Supplement dated December 19, 2016
to the Prospectus dated May 1, 2016, as supplemented

This supplement provides new and additional information beyond that contained in the Prospectus and should be read in conjunction with the Prospectus.

Index 500 Fund, Small Cap Index Fund and Developed International Index Fund

Effective as of January 3, 2017: (i) Raymond V. Donofrio, Karl A. Schneider and Michael J. Feehily are co-portfolio managers of the Index 500 Fund; (ii) Mr. Schneider, Payal Kapoor Gupta and Mr. Feehily are co-portfolio managers of the Small Cap Index Fund; and (iii) Ms. Gupta, Dwayne Hancock and Mr. Feehily are co-portfolio managers of the Developed International Index Fund.

As a result of the foregoing, the information in the Prospectus under the heading "Portfolio Managers" in the Index 500 Fund's "Fund Summary" section is hereby replaced in its entirety by the following:

> **Portfolio Managers**
> Raymond V. Donofrio is a Principal within SSGA Funds Management, Inc. and a Portfolio Manager in the firm's Global Equity Beta Solutions Group. Mr. Donofrio has served on the Fund since September 2012.
>
> Michael J. Feehily, CFA, is a Senior Managing Director of SSGA Funds Management, Inc. and the Head of the firm's Global Equity Beta Solutions Group in the Americas. Mr. Feehily has served on the Fund since May 2015.
>
> Karl A. Schneider, CAIA, is a Vice President of SSGA Funds Management, Inc. and Deputy Head of the firm's Global Equity Beta Solutions Group in the Americas. Mr. Schneider has served on the Fund since November 2016.

The information in the Prospectus under the heading "Portfolio Managers" in the Small Cap Index Fund's "Fund Summary" section is hereby replaced in its entirety by the following:

> **Portfolio Managers**
> Payal Kapoor Gupta is a Vice President of SSGA Funds Management, Inc. and a Senior Portfolio Manager in the firm's Global Equity Beta Solutions Group. Ms. Gupta has served on the Fund since September 2011.
>
> Michael J. Feehily, CFA, is a Senior Managing Director of SSGA Funds Management, Inc. and the Head of the firm's Global Equity Beta Solutions Group in the Americas. Mr. Feehily has served on the Fund since May 2015.
>
> Karl A. Schneider, CAIA, is a Vice President of SSGA Funds Management, Inc. and Deputy Head of the firm's Global Equity Beta Solutions Group in the Americas. Mr. Schneider has served on the Fund since November 2016.

The information in the Prospectus under the heading "Portfolio Managers" in the Developed International Index Fund's "Fund Summary" section is hereby replaced in its entirety by the following:

> **Portfolio Managers**
> Payal Kapoor Gupta is a Vice President of SSGA Funds Management, Inc. and a Senior Portfolio Manager in the firm's Global Equity Beta Solutions Group. Ms. Gupta has served on the Fund since September 2011.
>
> Michael J. Feehily, CFA, is a Senior Managing Director for SSGA Funds Management, Inc. and the Head of the firm's Global Equity Beta Solutions Group in the Americas. Mr. Feehily has served on the Fund since May 2015.

Dwayne Hancock, CFA, is a Vice President of SSGA Funds Management, Inc. and a Senior Portfolio Manager in the firm's Global Equity Beta Solutions Group. Mr. Hancock has served on the Fund since November 2016.

The second and third paragraphs of the SSGA Funds Management, Inc. description under the heading "Management — Sub-Advisers" of the Prospectus are hereby replaced in their entirety by the following:

Raymond V. Donofrio is a Principal within SSGA and a Portfolio Manager in the Global Equity Beta Solutions (GEBS) Group. Mr. Donofrio is currently responsible for managing various equity index funds, with both domestic and international strategies. Prior to his current role, Mr. Donofrio was an Analyst for SSGA's Strategy and Research Group within the Global ETF Group. He began his career as an associate within the Investment Operations team at SSGA. He supported the Portfolio Managers of the GEBS Group, mainly focusing on international strategies. Mr. Donofrio received his Bachelor of Science degree in financial services from Bryant University, and his MBA with a concentration in Finance from Boston University's Questrom School of Business.

Mike J. Feehily, CFA, is a Senior Managing Director of SSGA and the Head of GEBS in the Americas. He is also a member of the Senior Leadership Team, is the Chairperson for the firm's Trade Management Oversight Committee, and is a voting member on the North America Product Committee. Mr. Feehily rejoined SSGA in 2010 after spending four years in State Street Global Markets where he helped to build the Global Exposure Solutions business. This group created and managed portfolios that were designed to meet the short-term market exposure needs of our institutional clients. Prior to this, Mr. Feehily had been Head of the US Passive Equity Team within SSGA, which he originally joined in 1997. He began his career at State Street within the Global Services division in 1992. Mr. Feehily received a Bachelor of Science Degree from Babson College in Finance, Investments, and Economics. He received an MBA in Finance from Bentley College and also earned the Chartered Financial Analyst (CFA) designation. Mr. Feehily is a member of the CFA Institute and the Boston Security Analysts Society. He is also a former member of the Russell Index Client Advisory Board.

Payal Kapoor Gupta is a Vice President of SSGA and a Senior Portfolio Manager in the GEBS Group. Within this group, Ms. Gupta is responsible for the management of several commingled funds, mutual funds, separately managed accounts and ETFs that are benchmarked to US domestic, international developed and emerging market indices. Prior to assuming her current role in 2007, Ms. Gupta was a business analyst in the IT Investment Operations Group at SSGA. In this role, she worked on automating business processes and designing and implementing global investment management applications. Before joining SSGA in 2005, she worked as an analyst at Concentra Integrated Services and at Morgan Stanley. Ms. Gupta holds an MBA with specialization in Investments and Information Systems from Northeastern University and a Bachelor of Science in Information Technology from Bay Path University.

Dwayne Hancock, CFA, is a Vice President of SSGA and a Senior Portfolio Manager in the firm's GEBS Group. Within this group, he is currently the strategy leader for their non-US passive products. Prior to taking on this responsibility, Mr. Hancock was the ETF product specialist for the GEBS Group. He is also a member of the SSGA Valuation Committee. Mr. Hancock currently manages a varied mix of funds spanning both regions, such as the US, developed and emerging markets, and fund structures, including separate accounts, commingled funds, mutual funds and ETFs. Additionally, he has played a primary role in determining trading strategies for significant benchmark changes such as the annual Russell reconstitution. Mr. Hancock joined SSGA in 1996 and became part of the GEBS portfolio management team in 1998. Prior to this, he worked in the firm's Passive International Equity Operations department as a Senior Analyst. He has been working in the investment management field since 1994. Mr. Hancock holds an MBA from Boston College and a BS in Business Administration from Framingham State College. He also earned the Chartered Financial Analyst (CFA) designation and is a member of the Boston Security Analysts Society.

Karl A. Schneider, CAIA, is a Vice President of SSGA and Deputy Head of GEBS in the Americas. He also serves as a senior portfolio manager for a number of the Group's passive equity portfolios. Previously within GEBS, he served as a portfolio manager and product specialist for US equity strategies and synthetic beta strategies, including commodities, buy/write, and hedge fund replication. He is also a member of the S&P Dow Jones US Equities Index Advisory Panel. Prior to joining the GEBS Group, Mr. Schneider worked as a portfolio manager in SSGA's Currency Management Group, managing both active currency selection and traditional passive hedging overlay portfolios. He joined SSGA in 1997. Mr. Schneider holds a BS in Finance and Investments from Babson College and also an MS in Finance from Boston College. He has earned the Chartered Alternative Investment Analyst (CAIA) designation and is a member of the CAIA Association.

The changes described above will have no effect on the Funds' investment objectives or principal investment strategies, and are not expected to affect the Funds' fees and expenses.

PLEASE RETAIN THIS SUPPLEMENT FOR FUTURE REFERENCE.

Large Core Growth Fund
SMID Cap Growth Fund

Supplement dated November 1, 2016, as Restated December 9, 2016
to the Prospectus and Statement of Additional Information ("SAI")
dated May 1, 2016, as supplemented

This supplement replaces and supersedes the Supplement dated November 1, 2016 and reflects revised information relating to the SMID Cap Growth Fund.

This supplement provides new and additional information beyond that contained in the Prospectus and SAI and should be read in conjunction with the Prospectus and SAI.

At a meeting of the Board of Directors of Penn Series Funds, Inc. (the "Company") held on September 7, 2016, the Board of Directors approved the appointment, effective December 1, 2016, of new investment sub-advisers for certain series of the Company (each, a "Fund" and collectively, the "Funds") as listed below. The current investment sub-adviser to the Funds will cease providing sub-advisory services to the Funds prior to the open of the New York Stock Exchange on December 1, 2016.

Fund	New Investment Sub-Adviser Effective December 1, 2016
Large Core Growth Fund	Morgan Stanley Investment Management Inc.
SMID Cap Growth Fund	Goldman Sachs Asset Management, L.P.

These changes will become effective without the need for any shareholder, contract owner, or policyholder action. The Company and Penn Mutual Asset Management, LLC ("PMAM") have received an order from the Securities and Exchange Commission that permits PMAM, subject to the supervision and approval of the Company's Board of Directors, to hire and terminate investment sub-advisers without shareholder approval.

The changes described above will have no effect on the Funds' investment objectives. The changes also will not affect the Funds' fees and expenses. Shareholders, contract owners, and policyholders of each Fund will receive an Information Statement that provides additional information about the Fund's new investment sub-adviser on or about February 28, 2017.

Changes to the Funds' principal investment strategies, principal risks, and portfolio manager information, effective as of December 1, 2016, are described below.

I. Large Core Growth Fund

The information in the Prospectus under the headings "Principal Investment Strategy" and "Principal Risks of Investing" in the Large Core Growth Fund's "Fund Summary" section is hereby replaced in its entirety by the following:

Principal Investment Strategy

The Fund attempts to achieve its investment objective by investing primarily in equity securities of large capitalization U.S. companies. Under normal circumstances, the Fund invests at least 80% of its net assets, plus the amount of any borrowings for investment purposes, in securities of large capitalization companies. For purposes of this policy, large capitalization companies have market capitalizations that fall within the market capitalization range of companies in the Russell 1000® Growth Index at the time of purchase (as of

September 30, 2016, this range was between $202.4 million and $618.8 billion). Because the Fund's definition of large capitalization companies is dynamic, the lower and upper limits on market capitalization will change with the markets.

The Sub-Adviser emphasizes a bottom-up stock selection process, seeking attractive investments on an individual company basis. In selecting securities for investment, the Sub-Adviser seeks to invest in companies with strong name recognition and sustainable competitive advantages. The Sub-Adviser typically favors companies with rising returns on invested capital, above average business visibility, strong free cash flow generation and an attractive risk/reward. The Sub-Adviser generally considers selling a portfolio holding when it determines that the holding no longer satisfies its investment criteria.

The Fund may invest in foreign securities, which may include emerging market securities.

The Fund's equity investments may include common and preferred stocks, convertible securities and equity-linked securities, rights and warrants to purchase common stocks, depositary receipts, exchange-traded funds ("ETFs"), limited partnership interests and other specialty securities having equity features. The Fund may invest in privately placed and restricted securities.

Derivative instruments used by the Fund will be counted toward the Fund's 80% policy discussed above to the extent they have economic characteristics similar to the securities included within that policy.

Principal Risks of Investing

Currency Risk. The possibility that the value of the Fund's assets may be affected favorably or unfavorably by currency exchange rates, currency exchange control regulations, and restrictions or prohibitions on the repatriation of foreign currencies.

Depositary Receipt Risk. The possibility that the Fund's investments in foreign companies through depositary receipts will expose the Fund to the same risks as direct investment in securities of foreign issuers. In addition, investments in ADRs may be less liquid than the underlying shares in their primary trading market, and the value of securities underlying ADRs may change materially at times when U.S. markets are not open for trading.

Equity Securities Risk. In general, prices of equity securities are more volatile than those of fixed income securities. The prices of equity securities fluctuate, and sometimes widely fluctuate, in response to activities specific to the issuer of the security as well as factors unrelated to the fundamental condition of the issuer, including general market, economic and political conditions. To the extent that the Fund invests in convertible securities, and the convertible security's investment value is greater than its conversion value, its price will be likely to increase when interest rates fall and decrease when interest rates rise. If the conversion value exceeds the investment value, the price of the convertible security will tend to fluctuate directly with the price of the underlying security.

Foreign and Emerging Market Securities Risk. Investments in foreign markets entail special risks such as currency, political, economic and market risks. There also may be greater market volatility, less reliable financial information, higher transaction and custody costs, decreased market liquidity and less government and exchange regulation associated with investments in foreign markets. In addition, investments in certain foreign markets, which have historically been considered stable, may become more volatile and subject to increased risk due to ongoing developments and changing conditions in such markets. Moreover, the growing interconnectivity of global economies and financial markets has increased the probability that adverse developments and conditions in one country or region will affect the stability of economies and financial markets in other countries or regions. The risks of investing in emerging market countries are greater than risk associated with investments in foreign developed countries. In addition, the Fund's investments in foreign issuers may be denominated in foreign currencies and therefore, to the extent unhedged, the value of the investment will fluctuate with the U.S. dollar exchange rates.

"Growth" Investing Risk. The possibility that the Fund's investments in securities of companies perceived to be "growth" companies may underperform when value investing is in favor and may be more volatile than other securities because they are more sensitive to investor perceptions of the issuing company's growth of earnings potential. Also, because growth companies usually invest a high portion of earnings in their businesses, growth stocks may lack the dividends of some value stocks that can cushion stock prices in a falling market.

Large-Cap Securities Risk. The possibility that the Fund's investments in larger companies may underperform relative to those of smaller companies. Larger more established companies may be unable to respond quickly to new competitive challenges such as changes in technology and consumer tastes and may not be able to attain the high growth rate of successful smaller companies, especially during extended periods of economic expansion.

Liquidity Risk. The Fund's investments in restricted and illiquid securities may entail greater risk than investments in other types of securities. These securities may be more difficult to sell, particularly in times of market turmoil. Additionally, the market for certain investments deemed liquid at the time of purchase may become illiquid under adverse market or economic conditions. Illiquid securities may be more difficult to value. If the Fund is forced to sell an illiquid security to fund redemptions or for other cash needs, it may be forced to sell the security at a loss.

Market Risk. The possibility that the values of, and/or the income generated by, securities held by the Fund may decline, sometimes unpredictably, due to general market conditions or other factors, including those directly involving the issuers of such securities. Security markets are volatile and may decline significantly in response to adverse issuer, regulatory, political, or economic developments. Different sectors of the market and different security types may react differently to such developments.

Other Investment Company Risk. The possibility that investments by the Fund in shares of other investment companies will subject the Fund to the risks associated with those investment companies. Fund shareholders will also indirectly bear a proportionate share of any underlying investment company's fees and expenses in addition to paying the Fund's expenses.

An investment in the Fund may be appropriate for investors who are willing to accept the risks and uncertainties of investing in equity securities in the hope of achieving long-term growth of capital.

The information in the Prospectus under the headings "Investment Sub-Adviser" and "Portfolio Managers" in the Large Core Growth Fund's "Fund Summary" section is hereby replaced in its entirety by the following:

Investment Sub-Adviser
Morgan Stanley Investment Management Inc. ("MSIM")

Portfolio Managers
Dennis P. Lynch, a Managing Director of MSIM, has served as portfolio manager of the Fund since December 2016.

David S. Cohen, a Managing Director of MSIM, has served as portfolio manager of the Fund since December 2016.

Sam G. Chainani, a Managing Director of MSIM, has served as portfolio manager of the Fund since December 2016.

Jason C. Yeung, a Managing Director of MSIM, has served as portfolio manager of the Fund since December 2016.

Armistead B. Nash, a Managing Director of MSIM, has served as portfolio manager of the Fund since December 2016.

Alexander T. Norton, an Executive Director of MSIM, has served as portfolio manager of the Fund since December 2016.

The first paragraph and first sentence of the second paragraph under the heading "Management — Sub-Advisers — Morgan Stanley Investment Management Inc." in the Prospectus is hereby replaced in its entirety by the following:

Morgan Stanley Investment Management Inc. Morgan Stanley Investment Management Inc. ("MSIM") is sub-adviser to the **Emerging Markets Equity Fund** and the **Large Core Growth Fund**. As sub-adviser, MSIM provides day-to-day portfolio management services to the Funds. MSIM is a wholly owned subsidiary Morgan Stanley, a preeminent global financial services firm engaged in securities trading and brokerage activities, investment banking, research and analysis, financing and financial advisory services. MSIM has engaged its affiliate, Morgan Stanley Investment Management Company ("MSIM Company"), located at 23 Church Street, #16-01 Capital Square, Singapore 049481, to provide certain sub-advisory services to the Emerging Markets Equity Fund. MSIM, together with its affiliated asset management companies, had more than $406 billion in assets under management or supervision as of December 31, 2015. MSIM Company is an indirect wholly-owned subsidiary of Morgan Stanley. MSIM's principal office is located at 522 Fifth Avenue, New York, New York 10036.

The Emerging Markets Equity Fund is managed within MSIM's Emerging Markets Equity team.

The following disclosure is hereby added immediately following the last paragraph under the heading "Management — Sub-Advisers — Morgan Stanley Investment Management Inc." in the Prospectus:

The Large Core Growth Fund is managed within MSIM's Growth Team. The team works collaboratively when making portfolio decisions. Current members of the team who are jointly and primarily responsible for the day-to-day management of the Fund are: Dennis P. Lynch, David S. Cohen, Sam G. Chainani, Jason C. Yeung, Armistead B. Nash, and Alexander T. Norton. The Growth Team is comprised of dedicated portfolio managers/analysts that have extensive experience in analyzing large cap equity securities for investors.

Dennis P. Lynch, a Managing Director of MSIM, joined MSIM in 1998. Mr. Lynch began his investment career in 1994 and earned a B.A. from Hamilton College and an M.B.A., with honors, in finance from Columbia University.

David S. Cohen, a Managing Director of MSIM, joined MSIM in 1993. Mr. Cohen began his investment career in 1988 and earned a B.S. from Pace University.

Sam G. Chainani, a Managing Director of MSIM, joined MSIM in 1996. Mr. Chainani began his investment career in 1996 and earned a B.S. from Binghamton University.

Alexander T. Norton, an Executive Director of MSIM, joined MSIM in 2000. Mr. Norton began his investment career in 1995 and earned a B.A. from the University of Pennsylvania and an M.B.A. in finance from Columbia Business School.

Jason C. Yeung, a Managing Director of MSIM, joined MSIM in 2002. Mr. Yeung began his investment career in 1997 and earned a B.A. from Johns Hopkins University and a Master's Degree from the University of Cambridge.

Armistead B. Nash, a Managing Director of MSIM, joined MSIM in 2002. Mr. Nash began his investment career in 2000 and earned a B.A. from the University of Virginia and an M.B.A. from the University of Virginia Darden School of Business.

In the SAI, under the section "General Information — Portfolio Managers — Morgan Stanley Investment Management Inc.," the portfolio manager ownership and other accounts managed information is hereby replaced in its entirety by the following:

Fund Shares Owned by Portfolio Managers. The portfolio managers of the Emerging Markets Equity Fund did not beneficially own any shares of the Fund as of December 31, 2015. The portfolio managers of the Large Core Growth Fund did not beneficially own any shares of the Fund as of September 30, 2016.

Other Accounts. In addition to the Funds, the portfolio managers are responsible for the day-to-day management of certain other accounts, as listed below. The information below is provided as of December 31, 2015, unless otherwise noted.

	Registered Investment Companies		Other Pooled Investment Vehicles		Other Accounts	
Name	**Number of Accounts**	**Total Assets (in millions)**	**Number of Accounts**	**Total Assets (in millions)**	**Number of Accounts**	**Total Assets (in millions)**
Ruchir Sharma	6	$2,187.3	7	$4,265.5	18[1]	$5,865.6
Paul Psaila	6	$1,795.3	6	$4,160.2	15[2]	$5,270.4
Eric Carlson	6	$1,795.3	6	$4,160.2	15[2]	$5,270.4
Gaite Ali	6	$1,809.9	7	$4,316.4	17[3]	$6,126.8
Munib Madni	8	$2,068.2	6	$4,250.5	19[4]	$8,099.5
Samuel Rhee	9	$2,581.8	6	$4,250.5	21[4]	$8,366.0
Dennis P. Lynch[5]	24	$11,811.4	8	$7,769.2	12[6]	$2,441.6
David S. Cohen[5]	24	$11,811.4	8	$7,769.2	12[6]	$2,441.6
Sam G. Chainani[5]	24	$11,811.4	8	$7,769.2	12[6]	$2,441.6
Alexander T. Norton[5]	24	$11,811.4	8	$7,769.2	12[6]	$2,441.6
Jason C. Yeung[5]	24	$11,811.4	8	$7,769.2	12[6]	$2,441.6
Armistead B. Nash[5]	24	$11,811.4	8	$7,769.2	12[6]	$2,441.6

1 Six accounts with approximately $2,913.8 million in assets had performance-based advisory fees.
2 Four accounts with approximately $2,413.5 million in assets had performance-based advisory fees.
3 Five accounts with approximately $3,211.8 million in assets had performance-based advisory fees.
4 Five accounts with approximately $2,427.1 million in assets had performance-based advisory fees.
5 This information is as of September 30, 2016.
6 Two accounts with approximately $723.4 million in assets had performance-based advisory fees.

II. SMID Cap Growth Fund

The information in the Prospectus under the headings "Principal Investment Strategy" and "Principal Risks of Investing" in the SMID Cap Growth Fund's "Fund Summary" section is hereby replaced in its entirety by the following:

Principal Investment Strategy

The Fund attempts to achieve its investment objective by investing primarily in common stocks of small and medium capitalization U.S. companies. Under normal circumstances, the Fund invests at least 80% of its net assets, plus the amount of any borrowings for investment purposes, in securities of small and medium capitalization companies. For purposes of this policy, small and medium capitalization companies have market capitalizations that fall within the outside range of the market capitalizations of companies in the Russell 2000® Growth Index and the Russell Midcap® Growth Index at the time of purchase (as of September 30, 2016, this range was between $14.98 million and $42.55 billion). Because the Fund's definition of small and medium capitalization companies is dynamic, the lower and upper limits on market capitalization will change with the markets. If the market capitalization of a company held by the Fund moves outside the range, the Fund may, but is not required to, sell the security. The Fund's investments in small capitalization companies may include micro-capitalization companies. The Fund may also invest in privately held companies and companies that only recently began to trade publicly.

The Sub-Adviser on behalf of the Fund employs a fundamental equity growth investment process that involves evaluating potential investments based on specific characteristics believed to indicate a high-quality business with sustainable growth, including strong business franchises, favorable long-term prospects, and excellent management. The Sub-Adviser will also consider valuation of companies when determining whether to buy and/or sell securities. The Sub-Adviser may decide to sell a position for various reasons, including when a company's fundamental outlook deteriorates, because of valuation and price considerations, for risk management purposes, or when a company is deemed to be misallocating capital or a company no longer fits within the Fund's definition of a small or medium capitalization company.

The Fund may also invest in American Depositary Receipts ("ADRs"), real estate investment trusts ("REITs"), shares of other investment companies and exchange-traded funds ("ETFs") certain derivatives, and fixed income securities, such as government, corporate and bank debt obligations.

Principal Risks of Investing

Depositary Receipt Risk. The possibility that the Fund's investments in foreign companies through depositary receipts will expose the Fund to the same risks as direct investment in securities of foreign issuers. In addition, investments in ADRs may be less liquid than the underlying shares in their primary trading market, and the value of securities underlying ADRs may change materially at times when U.S. markets are not open for trading.

"Growth" Investing Risk. The possibility that the Fund's investments in securities of companies perceived to be "growth" companies may underperform when value investing is in favor and may be more volatile than other securities because they are more sensitive to investor perceptions of the issuing company's growth of earnings potential. Also, because growth companies usually invest a high portion of earnings in their businesses, growth stocks may lack the dividends of some value stocks that can cushion stock prices in a falling market.

Investment Style Risk. The possibility that the Fund could underperform if the Fund's investment style shifts out of favor based on changing market sentiment and conditions.

Liquidity Risk. The possibility that the market for certain of the Fund's investments may become illiquid under adverse or volatile market or economic conditions, making those investments difficult to sell at an advantageous price. The market price of certain investments may fall dramatically if there is no liquid trading market for the investments. It also may be difficult for the Fund to purchase a desired investment at an advantageous price under such circumstances.

Market Risk. The possibility that the values of, and/or the income generated by, securities held by the Fund may decline, sometimes unpredictably, due to general market conditions or other factors, including those directly involving the issuers of such securities. Security markets are volatile and may decline significantly in response to adverse issuer, regulatory, political, or economic developments. Different sectors of the market and different security types may react differently to such developments.

Micro-Cap Securities Risk. The possibility that the return on the Fund's investments in micro-cap companies may be less than the return on investments in stocks of larger companies or the stock market as a whole. Stock prices of micro-cap companies may be based in substantial part on future expectations rather than current achievements and may move sharply, especially during market upturns and downturns. Micro-cap companies are followed by relatively few securities analysts, and there tends to be less publicly available information about these companies. Micro-cap companies are more likely to be newly formed or in the early stages of development, depend on a few key employees, and have relatively limited product lines, markets or financial resources compared to larger capitalization companies.

Other Investment Company Risk. The possibility that investments by the Fund in shares of other investment companies will subject the Fund to the risks associated with those investment companies. Fund shareholders will also indirectly bear a proportionate share of any underlying investment company's fees and expenses in addition to paying the Fund's expenses.

REITs Risk. The possibility that the Fund's investments in REITs will subject the Fund to the risks associated with the direct ownership of real estate, including fluctuations in the value of underlying properties, changes in interest rates and risks related to general or local economic conditions. REITs are dependent upon management skills and generally may not be diversified. REITs are also subject to heavy cash flow dependency, defaults by borrowers or tenants and self-liquidation.

Small- and Mid-Cap Securities Risk. The possibility that the Fund's investments in small- and mid-cap securities may be subject to greater risk and higher volatility than are customarily associated with investing in larger more established companies. Securities issued by small- and mid-sized companies, which can include start-up companies, tend to be more vulnerable than larger and more established companies to adverse business and economic developments. Such companies generally have narrower product lines, more limited financial resources and more limited markets for their stock as compared with larger companies. As a result, the value of such securities also may be more volatile than the securities of larger companies, and the Fund's portfolio may experience difficulty in purchasing or selling such securities at the desired time and price or in the desired amount.

An investment in the Fund may be appropriate for investors who are willing to accept the risks and uncertainties of investing in common stocks in the hope of earning long-term returns.

The information in the Prospectus under the headings "Investment Sub-Adviser" and "Portfolio Managers" in the SMID Cap Growth Fund's "Fund Summary" section is hereby replaced in its entirety by the following:

Investment Sub-Adviser
Goldman Sachs Asset Management, L.P. ("GSAM")

Portfolio Managers
Steven M. Barry, Managing Director, Chief Investment Officer — Fundamental Equity, Chief Investment Officer — Growth Equity of GSAM, has served as portfolio manager of the Fund since December 2016.

Daniel Zimmerman, CFA, Managing Director of GSAM, has served as portfolio manager of the Fund since December 2016.

The first paragraph under the heading "Management — Sub-Advisers — Goldman Sachs Asset Management, L.P." in the Prospectus is hereby replaced in its entirety by the following:

Goldman Sachs Asset Management, L.P. Goldman Sachs Asset Management, L.P. ("GSAM") is sub-adviser to the **Small Cap Value Fund** and **SMID Cap Growth Fund**. As sub-adviser, GSAM provides day-to-day portfolio management services to the Funds. GSAM is located at 200 West Street, New York, New York 10282-2198 and was registered as an investment adviser in 1990. GSAM is a wholly-owned direct and indirect subsidiary of The Goldman Sachs Group, Inc. GSAM serves as investment manager for a wide range of clients including pension funds, foundations and insurance companies and individual investors. GSAM, including its investment advisory affiliates, had approximately $1,155.4 billion in assets under supervision (AUS) as of September 30, 2016. AUS includes assets under management and other client assets for which GSAM does not have full discretion. GSAM's U.S. Value Team is responsible for the day-to-day management of the Small Cap Value Fund. GSAM's U.S. Growth Team is responsible for the day-to-day management of the SMID Cap Growth Fund.

The following disclosure is hereby added immediately following the last paragraph under the heading "Management — Sub-Advisers — Goldman Sachs Asset Management, L.P." in the Prospectus:

Portfolio Managers Steven M. Barry and Daniel Zimmerman oversee the portfolio construction monitoring and investment research for the SMID cap growth strategy.

Steven M. Barry, Managing Director, Chief Investment Officer — Fundamental Equity, Chief Investment Officer — Growth Equity of GSAM, has over 30 years of investment experience. He joined GSAM as a portfolio manager in 1999. Mr. Barry became Chief Investment Officer of Fundamental Equity in 2009. From 1988 to 1999, he was a portfolio manager at Alliance Capital Management.

