT PRIVACY POLICY

The privacy of Security Benefit's customers is of utmost importance to us. You provide nonpublic personal information ("NPI") to us in the course of doing business. We treat this information as confidential and restrict access to it.

We collect NPI about you from: (1) your requests for literature; (2) your applications and forms; (3) your financial advisor; and (4) your transactions with us. We do not sell information about current or former customers. We disclose information among our affiliates and to third parties as needed to process transactions or service your account. For example, we may contract with

third parties to send you statements. Also, we disclose information as required or permitted by law. Except with regard to California residents, we also may disclose information to companies: (1) that help us sell our products; and (2) with whom we jointly offer products. When we contract with others, we will require them to adhere to our privacy standards.

At Security Benefit, we restrict access to your NPI. Such information is given only to those who need it to provide products or services to you. We also maintain: (1) physical; (2) electronic; and (3) procedural safeguards to guard your NPI.

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This Privacy Policy applies to the following companies: Security Benefit Life Insurance Company, Security Benefit Corporation, Security Investors, LLC, Security Global Investors, LLC, Security Distributors, Inc., First Security Benefit Life Insurance and Annuity Company of New York, Security Financial Resources, Inc., Security Financial Resources Collective Investments, LLC, and the Security Funds. It also applies to UMB Bank, n.a., which is not related to Security Benefit Corporation, to the extent that UMB Bank, n.a. serves as Trustee of any Trust Account, Custodian of any Custodial Account, or provides other services to you.

### THIS PAGE IS NOT PART OF THE PROSPECTUS

SDI serves as the principal underwriter of the Security Funds. More information about SDI is available at <http://www.finra.org> or by calling 1-800-289-9999. You also can obtain an investor brochure from FINRA describing its Public Disclosure Program.