Daniel Zimmerman, CFA, Managing Director of GSAM, joined Goldman Sachs in 2003 and GSAM (Growth Team) in 2008. Prior to joining the Growth Team, Mr. Zimmerman was an analyst in the Global Investment Research division covering the telecommunication services, mortgage and specialty finance sectors. Previously, he was an investment banking analyst at BB&T Capital Markets.

In the SAI, under the section "General Information — Portfolio Managers — Goldman Sachs Asset Management, L.P.," the portfolio manager ownership and other accounts managed information is hereby replaced in its entirety by the following:

Fund Shares Owned by Portfolio Managers. The portfolio managers of the Small Cap Value Fund did not beneficially own any shares of the Fund as of December 31, 2015. The portfolio managers of the SMID Cap Growth Fund did not beneficially own any shares of the Fund as of September 30, 2016.

Other Accounts. In addition to the Funds, the portfolio managers are responsible for the day-to-day management of certain other accounts, as listed below. The information below is provided as of December 31, 2015, unless otherwise noted.

	Registered Investment Companies		Other Pooled Investment Vehicles		Other Accounts	
Name	Number of Accounts	Total Assets (in millions)	Number of Accounts	Total Assets (in millions)	Number of Accounts	Total Assets (in millions)
Sally Pope Davis	7	$7,115	0	$0	14[1]	$1,711
Robert Crystal	7	$7,115	0	$0	14[1]	$1,711
Sean A. Butkus	7	$7,115	0	$0	14[1]	$1,711
Steven M. Barry[3]	19	$10,038	9	$2,427	47[2]	$4,076
Daniel Zimmerman[3]	2	$2,655	0	$0	0	$0

[1] One Other Account with total assets of $260 million had performance-based advisory fees.
[2] Three Other Accounts with total assets of $103 million had performance-based advisory fees.
[3] This information is as of September 30, 2016.

PLEASE RETAIN THIS SUPPLEMENT FOR FUTURE REFERENCE.

PM8257 12/16

Supplement dated September 20, 2016
to the Prospectus and Statement of Additional Information ("SAI") dated May 1, 2016

This supplement provides new and additional information beyond that contained in the Prospectus and SAI and should be read in conjunction with the Prospectus and SAI.

Balanced Fund and each of the "LifeStyle Funds" (Aggressive Allocation Fund, Moderately Aggressive Allocation Fund, Moderate Allocation Fund, Moderately Conservative Allocation Fund and Conservative Allocation Fund)

Effective October 1, 2016, Mark Heppenstall and Zhiwei Ren will replace Keith G. Huckerby and Jennifer Moroney as co-portfolio managers of the Balanced Fund and each of the LifeStyle Funds.

As a result of the foregoing, the information in the Prospectus under the heading "Portfolio Managers" in the Balanced Fund's and each of the LifeStyle Fund's "Fund Summary" sections is hereby replaced in its entirety by the following:

> **Portfolio Managers**
> Mark Heppenstall, CFA, Chief Investment Officer, Portfolio Manager of PMAM, has served as portfolio manager of the Fund since October 2016.
>
> Zhiwei Ren, CFA, Managing Director, Portfolio Manager of PMAM, has served as portfolio manager of the Fund since October 2016.

The third through seventh paragraphs under the heading "Management — Investment Adviser" of the Prospectus are hereby replaced in their entirety by the following:

> Mark Heppenstall, CFA, Chief Investment Officer, Portfolio Manager of PMAM, is co-manager for the Money Market, Limited Maturity Bond, Quality Bond, Balanced, and LifeStyle Funds. Mr. Heppenstall, with over 27 years of investment experience, also served as Managing Director and Portfolio Manager of Penn Mutual from June 2014 to December 2014. Prior to Penn Mutual, Mr. Heppenstall worked for 16 years as Managing Director of Fixed Income at Pennsylvania Public School Employees' Retirement System.
>
> Zhiwei Ren, CFA, Managing Director, Portfolio Manager of PMAM, is co-manager for the Money Market, Limited Maturity Bond, Quality Bond, Balanced, and LifeStyle Funds. Mr. Ren, with over 10 years of investment experience, also served as Managing Director and Portfolio Manager of Penn Mutual from 2011 to 2014. Prior to Penn Mutual, Mr. Ren worked for three years as a Director of Quantitative Research at Genworth Financial and two years as an Investment Managing Consultant at Aflac.
>
> Greg Zappin, Managing Director, Portfolio Manager of PMAM, is co-manager for the Money Market, Limited Maturity Bond and Quality Bond Funds. Mr. Zappin, with over 20 years of investment experience, also served as Managing Director and Portfolio Manager of Penn Mutual from 2012 to 2014. Prior to Penn Mutual, Mr. Zappin worked for five years as a Senior Research Analyst at Logan Circle Partners.

In the SAI, under the section "General Information — Portfolio Managers — Penn Mutual Asset Management, LLC," the portfolio manager ownership and other accounts managed information is hereby replaced in its entirety by the following:

> **Fund Shares Owned by Portfolio Managers.** As of August 31, 2016, no PMAM portfolio manager beneficially owned shares of the Funds that he managed.

Other Accounts. In addition to certain of the PMAM-Managed Funds, the portfolio managers are responsible for the day-to-day management of certain other accounts, as listed below. The information below is provided as of August 31, 2016.

	Registered Investment Companies		**Other Pooled Investment Vehicles**		**Other Accounts**	
Name	**Number of Accounts**	**Total Assets (in millions)**	**Number of Accounts***	**Total Assets (in millions)**	**Number of Accounts**	**Total Assets (in millions)**
Mark Heppenstall	0	$0	1	$106.6	4	$13,343.8
Zhiwei Ren	0	$0	1	$106.6	4	$13,343.8
Greg Zappin	0	$0	1	$106.6	4	$13,343.8

* With respect to the Other Pooled Investment Vehicles, approximately $106.2 million in assets was subject to performance-based advisory fees.

The changes described above will have no effect on the Funds' investment objectives or principal investment strategies. The changes also will not affect the Funds' fees and expenses.

PLEASE RETAIN THIS SUPPLEMENT FOR FUTURE REFERENCE.

Supplement dated July 21, 2016
to the Prospectus and Statement of Additional Information ("SAI") dated May 1, 2016

This supplement provides new and additional information beyond that contained in the Prospectus and SAI, dated May 1, 2016, and should be read in conjunction with the Prospectus and SAI.

Small Cap Growth Fund

Effective as of July 1, 2016, Scott Stutzman joined Jonathan D. Coleman as co-portfolio manager of the Small Cap Growth Fund. As a result of the foregoing, the information in the Prospectus under the heading "Portfolio Manager" in the Small Cap Growth Fund's "Fund Summary" section is hereby replaced in its entirety by the following:

> **Portfolio Managers**
> Jonathan D. Coleman, CFA, Executive Vice President and Portfolio Manager at Janus Capital Management LLC, has served as a portfolio manager of the Fund since May 2013.
>
> Scott Stutzman, CFA, Executive Vice President and Portfolio Manager at Janus Capital Management LLC, has served as a co-portfolio manager of the Fund since July 2016.

The third paragraph of the Janus Capital Management LLC section under "Management – Sub-Advisers" of the Prospectus is hereby replaced in its entirety by the following:

> Jonathan D. Coleman, CFA, is an Executive Vice President at Janus and has served as the portfolio manager of the Small Cap Growth Fund since May 2013. Mr. Coleman is also Portfolio Manager of several Janus accounts. He joined Janus in 1994 as a research analyst. Mr. Coleman holds a Bachelor's degree in Political Economy and Spanish from Williams College, where he was a member of Phi Beta Kappa. As a Fulbright Fellow, he conducted research on economic integration in Central America. Mr. Coleman holds the Chartered Financial Analyst designation.
>
> Scott Stutzman, CFA, is an Executive Vice President at Janus and has served as a co-portfolio manager of the Small Cap Growth Fund since July 2016. Mr. Stutzman is also Portfolio Manager of several Janus accounts and performs duties as a research analyst. He joined Janus in 2007 as a research analyst. Mr. Stutzman holds a Bachelor of Science degree in Industrial Engineering and Management Sciences from Northwestern University, and a Master of Business Administration degree, with a concentration in Finance, from Columbia University. Mr. Stutzman holds the Chartered Financial Analyst designation and has 14 years of financial industry experience.

In the SAI, under the section "General Information — Portfolio Managers — Janus Capital Management LLC," each reference to the "portfolio manager" is hereby replaced by a reference to the "portfolio managers" as appropriate. Additionally, in the same section of the SAI, the portfolio manager ownership and other accounts managed information is hereby replaced in its entirety by the following:

> **Fund Shares Owned by Portfolio Managers.** The portfolio managers did not beneficially own any shares of the Fund as of June 30, 2016.
>
> **Other Accounts.** In addition to the Fund, the portfolio managers are responsible for the day-to-day management of certain other accounts, as listed below. The information below is provided as of June 30, 2016.

Name	Registered Investment Companies		Other Pooled Investment Vehicles		Other Accounts	
	Number of Accounts	Total Assets (in millions)	Number of Accounts	Total Assets (in millions)	Number of Accounts	Total Assets (in millions)
Jonathan D. Coleman	5	$10,108	0	$0	5*	$502
Scott Stutzman	0	$0	0	$0	0	$0

* Of these Other Accounts, one account with approximately $252.7 million in assets had a performance-based advisory fee.

The changes described above will have no effect on the Fund's investment objectives or principal investment strategies. The changes also will not affect the Fund's fees and expenses.

PLEASE RETAIN THIS SUPPLEMENT FOR FUTURE REFERENCE.

Supplement dated June 30, 2016
to the Prospectus and Statement of Additional Information ("SAI")
dated May 1, 2016

This supplement provides new and additional information beyond that contained in the Prospectus and SAI dated May 1, 2016, and should be read in conjunction with the Prospectus and SAI.

Emerging Markets Equity Fund

Effective June 30, 2016, Ana Cristina Piedrahita will no longer serve as a portfolio manager of the Emerging Markets Equity Fund (the "Fund"). Ms. Piedrahita is an employee of Morgan Stanley Investment Management Limited ("MSIM Limited"), an affiliate of Morgan Stanley Investment Management, Inc. ("MSIM"), the sub-adviser to the Fund. MSIM engaged MSIM Limited to assist it in providing certain sub-advisory services to the Fund. With the departure of Ms. Piedrahita, MSIM Limited will no longer assist MSIM in providing sub-advisory services to the Fund. Accordingly, effective June 30, 2016, all references to Ms. Piedrahita and Morgan Stanley Investment Management Limited in the Prospectus and SAI and all related documentation are hereby deleted in their entirety.

All Funds

Effective July 1, 2016, Penn Mutual Asset Management, Inc. ("PMAM"), the investment adviser to Penn Series Funds, Inc. (the "Company"), will convert its form of business organization from a Pennsylvania corporation to a Pennsylvania limited liability company. The change in PMAM's form of business organization will have no effect on the quality and level of advisory services provided by PMAM to the Company and its investment funds (the "Funds") or on the cost of PMAM's services to the Company and the Funds. The change also will not result in any modification of the day-to-day management of the Funds or PMAM's personnel, and PMAM will remain a wholly-owned subsidiary of Penn Mutual. Accordingly, effective July 1, 2016, all references to Penn Mutual Asset Management, Inc. in the Prospectus and SAI and all related documentation are hereby replaced with Penn Mutual Asset Management, LLC.

The changes described above will have no effect on the Funds' investment objectives or principal investment strategies. The changes also will not affect the Funds' fees and expenses.

PLEASE RETAIN THIS SUPPLEMENT FOR FUTURE REFERENCE.

Supplement dated June 16, 2016 to the Prospectus and
Statement of Additional Information ("SAI") dated May 1, 2016

This supplement provides new and additional information beyond that contained in the Prospectus and SAI dated May 1, 2016, and should be read in conjunction with the Prospectus and SAI.

Large Core Growth Fund and SMID Cap Growth Fund

Effective as of May 26, 2016, Christopher J. Warner joined Thomas J. Pence and Michael T. Smith as co-portfolio manager of the Large Core Growth Fund. As a result of the foregoing, the information under the heading "Portfolio Managers" in the Large Core Growth Fund's "FUND SUMMARY" section of the Prospectus is hereby replaced in its entirety by the following:

> Thomas J. Pence, CFA, a senior portfolio manager for Wells Capital Management, Inc., has served as a portfolio manager of the Fund since 2008.
>
> Michael T. Smith, CFA, a managing director and senior portfolio manager for Wells Capital Management, Inc., has served as a portfolio manager of the Fund since 2011.
>
> Christopher J. Warner, CFA, a portfolio manager for Wells Capital Management, Inc., has served as a portfolio manager of the Fund since May 2016.

Effective as of May 26, 2016, the information under the heading "Portfolio Managers" in the SMID Cap Growth Fund's "FUND SUMMARY" section of the Prospectus is hereby replaced in its entirety by the following:

> Thomas J. Pence, CFA, a senior portfolio manager for Wells Capital Management, Inc., has served as a portfolio manager of the Fund since 2011.
>
> Michael T. Smith, CFA, a managing director and senior portfolio manager for Wells Capital Management, Inc., has served as a portfolio manager of the Fund since 2011.
>
> Christopher J. Warner, CFA, a portfolio manager for Wells Capital Management, Inc., has served as a portfolio manager of the Fund since 2012.

Effective as of May 26, 2016, the second and third paragraphs of the Wells Capital Management Incorporated ("WellsCap") section under "MANAGEMENT — Sub-Advisers" of the Prospectus are hereby replaced in their entirety by the following:

> The Funds are managed by Thomas J. Pence, CFA, Michael T. Smith, CFA, and Christopher J. Warner, CFA, each of whom currently serve as a portfolio manager for the WellsCap Fundamental Growth Equity team. Both Messrs. Pence and Smith joined WellsCap or one of its predecessor firms in 2000. Mr. Warner joined WellsCap in 2007. Each of these portfolio managers has earned the right to use the CFA designation.

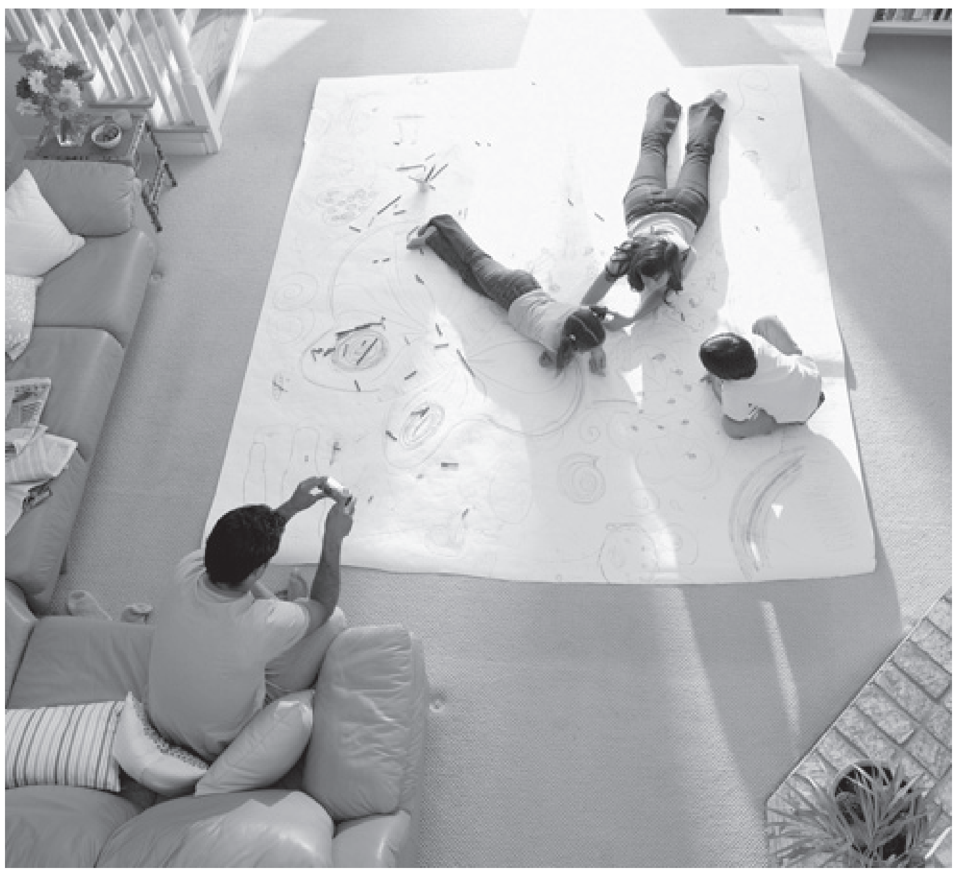
In addition, Mr. Pence has announced his intention to retire from WellsCap, the sub-adviser to the Large Core Growth Fund and SMID Cap Growth Fund, by September 30, 2016. Mr. Pence will continue to serve as a portfolio manager of the Large Core Growth Fund and SMID Cap Growth Fund through August 31, 2016. Accordingly, effective September 1, 2016, all references to Mr. Pence in the Prospectus and SAI are hereby deleted in their entirety.

The changes described above will have no effect on the Funds' investment objectives or principal investment strategies. The changes also will not affect the Funds' fees and expenses.

PLEASE RETAIN THIS SUPPLEMENT FOR FUTURE REFERENCE.

PennMutual®

2016 Funds Prospectus



Penn Mutual Variable Products

PROSPECTUS — MAY 1, 2016

PENN SERIES FUNDS, INC.

MONEY MARKET FUND

LIMITED MATURITY BOND FUND

QUALITY BOND FUND

HIGH YIELD BOND FUND

FLEXIBLY MANAGED FUND

BALANCED FUND

LARGE GROWTH STOCK FUND

LARGE CAP GROWTH FUND

LARGE CORE GROWTH FUND

LARGE CAP VALUE FUND

LARGE CORE VALUE FUND

INDEX 500 FUND

MID CAP GROWTH FUND

MID CAP VALUE FUND

MID CORE VALUE FUND

SMID CAP GROWTH FUND

SMID CAP VALUE FUND

SMALL CAP GROWTH FUND

SMALL CAP VALUE FUND

SMALL CAP INDEX FUND

DEVELOPED INTERNATIONAL INDEX FUND

INTERNATIONAL EQUITY FUND

EMERGING MARKETS EQUITY FUND

REAL ESTATE SECURITIES FUND

AGGRESSIVE ALLOCATION FUND

MODERATELY AGGRESSIVE ALLOCATION FUND

MODERATE ALLOCATION FUND

MODERATELY CONSERVATIVE ALLOCATION FUND

CONSERVATIVE ALLOCATION FUND

The Securities and Exchange Commission ("SEC") has not approved or disapproved these securities or passed upon the adequacy of this Prospectus.

Any representation to the contrary is a criminal offense.

PROSPECTUS CONTENTS	PAGE

FUND SUMMARY: MONEY MARKET FUND

Investment Objective The Money Market Fund (the "Fund") seeks current income, while preserving capital and liquidity.

Fund Fees and Expenses

This table describes the fees and expenses that you may pay if you buy and hold shares of the Fund. Additional fees and expenses will be applied at the variable annuity contract or variable life insurance policy (each, a "variable contract") level. Those fees and expenses are described in your variable contract prospectus. If the information below were to reflect the deduction of variable contract charges, fees and expenses would be higher.

Annual Fund Operating Expenses
(expenses that you pay each year as a percentage of the value of your investment)

Investment Advisory Fees	0.33%
Distribution (12b-1) Fees	None
Other Expenses	0.28%
Total Annual Fund Operating Expenses	0.61%

Example

This example is intended to help you compare the cost of investing in the Fund with the cost of investing in other mutual funds. The example does not reflect expenses and charges which are, or may be, imposed under your variable contract. If the examples were to reflect the deduction of such charges, the costs shown would be greater. The example assumes that you invest $10,000 in the Fund for the time periods indicated. The example also assumes that your investment has a 5% return each year and that the Fund's operating expenses remain the same. Although your actual costs and returns might be higher or lower, based on these assumptions your costs would be:

1 Year	3 Years	5 Years	10 Years
$62	$195	$340	$762

Principal Investment Strategy

The Fund will invest no less than 99.5% of its total assets in government securities, cash or repurchase agreements that are collateralized fully by government securities or cash.

Government securities generally are securities that are issued or guaranteed as to principal and interest by the U.S. Government or by one of its agencies or instrumentalities. Some government securities are backed by the full faith and credit of the U.S. Government. Some government securities are not backed by the full faith and credit of the U.S. Government but rather are supported by the issuer's ability to borrow from the U.S. Treasury, by only the credit of the issuer, or by the United States in some other way. The Fund intends to operate as a "government money market fund" in compliance with Rule 2a-7 under the Investment Company Act of 1940, as amended (the "1940 Act").

Under Rule 2a-7, the Fund may invest only in U.S. dollar-denominated securities that are determined to present minimal credit risk and meet certain other criteria, including relating to maturity, diversification, liquidity and credit quality. For example, the Fund invests in securities that generally have remaining maturities of 397 days or less and will have a dollar-weighted average portfolio maturity of 60 days or less and a dollar-weighted average life to maturity of 120 days or less. The Fund also maintains sufficient portfolio liquidity to meet reasonably foreseeable redemption requests. The Fund seeks to maintain a stable net asset value ("NAV") of $1.00 per share and its portfolio is valued using the amortized cost method as permitted by Rule 2a-7. As a government money market fund, the Fund is not required to impose liquidity fees or redemptions gates. The Fund's Board, however, may elect to impose such fees or gates in the future if it believes such measures are appropriate and in the best interests of the Fund and its shareholders.

Principal Risks of Investing

Counterparty Risk. The possibility that a party to a transaction involving the Fund may fail to meet its obligations thereby causing the Fund to lose money or the benefit of the transaction or preventing the Fund from selling or buying other securities to implement its investment strategies.

Credit Risk. The possibility that an issuer of a debt security held by the Fund defaults on its payment obligations. While the Fund tries to minimize this risk by investing in high-quality securities, the credit quality of such securities may change rapidly in certain market environments and in response to certain market events, such as a decline in the credit quality of an issuer.

Income Risk. The possibility that the Fund's yield (the rate of dividends the Fund pays) may decline in the event of declining interest rates.

Interest Rate Risk. The possibility that the prices of the Fund's fixed income investments will decline due to rising interest rates.

Investment Risk. You could lose money by investing in the Fund. Although the Fund seeks to preserve the value of your investment at $1.00 per share, it cannot guarantee it will do so. An investment in the Fund is not insured or guaranteed by the Federal Deposit Insurance Corporation (FDIC) or any other government agency. PMAM, the Fund's sponsor, and its affiliates have no legal obligation to provide financial support to the Fund, and you should not expect that the sponsor will provide financial support to the Fund at any time.

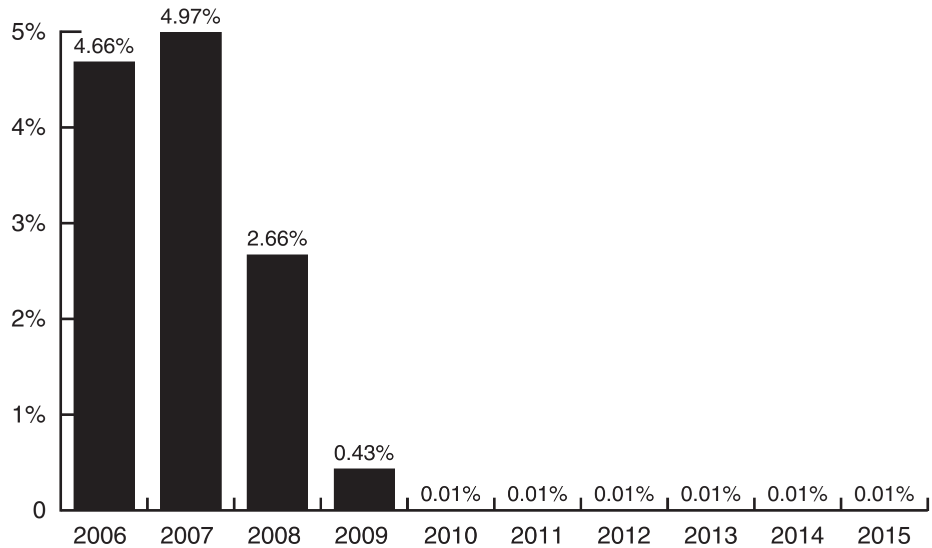
Liquidity Risk. The possibility that the market for certain of the Fund's investments may become illiquid under adverse or volatile market or economic conditions, making those investments difficult to sell at an advantageous price. The market price of certain investments may fall dramatically if there is no liquid trading market for the investments. It also may be difficult for the Fund to purchase a desired investment at an advantageous price under such circumstances.

Redemption Risk. The possibility that large redemptions may cause the Fund to sell its securities at inopportune times resulting in a loss to the Fund.

U.S. Government Securities Risk. The possibility that the U.S. government will not provide financial assistance in support of securities issued by certain of its agencies and instrumentalities and held by the Fund if it is not obligated to do so because such securities are not issued or guaranteed by the U.S. Treasury. A default by a U.S. government agency or instrumentality could cause the Fund's share price or yield to fall.

Performance Information

The bar chart and table below show the performance of the Fund both year-by-year and as an average over different periods of time. Prior to May 1, 2016, the Fund invested in a diversified portfolio of high-quality money market instruments of a variety of issuers. Effective May 1, 2016, the Fund operates as a "government money market fund" and as such is limited to investing 99.5% of its total assets in government securities, cash or repurchase agreements that are collateralized fully by government securities or cash. Accordingly, the performance information below may have been different if the current investment strategy had been in effect during the period prior to the Fund's conversion to a government money market fund. The bar chart and table demonstrate the variability of performance over time and provide an indication of the risks and volatility of an investment in the Fund. Past performance does not necessarily indicate how the Fund will perform in the future. This performance information does not include the impact of any charges deducted under your variable contract. If it did, returns would be lower. The current yield of the Money Market Fund for the seven-day period ended December 31, 2015 was 0.01%.



Best Quarter	**Worst Quarter**
1.25% 09/30/2007	0.00% 12/31/2009

Average Annual Total Return (for Periods Ended December 31, 2015)

	1 Year	5 Years	10 Years
Money Market Fund	0.01%	0.01%	1.25%

Investment Adviser

Penn Mutual Asset Management, Inc. ("PMAM" or the "Adviser")

Portfolio Managers

Mark Heppenstall, CFA, Chief Investment Officer, Portfolio Manager of PMAM, has served as portfolio manager of the Fund since June 2014.

Zhiwei Ren, CFA, Managing Director, Portfolio Manager of PMAM, has served as portfolio manager of the Fund since April 2014.

Greg Zappin, CFA, Managing Director, Portfolio Manager of PMAM, has served as portfolio manager of the Fund since June 2014.

Purchase and Sale of Fund Shares, Tax Information and Payments to Insurance Companies and Other Financial Intermediaries

For important information about the purchase and sale of Fund shares, tax information and payments to insurance companies and other financial intermediaries, please turn to the "Additional Fund Summary Information" section on page 124 of this prospectus.

FUND SUMMARY: LIMITED MATURITY BOND FUND

Investment Objective The Limited Maturity Bond Fund (the "Fund") seeks to maximize total return consistent with preservation of capital.

Fund Fees and Expenses

This table describes the fees and expenses that you may pay if you buy and hold shares of the Fund. Additional fees and expenses will be applied at the variable contract level. Those fees and expenses are described in your variable contract prospectus. If the information below were to reflect the deduction of variable contract charges, fees and expenses would be higher.

Annual Fund Operating Expenses
(expenses that you pay each year as a percentage of the value of your investment)

Investment Advisory Fees	0.46%
Distribution (12b-1) Fees	None
Other Expenses	0.27%
Total Annual Fund Operating Expenses	0.73%

Example

This example is intended to help you compare the cost of investing in the Fund with the cost of investing in other mutual funds. The example does not reflect expenses and charges which are, or may be, imposed under your variable contract. If the examples were to reflect the deduction of such charges, the costs shown would be greater. The example assumes that you invest $10,000 in the Fund for the time periods indicated. The example also assumes that your investment has a 5% return each year and that the Fund's operating expenses remain the same. Although your actual costs and returns might be higher or lower, based on these assumptions your costs would be:

1 Year	3 Years	5 Years	10 Years
$75	$233	$406	$906

Portfolio Turnover

The Fund pays transaction costs, such as commissions, when it buys and sells securities (or "turns over" its portfolio). A higher portfolio turnover may indicate higher transaction costs. These costs, which are not reflected in the annual fund operating expenses or in the Example, affect the Fund's performance. During the most recent fiscal year, the Fund's portfolio turnover rate was 127% of the average value of its portfolio.

Principal Investment Strategy

Under normal circumstances, the Fund invests at least 80% of its net assets, plus the amount of any borrowings for investment purposes, in short- to intermediate-term investment grade debt securities of U.S. government and corporate issuers, including mortgage-backed and asset-backed securities. Investment grade debt securities are those securities rated BBB- or higher by S&P, Baa3 or higher by Moody's, or the equivalent by any other nationally recognized statistical rating organization ("NRSRO"), or if unrated, determined by the Adviser to be of comparable quality. The remaining assets are generally invested in other securities, including high yield securities ("junk bonds") rated below investment grade by a NRSRO, or, if unrated, determined by the Adviser to be below investment grade, preferred and convertible securities, closed-end funds, exchange traded funds, money market securities or equities. While most assets will typically be invested in U.S. dollar-denominated bonds, the Fund may also invest in debt securities of foreign issuers, securities that are economically tied to emerging markets, and securities denominated in foreign currencies. The Fund may invest in derivative instruments, such as options, futures contracts, swap agreements, mortgage dollar rolls or forward commitments in keeping with the Fund's objective.

The Adviser follows an actively managed, total-return oriented approach and seeks to invest in securities that are under-valued in the marketplace based on both a relative value analysis of individual securities combined with an analysis of macro-economic factors. The Adviser will purchase an individual security when doing so is also consistent with its macro-economic outlook, including its forecast of interest rates and its analysis of the yield curve (a measure of interest rates of securities with the same quality, but different maturities). The Adviser will seek to opportunistically purchase securities to take advantage of inefficiencies of prices in the securities markets, and will sell a security when it believes that the security has been fully priced. The Adviser seeks to reduce credit risk by diversifying among many issuers and different types of securities.

The average duration of this Fund normally varies within one year (plus or minus) of the duration of the Barclays U.S. Government/Credit 1-3 Year Index, as calculated by the Adviser. The average duration of the Barclays U.S. Government/Credit 1-3 Year Index, as of March 31, 2016, was 1.82 years. Duration measures the sensitivity of a debt security to changes in interest rates. Generally, the longer the maturity or duration of a fixed income security (or fixed income portfolio), the more sensitive it will be to interest rate changes.

The Adviser will look for inefficiencies in the market and sell when it feels a security is fully priced. As a result, portfolio turnover can be expected to be relatively high, which may result in increased transaction costs, such as commissions, and may lower fund performance.

Principal Risks of Investing

Convertible Securities Risk. The possibility that the value of the Fund's investments in convertible securities may be adversely affected by changes in interest rates, the credit of the issuer and the value of the underlying common stock. The market values of convertible securities tend to decline as interest rates increase and, conversely, to increase as interest rates decline. In addition, as the market price of the underlying common stock declines below the conversion price, the price of the convertible security tends to be increasingly influenced by the yield of the convertible security.

Corporate Debt Securities Risk. The possibility that the issuer of a debt security held by the Fund is unable to meet its principal and interest payment obligations. The further possibility that corporate debt securities held by the Fund may experience increased price volatility due to such factors as market interest rates, market perception of the creditworthiness of the issuer and general market liquidity.

Credit Risk. The possibility that an issuer of a debt security, or the counterparty to a derivatives contract, held by the Fund defaults on its payment obligations.

Currency Risk. The possibility that the value of the Fund's assets may be affected favorably or unfavorably by currency exchange rates, currency exchange control regulations, and restrictions or prohibitions on the repatriation of foreign currencies.

Derivatives Risk. The possibility that the Fund's use of derivatives, such as futures, options and swap agreements, may lead to losses, including those magnified by leverage, particularly when derivatives are used to enhance return rather than mitigate risk. Certain derivative instruments may be difficult to sell when the Sub-Adviser believes it would be appropriate to do so, difficult to value if the instrument becomes illiquid, or the other party to a derivative contract may be unwilling or unable to fulfill its contractual obligations.

Emerging Markets Risk. The possibility that the stocks of companies located in emerging markets may be more volatile, and less liquid, than the stocks of companies located in the U.S. and developed foreign markets due to political, economic, or regulatory conditions within emerging market countries. In addition, emerging market countries may experience more volatile interest and currency exchange rates, higher levels of inflation and less efficient trading and settlement systems.

Fixed Income Market Risk. The possibility that the market value of a fixed-income security may decline due to general market conditions that are not specifically related to a particular company, such as real or perceived adverse economic conditions, changes in the outlook for corporate earnings, changes in interest or currency rates or adverse investor sentiment generally. Fixed income securities markets may, in response to governmental intervention, economic or market developments (including potentially a reduction in the number of broker-dealers willing to engage in market-making activity), or other factors, experience periods of increased, and sometimes unpredictable, volatility and reduced liquidity. During those periods, the Fund may experience increased levels of shareholder redemptions, and may have to sell securities at inopportune times, and at unfavorable prices. Fixed income securities also may be difficult to value during such periods. In recent periods, governmental financial regulators, including the U.S. Federal Reserve, have taken steps to maintain historically low interest rates by purchasing bonds. Steps by those regulators to curtail or "taper" such activities could result in the effects described above, and could have a material adverse effect on prices for fixed income securities and on the management of the Fund.

Foreign Investment Risk. The possibility that the Fund's investments in foreign securities may be adversely affected by political, social, and economic conditions affecting foreign issuers, greater volatility, reduced liquidity, or decreases in foreign currency values relative to the U.S. dollar.

High Yield Bond Risk. The possibility that the Fund's investment in debt securities rated below investment grade (commonly known as junk bonds) may adversely affect the Fund's yield. Although these securities generally provide for higher yields than higher rated debt securities, the high degree of risk associated with these investments can result in substantial or total loss to the Fund. High yield securities are considered speculative and are subject to a greater risk of loss, greater sensitivity to interest rate changes, increased price volatility, valuation difficulties, and a potential lack of a liquid secondary or public market for the securities.

Inflation Linked Bond Risk. The possibility that the value of the Fund's investments in inflation linked bonds will decline in value in response to a rise in real interest rates resulting in losses to the Fund. Inflation linked bonds may experience greater losses than other debt securities with similar durations when real interest rates rise faster than nominal interest rates.

Interest Rate Risk. The possibility that the prices of the Fund's fixed income investments will decline due to rising interest rates.

Liquidity Risk. The possibility that the market for certain of the Fund's investments may become illiquid under adverse or volatile market or economic conditions, making those investments difficult to sell at an advantageous price. The market price of certain investments may fall dramatically if there is no liquid trading market for the investments. It also may be difficult for the Fund to purchase a desired investment at an advantageous price under such circumstances.

Management Risk. The possibility that the investment decisions, techniques, analyses or models implemented by the Fund's Adviser in seeking to achieve the Fund's investment objective may not produce the returns expected, may cause the Fund's shares to lose value or may cause the Fund to underperform relevant benchmarks or other funds with similar investment objectives.

Market Risk. The possibility that the values of, and/or the income generated by, securities held by the Fund may decline, sometimes unpredictably, due to general market conditions or other factors, including those directly involving the issuers of such securities. Security markets are volatile and may decline significantly in response to adverse issuer, regulatory, political, or economic developments. Different sectors of the market and different security types may react differently to such developments.

Mortgage- and Asset-Backed Securities Risk. The possibility that the Fund's investments in mortgage- and asset-backed securities may decline in value and become less liquid when defaults on the underlying mortgages or assets occur and may exhibit additional volatility in periods of rising interest rates. Rising interest rates tend to extend the duration of these securities, making them more sensitive to changes in interest rates than instruments with fixed payment schedules. When interest rates decline or are low, the prepayment of mortgages or assets underlying such securities may reduce the Fund's returns.

Portfolio Turnover Risk. The possibility that the Fund may frequently buy and sell portfolio securities, which may increase transaction costs to the Fund and cause the Fund's performance to be less than you expect.

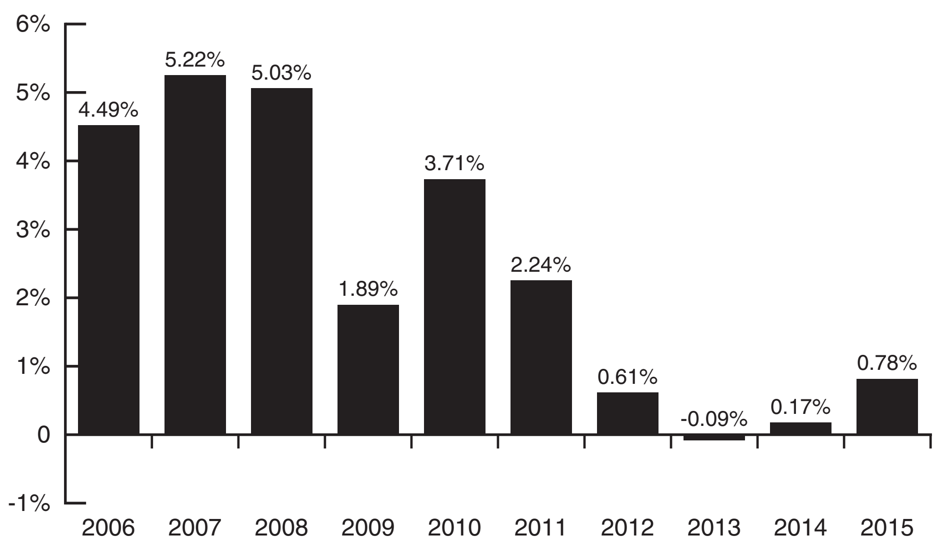
Prepayment and Extension Risk. The possibility that the principal on a fixed income security may be paid off earlier or later than expected causing the Fund to invest in fixed income securities with lower interest rates, which may adversely affect the Fund's performance.

U.S. Government Securities Risk. The possibility that the U.S. government will not provide financial assistance in support of securities issued by certain of its agencies and instrumentalities and held by the Fund if it is not obligated to do because such securities are not issued or guaranteed by the U.S. Treasury. A default by a U.S. government agency or instrumentality could cause the Fund's share price or yield to fall.

An investment in the Fund may be appropriate for investors who are seeking the highest current income consistent with liquidity and low risk to principal available through an investment in investment grade debt.

Performance Information

The bar chart and table below show the performance of the Fund both year-by-year and as an average over different periods of time. The bar chart and table demonstrate the variability of performance over time and provide an indication of the risks and volatility of an investment in the Fund by showing how the Fund's average annual total returns for various periods compare with those of a broad-based securities market index. Past performance does not necessarily indicate how the Fund will perform in the future. This performance information does not include the impact of any charges deducted under your variable contract. If it did, returns would be lower.



Best Quarter	Worst Quarter
2.57%	-0.80%
12/31/2008	12/31/2010

Average Annual Total Return (for Periods Ended December 31, 2015)

	1 Year	5 Years	10 Years
Limited Maturity Bond Fund	0.78%	0.74%	2.39%
Barclays Capital U.S. Government/Credit 1-3 Year Bond Index (reflects no deduction for fees, expenses or taxes)	0.65%	0.98%	2.74%

Investment Adviser

Penn Mutual Asset Management, Inc.

Portfolio Managers

Mark Heppenstall, CFA, Chief Investment Officer, Portfolio Manager of PMAM, has served as portfolio manager of the Fund since June 2014.

Zhiwei Ren, CFA, Managing Director, Portfolio Manager of PMAM, has served as portfolio manager of the Fund since April 2014.

Greg Zappin, CFA, Managing Director, Portfolio Manager of PMAM, has served as portfolio manager of the Fund since June 2014.

Purchase and Sale of Fund Shares, Tax Information and Payments to Insurance Companies and Other Financial Intermediaries

For important information about the purchase and sale of Fund shares, tax information and payments to insurance companies and other financial intermediaries, please turn to the "Additional Fund Summary Information" section on page 124 of this prospectus.

FUND SUMMARY: QUALITY BOND FUND

Investment Objective The Quality Bond Fund (the "Fund") seeks to maximize total return over the long term consistent with the preservation of capital.

Fund Fees and Expenses

This table describes the fees and expenses that you may pay if you buy and hold shares of the Fund. Additional fees and expenses will be applied at the variable contract level. Those fees and expenses are described in your variable contract prospectus. If the information below were to reflect the deduction of variable contract charges, fees and expenses would be higher.

Annual Fund Operating Expenses
(expenses that you pay each year as a percentage of the value of your investment)

Investment Advisory Fees	0.44%
Distribution (12b-1) Fees	None
Other Expenses	0.24%
Total Annual Fund Operating Expenses	0.68%

Example

This example is intended to help you compare the cost of investing in the Fund with the cost of investing in other mutual funds. The example does not reflect expenses and charges which are, or may be, imposed under your variable contract. If the examples were to reflect the deduction of such charges, the costs shown would be greater. The example assumes that you invest $10,000 in the Fund for the time periods indicated. The example also assumes that your investment has a 5% return each year and that the Fund's operating expenses remain the same. Although your actual costs and returns might be higher or lower, based on these assumptions your costs would be:

1 Year	3 Years	5 Years	10 Years
$69	$218	$379	$847

Portfolio Turnover

The Fund pays transaction costs, such as commissions, when it buys and sells securities (or "turns over" its portfolio). A higher portfolio turnover may indicate higher transaction costs. These costs, which are not reflected in the annual fund operating expenses or in the Example, affect the Fund's performance. During the most recent fiscal year, the Fund's portfolio turnover rate was 131% of the average value of its portfolio.

Principal Investment Strategy

Under normal circumstances, the Fund invests at least 80% of its net assets, plus the amount of any borrowings for investment purposes, in marketable investment grade debt securities, which are those securities rated BBB- or higher by S&P, Baa3 or higher by Moody's, or the equivalent by any other nationally recognized statistical rating organization ("NRSRO"), or, if unrated, determined by the Adviser to be of comparably quality. The remaining assets are generally invested in other securities, including high yield securities ("junk bonds") rated below investment grade by a NRSRO, or, if unrated, determined by the Adviser to be below investment grade, preferred and convertible securities, closed-end funds, exchange traded funds, money market securities or equities. While most assets will typically be invested in U.S. dollar-denominated bonds, the Fund may also invest in debt securities of foreign issuers, securities that are economically tied to emerging markets, and securities denominated in foreign currencies. The Fund may invest in derivative instruments, such as options, futures contracts, swap agreements, mortgage dollar rolls or forward commitments in keeping with the Fund's objective.

The Adviser follows an actively managed, total-return oriented approach and seeks to find securities that are under-valued in the marketplace based on both a relative value analysis of individual securities combined with an analysis of macro-economic factors. With this approach, the Adviser attempts to identify securities that are under-valued based on their quality, maturity, and sector in the marketplace. The Adviser will purchase an individual security when doing so is also consistent with its macro-economic outlook, including its forecast of interest rates and its analysis of the yield curve (a measure of interest rates of securities with the same quality, but different maturities). In addition, the Adviser will seek to opportunistically purchase securities to take advantage of inefficiencies of prices in the securities markets. The Adviser will sell a security when it believes that the security has been fully priced. The Adviser seeks to reduce credit risk by diversifying among many issuers and different types of securities.

The average portfolio duration of this Fund normally varies within two years (plus or minus) of the duration of the Barclays U.S. Aggregate Index, as calculated by the Adviser. The average duration of the Barclays U.S. Aggregate Index, as of March 31, 2016, was 5.62 years. Duration is a measure used to determine the sensitivity of a debt security to changes in interest rates. Generally, the longer the maturity or duration of a fixed income security (or fixed income portfolio), the more sensitive it will be to interest rate changes.

Principal Risks of Investing

Convertible Securities Risk. The possibility that the value of the Fund's investments in convertible securities may be adversely affected by changes in interest rates, the credit of the issuer and the value of the underlying common stock. The market values of convertible securities tend to decline as interest rates increase and, conversely, to increase as interest rates decline. In addition, as the market price of the underlying common stock declines below the conversion price, the price of the convertible security tends to be increasingly influenced by the yield of the convertible security.

Corporate Debt Securities Risk. The possibility that the issuer of a debt security held by the Fund is unable to meet its principal and interest payment obligations. The further possibility that corporate debt securities held by the Fund may experience increased price volatility due to such factors as market interest rates, market perception of the creditworthiness of the issuer and general market liquidity.

Credit Risk. The possibility that an issuer of a debt security, or the counterparty to a derivatives contract, held by the Fund defaults on its payment obligations.

Currency Risk. The possibility that the value of the Fund's assets may be affected favorably or unfavorably by currency exchange rates, currency exchange control regulations, and restrictions or prohibitions on the repatriation of foreign currencies.

Derivatives Risk. The possibility that the Fund's use of derivatives, such as futures, options and swap agreements, may lead to losses, including those magnified by leverage, particularly when derivatives are used to enhance return rather than mitigate risk. Certain derivative instruments may be difficult to sell when the Sub-Adviser believes it would be appropriate to do so, difficult to value if the instrument becomes illiquid, or the other party to a derivative contract may be unwilling or unable to fulfill its contractual obligations.

Emerging Markets Risk. The possibility that the stocks of companies located in emerging markets may be more volatile, and less liquid, than the stocks of companies located in the U.S. and developed foreign markets due to political, economic, or regulatory conditions within emerging market countries. In addition, emerging market countries may experience more volatile interest and currency exchange rates, higher levels of inflation and less efficient trading and settlement systems.

Fixed Income Market Risk. The possibility that the market value of a fixed-income security may decline due to general market conditions that are not specifically related to a particular company, such as real or perceived adverse economic conditions, changes in the outlook for corporate earnings, changes in interest or currency rates or adverse investor sentiment generally. Fixed income securities markets may, in response to governmental intervention, economic or market developments (including potentially a reduction in the number of broker-dealers willing to engage in market-making activity), or other factors, experience periods of increased, and sometimes unpredictable, volatility and reduced liquidity. During those periods, the Fund may experience increased levels of shareholder redemptions, and may have to sell securities at inopportune times, and at unfavorable prices. Fixed income securities also may be difficult to value during such periods. In recent periods, governmental financial regulators, including the U.S. Federal Reserve, have taken steps to maintain historically low interest rates by purchasing bonds. Steps by those regulators to curtail or "taper" such activities could result in the effects described above, and could have a material adverse effect on prices for fixed income securities and on the management of the Fund.

Foreign Investment Risk. The possibility that the Fund's investments in foreign securities may be adversely affected by political, social, and economic conditions affecting foreign issuers, greater volatility, reduced liquidity, or decreases in foreign currency values relative to the U.S. dollar.

High Yield Bond Risk. The possibility that the Fund's investment in debt securities rated below investment grade (commonly known as junk bonds) may adversely affect the Fund's yield. Although these securities generally provide for higher yields than higher rated debt securities, the high degree of risk associated with these investments can result in substantial or total loss to the Fund. High yield securities are considered speculative and are subject to a greater risk of loss, greater sensitivity to interest rate changes, increased price volatility, valuation difficulties, and a potential lack of a liquid secondary or public market for the securities.

Inflation Linked Bond Risk. The possibility that the value of the Fund's investments in inflation linked bonds will decline in value in response to a rise in real interest rates resulting in losses to the Fund. Inflation linked bonds may experience greater losses than other debt securities with similar durations when real interest rates rise faster than nominal interest rates.

Interest Rate Risk. The possibility that the prices of the Fund's fixed income investments will decline due to rising interest rates.

Liquidity Risk. The possibility that the market for certain of the Fund's investments may become illiquid under adverse or volatile market or economic conditions, making those investments difficult to sell at an advantageous price. The market price of certain investments may fall dramatically if there is no liquid trading market for the investments. It also may be difficult for the Fund to purchase a desired investment at an advantageous price under such circumstances.

Management Risk. The possibility that the investment decisions, techniques, analyses or models implemented by the Fund's Sub-Adviser in seeking to achieve the Fund's investment objective may not produce the returns expected, may cause the Fund's shares to lose value or may cause the Fund to underperform relevant benchmarks or other funds with similar investment objectives.

Market Risk. The possibility that the values of, and/or the income generated by, securities held by the Fund may decline, sometimes unpredictably, due to general market conditions or other factors, including those directly involving the issuers of such securities. Security markets are volatile and may decline significantly in response to adverse issuer, regulatory, political, or economic developments. Different sectors of the market and different security types may react differently to such developments.

Mortgage- and Asset-Backed Securities Risk. The possibility that the Fund's investments in mortgage- and asset-backed securities may decline in value and become less liquid when defaults on the underlying mortgages or assets occur and may exhibit additional volatility in periods of rising interest rates. Rising interest rates tend to extend the duration of these securities, making them more sensitive to changes in interest rates than instruments with fixed payment schedules. When interest rates decline or are low, the prepayment of mortgages or assets underlying such securities may reduce the Fund's returns.

Portfolio Turnover Risk. The possibility that the Fund may frequently buy and sell portfolio securities, which may increase transaction costs to the Fund and cause the Fund's performance to be less than you expect.

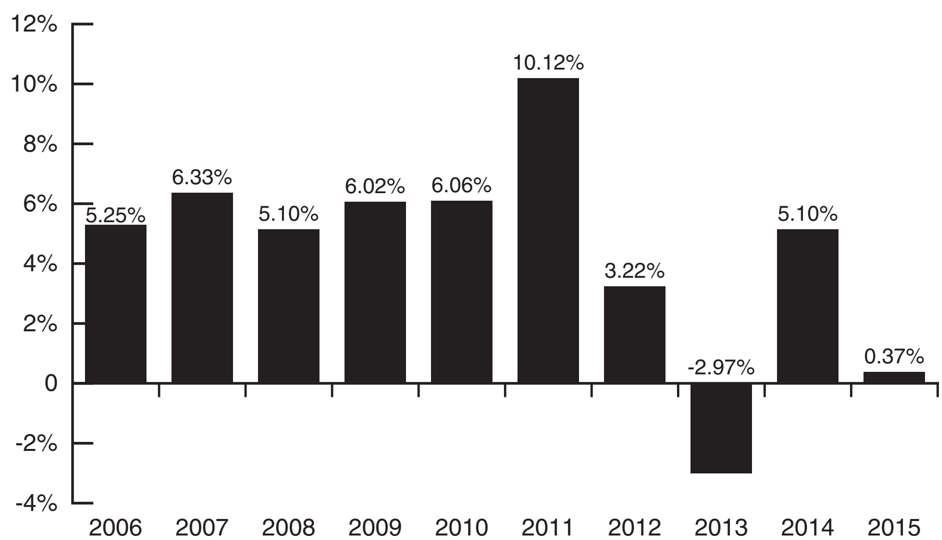
Prepayment and Extension Risk. The possibility that the principal on a fixed income security may be paid off earlier or later than expected causing the Fund to invest in fixed income securities with lower interest rates, which may adversely affect the Fund's performance.

U.S. Government Securities Risk. The possibility that the U.S. government will not provide financial assistance in support of securities issued by certain of its agencies and instrumentalities and held by the Fund if it is not obligated to do because such securities are not issued or guaranteed by the U.S. Treasury. A default by a U.S. government agency or instrumentality could cause the Fund's share price or yield to fall.

An investment in the Fund may be appropriate for investors who are seeking investment income and preservation of principal.

Performance Information

The bar chart and table below show the performance of the Fund both year-by-year and as an average over different periods of time. The bar chart and table demonstrate the variability of performance over time and provide an indication of the risks and volatility of an investment in the Fund by showing how the Fund's average annual total returns for various periods compare with those of a broad-based securities market index. Past performance does not necessarily indicate how the Fund will perform in the future. This performance information does not include the impact of any charges deducted under your variable contract. If it did, returns would be lower.



Best Quarter	Worst Quarter
6.59%	-2.75%
9/30/2011	6/30/2013

Average Annual Total Return (for Periods Ended December 31, 2015)

	1 Year	5 Years	10 Years
Quality Bond Fund	0.37%	3.07%	4.40%
Barclays Capital U.S. Aggregate Bond Index (reflects no deduction for fees, expenses or taxes)	0.55%	3.25%	4.51%

Investment Adviser

Penn Mutual Asset Management, Inc.

Portfolio Managers

Mark Heppenstall, CFA, Chief Investment Officer, Portfolio Manager of PMAM, has served as portfolio manager of the Fund since June 2014.

Zhiwei Ren, CFA, Managing Director, Portfolio Manager of PMAM, has served as portfolio manager of the Fund since April 2014.

Greg Zappin, CFA, Managing Director, Portfolio Manager of PMAM, has served as portfolio manager of the Fund since June 2014.

Purchase and Sale of Fund Shares, Tax Information and Payments to Insurance Companies and Other Financial Intermediaries

For important information about the purchase and sale of Fund shares, tax information and payments to insurance companies and other financial intermediaries, please turn to the "Additional Fund Summary Information" section on page 124 of this prospectus.

FUND SUMMARY: HIGH YIELD BOND FUND

Investment Objective The investment objective of the High Yield Bond Fund (the "Fund") is to realize high current income.

Fund Fees and Expenses

This table describes the fees and expenses that you may pay if you buy and hold shares of the Fund. Additional fees and expenses will be applied at the variable contract level. Those fees and expenses are described in your variable contract prospectus. If the information below were to reflect the deduction of variable contract charges, fees and expenses would be higher.

Annual Fund Operating Expenses
(expenses that you pay each year as a percentage of the value of your investment)

Investment Advisory Fees	0.56%
Distribution (12b-1) Fees	None
Other Expenses	0.31%
Total Annual Fund Operating Expenses	0.87%

Example

This example is intended to help you compare the cost of investing in the Fund with the cost of investing in other mutual funds. The example does not reflect expenses and charges which are, or may be, imposed under your variable contract. If the examples were to reflect the deduction of such charges, the costs shown would be greater. The example assumes that you invest $10,000 in the Fund for the time periods indicated. The example also assumes that your investment has a 5% return each year and that the Fund's operating expenses remain the same. Although your actual costs and returns might be higher or lower, based on these assumptions your costs would be:

1 Year	3 Years	5 Years	10 Years
$89	$278	$482	$1,073

Portfolio Turnover

The Fund pays transaction costs, such as commissions, when it buys and sells securities (or "turns over" its portfolio). A higher portfolio turnover may indicate higher transaction costs. These costs, which are not reflected in the annual fund operating expenses or in the Example, affect the Fund's performance. During the most recent fiscal year, the Fund's portfolio turnover rate was 72% of the average value of its portfolio.

Principal Investment Strategy

Under normal circumstances, the Fund invests at least 80% of its net assets, plus the amount of any borrowings for investment purposes, in a widely diversified portfolio of high yield corporate bonds (commonly known as "junk bonds"), income-producing convertible securities and preferred stocks that are rated below investment-grade or not rated by any major credit rating agency but deemed to be below investment-grade by the Sub-Adviser. High yield bonds are rated below investment grade (BB and lower, or an equivalent rating), and tend to provide high income in an effort to compensate investors for their higher risk of default, which is the failure to make required interest or principal payments. High yield bond issuers include small or relatively new companies lacking the history or capital to merit investment grade status, former blue-chip companies downgraded because of financial problems, companies electing to borrow heavily to finance or avoid a takeover or buyout, and firms with heavy debt loads.

The Fund's dollar-weighted average maturity generally is expected to be in the five- to ten-year range, but will vary with market conditions. In selecting investments for the Fund, the Sub-Adviser relies extensively on its credit research analysts. The Fund intends to focus primarily on the higher-quality range (BB and B, or an equivalent rating) of the high yield market.

While most assets will typically be invested in U.S. dollar-denominated bonds, the Fund may also invest in bonds of foreign issuers as well as use forward currency exchange contracts and credit default swaps in keeping with the Fund's objectives. Forward currency exchange contracts would typically be used to protect the Fund's foreign bond holdings from adverse currency movements relative to the U.S. dollar and credit default swaps would typically be used to protect the value of certain portfolio holdings or to manage the Fund's overall exposure to changes in credit quality.

The Fund may sell holdings for a variety of reasons, such as to adjust a portfolio's average maturity or credit quality, or to shift assets into and out of higher-yielding securities, or to reduce exposure to certain securities.

Principal Risks of Investing

Bank Loans Risk. The possibility that, to the extent the Fund invests in bank loans, it is exposed to additional risks beyond those associated with traditional debt securities, including liquidity risk, prepayment risk, extension risk, the risk of subordination to other creditors, restrictions on resale, and the lack of a regular trading market and publicly available information. In addition, liquidity risk may be more pronounced for a portfolio investing in loans because certain loans may have a more limited secondary market. These loans may be difficult to value, which may result in a loss. In addition, bank loans generally are subject to extended settlement periods in excess of seven days, which may impair the Fund's ability to sell or realize the full value of its loans in the event of a need to liquidate such loans. Purchases and sales of loans in the secondary market generally are subject to contractual restrictions that may delay the Fund's ability to make timely redemptions. Bank loans may not be considered securities and, therefore, the Fund may not have the protections of the federal securities laws with respect to its holdings of such loans.

Corporate Debt Securities Risk. The possibility that the issuer of a debt security held by the Fund is unable to meet its principal and interest payment obligations. The further possibility that corporate debt securities held by the Fund may experience increased price volatility due to such factors as market interest rates, market perception of the creditworthiness of the issuer and general market liquidity.

Credit Risk. The possibility that an issuer of a debt security, or the counterparty to a derivatives contract, held by the Fund defaults on its payment obligations.

Credit Default Swap Risk. The possibility that the Fund's investments in credit default swaps may subject the Fund to greater risks than if the Fund were to invest directly in the reference obligation. Investing in credit default swaps exposes the Fund to the credit risk of both the counterparty to the credit default swap and the issuer of the underlying reference obligation. The Fund could realize a loss on its investment if it does not correctly evaluate the creditworthiness of the issuer of the bond or other reference obligation on which the credit default swap is based, as well as the continued creditworthiness of the counterparty. Investments in credit default swaps are also subject to liquidity risk.

Currency Risk. The possibility that the value of the Fund's assets may be affected favorably or unfavorably by currency exchange rates, currency exchange control regulations, and restrictions or prohibitions on the repatriation of foreign currencies.

Derivatives Risk. The possibility that the Fund's use of derivatives, such as futures, options and swap agreements, may lead to losses, including those magnified by leverage, particularly when derivatives are used to enhance return rather than mitigate risk. Certain derivative instruments may be difficult to sell when the Sub-Adviser believes it would be appropriate to do so, difficult to value if the instrument becomes illiquid, or the other party to a derivative contract may be unwilling or unable to fulfill its contractual obligations.

Fixed Income Market Risk. The possibility that the market value of a fixed-income security may decline due to general market conditions that are not specifically related to a particular company, such as real or perceived adverse economic conditions, changes in the outlook for corporate earnings, changes in interest or currency rates or adverse investor sentiment generally. Fixed income securities markets may, in response to governmental intervention, economic or market developments (including potentially a reduction in the number of broker-dealers willing to engage in market-making activity), or other factors, experience periods of increased, and sometimes unpredictable, volatility and reduced liquidity. During those periods, the Fund may experience increased levels of shareholder redemptions, and may have to sell securities at inopportune times, and at unfavorable prices. Fixed income securities also may be difficult to value during such periods. In recent periods, governmental financial regulators, including the U.S. Federal Reserve, have taken steps to maintain historically low interest rates by purchasing bonds. Steps by those regulators to curtail or "taper" such activities could result in the effects described above, and could have a material adverse effect on prices for fixed income securities and on the management of the Fund.

Foreign Investment Risk. The possibility that the Fund's investments in foreign securities may be adversely affected by political, social, and economic conditions affecting foreign issuers, greater volatility, reduced liquidity, or decreases in foreign currency values relative to the U.S. dollar.

High Yield Bond Risk. The possibility that the Fund's investment in debt securities rated below investment grade (commonly known as junk bonds) may adversely affect the Fund's yield. Although these securities generally provide for higher yields than higher rated debt securities, the high degree of risk associated with these investments can result in substantial or total loss to the Fund. High yield securities are considered speculative and are subject to a greater risk of loss, greater sensitivity to interest rate changes, increased price volatility, valuation difficulties, and a potential lack of a liquid secondary or public market for the securities.

Interest Rate Risk. The possibility that the prices of the Fund's fixed income investments will decline due to rising interest rates.

Liquidity Risk. The possibility that the market for certain of the Fund's investments may become illiquid under adverse or volatile market or economic conditions, making those investments difficult to sell at an advantageous price. The market price of certain investments may fall dramatically if there is no liquid trading market for the investments. It also may be difficult for the Fund to purchase a desired investment at an advantageous price under such circumstances.

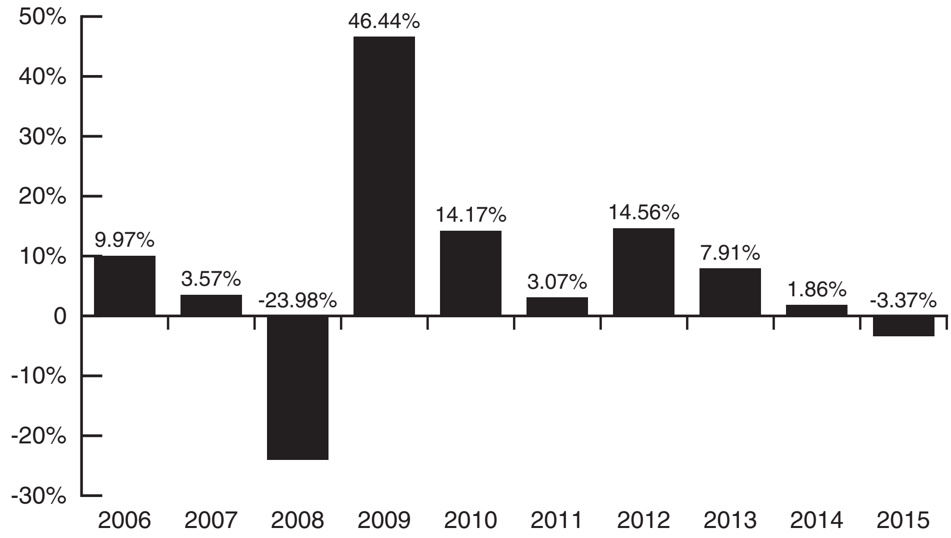
Management Risk. The possibility that the investment decisions, techniques, analyses or models implemented by the Fund's Sub-Adviser in seeking to achieve the Fund's investment objective may not produce the returns expected, may cause the Fund's shares to lose value or may cause the Fund to underperform relevant benchmarks or other funds with similar investment objectives.

Prepayment and Extension Risk. The possibility that the principal on a fixed income security may be paid off earlier or later than expected causing the Fund to invest in fixed income securities with lower interest rates, which may adversely affect the Fund's performance.

An investment in the Fund may be appropriate for long-term, risk-oriented investors who are willing to accept the greater risks and uncertainties of investing in high yield bonds in the hope of earning high current income.

Performance Information

The bar chart and table below show the performance of the Fund both year-by-year and as an average over different periods of time. The bar chart and table demonstrate the variability of performance over time and provide an indication of the risks and volatility of an investment in the Fund by showing how the Fund's average annual total returns for various periods compare with those of a broad-based securities market index. Past performance does not necessarily indicate how the Fund will perform in the future. This performance information does not include the impact of any charges deducted under your variable contract. If it did, returns would be lower.



Best Quarter	Worst Quarter
18.08%	-17.56%
6/30/2009	12/31/2008

Average Annual Total Return (for Periods Ended December 31, 2015)

	1 Year	5 Years	10 Years
High Yield Bond Fund	-3.37%	4.63%	6.14%
Credit Suisse High Yield Index (reflects no deduction for fees, expenses or taxes)	-4.93%	4.73%	6.55%

Investment Adviser

Penn Mutual Asset Management, Inc.

Investment Sub-Adviser

T. Rowe Price Associates, Inc.

Portfolio Manager

Mark J. Vaselkiv, a Vice President of T. Rowe Price Associates, Inc., has served as portfolio manager of the Fund since November 1996.

Purchase and Sale of Fund Shares, Tax Information and Payments to Insurance Companies and Other Financial Intermediaries

For important information about the purchase and sale of Fund shares, tax information and payments to insurance companies and other financial intermediaries, please turn to the "Additional Fund Summary Information" section on page 124 of this prospectus.

FUND SUMMARY: FLEXIBLY MANAGED FUND

Investment Objective The investment objective of the Flexibly Managed Fund (the "Fund") is to maximize total return (capital appreciation and income).

Fund Fees and Expenses

This table describes the fees and expenses that you may pay if you buy and hold shares of the Fund. Additional fees and expenses will be applied at the variable contract level. Those fees and expenses are described in your variable contract prospectus. If the information below were to reflect the deduction of variable contract charges, fees and expenses would be higher.

Annual Fund Operating Expenses
(expenses that you pay each year as a percentage of the value of your investment)

Investment Advisory Fees	0.70%
Distribution (12b-1) Fees	None
Other Expenses	0.22%
Acquired Fund Fees and Expenses	0.02%
Total Annual Fund Operating Expenses*	0.94%

* The Total Annual Fund Operating Expenses in this fee table may not correlate to the expense ratios in the Fund's financial highlights and financial statements because the financial highlights and financial statements reflect only the operating expenses of the Fund and do not include Acquired Fund Fees and Expenses, which are fees and expenses incurred indirectly by the Fund through its investments in certain underlying investment companies.

Example

This example is intended to help you compare the cost of investing in the Fund with the cost of investing in other mutual funds. The example does not reflect expenses and charges which are, or may be, imposed under your variable contract. If the examples were to reflect the deduction of such charges, the costs shown would be greater. The example assumes that you invest $10,000 in the Fund for the time periods indicated. The example also assumes that your investment has a 5% return each year and that the Fund's operating expenses remain the same. Although your actual costs and returns might be higher or lower, based on these assumptions your costs would be:

1 Year	3 Years	5 Years	10 Years
$96	$300	$520	$1,155

Portfolio Turnover

The Fund pays transaction costs, such as commissions, when it buys and sells securities (or "turns over" its portfolio). A higher portfolio turnover may indicate higher transaction costs. These costs, which are not reflected in the annual fund operating expenses or in the Example, affect the Fund's performance. During the most recent fiscal year, the Fund's portfolio turnover rate was 69% of the average value of its portfolio.

Principal Investment Strategy

The Fund invests primarily in stocks of established U.S. companies that it believes have above-average potential for capital growth. The Fund's investments in stocks are primarily those issued by large capitalization companies, and stocks typically constitute at least half of total assets. The remaining assets are generally invested in other securities, such as convertibles, corporate and government debt securities (including mortgage- and asset-backed securities), high yield securities (commonly known as "junk bonds"), bank loans and foreign securities, in keeping with the Fund's objective. The Fund's investments in stocks generally fall into one of two categories. The larger category comprises long-term core holdings that the Sub-Adviser considers to be underpriced in terms of company assets, earnings, or other factors at the time they are purchased. The smaller category comprises opportunistic investments whose prices the Sub-Adviser expects to rise in the short term, but not necessarily over the long term. There are no limits on the market capitalization of issuers of the stocks in which the Fund invests. Since the Sub-Adviser attempts to prevent losses as well as achieve gains, it typically uses a "value approach" in selecting investments. Its in-house research team seeks to identify companies that seem under-valued by various measures, such as price/book value, and may be temporarily out of favor but have good prospects for capital appreciation. The Sub-Adviser may establish relatively large positions in companies it finds particularly attractive. The Fund may also, to a limited extent, invest in options and could write (*i.e.*, sell) call options, primarily in an effort to protect against downside risk or to generate additional income.

The Fund may sell securities for a variety of reasons, such as to secure gains, limit losses, or redeploy assets into more promising opportunities.

The Sub-Adviser works as hard to reduce risk as to maximize gains and may realize gains rather than lose them in market declines. In addition, the Sub-Adviser searches for attractive risk/reward values among all types of securities. The portion of the Fund invested in a particular type of security, such as common stocks, results largely from case-by-case investment decisions, and the size of the Fund's cash reserve may reflect the Sub-Adviser's ability to find companies that meet valuation criteria rather than its market outlook. Bonds, bank loans and convertible securities may be purchased to gain additional exposure to a company or for their income or other features. Maturity and quality are not necessarily major considerations. There are no specified limits on the maturities or credit ratings of the debt instruments in which the Fund invests. The Fund expects to invest more than 25% of its net assets in the banking industry when the Fund's position in issues maturing in one year or less equals 35% or more of the Fund's total assets. The Fund may invest up to 25% of its total assets in below-investment grade securities. There is no limit on the Fund's investments in convertible securities. The Fund may sell securities for a variety of reasons, such as to secure gains, limit losses, or redeploy assets into more promising opportunities.

Principal Risks of Investing

Bank Loans Risk. The possibility that, to the extent the Fund invests in bank loans, it is exposed to additional risks beyond those associated with traditional debt securities, including liquidity risk, prepayment risk, extension risk, the risk of subordination to other creditors, restrictions on resale, and the lack of a regular trading market and publicly available information. In addition, liquidity risk may be more pronounced for a portfolio investing in loans because certain loans may have a more limited secondary market. These loans may be difficult to value, which may result in a loss. In addition, bank loans generally are subject to extended settlement periods in excess of seven days, which may impair the Fund's ability to sell or realize the full value of its loans in the event of a need to liquidate such loans. Purchases and sales of loans in the secondary market generally are subject to contractual restrictions that may delay the Fund's ability to make timely redemptions. Bank loans may not be considered securities and, therefore, the Fund may not have the protections of the federal securities laws with respect to its holdings of such loans.

Banking Industry Risk. The possibility that the Fund's investments in securities in the banking industry may be adversely affected by interest rate risk, credit risk, and financial, economic, and regulatory developments affecting the banking industry, such as deteriorating economic and business conditions that cause defaults on bank loans and declines in total deposits. Banks are subject to extensive government regulation that may affect the scope of their activities, their profitability, the prices they charge and the amount of capital they maintain.

Convertible Securities Risk. The possibility that the value of the Fund's investments in convertible securities may be adversely affected by changes in interest rates, the credit of the issuer and the value of the underlying common stock. The market values of convertible securities tend to decline as interest rates increase and, conversely, to increase as interest rates decline. In addition, as the market price of the underlying common stock declines below the conversion price, the price of the convertible security tends to be increasingly influenced by the yield of the convertible security.

Corporate Debt Securities Risk. The possibility that the issuer of a debt security held by the Fund is unable to meet its principal and interest payment obligations. The further possibility that corporate debt securities held by the Fund may experience increased price volatility due to such factors as market interest rates, market perception of the creditworthiness of the issuer and general market liquidity.

Credit Risk. The possibility that an issuer of a debt security, or the counterparty to a derivatives contract, held by the Fund defaults on its payment obligations.

Currency Risk. The possibility that the value of the Fund's assets may be affected favorably or unfavorably by currency exchange rates, currency exchange control regulations, and restrictions or prohibitions on the repatriation of foreign currencies.

Derivatives Risk. The possibility that the Fund's use of derivatives, such as futures, options and swap agreements, may lead to losses, including those magnified by leverage, particularly when derivatives are used to enhance return rather than mitigate risk. Certain derivative instruments may be difficult to sell when the Sub-Adviser believes it would be appropriate to do so, difficult to value if the instrument becomes illiquid, or the other party to a derivative contract may be unwilling or unable to fulfill its contractual obligations.

Fixed Income Market Risk. The possibility that the market value of a fixed-income security may decline due to general market conditions that are not specifically related to a particular company, such as real or perceived adverse economic conditions, changes in the outlook for corporate earnings, changes in interest or currency rates or adverse investor sentiment generally. Fixed income securities markets may, in response to governmental intervention, economic or market developments (including potentially a reduction in the number of broker-dealers willing to engage in market-making activity), or other factors, experience periods of increased, and sometimes unpredictable, volatility and reduced liquidity. During those periods, the Fund may experience increased levels of shareholder redemptions, and may have to sell securities at inopportune times, and at unfavorable prices. Fixed income securities also may be difficult to value during such periods. In recent periods, governmental financial regulators, including the U.S. Federal Reserve, have taken steps to maintain historically low interest rates by purchasing bonds. Steps by those regulators to curtail or "taper" such activities could result in the effects described above, and could have a material adverse effect on prices for fixed income securities and on the management of the Fund.

Foreign Investment Risk. The possibility that the Fund's investments in foreign securities may be adversely affected by political, social, and economic conditions affecting foreign issuers, greater volatility, reduced liquidity, or decreases in foreign currency values relative to the U.S. dollar.

High Yield Bond Risk. The possibility that the Fund's investment in debt securities rated below investment grade (commonly known as junk bonds) may adversely affect the Fund's yield. Although these securities generally provide for higher yields than higher rated debt securities, the high degree of risk associated with these investments can result in substantial or total loss to the Fund. High yield securities are considered speculative and are subject to a greater risk of loss, greater sensitivity to interest rate changes, increased price volatility, valuation difficulties, and a potential lack of a liquid secondary or public market for the securities.

Interest Rate Risk. The possibility that the prices of the Fund's fixed income investments will decline due to rising interest rates.

Investment Style Risk. The possibility that the Fund could underperform if the Fund's investment style shifts out of favor based on changing market sentiment and conditions.

Large-Cap Securities Risk. The possibility that the Fund's investments in larger companies may underperform relative to those of smaller companies. Larger more established companies may be unable to respond quickly to new competitive challenges such as changes in technology and consumer tastes and may not be able to attain the high growth rate of successful smaller companies, especially during extended periods of economic expansion.

Liquidity Risk. The possibility that the market for certain of the Fund's investments may become illiquid under adverse or volatile market or economic conditions, making those investments difficult to sell at an advantageous price. The market price of certain investments may fall dramatically if there is no liquid trading market for the investments. It also may be difficult for the Fund to purchase a desired investment at an advantageous price under such circumstances.

Management Risk. The possibility that the investment decisions, techniques, analyses or models implemented by the Fund's Sub-Adviser in seeking to achieve the Fund's investment objective may not produce the returns expected, may cause the Fund's shares to lose value or may cause the Fund to underperform relevant benchmarks or other funds with similar investment objectives.

Mortgage- and Asset-Backed Securities Risk. The possibility that the Fund's investments in mortgage- and asset-backed securities may decline in value and become less liquid when defaults on the underlying mortgages or assets occur and may exhibit additional volatility in periods of rising interest rates. Rising interest rates tend to extend the duration of these securities, making them more sensitive to changes in interest rates than instruments with fixed payment schedules. When interest rates decline or are low, the prepayment of mortgages or assets underlying such securities may reduce the Fund's returns.

Prepayment and Extension Risk. The possibility that the principal on a fixed income security may be paid off earlier or later than expected causing the Fund to invest in fixed income securities with lower interest rates, which may adversely affect the Fund's performance.

Small- and Mid-Cap Securities Risk. The possibility that the Fund's investments in small- and mid-cap securities may be subject to greater risk and higher volatility than are customarily associated with investing in larger more established companies. Securities issued by small- and mid-sized companies, which can include start-up companies, tend to be more vulnerable than larger and more established companies to adverse business and economic developments. Such companies generally have narrower product lines, more limited financial resources and more limited markets for their stock as compared with larger companies. As a result, the value of such securities also may be more volatile than the securities of larger companies, and the Fund's portfolio may experience difficulty in purchasing or selling such securities at the desired time and price or in the desired amount.

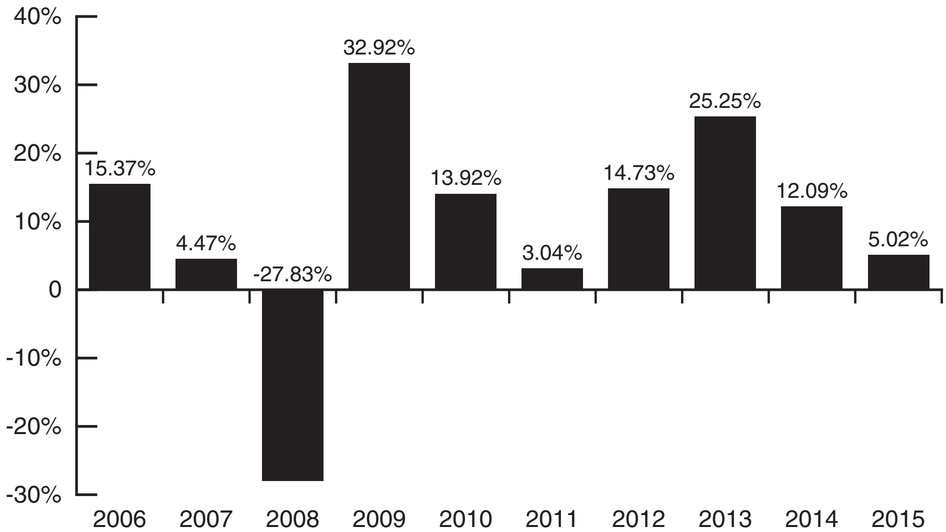
U.S. Government Securities Risk. The possibility that the U.S. government will not provide financial assistance in support of securities issued by certain of its agencies and instrumentalities and held by the Fund if it is not obligated to do because such securities are not issued or guaranteed by the U.S. Treasury. A default by a U.S. government agency or instrumentality could cause the Fund's share price or yield to fall.

"Value" Investing Risk. The possibility that the Fund's investments in securities believed by the Sub-Adviser to be undervalued may not realize their perceived value for extended periods of time or may never realize their perceived value. The securities in which the Fund invests may respond differently to market and other developments than other types of securities, and may underperform growth stocks and/or the market as a whole.

An investment in the Fund may be appropriate for investors who are seeking a relatively conservative approach to investing for total return and are willing to accept the risks and uncertainties of investing in common stocks and bonds.

Performance Information

The bar chart and table below show the performance of the Fund both year-by-year and as an average over different periods of time. The bar chart and table demonstrate the variability of performance over time and provide an indication of the risks and volatility of an investment in the Fund by showing how the Fund's average annual total returns for various periods compare with those of a broad-based securities market index. Past performance does not necessarily indicate how the Fund will perform in the future. This performance information does not include the impact of any charges deducted under your variable contract. If it did, returns would be lower.



Best Quarter	**Worst Quarter**
18.67%	-19.44%
6/30/2009	12/31/2008

Average Annual Total Return (for Periods Ended December 31, 2015)

	1 Year	5 Years	10 Years
Flexibly Managed Fund	5.02%	11.22%	8.41%
S&P 500® Index (reflects no deduction for fees, expenses or taxes)	1.38%	12.57%	7.31%

Investment Adviser

Penn Mutual Asset Management, Inc.

Investment Sub-Adviser

T. Rowe Price Associates, Inc.

Portfolio Manager

David Giroux, a Vice President of T. Rowe Price Associates, Inc., has served as portfolio manager of the Fund since 2006.

Purchase and Sale of Fund Shares, Tax Information and Payments to Insurance Companies and Other Financial Intermediaries

For important information about the purchase and sale of Fund shares, tax information and payments to insurance companies and other financial intermediaries, please turn to the "Additional Fund Summary Information" section on page 124 of this prospectus.

FUND SUMMARY: BALANCED FUND

Investment Objective

The investment objective of the Balanced Fund (the "Fund") is to seek long-term growth and current income.

Fund Fees and Expenses

This table describes the fees and expenses that you may pay if you buy and hold shares of the Fund. Additional fees and expenses will be applied at the variable contract level. Those fees and expenses are described in your variable contract prospectus. If the information below were to reflect the deduction of variable contract charges, fees and expenses would be higher.

Annual Fund Operating Expenses
(expenses that you pay each year as a percentage of the value of your investment)

Investment Advisory Fees	0.00%
Distribution (12b-1) Fees	None
Other Expenses	0.21%
Acquired Fund Fees and Expenses	0.50%
Total Annual Fund Operating Expenses*	0.71%

* The Total Annual Fund Operating Expenses in this fee table may not correlate to the expense ratios in the Fund's financial highlights and financial statements because the financial highlights and financial statements reflect only the operating expenses of the Fund and do not include Acquired Fund Fees and Expenses, which are fees and expenses incurred indirectly by the Fund through its investments in certain underlying investment companies.

Example

This example is intended to help you compare the cost of investing in the Fund with the cost of investing in other mutual funds. The example does not reflect expenses and charges which are, or may be, imposed under your variable contract. If the examples were to reflect the deduction of such charges, the costs shown would be greater. The example assumes that you invest $10,000 in the Fund for the time periods indicated. The example also assumes that your investment has a 5% return each year and that the Fund's operating expenses remain the same. Although your actual costs and returns might be higher or lower, based on these assumptions your costs would be:

1 Year	3 Years	5 Years	10 Years
$73	$227	$395	$883

Portfolio Turnover

The Fund pays transaction costs, such as commissions, when it buys and sells securities (or "turns over" its portfolio). A higher portfolio turnover may indicate higher transaction costs. These costs, which are not reflected in the annual fund operating expenses or in the Example, affect the Fund's performance. During the most recent fiscal year, the Fund's portfolio turnover rate was 8% of the average value of its portfolio.

Principal Investment Strategy

The Fund seeks to achieve its investment objective by using a "fund-of-funds" strategy. Accordingly, the Fund invests in a combination of other Penn Series Funds (each, an "underlying fund" and, collectively, the "underlying funds") in accordance with its target asset allocation. These underlying funds invest their assets directly in equity, fixed income, money market and other securities in accordance with their own investment objectives and policies. The underlying funds are managed using both indexed and active management strategies. The Fund intends to invest primarily in a combination of underlying funds; however, the Fund may invest directly in equity and fixed income securities and cash equivalents, including money market securities.

Under normal circumstances, the Fund will invest 50%-70% of its assets in stock and other equity underlying funds, 30%-50% of its assets in bond and other fixed income funds, and 0%-20% of its assets in money market funds. The Fund's allocation strategy is designed to provide a mix of the growth opportunities of stock investing with the income opportunities of bonds and other fixed income securities.

The Fund's underlying equity fund allocation will primarily track the performance of the large capitalization company portion of the U.S. stock market. The Fund's underlying fixed income fund allocation will be invested primarily in a broad range of investment grade fixed income securities (although up to 10% of the underlying fund may be invested in non-investment grade securities (commonly known as "junk bonds")), and is intended to provide results consistent with the broad U.S. fixed income market.

The following chart shows the Fund's target asset allocation among the various asset classes. The Adviser may permit modest deviations from the target asset allocations listed below. Market appreciation or depreciation may cause the Fund to be outside of its target asset allocation range. In addition, differences in the performance of the underlying funds and the size and frequency of purchase and redemption orders may affect the Fund's actual allocations. Accordingly, the Fund's actual allocations may differ from this illustration.

Asset Classes and Underlying Funds	Target Asset Allocation
Equity Fund	50% - 70%
Penn Series Index 500 Fund	
Fixed Income Fund	30% - 50%
Penn Series Quality Bond Fund	
Money Market Fund	0% - 20%
Penn Series Money Market Fund	

The Fund's investment performance is directly related to the investment performance of the underlying funds. A brief description of each underlying fund's principal investment strategy is provided below.

Underlying Funds	Investment Objective and Principal Investment Strategy
Penn Series Index 500 Fund	Seeks a total return (capital appreciation and income) which corresponds to that of the S&P 500® Index. Under normal circumstances, the Fund intends to invest substantially all of its assets in securities of companies included in the Index and close substitutes (such as index futures contracts) that are designed to track the S&P 500® Index.
Penn Series Quality Bond Fund	Seeks to maximize total return over the long term consistent with the preservation of capital. Under normal circumstances, the Fund invests at least 80% of its net assets, plus the amount of any borrowings for investment purposes, in marketable investment grade debt securities.
Penn Series Money Market Fund	Seeks current income, while preserving capital and liquidity. The Fund is a government money market and will invest no less than 99.5% of its total assets in government securities, cash or repurchase agreements that are collateralized fully by government securities or cash.

Principal Risks of Investing

Asset Allocation Risk. The possibility that the Fund may underperform other funds with similar investment objectives due to the Fund's allocation of assets to underlying funds investing in asset classes or market sectors that perform poorly relative to other asset categories.

Market Risk. The possibility that the values of, and/or the income generated by, securities held by the Fund may decline, sometimes unpredictably, due to general market conditions or other factors, including those directly involving the issuers of such securities. Security markets are volatile and may decline significantly in response to adverse issuer, regulatory, political, or economic developments. Different sectors of the market and different security types may react differently to such developments.

Underlying Fund Investment Risk. The possibility that the underperformance of an underlying fund may contribute to the underperformance of the Fund. The Fund's performance and risks will be directly related to the performance and risks of the underlying funds in which it invests. In addition, the Fund indirectly pays a pro rata portion of the expenses incurred by the underlying funds, which also may lower the Fund's performance.

Concentration Risk. The possibility that, to the extent an underlying fund invests to a significant extent in a particular industry or group of industries within a particular sector, the underlying fund may be subject to greater risks than if its investments were broadly diversified across industries and sectors. The underlying fund also is subject to loss due to adverse occurrences that may affect that industry or group of industries.

Convertible Securities Risk. The possibility that the value of an underlying fund's investments in convertible securities may be adversely affected by changes in interest rates, the credit of the issuer and the value of the underlying common stock. The market values of convertible securities tend to decline as interest rates increase and, conversely, to increase as interest rates decline. In addition, as the market price of the underlying common stock declines below the conversion price, the price of the convertible security tends to be increasingly influenced by the yield of the convertible security.

Corporate Debt Securities Risk. The possibility that the issuer of a debt security held by an underlying fund is unable to meet its principal and interest payment obligations. The further possibility that corporate debt securities held by an underlying fund may experience increased price volatility due to such factors as market interest rates, market perception of the creditworthiness of the issuer and general market liquidity.

Counterparty Risk. The possibility that a party to a transaction involving an underlying fund may fail to meet its obligations thereby causing the underlying fund to lose money or the benefit of the transaction or preventing the underlying fund from selling or buying other securities to implement its investment strategies.

Credit Risk. The possibility that an issuer of a debt security, or the counterparty to a derivatives contract, held by an underlying fund defaults on its payment obligations.

Currency Risk. The possibility that the value of an underlying fund's assets may be affected favorably or unfavorably by currency exchange rates, currency exchange control regulations, and restrictions or prohibitions on the repatriation of foreign currencies.

Derivatives Risk. The possibility that an underlying fund's use of derivatives, such as futures, options and swap agreements, may lead to losses, including those magnified by leverage, particularly when derivatives are used to enhance return rather than mitigate risk. Certain derivative instruments may be difficult to sell when the Adviser or Sub-Adviser of the underlying fund believes it would be appropriate to do so, difficult to value if the instrument becomes illiquid, or the other party to a derivative contract may be unwilling or unable to fulfill its contractual obligations.

Emerging Markets Risk. The possibility that the stocks of companies located in emerging markets may be more volatile, and less liquid, than the stocks of companies located in the U.S. and developed foreign markets due to political, economic, or regulatory conditions within emerging market countries. In addition, emerging market countries may experience more volatile interest and currency exchange rates, higher levels of inflation and less efficient trading and settlement systems.

Fixed Income Market Risk. The possibility that the market value of a fixed-income security may decline due to general market conditions that are not specifically related to a particular company, such as real or perceived adverse economic conditions, changes in the outlook for corporate earnings, changes in interest or currency rates or adverse investor sentiment generally. Fixed income securities markets may, in response to governmental intervention, economic or market developments (including potentially a reduction in the number of broker-dealers willing to engage in market-making activity), or other factors, experience periods of increased, and sometimes unpredictable, volatility and reduced liquidity. During those periods, an underlying fund may experience increased levels of shareholder redemptions, and may have to sell securities at inopportune times, and at unfavorable prices. Fixed income securities also may be difficult to value during such periods. In recent periods, governmental financial regulators, including the U.S. Federal Reserve, have taken steps to maintain historically low interest rates by purchasing bonds. Steps by those regulators to curtail or "taper" such activities could result in the effects described above, and could have a material adverse effect on prices for fixed income securities and on the management of an underlying fund.

Foreign Investment Risk. The possibility that an underlying fund's investments in foreign securities may be adversely affected by political, social, and economic conditions affecting foreign issuers, greater volatility, reduced liquidity, or decreases in foreign currency values relative to the U.S. dollar.

High Yield Bond Risk. The possibility that an underlying fund's investment in debt securities rated below investment grade (commonly known as junk bonds) may adversely affect the underlying fund's yield. Although these securities generally provide for higher yields than higher rated debt securities, the high degree of risk associated with these investments can result in substantial or total loss to an underlying fund. High yield securities are considered speculative and are subject to a greater risk of loss, greater sensitivity to interest rate changes, increased price volatility, valuation difficulties, and a potential lack of a liquid secondary or public market for the securities.

Income Risk. The possibility that an underlying fund's yield (the rate of dividends the underlying fund pays) may decline in the event of declining interest rates.

Inflation Linked Bond Risk. The possibility that the value of an underlying fund's investments in inflation linked bonds will decline in value in response to a rise in real interest rates resulting in losses to the underlying fund. Inflation linked bonds may experience greater losses than other debt securities with similar durations when real interest rates rise faster than nominal interest rates.

Interest Rate Risk. The possibility that the prices of an underlying fund's fixed income investments will decline due to rising interest rates.

Investment Risk. You may lose money by investing in the Money Market Fund. Although the Money Market Fund seeks to preserve the value of your investment at $1.00 per share, there is no guarantee that the Money Market Fund will be able to do so. An investment in the Money Market Fund is not insured or guaranteed by the FDIC or any other government agency. PMAM, the Fund's sponsor, and its affiliates have no legal obligation to provide financial support to the Money Market Fund, and you should not expect that the sponsor will provide financial support to the Money Market Fund at any time.

Large-Cap Securities Risk. The possibility that an underlying fund's investments in larger companies may underperform relative to those of smaller companies. Larger more established companies may be unable to respond quickly to new competitive challenges such as changes in technology and consumer tastes and may not be able to attain the high growth rate of successful smaller companies, especially during extended periods of economic expansion.

Liquidity Risk. The possibility that the market for certain of an underlying fund's investments may become illiquid under adverse or volatile market or economic conditions, making those investments difficult to sell at an advantageous price. The market price of certain investments may fall dramatically if there is no liquid trading market for the investments. It also may be difficult for an underlying fund to purchase a desired investment at an advantageous price under such circumstances.

Mortgage- and Asset-Backed Securities Risk. The possibility that an underlying fund's investments in mortgage- and asset-backed securities may decline in value and become less liquid when defaults on the underlying mortgages or assets occur and may exhibit additional volatility in periods of rising interest rates.

Rising interest rates tend to extend the duration of these securities, making them more sensitive to changes in interest rates than instruments with fixed payment schedules. When interest rates decline or are low, the prepayment of mortgages or assets underlying such securities may reduce the underlying fund's returns.

Portfolio Turnover Risk. The possibility that an underlying fund may frequently buy and sell portfolio securities, which may increase transaction costs to the underlying fund and cause the underlying fund's performance to be less than you expect.

Prepayment and Extension Risk. The possibility that the principal on a fixed income security may be paid off earlier or later than expected causing an underlying fund to invest in fixed income securities with lower interest rates, which may adversely affect the underlying fund's performance.

Redemption Risk. The possibility that large redemptions may cause an underlying fund to sell its securities at inopportune times resulting in a loss to the underlying fund.

Sampling Risk. The possibility that an underlying fund may not hold all of the securities included in its benchmark index and that the securities selected for the Fund, in the aggregate, will not provide investment performance matching that of the underlying fund's benchmark index.

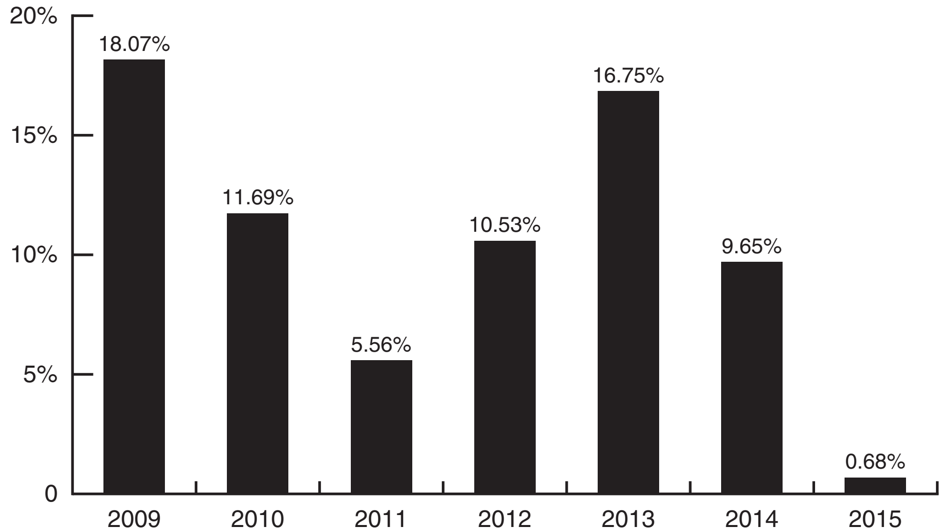
Tracking Error Risk. The possibility that an underlying fund's performance may deviate from that of the benchmark index it seeks to track. This risk may be heightened during times of increased market volatility or other unusual market conditions.

U.S. Government Securities Risk. The possibility that the U.S. government will not provide financial assistance in support of securities issued by certain of its agencies and instrumentalities and held by an underlying fund if it is not obligated to do because such securities are not issued or guaranteed by the U.S. Treasury. A default by a U.S. government agency or instrumentality could cause an underlying fund's share price or yield to fall.

An investment in the Fund may be appropriate for investors who are willing to accept the risks and uncertainties of investing in a fund which allocates its assets among various asset classes and market segments in the hope of achieving long-term growth and current income.

Performance Information

The bar chart and table below show the performance of the Fund both year-by-year and as an average over different periods of time. The bar chart and table demonstrate the variability of performance over time and provide an indication of the risks and volatility of an investment in the Fund by showing how the Fund's average annual total returns for various periods compare with those of a broad-based securities market index. Past performance does not necessarily indicate how the Fund will perform in the future. This performance information does not include the impact of any charges deducted under your variable contract. If it did, returns would be lower.



Best Quarter	Worst Quarter
10.51%	-6.23%
9/30/2009	3/31/2009

Average Annual Total Return (for Periods Ended December 31, 2015)

	1 Year	5 Years	Since Inception on August 25, 2008
Balanced Fund	0.68%	8.50%	7.40%
S&P 500® Index (reflects no deduction for fees, expenses or taxes)	1.38%	12.57%	8.79%
Barclays Capital U.S. Aggregate Bond Index (reflects no deduction for fees, expenses or taxes)	0.55%	3.25%	4.41%

Investment Adviser

Penn Mutual Asset Management, Inc.

Portfolio Managers

Keith G. Huckerby, President and Portfolio Manager of PMAM, has served as co-portfolio manager of the Fund since August 2008.

Jennifer Moroney, Portfolio Manager of PMAM, has served as co-portfolio manager of the Fund since June 2014.

Purchase and Sale of Fund Shares, Tax Information and Payments to Insurance Companies and Other Financial Intermediaries

For important information about the purchase and sale of Fund shares, tax information and payments to insurance companies and other financial intermediaries, please turn to the "Additional Fund Summary Information" section on page 124 of this prospectus.

FUND SUMMARY: LARGE GROWTH STOCK FUND

Investment Objective The investment objective of the Large Growth Stock Fund (the "Fund") is to achieve long-term growth of capital and increase of future income.

Fund Fees and Expenses

This table describes the fees and expenses that you may pay if you buy and hold shares of the Fund. Additional fees and expenses will be applied at the variable contract level. Those fees and expenses are described in your variable contract prospectus. If the information below were to reflect the deduction of variable contract charges, fees and expenses would be higher.

Annual Fund Operating Expenses
(expenses that you pay each year as a percentage of the value of your investment)

Investment Advisory Fees	0.71%
Distribution (12b-1) Fees	None
Other Expenses	0.27%
Total Annual Fund Operating Expenses	0.98%

Example

This example is intended to help you compare the cost of investing in the Fund with the cost of investing in other mutual funds. The example does not reflect expenses and charges which are, or may be, imposed under your variable contract. If the examples were to reflect the deduction of such charges, the costs shown would be greater. The example assumes that you invest $10,000 in the Fund for the time periods indicated. The example also assumes that your investment has a 5% return each year and that the Fund's operating expenses remain the same. Although your actual costs and returns might be higher or lower, based on these assumptions your costs would be:

1 Year	3 Years	5 Years	10 Years
$100	$312	$542	$1,201

Portfolio Turnover

The Fund pays transaction costs, such as commissions, when it buys and sells securities (or "turns over" its portfolio). A higher portfolio turnover may indicate higher transaction costs. These costs, which are not reflected in the annual fund operating expenses or in the Example, affect the Fund's performance. During the most recent fiscal year, the Fund's portfolio turnover rate was 37% of the average value of its portfolio.

Principal Investment Strategy

Under normal circumstances, the Fund invests at least 80% of its net assets, plus the amount of any borrowings for investment purposes, in common stocks of large capitalization companies. For purposes of this policy, large capitalization companies have market capitalizations that fall within the market capitalization range of companies in the Russell 1000® Growth Index at the time of purchase (as of March 31, 2016, this range was between $117.3 million and $615.2 billion). Because the Fund's definition of large capitalization companies is dynamic, the lower and upper limits on market capitalization will change with the markets. The Fund will invest primarily in common stocks of well established companies the Sub-Adviser believes have long-term growth potential. In selecting the Fund's investments, the Sub-Adviser seeks investments in companies that have the ability to pay increasing dividends through strong cash flow. The Sub-Adviser's approach looks for companies with an above-average rate of earnings growth and a lucrative niche in the economy that gives them the ability to sustain earnings momentum even during times of slow economic growth. The Sub-Adviser believes when a company increases its earnings faster than both inflation and the overall economy, the market will eventually reward it with a higher stock price. The Fund may sell securities for a variety of reasons, such as to secure gains, limit losses, or redeploy assets into more promising opportunities.

In pursuing its investment objective, the Sub-Adviser has the discretion to purchase some securities that do not meet its normal investment criteria, as described above, when it perceives an unusual opportunity for gain. Those situations might arise when the Sub-Adviser believes a security could increase in value for a variety of reasons, including a change in management, an extraordinary corporate event, a new product introduction or innovation, or a favorable competitive development.

While most assets will be invested in exchange-listed U.S. common stocks, other securities may also be purchased, including foreign stocks (up to 30% of total assets), convertible securities, and preferred stocks, in keeping with the Fund's objectives.

Principal Risks of Investing

Currency Risk. The possibility that the value of the Fund's assets may be affected favorably or unfavorably by currency exchange rates, currency exchange control regulations, and restrictions or prohibitions on the repatriation of foreign currencies.

Foreign Investment Risk. The possibility that the Fund's investments in foreign securities may be adversely affected by political, social, and economic conditions affecting foreign issuers, greater volatility, reduced liquidity, or decreases in foreign currency values relative to the U.S. dollar.

"Growth" Investing Risk. The possibility that the Fund's investments in securities of companies perceived to be "growth" companies may underperform when value investing is in favor and may be more volatile than other securities because they are more sensitive to investor perceptions of the issuing company's growth of earnings potential. Also, because growth companies usually invest a high portion of earnings in their businesses, growth stocks may lack the dividends of some value stocks that can cushion stock prices in a falling market.

Large-Cap Securities Risk. The possibility that the Fund's investments in larger companies may underperform relative to those of smaller companies. Larger more established companies may be unable to respond quickly to new competitive challenges such as changes in technology and consumer tastes and may not be able to attain the high growth rate of successful smaller companies, especially during extended periods of economic expansion.

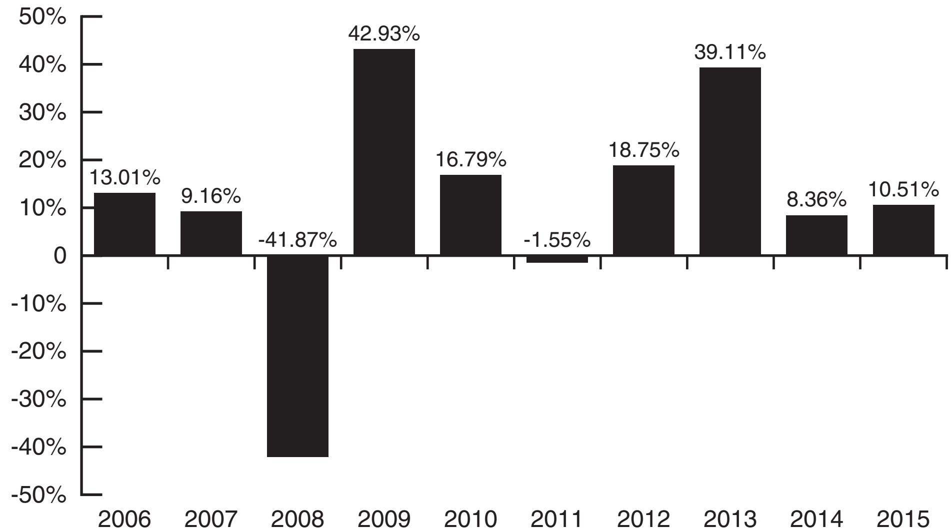
Management Risk. The possibility that the investment decisions, techniques, analyses or models implemented by the Fund's Sub-Adviser in seeking to achieve the Fund's investment objective may not produce the returns expected, may cause the Fund's shares to lose value or may cause the Fund to underperform relevant benchmarks or other funds with similar investment objectives.

Market Risk. The possibility that the values of, and/or the income generated by, securities held by the Fund may decline, sometimes unpredictably, due to general market conditions or other factors, including those directly involving the issuers of such securities. Security markets are volatile and may decline significantly in response to adverse issuer, regulatory, political, or economic developments. Different sectors of the market and different security types may react differently to such developments.

An investment in the Fund may be appropriate for investors who are willing to accept the risks and uncertainties of investing in common stocks in the hope of earning above-average long-term growth of capital and income.

Performance Information

The bar chart and table below show the performance of the Fund both year-by-year and as an average over different periods of time. The bar chart and table demonstrate the variability of performance over time and provide an indication of the risks and volatility of an investment in the Fund by showing how the Fund's average annual total returns for various periods compare with those of a broad-based securities market index. Past performance does not necessarily indicate how the Fund will perform in the future. This performance information does not include the impact of any charges deducted under your variable contract. If it did, returns would be lower.



Best Quarter	Worst Quarter
19.01%	-23.79%
3/31/2012	12/31/2008

Average Annual Total Return (for Periods Ended December 31, 2015)

	1 Year	5 Years	10 Years
Large Growth Stock Fund	10.51%	14.26%	8.83%
Russell 1000® Growth Index (reflects no deduction for fees, expenses or taxes)	5.67%	13.53%	8.53%

Investment Adviser

Penn Mutual Asset Management, Inc.

Investment Sub-Adviser

T. Rowe Price Associates, Inc.

Portfolio Manager

Joseph B. Fath, Vice President of T. Rowe Price Associates, Inc., has served as portfolio manager of the Fund since January 2014.

Purchase and Sale of Fund Shares, Tax Information and Payments to Insurance Companies and Other Financial Intermediaries

For important information about the purchase and sale of Fund shares, tax information and payments to insurance companies and other financial intermediaries, please turn to the "Additional Fund Summary Information" section on page 124 of this prospectus.

FUND SUMMARY: LARGE CAP GROWTH FUND

Investment Objective The investment objective of the Large Cap Growth Fund (the "Fund") is to seek long-term capital appreciation.

Fund Fees and Expenses

This table describes the fees and expenses that you may pay if you buy and hold shares of the Fund. Additional fees and expenses will be applied at the variable contract level. Those fees and expenses are described in your variable contract prospectus. If the information below were to reflect the deduction of variable contract charges, fees and expenses would be higher.

Annual Fund Operating Expenses
(expenses that you pay each year as a percentage of the value of your investment)

Investment Advisory Fees	0.55%
Distribution (12b-1) Fees	None
Other Expenses	0.34%
Total Annual Fund Operating Expenses	0.89%

Example

This example is intended to help you compare the cost of investing in the Fund with the cost of investing in other mutual funds. The example does not reflect expenses and charges which are, or may be, imposed under your variable contract. If the examples were to reflect the deduction of such charges, the costs shown would be greater. The example assumes that you invest $10,000 in the Fund for the time periods indicated. The example also assumes that your investment has a 5% return each year and that the Fund's operating expenses remain the same. Although your actual costs and returns might be higher or lower, based on these assumptions your costs would be:

1 Year	3 Years	5 Years	10 Years
$91	$284	$493	$1,096

Portfolio Turnover

The Fund pays transaction costs, such as commissions, when it buys and sells securities (or "turns over" its portfolio). A higher portfolio turnover may indicate higher transaction costs. These costs, which are not reflected in the annual fund operating expenses or in the Example, affect the Fund's performance. During the most recent fiscal year, the Fund's portfolio turnover rate was 29% of the average value of its portfolio.

Principal Investment Strategy

Under normal circumstances, the Fund invests at least 80% of its net assets, plus the amount of any borrowings for investment purposes, in common stocks of U.S. companies with large market capitalizations. For purposes of this policy, large capitalization companies have market capitalizations of more than $3 billion at the time of purchase. The Sub-Adviser focuses on investing the Fund's assets in the stocks of companies it believes to have above average earnings growth potential compared to other companies (*i.e.*, growth companies). Growth companies tend to have stock prices that are high relative to their earnings, dividends, book value, or other financial measures. While the Fund primarily invests in the common stocks of large capitalization companies, the Fund may invest a portion of its net assets (no more than 20%) in small and medium capitalization companies with market capitalizations of less than $3 billion at the time of purchase. The Fund also may invest up to 20% of its net assets in foreign securities at the time of purchase. The Fund may participate in initial public offerings ("IPOs").

The Sub-Adviser uses a bottom-up investment approach to buying and selling investments for the Fund. Investments are selected primarily based on fundamental analysis of individual issuers and their potential in light of their financial condition, and market, economic, political, and regulatory conditions. Factors considered may include analysis of an issuer's earnings, cash flows, competitive position, and management ability. Quantitative models that systematically evaluate an issuer's valuation, price and earnings momentum, earnings quality, and other factors may also be considered.

Due to its investment strategy, the Fund may buy and sell securities frequently, which may result in higher transaction costs and may lower fund performance.

Principal Risks of Investing

Currency Risk. The possibility that the value of the Fund's assets may be affected favorably or unfavorably by currency exchange rates, currency exchange control regulations, and restrictions or prohibitions on the repatriation of foreign currencies.

Foreign Investment Risk. The possibility that the Fund's investments in foreign securities may be adversely affected by political, social, and economic conditions affecting foreign issuers, greater volatility, reduced liquidity, or decreases in foreign currency values relative to the U.S. dollar.

"Growth" Investing Risk. The possibility that the Fund's investments in securities of companies perceived to be "growth" companies may underperform when value investing is in favor and may be more volatile than other securities because they are more sensitive to investor perceptions of the issuing company's growth of earnings potential. Also, because growth companies usually invest a high portion of earnings in their businesses, growth stocks may lack the dividends of some value stocks that can cushion stock prices in a falling market.

IPOs Risk. The possibility that the Fund's performance may be affected by the purchase of securities issued in initial public offerings (IPOs) that have little to no trading history, limited issuer information, increased volatility and may not be available to the extent desired. The prices of securities bought in IPOs may rise and fall rapidly, often because of investor perceptions rather than economic reasons.

Large-Cap Securities Risk. The possibility that the Fund's investments in larger companies may underperform relative to those of smaller companies. Larger more established companies may be unable to respond quickly to new competitive challenges such as changes in technology and consumer tastes and may not be able to attain the high growth rate of successful smaller companies, especially during extended periods of economic expansion.

Liquidity Risk. The possibility that the market for certain of the Fund's investments may become illiquid under adverse or volatile market or economic conditions, making those investments difficult to sell at an advantageous price. The market price of certain investments may fall dramatically if there is no liquid trading market for the investments. It also may be difficult for the Fund to purchase a desired investment at an advantageous price under such circumstances.

Management Risk. The possibility that the investment decisions, techniques, analyses or models implemented by the Fund's Sub-Adviser in seeking to achieve the Fund's investment objective may not produce the returns expected, may cause the Fund's shares to lose value or may cause the Fund to underperform relevant benchmarks or other funds with similar investment objectives.

Market Risk. The possibility that the values of, and/or the income generated by, securities held by the Fund may decline, sometimes unpredictably, due to general market conditions or other factors, including those directly involving the issuers of such securities. Security markets are volatile and may decline significantly in response to adverse issuer, regulatory, political, or economic developments. Different sectors of the market and different security types may react differently to such developments.

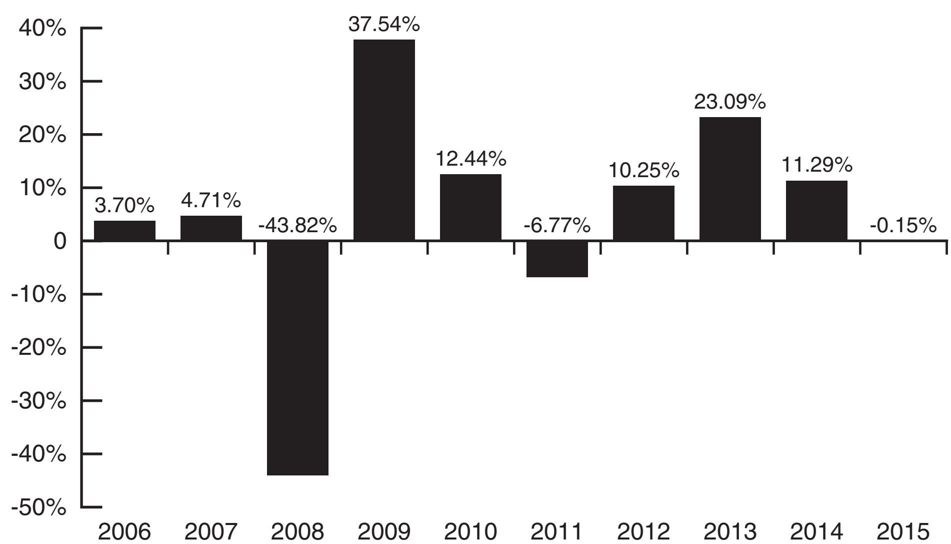
Portfolio Turnover Risk. The possibility that the Fund may frequently buy and sell portfolio securities, which may increase transaction costs to the Fund and cause the Fund's performance to be less than you expect.

Small- and Mid-Cap Securities Risk. The possibility that the Fund's investments in small- and mid-cap securities may be subject to greater risk and higher volatility than are customarily associated with investing in larger more established companies. Securities issued by small- and mid-sized companies, which can include start-up companies, tend to be more vulnerable than larger and more established companies to adverse business and economic developments. Such companies generally have narrower product lines, more limited financial resources and more limited markets for their stock as compared with larger companies. As a result, the value of such securities also may be more volatile than the securities of larger companies, and the Fund's portfolio may experience difficulty in purchasing or selling such securities at the desired time and price or in the desired amount.

An investment in the Fund may be appropriate for investors who are willing to accept the risks and uncertainties of investing in common stocks in the hope of long-term capital appreciation.

Performance Information

The bar chart and table below show the performance of the Fund both year-by-year and as an average over different periods of time. They represent the performance of the Fund's previous managers for the period prior to May 1, 2013. Since May 1, 2013, Massachusetts Financial Services Company has been responsible for the Fund's day-to-day portfolio management. The bar chart and table demonstrate the variability of performance over time and provide an indication of the risks and volatility of an investment in the Fund by showing how the Fund's average annual total returns for various periods compare with those of a broad-based securities market index. Past performance does not necessarily indicate how the Fund will perform in the future. This performance information does not include the impact of any charges deducted under your variable contract. If it did, returns would be lower.



Best Quarter	Worst Quarter
17.05%	-26.16%
3/31/2012	12/31/2008

Average Annual Total Return (for Periods Ended December 31, 2015)

	1 Year	5 Years	10 Years
Large Cap Growth Fund	-0.15%	7.05%	2.86%
Russell 1000® Growth Index (reflects no deduction for fees, expenses or taxes)	5.67%	13.53%	8.53%

Investment Adviser

Penn Mutual Asset Management, Inc.

Investment Sub-Adviser

Massachusetts Financial Services Company ("MFS")

Portfolio Manager

Jeffrey C. Constantino, an Investment Officer of MFS, has served as the portfolio manager for the Fund since May 2013.

Purchase and Sale of Fund Shares, Tax Information and Payments to Insurance Companies and Other Financial Intermediaries

For important information about the purchase and sale of Fund shares, tax information and payments to insurance companies and other financial intermediaries, please turn to the "Additional Fund Summary Information" section on page 124 of this prospectus.

FUND SUMMARY: LARGE CORE GROWTH FUND

Investment Objective The investment objective of the Large Core Growth Fund (the "Fund") is to seek to achieve long-term growth of capital (capital appreciation).

Fund Fees and Expenses

This table describes the fees and expenses that you may pay if you buy and hold shares of the Fund. Additional fees and expenses will be applied at the variable contract level. Those fees and expenses are described in your variable contract prospectus. If the information below were to reflect the deduction of variable contract charges, fees and expenses would be higher.

Annual Fund Operating Expenses
(expenses that you pay each year as a percentage of the value of your investment)

Investment Advisory Fees	0.60%
Distribution (12b-1) Fees	None
Other Expenses	0.27%
Total Annual Fund Operating Expenses	0.87%

Example

This example is intended to help you compare the cost of investing in the Fund with the cost of investing in other mutual funds. The example does not reflect expenses and charges which are, or may be, imposed under your variable contract. If the examples were to reflect the deduction of such charges, the costs shown would be greater. The example assumes that you invest $10,000 in the Fund for the time periods indicated. The example also assumes that your investment has a 5% return each year and that the Fund's operating expenses remain the same. Although your actual costs and returns might be higher or lower, based on these assumptions your costs would be:

1 Year	3 Years	5 Years	10 Years
$89	$278	$482	$1,073

Portfolio Turnover

The Fund pays transaction costs, such as commissions, when it buys and sells securities (or "turns over" its portfolio). A higher portfolio turnover may indicate higher transaction costs. These costs, which are not reflected in the annual fund operating expenses or in the Example, affect the Fund's performance. During the most recent fiscal year, the Fund's portfolio turnover rate was 124% of the average value of its portfolio.

Principal Investment Strategy

The Fund attempts to achieve its investment objective by investing primarily in common and preferred stocks of large capitalization U.S. companies. Under normal circumstances, the Fund invests at least 80% of its net assets, plus the amount of any borrowings for investment purposes, in securities of large capitalization companies. For purposes of this policy, large capitalization companies have market capitalizations that fall within the market capitalization range of companies in the Russell 1000® Growth Index at the time of purchase (as of March 31, 2016, this range was between $171 million and $604.3 billion). Because the Fund's definition of large capitalization companies is dynamic, the lower and upper limits on market capitalization will change with the markets.

The Fund invests principally in equity securities of large capitalization companies that offer the potential for capital growth, with an emphasis on identifying companies that have the prospect for improving sales and earnings growth rates, enjoy a competitive advantage and have effective management with a history of making investments that are in the best interests of shareholders. The Sub-Adviser employs a rigorous bottom-up research process to identify solid investment opportunities. The Sub-Adviser seeks to construct a well diversified portfolio in order to reduce risk while enhancing return.

The Sub-Adviser may sell a security based on several factors, with valuation the key element. The Sub-Adviser may sell a security if the investment reaches its target price, there is a change in the security's fundamentals or when better investment opportunities emerge.

The Fund may also invest in U.S. dollar-denominated and U.S. exchange-traded foreign equities, American Depositary Receipts ("ADRs"), real estate investment trusts ("REITs"), shares of other investment companies and exchange-traded funds ("ETFs"), and cash instruments maturing in one year or less.

The Fund may buy and sell portfolio securities actively. If it does, its portfolio turnover rate and transaction costs will rise, which may lower fund performance.

Principal Risks of Investing

Currency Risk. The possibility that the value of the Fund's assets may be affected favorably or unfavorably by currency exchange rates, currency exchange control regulations, and restrictions or prohibitions on the repatriation of foreign currencies.

Depositary Receipt Risk. The possibility that the Fund's investments in foreign companies through depositary receipts will expose the Fund to the same risks as direct investment in securities of foreign issuers. In addition, investments in ADRs may be less liquid than the underlying shares in their primary trading market, and the value of securities underlying ADRs may change materially at times when U.S. markets are not open for trading.

Foreign Investment Risk. The possibility that the Fund's investments in foreign securities may be adversely affected by political, social, and economic conditions affecting foreign issuers, greater volatility, reduced liquidity, or decreases in foreign currency values relative to the U.S. dollar.

"Growth" Investing Risk. The possibility that the Fund's investments in securities of companies perceived to be "growth" companies may underperform when value investing is in favor and may be more volatile than other securities because they are more sensitive to investor perceptions of the issuing company's growth of earnings potential. Also, because growth companies usually invest a high portion of earnings in their businesses, growth stocks may lack the dividends of some value stocks that can cushion stock prices in a falling market.

Large-Cap Securities Risk. The possibility that the Fund's investments in larger companies may underperform relative to those of smaller companies. Larger more established companies may be unable to respond quickly to new competitive challenges such as changes in technology and consumer tastes and may not be able to attain the high growth rate of successful smaller companies, especially during extended periods of economic expansion.

Liquidity Risk. The possibility that the market for certain of the Fund's investments may become illiquid under adverse or volatile market or economic conditions, making those investments difficult to sell at an advantageous price. The market price of certain investments may fall dramatically if there is no liquid trading market for the investments. It also may be difficult for the Fund to purchase a desired investment at an advantageous price under such circumstances.

Market Risk. The possibility that the values of, and/or the income generated by, securities held by the Fund may decline, sometimes unpredictably, due to general market conditions or other factors, including those directly involving the issuers of such securities. Security markets are volatile and may decline significantly in response to adverse issuer, regulatory, political, or economic developments. Different sectors of the market and different security types may react differently to such developments.

Other Investment Company Risk. The possibility that investments by the Fund in shares of other investment companies will subject the Fund to the risks associated with those investment companies. Fund shareholders will also indirectly bear a proportionate share of any underlying investment company's fees and expenses in addition to paying the Fund's expenses.

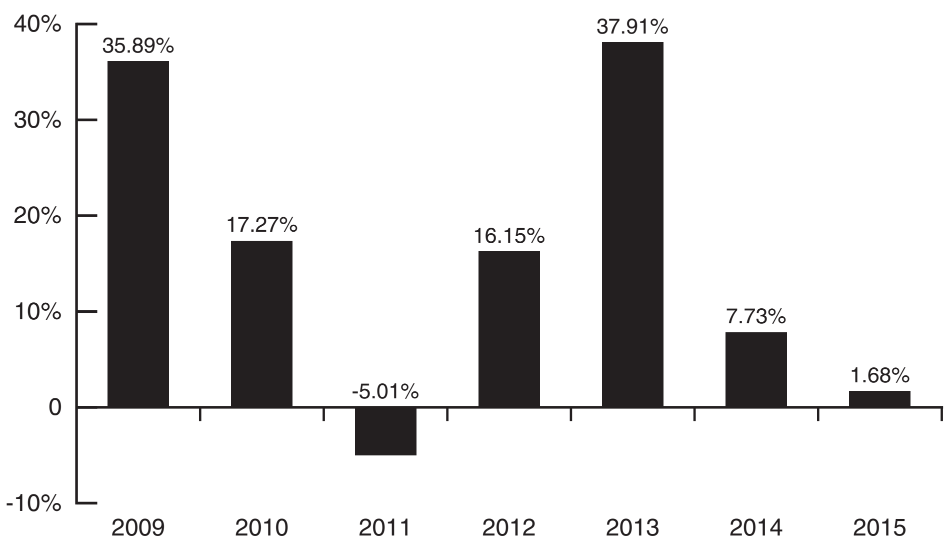
Portfolio Turnover Risk. The possibility that the Fund may frequently buy and sell portfolio securities, which may increase transaction costs to the Fund and cause the Fund's performance to be less than you expect.

REITs Risk. The possibility that the Fund's investments in REITs will subject the Fund to the risks associated with the direct ownership of real estate, including fluctuations in the value of underlying properties, changes in interest rates and risks related to general or local economic conditions. REITs are dependent upon management skills and generally may not be diversified. REITs are also subject to heavy cash flow dependency, defaults by borrowers or tenants and self-liquidation.

An investment in the Fund may be appropriate for investors who are willing to accept the risks and uncertainties of investing in common and preferred stocks in the hope of achieving long-term growth of capital.

Performance Information

The bar chart and table below show the performance of the Fund both year-by-year and as an average over different periods of time. The bar chart and table demonstrate the variability of performance over time and provide an indication of the risks and volatility of an investment in the Fund by showing how the Fund's average annual total returns for various periods compare with those of a broad-based securities market index. Past performance does not necessarily indicate how the Fund will perform in the future. This performance information does not include the impact of any charges deducted under your variable contract. If it did, returns would be lower.



Best Quarter	**Worst Quarter**
18.51% 3/31/2012	-17.53% 9/30/2011

Average Annual Total Return (for Periods Ended December 31, 2015)

	1 Year	5 Years	Since Inception on August 25, 2008
Large Core Growth Fund	1.68%	10.76%	6.91%
Russell 1000® Growth Index (reflects no deduction for fees, expenses or taxes)	5.67%	13.53%	10.14%

Investment Adviser

Penn Mutual Asset Management, Inc.

Investment Sub-Adviser

Wells Capital Management Incorporated

Portfolio Managers

Thomas Pence, CFA, a managing director and senior portfolio manager for Wells Capital Management, Inc., has served as portfolio manager of the Fund since August 2008.

Michael T. Smith, CFA, a co-portfolio manager for Wells Capital Management, Inc., has served as portfolio Manager of the Fund since 2012.

Purchase and Sale of Fund Shares, Tax Information and Payments to Insurance Companies and Other Financial Intermediaries

For important information about the purchase and sale of Fund shares, tax information and payments to insurance companies and other financial intermediaries, please turn to the "Additional Fund Summary Information" section on page 124 of this prospectus.

FUND SUMMARY: LARGE CAP VALUE FUND

Investment Objective The investment objective of the Large Cap Value Fund (the "Fund") is to seek to achieve long-term growth of capital.

Fund Fees and Expenses

This table describes the fees and expenses that you may pay if you buy and hold shares of the Fund. Additional fees and expenses will be applied at the variable contract level. Those fees and expenses are described in your variable contract prospectus. If the information below were to reflect the deduction of variable contract charges, fees and expenses would be higher.

Annual Fund Operating Expenses
(expenses that you pay each year as a percentage of the value of your investment)

Investment Advisory Fees	0.66%
Distribution (12b-1) Fees	None
Other Expenses	0.26%
Total Annual Fund Operating Expenses	0.92%

Example

This example is intended to help you compare the cost of investing in the Fund with the cost of investing in other mutual funds. The example does not reflect expenses and charges which are, or may be, imposed under your variable contract. If the examples were to reflect the deduction of such charges, the costs shown would be greater. The example assumes that you invest $10,000 in the Fund for the time periods indicated. The example also assumes that your investment has a 5% return each year and that the Fund's operating expenses remain the same. Although your actual costs and returns might be higher or lower, based on these assumptions your costs would be:

1 Year	3 Years	5 Years	10 Years
$94	$293	$509	$1,131

Portfolio Turnover

The Fund pays transaction costs, such as commissions, when it buys and sells securities (or "turns over" its portfolio). A higher portfolio turnover may indicate higher transaction costs. These costs, which are not reflected in the annual fund operating expenses or in the Example, affect the Fund's performance. During the most recent fiscal year, the Fund's portfolio turnover rate was 19% of the average value of its portfolio.

Principal Investment Strategy

The Fund will invest primarily in equity securities, of U.S. and non-U.S. incorporated entities, including, but not limited to common stock, American Depositary Receipts ("ADRs"), equity real estate investment trusts ("REITs"), preferred securities and convertible preferred securities. Under normal circumstances, the Fund invests at least 80% of its net assets, plus the amount of any borrowings for investment purposes, in equity securities of large capitalization companies. For purposes of this policy, large capitalization companies are those with market-capitalizations greater than $2 billion. The Fund primarily invests in common stocks that the portfolio manager deems to be underpriced relative to long-term earnings and for cash flow potential.

The Sub-Adviser attempts to reduce the Fund's exposure to market risks by diversifying its investments, that is, by not holding a substantial amount of stock of any one company and by not investing too great a percentage of the Fund's assets in any one company. In selecting securities for purchase or sale by the Fund, the Sub-Adviser selects securities one at a time before considering industry trends. This is called a "bottom-up approach." The Sub-Adviser uses a fundamental analysis to select securities that it believes are undervalued relative to long-term earnings and cash flow potential. While this process and the inter-relationship of the factors used may change over time and its implementation may vary in particular cases, the Sub-Adviser currently considers one or more of the following factors when assessing a company's business prospects: attractive valuation, future supply/demand conditions for its key products, product cycles, quality of management, competitive position in the market place, reinvestment plans for cash generated, and better-than-expected earnings reports. The Sub-Adviser may consider selling a stock for one or more of the following reasons: the stock price is approaching its target, the company's fundamentals are deteriorating, or alternative investment ideas have been developed.

While the Fund primarily invests in large capitalization companies, the Fund may invest a portion of its assets (no more than 20%) in small and medium capitalization companies. In addition to common stocks, the Fund may invest in other equity securities, including preferred stocks, warrants, rights, and convertible securities. The Fund may also invest up to 20% of its assets in securities of foreign issuers including emerging market securities, options for hedging and investment purposes, and REITs. The Fund anticipates investing primarily in equity REITs as opposed to mortgage or other types of REITs, which generally invest in and own properties, such as commercial properties, and generate revenue from these property rents. The Fund may also invest up to 15% of its assets in securities issued pursuant to Rule 144A under the Securities Act of 1933 ("Rule 144A Securities").

Except as provided above and subject to the provisions of the Investment Company Act of 1940, as amended (the "1940 Act"), the Fund is not limited in the percentage of its assets that it may invest in these instruments. Securities of foreign issuers that are represented by ADRs or that are listed on a U.S. securities exchange or traded in the U.S. over-the-counter markets are not considered "foreign securities" for purposes of this investment restriction. The Fund may invest up to 5% of its assets, as determined at the time of purchase, in any one company.

Principal Risks of Investing

Convertible Securities Risk. The possibility that the value of the Fund's investments in convertible securities may be adversely affected by changes in interest rates, the credit of the issuer and the value of the underlying common stock. The market values of convertible securities tend to decline as interest rates increase and, conversely, to increase as interest rates decline. In addition, as the market price of the underlying common stock declines below the conversion price, the price of the convertible security tends to be increasingly influenced by the yield of the convertible security.

Currency Risk. The possibility that the value of the Fund's assets may be affected favorably or unfavorably by currency exchange rates, currency exchange control regulations, and restrictions or prohibitions on the repatriation of foreign currencies.

Derivatives Risk. The possibility that the Fund's use of derivatives, such as futures, options and swap agreements, may lead to losses, including those magnified by leverage, particularly when derivatives are used to enhance return rather than mitigate risk. Certain derivative instruments may be difficult to sell when the Sub-Adviser believes it would be appropriate to do so, difficult to value if the instrument becomes illiquid, or the other party to a derivative contract may be unwilling or unable to fulfill its contractual obligations.

Depositary Receipt Risk. The possibility that the Fund's investments in foreign companies through depositary receipts will expose the Fund to the same risks as direct investment in securities of foreign issuers. In addition, investments in ADRs may be less liquid than the underlying shares in their primary trading market, and the value of securities underlying ADRs may change materially at times when U.S. markets are not open for trading.

Emerging Markets Risk. The possibility that the stocks of companies located in emerging markets may be more volatile, and less liquid, than the stocks of companies located in the U.S. and developed foreign markets due to political, economic, or regulatory conditions within emerging market countries. In addition, emerging market countries may experience more volatile interest and currency exchange rates, higher levels of inflation and less efficient trading and settlement systems.

Foreign Investment Risk. The possibility that the Fund's investments in foreign securities may be adversely affected by political, social, and economic conditions affecting foreign issuers, greater volatility, reduced liquidity, or decreases in foreign currency values relative to the U.S. dollar.

Interest Rate Risk. The possibility that the prices of the Fund's convertible securities will decline due to rising interest rates.

Large-Cap Securities Risk. The possibility that the Fund's investments in larger companies may underperform relative to those of smaller companies. Larger more established companies may be unable to respond quickly to new competitive challenges such as changes in technology and consumer tastes and may not be able to attain the high growth rate of successful smaller companies, especially during extended periods of economic expansion.

Liquidity Risk. The possibility that the market for certain of the Fund's investments may become illiquid under adverse or volatile market or economic conditions, making those investments difficult to sell at an advantageous price. The market price of certain investments may fall dramatically if there is no liquid trading market for the investments. It also may be difficult for the Fund to purchase a desired investment at an advantageous price under such circumstances.

Market Risk. The possibility that the values of, and/or the income generated by, securities held by the Fund may decline, sometimes unpredictably, due to general market conditions or other factors, including those directly involving the issuers of such securities. Security markets are volatile and may decline significantly in response to adverse issuer, regulatory, political, or economic developments. Different sectors of the market and different security types may react differently to such developments.

Portfolio Turnover Risk. The possibility that the Fund may frequently buy and sell portfolio securities, which may increase transaction costs to the Fund and cause the Fund's performance to be less than you expect.

Preferred Stock Risk. The possibility that the value of the Fund's investments in preferred stock may decline if stock prices fall or interest rates rise. In the event of a liquidation, the rights of a company's preferred stock to the distribution of company assets are generally subordinate to the rights of a company's debt securities.

REITs Risk. The possibility that the Fund's investments in REITs will subject the Fund to the risks associated with the direct ownership of real estate, including fluctuations in the value of underlying properties, changes in interest rates and risks related to general or local economic conditions. REITs are dependent upon management skills and generally may not be diversified. REITs are also subject to heavy cash flow dependency, defaults by borrowers or tenants and self-liquidation.

Rule 144A Securities Risk. The possibility that the Fund's investment in Rule 144A Securities will subject the Fund to liquidity risk if there are an insufficient number of qualified institutional buyers interested in purchasing Rule 144A Securities held by the Fund leading to the Fund's inability to sell its Rule 144A Securities at a time desired by the Fund or at prices approximating the value at which the Fund is carrying the securities on its books.

Small- and Mid-Cap Securities Risk. The possibility that the Fund's investments in small- and mid-cap securities may be subject to greater risk and higher volatility than are customarily associated with investing in larger more established companies. Securities issued by small- and mid-sized companies, which can include start-up companies, tend to be more vulnerable than larger and more established companies to adverse business and economic developments. Such companies generally have narrower product lines, more limited financial resources and more limited markets for their stock as compared with larger companies. As a result, the value of such securities also may be more volatile than the securities of larger companies, and the Fund's portfolio may experience difficulty in purchasing or selling such securities at the desired time and price or in the desired amount.

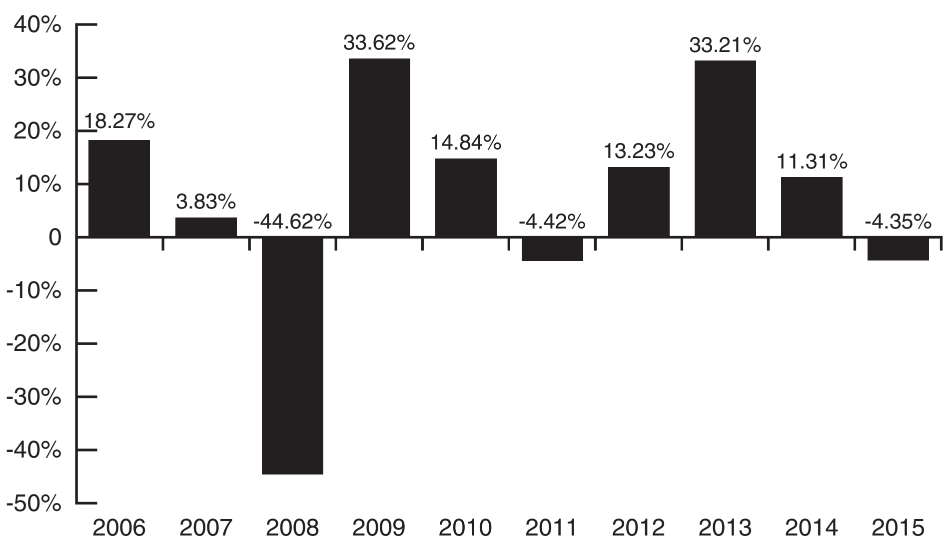
"Value" Investing Risk. The possibility that the Fund's investments in securities believed by the Sub-Adviser to be undervalued may not realize their perceived value for extended periods of time or may never realize their perceived value. The securities in which the Fund invests may respond differently to market and other developments than other types of securities, and may underperform growth stocks and/or the market as a whole.

Warrants Risk. The possibility that the Fund's investments in warrants are subject to greater price volatility than the warrants' underlying securities. Warrants offer greater potential for profit or loss than an equivalent investment in the underlying security. A warrant generally ceases to have value if it is not exercised prior to its expiration date.

An investment in the Fund may be appropriate for investors who are willing to accept the risks and uncertainties of investing primarily in equity securities of large capitalization companies in the hope of earning long-term growth of capital.

Performance Information

The bar chart and table below show the performance of the Fund both year-by-year and as an average over different periods of time. They represent the performance of the Fund's previous managers for the period prior to May 1, 2013. Since May 1, 2013, Loomis, Sayles & Company, L.P. has been responsible for the Fund's day-to-day portfolio management. The bar chart and table demonstrate the variability of performance over time and provide an indication of the risks and volatility of an investment in the Fund by showing how the Fund's average annual total returns for various periods compare with those of a broad-based securities market index. Past performance does not necessarily indicate how the Fund will perform in the future. This performance information does not include the impact of any charges deducted under your variable contract. If it did, returns would be lower.



Best Quarter	Worst Quarter
19.07% 6/30/2009	-26.40% 12/31/2008

Average Annual Total Return (for Periods Ended December 31, 2015)

	1 Year	5 Years	10 Years
Large Cap Value Fund	-4.35%	8.95%	4.81%
Russell 1000® Value Index (reflects no deduction for fees, expenses or taxes)	-3.83%	11.27%	6.16%

Investment Adviser

Penn Mutual Asset Management, Inc.

Investment Sub-Adviser

Loomis, Sayles & Company, L.P.

Portfolio Managers

Arthur Barry, CFA, Vice President of Loomis Sayles & Company, L.P., has served as portfolio manager of the Fund since May 2013.

Adam C. Liebhoff, Vice President of Loomis, Sayles & Company, L.P., has served as co-portfolio manager of the Fund since September 2014.

Purchase and Sale of Fund Shares, Tax Information and Payments to Insurance Companies and Other Financial Intermediaries

For important information about the purchase and sale of Fund shares, tax information and payments to insurance companies and other financial intermediaries, please turn to the "Additional Fund Summary Information" section on page 124 of this prospectus.

FUND SUMMARY: LARGE CORE VALUE FUND

Investment Objective The investment objective of the Large Core Value Fund (the "Fund") is to seek total return.

Fund Fees and Expenses

This table describes the fees and expenses that you may pay if you buy and hold shares of the Fund. Additional fees and expenses will be applied at the variable contract level. Those fees and expenses are described in your variable contract prospectus. If the information below were to reflect the deduction of variable contract charges, fees and expenses would be higher.

Annual Fund Operating Expenses
(expenses that you pay each year as a percentage of the value of your investment)

Investment Advisory Fees	0.67%
Distribution (12b-1) Fees	None
Other Expenses	0.25%
Total Annual Fund Operating Expenses	0.92%

Example

This example is intended to help you compare the cost of investing in the Fund with the cost of investing in other mutual funds. The example does not reflect expenses and charges which are, or may be, imposed under your variable contract. If the examples were to reflect the deduction of such charges, the costs shown would be greater. The example assumes that you invest $10,000 in the Fund for the time periods indicated. The example also assumes that your investment has a 5% return each year and that the Fund's operating expenses remain the same. Although your actual costs and returns might be higher or lower, based on these assumptions your costs would be:

1 Year	3 Years	5 Years	10 Years
$94	$293	$509	$1,131

Portfolio Turnover

The Fund pays transaction costs, such as commissions, when it buys and sells securities (or "turns over" its portfolio). A higher portfolio turnover may indicate higher transaction costs. These costs, which are not reflected in the annual fund operating expenses or in the Example, affect the Fund's performance. During the most recent fiscal year, the Fund's portfolio turnover rate was 98% of the average value of its portfolio.

Principal Investment Strategy

The Fund invests primarily in value stocks of large capitalization companies. Under normal circumstances, the Fund invests at least 80% of its net assets, plus the amount of any borrowings for investment purposes, in securities of large capitalization companies. For this Fund, large capitalization companies are those companies having market capitalizations equal to or greater than the median capitalization of companies included in the Russell 1000® Value Index at the time of purchase (as of March 31, 2016, the median capitalization was $7.1 billion). Because the Fund's definition of large capitalization companies is dynamic, it will change with the markets. Value stocks are stocks that, in the opinion of the Sub-Adviser, are inexpensive or undervalued relative to the overall stock market.

The Fund primarily invests in dividend-paying stocks, but may also invest in non-income producing stocks. The Fund may invest in real estate investment trusts ("REITs"). The Fund may invest up to 25% of its total assets in foreign securities, some of which may be located in emerging market countries. Securities of foreign issuers that are represented by American Depositary Receipts ("ADRs") are not subject to this restriction.

The Sub-Adviser may consider a company's earnings or cash flow capabilities, dividend prospects, financial strength, growth potential, the strength of the company's business franchises and management team, sustainability of a company's competitiveness, and estimates of a company's net value when selecting securities. The Sub-Adviser may sell a security when the Sub-Adviser's price objective for the security is reached, the fundamentals of the company deteriorate, a security's price falls below acquisition cost or to pursue more attractive investment options.

The Fund may buy and sell portfolio securities actively. If it does, its portfolio turnover rate and transaction costs will rise, which may lower Fund performance.

Principal Risks of Investing

Currency Risk. The possibility that the value of the Fund's assets may be affected favorably or unfavorably by currency exchange rates, currency exchange control regulations, and restrictions or prohibitions on the repatriation of foreign currencies.

Depositary Receipt Risk. The possibility that the Fund's investments in foreign companies through depositary receipts will expose the Fund to the same risks as direct investment in securities of foreign issuers. In addition, investments in ADRs may be less liquid than the underlying shares in their primary trading market, and the value of securities underlying ADRs may change materially at times when U.S. markets are not open for trading.

Emerging Markets Risk. The possibility that the stocks of companies located in emerging markets may be more volatile, and less liquid, than the stocks of companies located in the U.S. and developed foreign markets due to political, economic, or regulatory conditions within emerging market countries. In addition, emerging market countries may experience more volatile interest and currency exchange rates, higher levels of inflation and less efficient trading and settlement systems.

Foreign Investment Risk. The possibility that the Fund's investments in foreign securities may be adversely affected by political, social, and economic conditions affecting foreign issuers, greater volatility, reduced liquidity, or decreases in foreign currency values relative to the U.S. dollar.

Large-Cap Securities Risk. The possibility that the Fund's investments in larger companies may underperform relative to those of smaller companies. Larger more established companies may be unable to respond quickly to new competitive challenges such as changes in technology and consumer tastes and may not be able to attain the high growth rate of successful smaller companies, especially during extended periods of economic expansion.

Liquidity Risk. The possibility that the market for certain of the Fund's investments may become illiquid under adverse or volatile market or economic conditions, making those investments difficult to sell at an advantageous price. The market price of certain investments may fall dramatically if there is no liquid trading market for the investments. It also may be difficult for the Fund to purchase a desired investment at an advantageous price under such circumstances.

Management Risk. The possibility that the investment decisions, techniques, analyses or models implemented by the Fund's Sub-Adviser in seeking to achieve the Fund's investment objective may not produce the returns expected, may cause the Fund's shares to lose value or may cause the Fund to underperform relevant benchmarks or other funds with similar investment objectives.

Market Risk. The possibility that the values of, and/or the income generated by, securities held by the Fund may decline, sometimes unpredictably, due to general market conditions or other factors, including those directly involving the issuers of such securities. Security markets are volatile and may decline significantly in response to adverse issuer, regulatory, political, or economic developments. Different sectors of the market and different security types may react differently to such developments.

Portfolio Turnover Risk. The possibility that the Fund may frequently buy and sell portfolio securities, which may increase transaction costs to the Fund and cause the Fund's performance to be less than you expect.

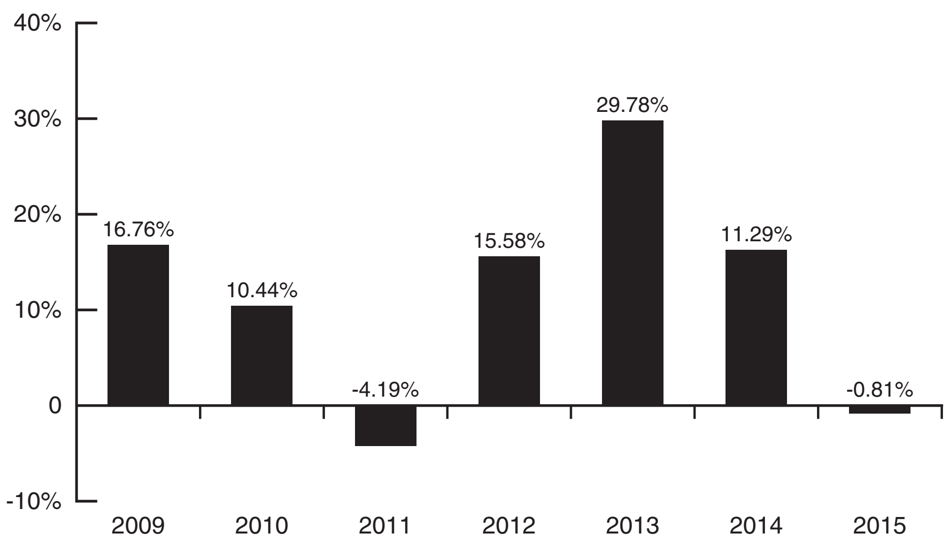
REITs Risk. The possibility that the Fund's investments in REITs will subject the Fund to the risks associated with the direct ownership of real estate, including fluctuations in the value of underlying properties, changes in interest rates and risks related to general or local economic conditions. REITs are dependent upon management skills and generally may not be diversified. REITs are also subject to heavy cash flow dependency, defaults by borrowers or tenants and self-liquidation.

"Value" Investing Risk. The possibility that the Fund's investments in securities believed by the Sub-Adviser to be undervalued may not realize their perceived value for extended periods of time or may never realize their perceived value. The securities in which the Fund invests may respond differently to market and other developments than other types of securities, and may underperform growth stocks and/or the market as a whole.

An investment in the Fund may be appropriate for investors who are willing to accept the risks and uncertainties of investing in common stocks in the hope of earning long-term growth of capital and income.

Performance Information

The bar chart and table below show the performance of the Fund both year-by-year and as an average over different periods of time. The bar chart and table demonstrate the variability of performance over time and provide an indication of the risks and volatility of an investment in the Fund by showing how the Fund's average annual total returns for various periods compare with those of a broad-based securities market index. Past performance does not necessarily indicate how the Fund will perform in the future. This performance information does not include the impact of any charges deducted under your variable contract. If it did, returns would be lower.



Best Quarter	**Worst Quarter**
14.96% 9/30/2009	-16.11% 9/30/2011

Average Annual Total Return (for Periods Ended December 31, 2015)

	1 Year	5 Years	Since Inception on August 25, 2008
Large Core Value Fund	-0.81%	9.67%	5.59%
Russell 1000® Value Index (reflects no deduction for fees, expenses or taxes)	-3.83%	11.27%	7.53%

Investment Adviser

Penn Mutual Asset Management, Inc.

Investment Sub-Adviser

Eaton Vance Management

Portfolio Managers

Edward J. Perkin, CFA, Chief Equity Investment Officer of Eaton Vance Management, has served as lead portfolio manager of the Fund since June 2014.

John D. Crowley, Vice President of Eaton Vance Management, has served as a portfolio manager of the Fund since December 2009.

Purchase and Sale of Fund Shares, Tax Information and Payments to Insurance Companies and Other Financial Intermediaries

For important information about the purchase and sale of Fund shares, tax information and payments to insurance companies and other financial intermediaries, please turn to the "Additional Fund Summary Information" section on page 124 of this prospectus.

FUND SUMMARY: INDEX 500 FUND

Investment Objective

The investment objective of the Index 500 Fund (the "Fund") is to seek a total return (capital appreciation and income) which corresponds to that of the S&P 500® Index.

Fund Fees and Expenses

This table describes the fees and expenses that you may pay if you buy and hold shares of the Fund. Additional fees and expenses will be applied at the variable contract level. Those fees and expenses are described in your variable contract prospectus. If the information below were to reflect the deduction of variable contract charges, fees and expenses would be higher.

Annual Fund Operating Expenses
(expenses that you pay each year as a percentage of the value of your investment)

Investment Advisory Fees	0.13%
Distribution (12b-1) Fees	None
Other Expenses	0.25%
Total Annual Fund Operating Expenses	0.38%

Example

This example is intended to help you compare the cost of investing in the Fund with the cost of investing in other mutual funds. The example does not reflect expenses and charges which are, or may be, imposed under your variable contract. If the examples were to reflect the deduction of such charges, the costs shown would be greater. The example assumes that you invest $10,000 in the Fund for the time periods indicated. The example also assumes that your investment has a 5% return each year and that the Fund's operating expenses remain the same. Although your actual costs and returns might be higher or lower, based on these assumptions your costs would be:

1 Year	3 Years	5 Years	10 Years
$39	$122	$213	$480

Portfolio Turnover

The Fund pays transaction costs, such as commissions, when it buys and sells securities (or "turns over" its portfolio). A higher portfolio turnover may indicate higher transaction costs. These costs, which are not reflected in the annual fund operating expenses or in the Example, affect the Fund's performance. During the most recent fiscal year, the Fund's portfolio turnover rate was 3% of the average value of its portfolio.

Principal Investment Strategy

Under normal circumstances, the Fund invests at least 80% of its net assets, plus the amount of any borrowings for investment purposes, in securities listed in the S&P 500® Index (the "Index"). Under normal circumstances, however, the Fund intends to invest substantially all of its assets in securities of companies included in the Index and close substitutes (such as index futures contracts) that are designed to track the Index. The Index is a well-known stock market index that includes common stocks of approximately 500 companies from all major industries representing a significant portion of the market value of all common stocks publicly traded in the United States, most of which are listed on the New York Stock Exchange. Stocks in the Index are weighted according to their float adjusted capitalizations. The Fund may concentrate (invest 25% or more of the value of its assets) in the securities of issuers having their principal business activities in the same industry if the Index is also concentrated in such industry.

The Sub-Adviser does not manage the Fund according to traditional methods of "active" investment management, which involve the buying and selling of securities based upon economic, financial and market analysis and investment judgment.

Instead, the Sub-Adviser utilizes a "passive" investment approach, attempting to replicate the investment performance of the Index through automated statistical analytic procedures.

The Sub-Adviser seeks to replicate the returns of the Index by investing in the securities of the Index in approximately their Index weight. However, under various circumstances, it may not be possible or practicable to purchase all of those securities in those weightings. In those circumstances, the Fund may purchase a sample of stocks in the Index in proportions expected to replicate generally the performance of the Index as a whole. In addition, from time to time, stocks are added to or removed from the Index. The Fund may sell stocks that are represented in the Index, or purchase stocks that are not yet represented in the Index, in anticipation of their removal from or addition to the Index.

The Sub-Adviser may at times purchase or sell futures contracts in lieu of investment directly in the stocks making up the Index. The Sub-Adviser might do so, for example, in order to increase the Fund's investment exposure pending investment of cash in the stocks comprising the Index. Alternatively, the Sub-Adviser might use futures to reduce its investment exposure to the Index in situations where it intends to sell a portion of the stocks in the Fund's portfolio but the sale has not yet been completed.

Principal Risks of Investing

Concentration Risk. The possibility that, to the extent the Fund invests to a significant extent in a particular industry or group of industries within a particular sector, the Fund may be subject to greater risks than if its investments were broadly diversified across industries and sectors. The Fund also is subject to loss due to adverse occurrences that may affect that industry or group of industries.

Derivatives Risk. The possibility that the Fund's use of derivatives, such as futures, options and swap agreements, may lead to losses, including those magnified by leverage, particularly when derivatives are used to enhance return rather than mitigate risk. Certain derivative instruments may be difficult to sell when the Sub-Adviser believes it would be appropriate to do so, difficult to value if the instrument becomes illiquid, or the other party to a derivative contract may be unwilling or unable to fulfill its contractual obligations.

Large-Cap Securities Risk. The possibility that the Fund's investments in larger companies may underperform relative to those of smaller companies. Larger more established companies may be unable to respond quickly to new competitive challenges such as changes in technology and consumer tastes and may not be able to attain the high growth rate of successful smaller companies, especially during extended periods of economic expansion.

Liquidity Risk. The possibility that the market for certain of the Fund's investments may become illiquid under adverse or volatile market or economic conditions, making those investments difficult to sell at an advantageous price. The market price of certain investments may fall dramatically if there is no liquid trading market for the investments. It also may be difficult for the Fund to purchase a desired investment at an advantageous price under such circumstances.

Market Risk. The possibility that the values of, and/or the income generated by, securities held by the Fund may decline, sometimes unpredictably, due to general market conditions or other factors, including those directly involving the issuers of such securities. Security markets are volatile and may decline significantly in response to adverse issuer, regulatory, political, or economic developments. Different sectors of the market and different security types may react differently to such developments.

Passive Investment Risk. The possibility that the Fund's return may be lower than the return of an actively managed fund because the Fund holds shares of a security based on the holdings of its benchmark index, not the current or projected performance of a security, industry or sector. The Fund does not take defensive positions under any market conditions, including declining markets.

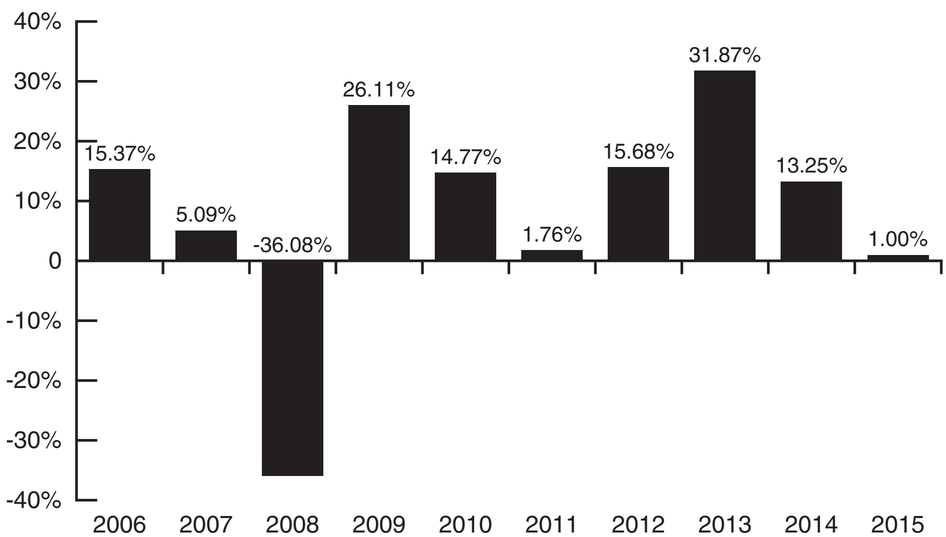
Sampling Risk. The possibility that the Fund may not hold all of the securities included in its benchmark index and that the securities selected for the Fund, in the aggregate, will not provide investment performance matching that of the Fund's benchmark index.

Tracking Error Risk. The possibility that the Fund's performance may deviate from that of the benchmark index it seeks to track. This risk may be heightened during times of increased market volatility or other unusual market conditions.

An investment in the Fund may be appropriate for investors who are willing to accept the risks and uncertainties of investing in common stocks in the hope of achieving a total return which corresponds to that of the Index.

Performance Information

The bar chart and table below show the performance of the Fund both year-by-year and as an average over different periods of time. They represent the performance of the Fund's previous managers for the period prior to August 25, 2008. Since August 25, 2008, SSGA Funds Management, Inc. has been responsible for the Fund's day-to-day portfolio management. The bar chart and table demonstrate the variability of performance over time and provide an indication of the risks and volatility of an investment in the Fund by showing how the Fund's average annual total returns for various periods compare with those of a broad-based securities market index. Past performance does not necessarily indicate how the Fund will perform in the future. This performance information does not include the impact of any charges deducted under your variable contract. If it did, returns would be lower.



Best Quarter	Worst Quarter
15.74%	-21.85%
6/30/2009	12/31/2008

Average Annual Total Return (for Periods Ended December 31, 2015)

	1 Year	5 Years	10 Years
Index 500 Fund	1.00%	12.17%	7.13%
S&P 500® Index (reflects no deduction for fees, expenses or taxes)	1.38%	12.57%	7.31%

Investment Adviser

Penn Mutual Asset Management, Inc.

Investment Sub-Adviser

SSGA Funds Management, Inc.

Portfolio Managers

John Tucker, CFA, is a Senior Managing Director of SSGA Funds Management, Inc. Mr. Tucker has served as portfolio manager of the Fund since August 2008.

Michael Feehily, CFA, is a Senior Managing Director for SSGA Funds Management, Inc. Mr. Feehily has served as portfolio manager of the Fund since May 2015.

Purchase and Sale of Fund Shares, Tax Information and Payments to Insurance Companies and Other Financial Intermediaries

For important information about the purchase and sale of Fund shares, tax information and payments to insurance companies and other financial intermediaries, please turn to the "Additional Fund Summary Information" section on page 124 of this prospectus.

FUND SUMMARY: MID CAP GROWTH FUND

Investment Objective The investment objective of the Mid Cap Growth Fund (the "Fund") is to maximize capital appreciation.

Fund Fees and Expenses

This table describes the fees and expenses that you may pay if you buy and hold shares of the Fund. Additional fees and expenses will be applied at the variable contract level. Those fees and expenses are described in your variable contract prospectus. If the information below were to reflect the deduction of variable contract charges, fees and expenses would be higher.

Annual Fund Operating Expenses
(expenses that you pay each year as a percentage of the value of your investment)

Investment Advisory Fees	0.70%
Distribution (12b-1) Fees	None
Other Expenses	0.30%
Total Annual Fund Operating Expenses	1.00%

Example

This example is intended to help you compare the cost of investing in the Fund with the cost of investing in other mutual funds. The example does not reflect expenses and charges which are, or may be, imposed under your variable contract. If the examples were to reflect the deduction of such charges, the costs shown would be greater. The example assumes that you invest $10,000 in the Fund for the time periods indicated. The example also assumes that your investment has a 5% return each year and that the Fund's operating expenses remain the same. Although your actual costs and returns might be higher or lower, based on these assumptions your costs would be:

1 Year	3 Years	5 Years	10 Years
$102	$318	$552	$1,225

Portfolio Turnover

The Fund pays transaction costs, such as commissions, when it buys and sells securities (or "turns over" its portfolio). A higher portfolio turnover may indicate higher transaction costs. These costs, which are not reflected in the annual fund operating expenses or in the Example, affect the Fund's performance. During the most recent fiscal year, the Fund's portfolio turnover rate was 43% of the average value of its portfolio.

Principal Investment Strategy

Under normal circumstances, the Fund invests at least 80% of its net assets, plus the amount of any borrowings for investment purposes, in equity securities of mid-cap companies. For purposes of this policy, mid capitalization companies have market capitalizations that fall within the market capitalization range of companies in the Russell Midcap® Growth Index at the time of purchase (as of March 31, 2016, this range was between $199.24 million and $30.11 billion). Because the Fund's definition of mid-cap companies is dynamic, the lower and upper limits on market capitalization will change with the markets. The Fund will invest in equity securities of companies that the Sub-Adviser believes have strong earnings growth potential and that are diversified across economic sectors. The Fund's exposure is generally limited to 5% of assets in any single issuer, subject to exceptions for the most heavily-weighted securities in the Russell Midcap® Growth Index.

Principal Risks of Investing

"Growth" Investing Risk. The possibility that the Fund's investments in securities of companies perceived to be "growth" companies may underperform when value investing is in favor and may be more volatile than other securities because they are more sensitive to investor perceptions of the issuing company's growth of earnings potential. Also, because growth companies usually invest a high portion of earnings in their businesses, growth stocks may lack the dividends of some value stocks that can cushion stock prices in a falling market.

Management Risk. The possibility that the investment decisions, techniques, analyses or models implemented by the Fund's Sub-Adviser in seeking to achieve the Fund's investment objective may not produce the returns expected, may cause the Fund's shares to lose value or may cause the Fund to underperform relevant benchmarks or other funds with similar investment objectives.

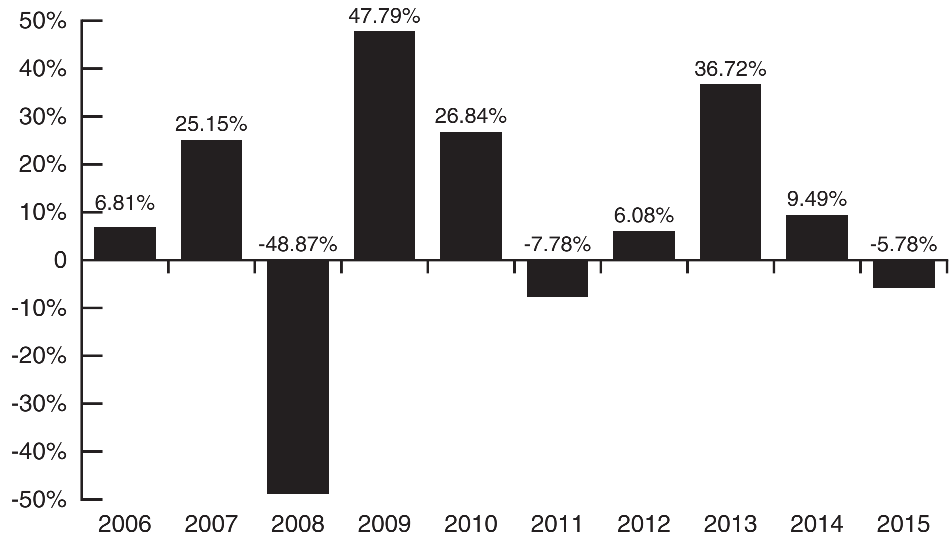
Market Risk. The possibility that the values of, and/or the income generated by, securities held by the Fund may decline, sometimes unpredictably, due to general market conditions or other factors, including those directly involving the issuers of such securities. Security markets are volatile and may decline significantly in response to adverse issuer, regulatory, political, or economic developments. Different sectors of the market and different security types may react differently to such developments.

Mid-Cap Securities Risk. The possibility that the return on the Fund's investments in mid-cap companies may be less than the return on investments in stocks of larger or smaller companies or the stock market as a whole. Mid-cap companies may be more vulnerable to market volatility and adverse business or economic events than larger, more established companies. The securities of mid-cap companies are more likely to trade in lower volumes and are generally subject to greater and less predictable price changes than the securities of larger capitalization companies.

An investment in the Fund may be appropriate for investors who are willing to accept the risks and uncertainties of investing in mid-cap stocks in the hope of achieving above-average capital appreciation.

Performance Information

The bar chart and table below show the performance of the Fund both year-by-year and as an average over different periods of time. They represent the performance of the Fund's previous managers for the period prior to May 1, 2014. Since May 1, 2014, Ivy Investment Management Company has been responsible for the Fund's day-to-day portfolio management. The bar chart and table demonstrate the variability of performance over time and provide an indication of the risks and volatility of an investment in the Fund by showing how the Fund's average annual total returns for various periods compare with those of a broad-based securities market index. Past performance does not necessarily indicate how the Fund will perform in the future. This performance information does not include the impact of any charges deducted under your variable contract. If it did, returns would be lower.



Best Quarter	Worst Quarter
22.84% 9/30/2009	-28.78% 12/31/2008

Average Annual Total Return (for Periods Ended December 31, 2015)

	1 Year	5 Years	10 Years
Mid Cap Growth Fund	-5.78%	6.65%	5.86%
Russell Midcap® Growth Index (reflects no deduction for fees, expenses or taxes)	-0.20%	11.54%	8.16%

Investment Adviser

Penn Mutual Asset Management, Inc.

Investment Sub-Adviser

Ivy Investment Management Company

Portfolio Manager

Kimberly A. Scott is responsible for the day-to-day portfolio management of the Fund and has served as portfolio manager of the Fund since May 2014. Ms. Scott is a Senior Vice President of Ivy Investment Management Company.

Purchase and Sale of Fund Shares, Tax Information and Payments to Insurance Companies and Other Financial Intermediaries

For important information about the purchase and sale of Fund shares, tax information and payments to insurance companies and other financial intermediaries, please turn to the "Additional Fund Summary Information" section on page 124 of this prospectus.

FUND SUMMARY: MID CAP VALUE FUND

Investment Objective

The investment objective of the Mid Cap Value Fund (the "Fund") is to achieve growth of capital.

Fund Fees and Expenses

This table describes the fees and expenses that you may pay if you buy and hold shares of the Fund. Additional fees and expenses will be applied at the variable contract level. Those fees and expenses are described in your variable contract prospectus. If the information below were to reflect the deduction of variable contract charges, fees and expenses would be higher.

Annual Fund Operating Expenses
(expenses that you pay each year as a percentage of the value of your investment)

Investment Advisory Fees	0.55%
Distribution (12b-1) Fees	None
Other Expenses	0.26%
Acquired Fund Fees and Expenses	0.01%
Total Annual Fund Operating Expenses*	0.82%

* The Total Annual Fund Operating Expenses in this fee table may not correlate to the expense ratios in the Fund's financial highlights and financial statements because the financial highlights and financial statements reflect only the operating expenses of the Fund and do not include Acquired Fund Fees and Expenses, which are fees and expenses incurred indirectly by the Fund through its investments in certain underlying investment companies.

Example

This example is intended to help you compare the cost of investing in the Fund with the cost of investing in other mutual funds. The example does not reflect expenses and charges which are, or may be, imposed under your variable contract. If the examples were to reflect the deduction of such charges, the costs shown would be greater. The example assumes that you invest $10,000 in the Fund for the time periods indicated. The example also assumes that your investment has a 5% return each year and that the Fund's operating expenses remain the same. Although your actual costs and returns might be higher or lower, based on these assumptions your costs would be:

1 Year	3 Years	5 Years	10 Years
$84	$262	$455	$1,014

Portfolio Turnover

The Fund pays transaction costs, such as commissions, when it buys and sells securities (or "turns over" its portfolio). A higher portfolio turnover may indicate higher transaction costs. These costs, which are not reflected in the annual fund operating expenses or in the Example, affect the Fund's performance. During the most recent fiscal year, the Fund's portfolio turnover rate was 42% of the average value of its portfolio.

Principal Investment Strategy

Under normal circumstances, the Fund invests at least 80% of its net assets, plus the amount of any borrowings for investment purposes, in equity securities of mid-cap companies. For purposes of this policy, mid capitalization companies have market capitalizations that fall within the market capitalization range of companies in the Russell Midcap® Index at the time of purchase (as of March 31, 2016, this range was between $171 million and $30.1 billion). Because the Fund's definition of mid-cap companies is dynamic, the lower and upper limits on market capitalization will change with the markets. In selecting individual securities, the Sub-Adviser uses bottom-up, fundamental research to identify high quality companies that are trading at a substantial discount to their intrinsic value, defined as the Sub-Adviser's estimate of a company's true long-term economic worth, where there is a strategic plan or event that is expected to both enhance value and narrow the value/price gap. Intrinsic value reflects the Sub-Adviser's analysis and estimates. There is no guarantee that any intrinsic value will be realized; security prices may decrease regardless of intrinsic values. Applying a consistent, private equity-style investment framework, the Sub-Adviser focuses its research efforts on a company's long-term outlook and strategic catalysts that can potentially unlock value. Their approach emphasizes asset values and cash flows, directly engaging a company's management team to evaluate its strategic direction, execution abilities and direct incentive compensation.

The Sub-Adviser will consider reducing or eliminating a position when the gap between its price and its intrinsic value has narrowed or been eliminated or when other opportunities appear more attractive. Changes in management or corporate strategy may also result in the reduction or elimination of a position. The Sub-Adviser does not have an automatic sell decision when a holding increases to a certain market capitalization level based on underperformance. They would continue to hold a stock if they believed that it could ultimately contribute to performance.

Principal Risks of Investing

Liquidity Risk. The possibility that the market for certain of the Fund's investments may become illiquid under adverse or volatile market or economic conditions, making those investments difficult to sell at an advantageous price. The market price of certain investments may fall dramatically if there is no liquid trading market for the investments. It also may be difficult for the Fund to purchase a desired investment at an advantageous price under such circumstances.

Management Risk. The possibility that the investment decisions, techniques, analyses or models implemented by the Fund's Sub-Adviser in seeking to achieve the Fund's investment objective may not produce the returns expected, may cause the Fund's shares to lose value or may cause the Fund to underperform relevant benchmarks or other funds with similar investment objectives.

Market Risk. The possibility that the values of, and/or the income generated by, securities held by the Fund may decline, sometimes unpredictably, due to general market conditions or other factors, including those directly involving the issuers of such securities. Security markets are volatile and may decline significantly in response to adverse issuer, regulatory, political, or economic developments. Different sectors of the market and different security types may react differently to such developments.

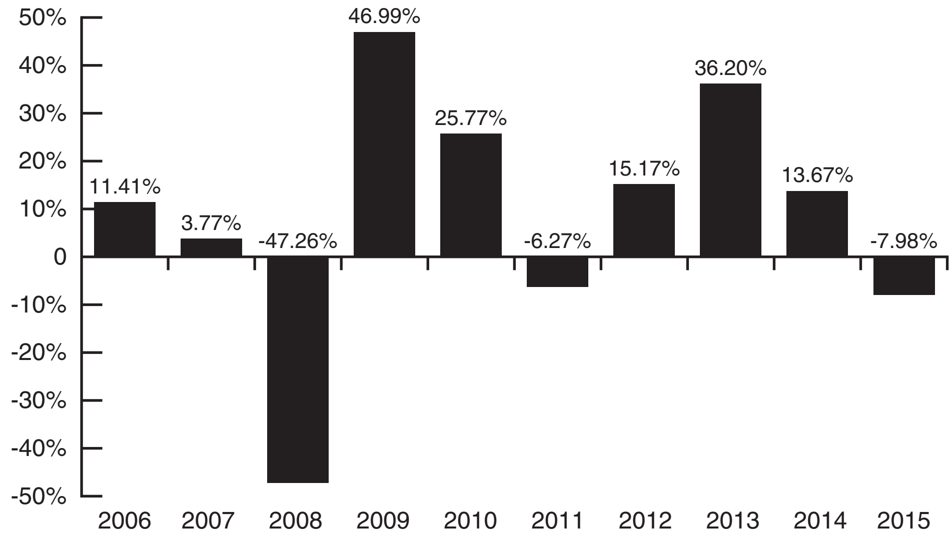
Mid-Cap Securities Risk. The possibility that the return on the Fund's investments in mid-cap companies may be less than the return on investments in stocks of larger or smaller companies or the stock market as a whole. Mid-cap companies may be more vulnerable to market volatility and adverse business or economic events than larger, more established companies. The securities of mid-cap companies are more likely to trade in lower volumes and are generally subject to greater and less predictable price changes than the securities of larger capitalization companies.

"Value" Investing Risk. The possibility that the Fund's investments in securities believed by the Sub-Adviser to be undervalued may not realize their perceived value for extended periods of time or may never realize their perceived value. The securities in which the Fund invests may respond differently to market and other developments than other types of securities, and may underperform growth stocks and/or the market as a whole.

An investment in the Fund may be appropriate for investors who are willing to accept the risks and uncertainties of investing in mid-cap stocks in the hope of achieving above-average growth of capital.

Performance Information

The bar chart and table below show the performance of the Fund both year-by-year and as an average over different periods of time. The bar chart and table demonstrate the variability of performance over time and provide an indication of the risks and volatility of an investment in the Fund by showing how the Fund's average annual total returns for various periods compare with those of a broad-based securities market index. Past performance does not necessarily indicate how the Fund will perform in the future. This performance information does not include the impact of any charges deducted under your variable contract. If it did, returns would be lower.



Best Quarter	Worst Quarter
25.30% 9/30/2009	-28.74% 12/31/2008

Average Annual Total Return (for Periods Ended December 31, 2015)

	1 Year	5 Years	10 Years
Mid Cap Value Fund	-7.98%	8.99%	5.65%
Russell Midcap® Value Index (reflects no deduction for fees, expenses or taxes)	-4.78%	11.25%	7.61%

Investment Adviser

Penn Mutual Asset Management, Inc.

Investment Sub-Adviser

Neuberger Berman Investment Advisers LLC

Portfolio Manager

Michael C. Greene, a managing director of Neuberger Berman Investment Advisers LLC, has served as portfolio manager of the Fund since December 2011.

Purchase and Sale of Fund Shares, Tax Information and Payments to Insurance Companies and Other Financial Intermediaries

For important information about the purchase and sale of Fund shares, tax information and payments to insurance companies and other financial intermediaries, please turn to the "Additional Fund Summary Information" section on page 124 of this prospectus.

FUND SUMMARY: MID CORE VALUE FUND

Investment Objective The investment objective of the Mid Core Value Fund (the "Fund") is to achieve capital appreciation.

Fund Fees and Expenses

This table describes the fees and expenses that you may pay if you buy and hold shares of the Fund. Additional fees and expenses will be applied at the variable contract level. Those fees and expenses are described in your variable contract prospectus. If the information below were to reflect the deduction of variable contract charges, fees and expenses would be higher.

Annual Fund Operating Expenses
(expenses that you pay each year as a percentage of the value of your investment)

Investment Advisory Fees	0.72%
Distribution (12b-1) Fees	None
Other Expenses	0.35%
Acquired Fund Fees and Expenses	0.01%
Total Annual Fund Operating Expenses*	1.08%

* The Total Annual Fund Operating Expenses in this fee table may not correlate to the expense ratios in the Fund's financial highlights and financial statements because the financial highlights and financial statements reflect only the operating expenses of the Fund and do not include Acquired Fund Fees and Expenses, which are fees and expenses incurred indirectly by the Fund through its investments in certain underlying investment companies.

Example

This example is intended to help you compare the cost of investing in the Fund with the cost of investing in other mutual funds. The example does not reflect expenses and charges which are, or may be, imposed under your variable contract. If the examples were to reflect the deduction of such charges, the costs shown would be greater. The example assumes that you invest $10,000 in the Fund for the time periods indicated. The example also assumes that your investment has a 5% return each year and that the Fund's operating expenses remain the same. Although your actual costs and returns might be higher or lower, based on these assumptions your costs would be:

1 Year	3 Years	5 Years	10 Years
$110	$343	$595	$1,317

Portfolio Turnover

The Fund pays transaction costs, such as commissions, when it buys and sells securities (or "turns over" its portfolio). A higher portfolio turnover may indicate higher transaction costs. These costs, which are not reflected in the annual fund operating expenses or in the Example, affect the Fund's performance. During the most recent fiscal year, the Fund's portfolio turnover rate was 77% of the average value of its portfolio.

Principal Investment Strategy

Under normal market conditions, the Fund invests at least 80% of its net assets in equity securities of medium capitalization companies. For purposes of the Fund's investments, equity securities include common stock, preferred stock, and equity-equivalent securities, such as convertible securities, stock futures contracts or stock index futures contracts. The Sub-Adviser considers medium size companies whose market capitalization at the time of purchase is within the capitalization range of the Russell 3000® Index, excluding the largest 100 such companies, for inclusion in the Fund's portfolio. As of March 31, 2016, this capitalization range was between $13 million and $45.8 billion. The Sub-Adviser intends to manage the Fund so that its weighted capitalization falls within the capitalization range of the members of the Russell Midcap® Index. As of March 31, 2016, this capitalization range was between $171 million and $28.9 billion. In selecting stocks for the Fund, the Sub-Adviser looks for companies whose stock price may not reflect the company's value. The Sub-Adviser attempts to purchase the stocks of these undervalued companies and hold each stock until the price has increased to, or is higher than, a level the Sub-Adviser believes more accurately reflects the fair value of the company. The Fund may invest a portion of its assets in foreign securities when these securities meet the Sub-Adviser's standards of selection. The Sub-Adviser may sell stocks from the Fund's portfolio if it believes a stock no longer meets its valuation criteria, a stock's risk parameters outweigh its return opportunity, more attractive alternatives are identified or specific events alter a stock's prospects. The Fund may engage in active and frequent trading of portfolio securities in the pursuit of its investment objective.

Principal Risks of Investing

Foreign Investment Risk. The possibility that the Fund's investments in foreign securities may be adversely affected by political, social, and economic conditions affecting foreign issuers, greater volatility, reduced liquidity, or decreases in foreign currency values relative to the U.S. dollar.

IPOs Risk. The possibility that the Fund's performance may be affected by the purchase of securities issued in initial public offerings (IPOs) that have little to no trading history, limited issuer information, increased volatility and may not be available to the extent desired. The prices of securities bought in IPOs may rise and fall rapidly, often because of investor perceptions rather than economic reasons.

Liquidity Risk. The possibility that the market for certain of the Fund's investments may become illiquid under adverse or volatile market or economic conditions, making those investments difficult to sell at an advantageous price. The market price of certain investments may fall dramatically if there is no liquid trading market for the investments. It also may be difficult for the Fund to purchase a desired investment at an advantageous price under such circumstances.

Market Risk. The possibility that the values of, and/or the income generated by, securities held by the Fund may decline, sometimes unpredictably, due to general market conditions or other factors, including those directly involving the issuers of such securities. Security markets are volatile and may decline significantly in response to adverse issuer, regulatory, political, or economic developments. Different sectors of the market and different security types may react differently to such developments.

Mid-Cap Securities Risk. The possibility that the return on the Fund's investments in mid-cap companies may be less than the return on investments in stocks of larger or smaller companies or the stock market as a whole. Mid-cap companies may be more vulnerable to market volatility and adverse business or economic events than larger, more established companies. The securities of mid-cap companies are more likely to trade in lower volumes and are generally subject to greater and less predictable price changes than the securities of larger capitalization companies.

Portfolio Turnover Risk. The possibility that the Fund may frequently buy and sell portfolio securities, which may increase transaction costs to the Fund and cause the Fund's performance to be less than you expect.

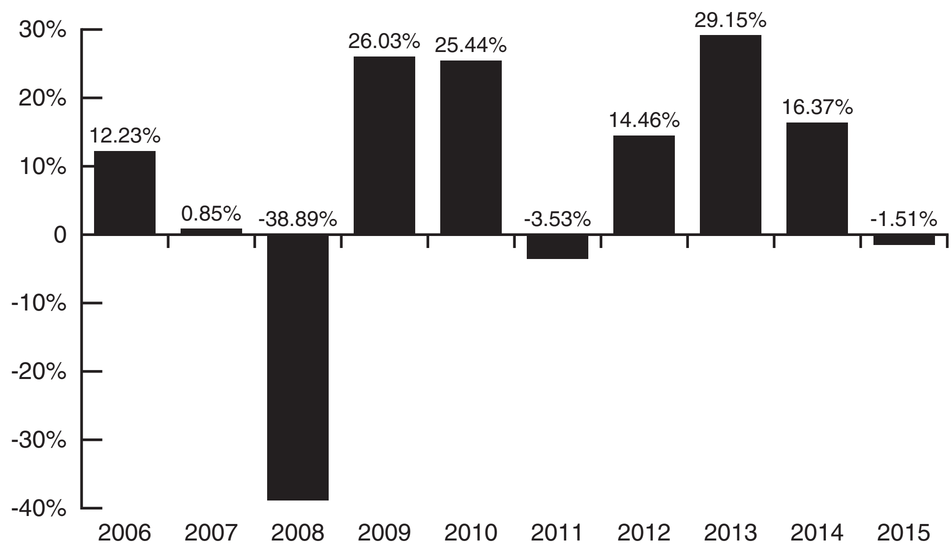
"Value" Investing Risk. The possibility that the Fund's investments in securities believed by the Sub-Adviser to be undervalued may not realize their perceived value for extended periods of time or may never realize their perceived value. The securities in which the Fund invests may respond differently to market and other developments than other types of securities, and may underperform growth stocks and/or the market as a whole.

An investment in the Fund may be appropriate for investors who are willing to accept the risks and uncertainties of investing in mid-cap stocks in the hope of achieving above-average growth of capital.

Performance Information

The bar chart and table below show the performance of the Fund both year-by-year and as an average over different periods of time. They represent the performance of the Fund's previous managers for the period prior to May 1, 2013.

Since May 1, 2013, American Century Investment Management, Inc. has been responsible for the Fund's day-to-day portfolio management. The bar chart and table demonstrate the variability of performance over time and provide an indication of the risks and volatility of an investment in the Fund by showing how the Fund's average annual total returns for various periods compare with those of a broad-based securities market index. Past performance does not necessarily indicate how the Fund will perform in the future. This performance information does not include the impact of any charges deducted under your variable contract. If it did, returns would be lower.



Best Quarter	Worst Quarter
18.69%	-22.12%
9/30/2009	9/30/2011

Average Annual Total Return (for Periods Ended December 31, 2015)

	1 Year	5 Years	10 Years
Mid Core Value Fund	-1.51%	10.32%	5.98%
Russell Midcap® Value Index (reflects no deduction for fees, expenses or taxes)	-4.78%	11.25%	7.61%

Investment Adviser

Penn Mutual Asset Management, Inc.

Investment Sub-Adviser

American Century Investment Management, Inc.

Portfolio Managers

Philip N. Davidson, CFA, Chief Investment Officer — U.S. Value Equity, Senior Vice President and Senior Portfolio Manager of American Century Investment Management, Inc., has served as a portfolio manager of the Fund since May 2013.

Michael Liss, CFA, CPA, Vice President and Senior Portfolio Manager of American Century Investment Management, Inc., has served as a portfolio manager of the Fund since May 2013.

Kevin Toney, CFA, Senior Vice President and Senior Portfolio Manager of American Century Investment Management, Inc., has served as a portfolio manager of the Fund since May 2013.

Brian Woglom, CFA, Vice President and Portfolio Manager of American Century Investment Management, Inc., has served as a portfolio manager of the Fund since May 2013.

Purchase and Sale of Fund Shares, Tax Information and Payments to Insurance Companies and Other Financial Intermediaries

For important information about the purchase and sale of Fund shares, tax information and payments to insurance companies and other financial intermediaries, please turn to the "Additional Fund Summary Information" section on page 124 of this prospectus.

FUND SUMMARY: SMID CAP GROWTH FUND

Investment Objective The investment objective of the SMID Cap Growth Fund (the "Fund") is to seek long-term growth of capital (capital appreciation).

Fund Fees and Expenses

This table describes the fees and expenses that you may pay if you buy and hold shares of the Fund. Additional fees and expenses will be applied at the variable contract level. Those fees and expenses are described in your variable contract prospectus. If the information below were to reflect the deduction of variable contract charges, fees and expenses would be higher.

Annual Fund Operating Expenses
(expenses that you pay each year as a percentage of the value of your investment)

Investment Advisory Fees	0.75%
Distribution (12b-1) Fees	None
Other Expenses	0.32%
Total Annual Fund Operating Expenses	1.07%

Example

This example is intended to help you compare the cost of investing in the Fund with the cost of investing in other mutual funds. The example does not reflect expenses and charges which are, or may be, imposed under your variable contract. If the examples were to reflect the deduction of such charges, the costs shown would be greater. The example assumes that you invest $10,000 in the Fund for the time periods indicated. The example also assumes that your investment has a 5% return each year and that the Fund's operating expenses remain the same. Although your actual costs and returns might be higher or lower, based on these assumptions your costs would be:

1 Year	3 Years	5 Years	10 Years
$109	$340	$590	$1,306

Portfolio Turnover

The Fund pays transaction costs, such as commissions, when it buys and sells securities (or "turns over" its portfolio). A higher portfolio turnover may indicate higher transaction costs. These costs, which are not reflected in the annual fund operating expenses or in the Example, affect the Fund's performance. During the most recent fiscal year, the Fund's portfolio turnover rate was 103% of the average value of its portfolio.

Principal Investment Strategy

The Fund attempts to achieve its investment objective by investing primarily in common stocks of small and medium capitalization U.S. companies. Under normal circumstances, the Fund invests at least 80% of its net assets, plus the amount of any borrowings for investment purposes, in securities of small and medium capitalization companies. For purposes of this policy, small and medium capitalization companies have market capitalizations that fall within the market capitalization range of companies in the Russell 2500® Growth Index at the time of purchase (as of March 31, 2016, this range was between $15.4 million and $16.0 billion). Because the Fund's definition of small and medium capitalization companies is dynamic, the lower and upper limits on market capitalization will change with the markets. The Fund's investments in small capitalization companies may include micro-capitalization companies.

The Fund invests principally in equity securities of small and medium capitalization companies that offer the potential for capital growth, with an emphasis on identifying companies that have the prospect for improving sales and earnings growth rates, enjoy a competitive advantage and have effective management with a history of making investments that are in the best interests of shareholders. The Sub-Adviser employs a rigorous bottom-up research process to identify solid investment opportunities. The Sub-Adviser seeks to construct a well diversified portfolio in order to reduce risk while enhancing return.

The Sub-Adviser may sell a security based on several factors, with valuation the key element. The Sub-Adviser may sell a security if the investment reaches its target price, there is a change in the security's fundamentals or when better investment opportunities emerge.

The Fund may also invest in U.S. dollar-denominated and U.S. exchange-traded foreign equities, American Depositary Receipts ("ADRs"), real estate investment trusts ("REITs"), shares of other investment companies and exchange-traded funds ("ETFs") and cash instruments maturing in one year or less.

The Fund may buy and sell portfolio securities actively. If it does, its portfolio turnover rate and transaction costs will rise, which may lower fund performance.

Principal Risks of Investing

Depositary Receipt Risk. The possibility that the Fund's investments in foreign companies through depositary receipts will expose the Fund to the same risks as direct investment in securities of foreign issuers. In addition, investments in ADRs may be less liquid than the underlying shares in their primary trading market, and the value of securities underlying ADRs may change materially at times when U.S. markets are not open for trading.

"Growth" Investing Risk. The possibility that the Fund's investments in securities of companies perceived to be "growth" companies may underperform when value investing is in favor and may be more volatile than other securities because they are more sensitive to investor perceptions of the issuing company's growth of earnings potential. Also, because growth companies usually invest a high portion of earnings in their businesses, growth stocks may lack the dividends of some value stocks that can cushion stock prices in a falling market.

Liquidity Risk. The possibility that the market for certain of the Fund's investments may become illiquid under adverse or volatile market or economic conditions, making those investments difficult to sell at an advantageous price. The market price of certain investments may fall dramatically if there is no liquid trading market for the investments. It also may be difficult for the Fund to purchase a desired investment at an advantageous price under such circumstances.

Market Risk. The possibility that the values of, and/or the income generated by, securities held by the Fund may decline, sometimes unpredictably, due to general market conditions or other factors, including those directly involving the issuers of such securities. Security markets are volatile and may decline significantly in response to adverse issuer, regulatory, political, or economic developments. Different sectors of the market and different security types may react differently to such developments.

Micro-Cap Securities Risk. The possibility that the return on the Fund's investments in micro-cap companies may be less than the return on investments in stocks of larger companies or the stock market as a whole. Stock prices of micro-cap companies may be based in substantial part on future expectations rather than current achievements and may move sharply, especially during market upturns and downturns. Micro-cap companies are followed by relatively few securities analysts, and there tends to be less publicly available information about these companies. Micro-cap companies are more likely to be newly formed or in the early stages of development, depend on a few key employees, and have relatively limited product lines, markets or financial resources compared to larger capitalization companies.

Other Investment Company Risk. The possibility that investments by the Fund in shares of other investment companies will subject the Fund to the risks associated with those investment companies. Fund shareholders will also indirectly bear a proportionate share of any underlying investment company's fees and expenses in addition to paying the Fund's expenses.

Portfolio Turnover Risk. The possibility that the Fund may frequently buy and sell portfolio securities, which may increase transaction costs to the Fund and cause the Fund's performance to be less than you expect.

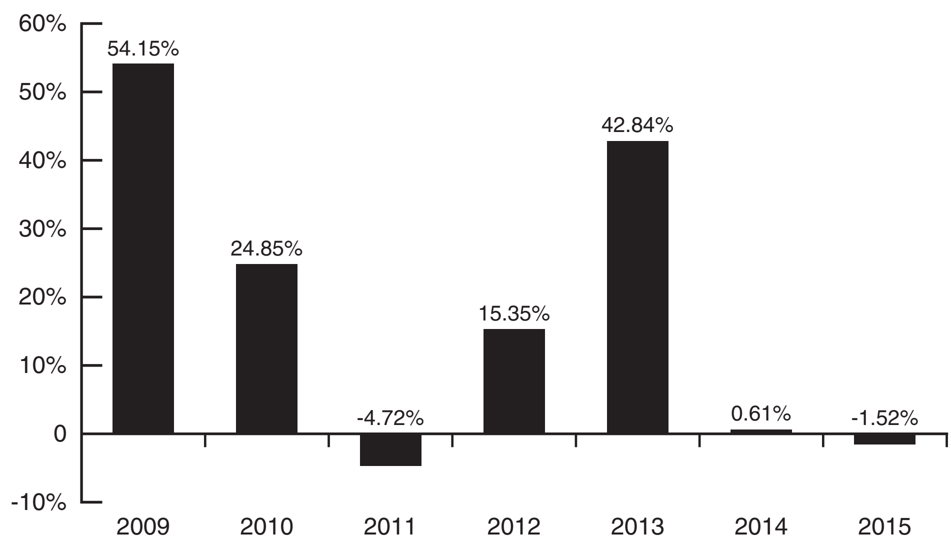
REITs Risk. The possibility that the Fund's investments in REITs will subject the Fund to the risks associated with the direct ownership of real estate, including fluctuations in the value of underlying properties, changes in interest rates and risks related to general or local economic conditions. REITs are dependent upon management skills and generally may not be diversified. REITs are also subject to heavy cash flow dependency, defaults by borrowers or tenants and self-liquidation.

Small- and Mid-Cap Securities Risk. The possibility that the Fund's investments in small- and mid-cap securities may be subject to greater risk and higher volatility than are customarily associated with investing in larger more established companies. Securities issued by small- and mid-sized companies, which can include start-up companies, tend to be more vulnerable than larger and more established companies to adverse business and economic developments. Such companies generally have narrower product lines, more limited financial resources and more limited markets for their stock as compared with larger companies. As a result, the value of such securities also may be more volatile than the securities of larger companies, and the Fund's portfolio may experience difficulty in purchasing or selling such securities at the desired time and price or in the desired amount.

An investment in the Fund may be appropriate for investors who are willing to accept the risks and uncertainties of investing in common stocks in the hope of earning long-term returns.

Performance Information

The bar chart and table below show the performance of the Fund both year-by-year and as an average over different periods of time. The bar chart and table demonstrate the variability of performance over time and provide an indication of the risks and volatility of an investment in the Fund by showing how the Fund's average annual total returns for various periods compare with those of a broad-based securities market index. Past performance does not necessarily indicate how the Fund will perform in the future. This performance information does not include the impact of any charges deducted under your variable contract. If it did, returns would be lower.



Best Quarter	Worst Quarter
21.48% 6/30/2009	-19.83% 9/30/2011

Average Annual Total Return (for Periods Ended December 31, 2015)

	1 Year	5 Years	Since Inception on August 25, 2008
SMID Cap Growth Fund	-1.52%	9.24%	9.47%
Russell 2500® Growth Index (reflects no deduction for fees, expenses or taxes)	-0.19%	11.43%	9.62%

Investment Adviser

Penn Mutual Asset Management, Inc.

Investment Sub-Adviser

Wells Capital Management Incorporated

Portfolio Managers

Thomas Pence, CFA, a managing director and senior portfolio manager for Wells Capital Management, Inc., has served as a portfolio manager of the Fund since March 2011.

Michael T. Smith, CFA, a co-portfolio manager for Wells Capital Management, Inc., has served as a portfolio Manager of the Fund since 2011.

Christopher Warner, CFA, a co-portfolio manager for Wells Capital Management, Inc., has served as a portfolio manager of the Fund since 2012.

Purchase and Sale of Fund Shares, Tax Information and Payments to Insurance Companies and Other Financial Intermediaries

For important information about the purchase and sale of Fund shares, tax information and payments to insurance companies and other financial intermediaries, please turn to the "Additional Fund Summary Information" section on page 124 of this prospectus.

FUND SUMMARY: SMID CAP VALUE FUND

Investment Objective The investment objective of the SMID Cap Value Fund (the "Fund") is to seek long-term growth of capital.

Fund Fees and Expenses

This table describes the fees and expenses that you may pay if you buy and hold shares of the Fund. Additional fees and expenses will be applied at the variable contract level. Those fees and expenses are described in your variable contract prospectus. If the information below were to reflect the deduction of variable contract charges, fees and expenses would be higher.

Annual Fund Operating Expenses
(expenses that you pay each year as a percentage of the value of your investment)

Investment Advisory Fees	0.95%
Distribution (12b-1) Fees	None
Other Expenses	0.28%
Total Annual Fund Operating Expenses	1.23%

Example

This example is intended to help you compare the cost of investing in the Fund with the cost of investing in other mutual funds. The example does not reflect expenses and charges which are, or may be, imposed under your variable contract. If the examples were to reflect the deduction of such charges, the costs shown would be greater. The example assumes that you invest $10,000 in the Fund for the time periods indicated. The example also assumes that your investment has a 5% return each year and that the Fund's operating expenses remain the same. Although your actual costs and returns might be higher or lower, based on these assumptions your costs would be:

1 Year	3 Years	5 Years	10 Years
$125	$390	$676	$1,489

Portfolio Turnover

The Fund pays transaction costs, such as commissions, when it buys and sells securities (or "turns over" its portfolio). A higher portfolio turnover may indicate higher transaction costs. These costs, which are not reflected in the annual fund operating expenses or in the Example, affect the Fund's performance. During the most recent fiscal year, the Fund's portfolio turnover rate was 48% of the average value of its portfolio.

Principal Investment Strategy

The Fund invests primarily in a diversified portfolio of equity securities of small and medium capitalization U.S. companies, generally representing 60 to 125 companies. Under normal circumstances, the Fund invests at least 80% of its net assets, plus the amount of any borrowings for investment purposes, in securities of small and medium capitalization companies. For this Fund, small and medium capitalization companies are those that, at the time of investment, fall within the capitalization range between the smallest company in the Russell 2500™ Value Index (as of March 31, 2016, this amount was $13.5 million) and the greater of $5 billion or the market capitalization of the largest company in the Russell 2500™ Value Index (as of March 31, 2016, this amount was $14.9 billion). Because the Fund's definition of small and medium capitalization companies is dynamic, the lower and upper limits on market capitalization will change with the markets. The Fund's investments in small capitalization companies may include micro-capitalization companies.

The Fund invests in companies that are determined by the Sub-Adviser to be undervalued, using its fundamental value approach. In selecting securities for the Fund, the Sub-Adviser uses its fundamental research to identify companies whose long-term earnings power is not reflected in the current market price of their securities. The Sub-Adviser's fundamental value approach to equity investing generally defines value as the relationship between a security's current price and its intrinsic economic value, as measured by long-term earnings prospects.

To the extent that companies involved in certain industries may from time to time constitute a material portion of the universe of small and medium capitalization companies, the Fund may also invest significantly in these industries (but not more than 25% of its total assets in any one industry). The Fund may invest in American Depositary Receipts ("ADRs") and non-U.S. securities.

The Sub-Adviser will generally sell a security when it reaches fair value on a risk-adjusted basis. Typically, growth in the size of a company's market capitalization relative to other domestically traded companies will not cause the Sub-Adviser to dispose of the security.

The Fund may invest in securities issued by non-U.S. companies and enter into forward commitments.

Principal Risks of Investing

Currency Risk. The possibility that the value of the Fund's assets may be affected favorably or unfavorably by currency exchange rates, currency exchange control regulations, and restrictions or prohibitions on the repatriation of foreign currencies.

Depositary Receipt Risk. The possibility that the Fund's investments in foreign companies through depositary receipts will expose the Fund to the same risks as direct investment in securities of foreign issuers. In addition, investments in ADRs may be less liquid than the underlying shares in their primary trading market, and the value of securities underlying ADRs may change materially at times when U.S. markets are not open for trading.

Foreign Investment Risk. The possibility that the Fund's investments in foreign securities may be adversely affected by political, social, and economic conditions affecting foreign issuers, greater volatility, reduced liquidity, or decreases in foreign currency values relative to the U.S. dollar.

Forward Commitment Risk. The possibility that the Fund engages in when-issued, delayed delivery or forward commitment transactions (*e.g.*, TBAs) and a counterparty fails to consummate the sale, resulting in a missed opportunity by the Fund to obtain an advantageous price or yield. Such transactions may also have the effect of leverage on the Fund and may cause the Fund to be more volatile. Additionally, these transactions may create a higher portfolio turnover rate.

Liquidity Risk. The possibility that the market for certain of the Fund's investments may become illiquid under adverse or volatile market or economic conditions, making those investments difficult to sell at an advantageous price. The market price of certain investments may fall dramatically if there is no liquid trading market for the investments. It also may be difficult for the Fund to purchase a desired investment at an advantageous price under such circumstances.

Market Risk. The possibility that the values of, and/or the income generated by, securities held by the Fund may decline, sometimes unpredictably, due to general market conditions or other factors, including those directly involving the issuers of such securities. Security markets are volatile and may decline significantly in response to adverse issuer, regulatory, political, or economic developments. Different sectors of the market and different security types may react differently to such developments.

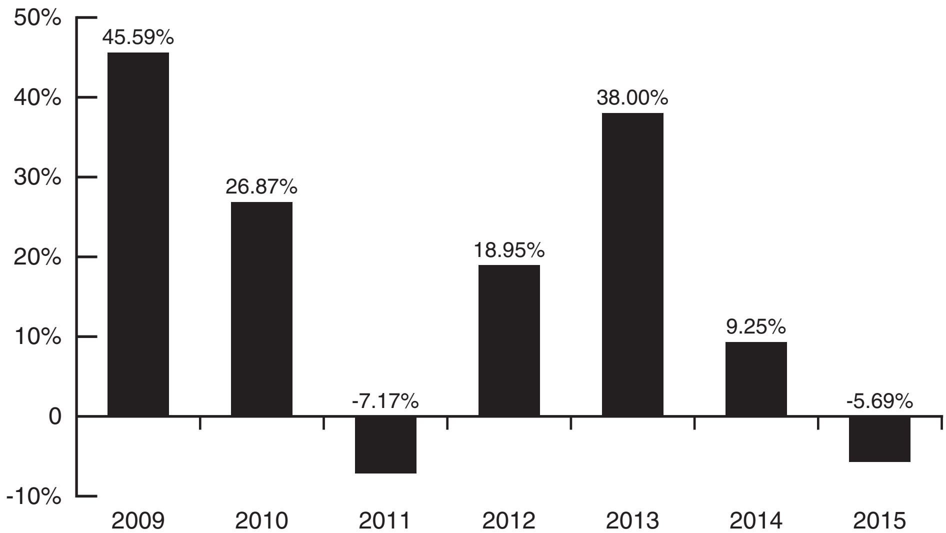
Small- and Mid-Cap Securities Risk. The possibility that the Fund's investments in small- and mid-cap securities may be subject to greater risk and higher volatility than are customarily associated with investing in larger more established companies. Securities issued by small- and mid-sized companies, which can include start-up companies, tend to be more vulnerable than larger and more established companies to adverse business and economic developments. Such companies generally have narrower product lines, more limited financial resources and more limited markets for their stock as compared with larger companies. As a result, the value of such securities also may be more volatile than the securities of larger companies, and the Fund's portfolio may experience difficulty in purchasing or selling such securities at the desired time and price or in the desired amount.

"Value" Investing Risk. The possibility that the Fund's investments in securities believed by the Sub-Adviser to be undervalued may not realize their perceived value for extended periods of time or may never realize their perceived value. The securities in which the Fund invests may respond differently to market and other developments than other types of securities, and may underperform growth stocks and/or the market as a whole.

An investment in the Fund may be appropriate for investors who are willing to accept the risks and uncertainties of investing in common stocks in the hope of long-term growth of capital.

Performance Information

The bar chart and table below show the performance of the Fund both year-by-year and as an average over different periods of time. The bar chart and table demonstrate the variability of performance over time and provide an indication of the risks and volatility of an investment in the Fund by showing how the Fund's average annual total returns for various periods compare with those of a broad-based securities market index. Past performance does not necessarily indicate how the Fund will perform in the future. This performance information does not include the impact of any charges deducted under your variable contract. If it did, returns would be lower.



Best Quarter	Worst Quarter
24.07%	-22.52%
9/30/2009	9/30/2011

Average Annual Total Return (for Periods Ended December 31, 2015)

	1 Year	5 Years	Since Inception on August 25, 2008
SMID Cap Value Fund	-5.69%	9.44%	9.75%
Russell 2500™ Value Index (reflects no deduction for fees, expenses or taxes)	-5.49%	9.23%	7.93%

Investment Adviser

Penn Mutual Asset Management, Inc.

Investment Sub-Adviser

AllianceBernstein L.P.

Portfolio Managers

James MacGregor is currently the Chief Investment Officer and has served as a portfolio manager of the Fund since August 2008.

Joseph Gerard Paul is currently a Senior Vice President of AllianceBernstein L.P., and has served as a portfolio manager of the Fund since August 2008.

Shri Singhvi is currently a Senior Vice President of AllianceBernstein L.P. and has served as a portfolio manager of the Fund since July 2014.

Purchase and Sale of Fund Shares, Tax Information and Payments to Insurance Companies and Other Financial Intermediaries

For important information about the purchase and sale of Fund shares, tax information and payments to insurance companies and other financial intermediaries, please turn to the "Additional Fund Summary Information" section on page 124 of this prospectus.

FUND SUMMARY: SMALL CAP GROWTH FUND

Investment Objective

The investment objective of the Small Cap Growth Fund (the "Fund") is capital appreciation.

Fund Fees and Expenses

This table describes the fees and expenses that you may pay if you buy and hold shares of the Fund. Additional fees and expenses will be applied at the variable contract level. Those fees and expenses are described in your variable contract prospectus. If the information below were to reflect the deduction of variable contract charges, fees and expenses would be higher.

Annual Fund Operating Expenses
(expenses that you pay each year as a percentage of the value of your investment)

Investment Advisory Fees	0.74%
Distribution (12b-1) Fees	None
Other Expenses	0.29%
Total Annual Fund Operating Expenses	1.03%

Example

This example is intended to help you compare the cost of investing in the Fund with the cost of investing in other mutual funds. The example does not reflect expenses and charges which are, or may be, imposed under your variable contract. If the examples were to reflect the deduction of such charges, the costs shown would be greater. The example assumes that you invest $10,000 in the Fund for the time periods indicated. The example also assumes that your investment has a 5% return each year and that the Fund's operating expenses remain the same. Although your actual costs and returns might be higher or lower, based on these assumptions your costs would be:

1 Year	3 Years	5 Years	10 Years
$105	$328	$569	$1,259

Portfolio Turnover

The Fund pays transaction costs, such as commissions, when it buys and sells securities (or "turns over" its portfolio). A higher portfolio turnover may indicate higher transaction costs. These costs, which are not reflected in the annual fund operating expenses or in the Example, affect the Fund's performance. During the most recent fiscal year, the Fund's portfolio turnover rate was 26% of the average value of its portfolio.

Principal Investment Strategy

Under normal circumstances, the Fund will invest at least 80% of its net assets, plus the amount of any borrowings for investment purposes, in equity securities of small capitalization companies. For purposes of this policy, small capitalization companies have market capitalizations of less than $4 billion at the time of purchase. The small capitalization companies in which the Fund invests will be selected for their growth potential. The Fund's investments in small capitalization companies may include micro-capitalization companies.

The Sub-Adviser applies a "bottom up" approach in choosing investments. In other words, the Sub-Adviser looks at companies one at a time to determine if a company is an attractive investment opportunity and if it is consistent with the Fund's investment policies.

Principal Risks of Investing

"Growth" Investing Risk. The possibility that the Fund's investments in securities of companies perceived to be "growth" companies may underperform when value investing is in favor and may be more volatile than other securities because they are more sensitive to investor perceptions of the issuing company's growth of earnings potential. Also, because growth companies usually invest a high portion of earnings in their businesses, growth stocks may lack the dividends of some value stocks that can cushion stock prices in a falling market.

IPOs Risk. The possibility that the Fund's performance may be affected by the purchase of securities issued in initial public offerings (IPOs) that have little to no trading history, limited issuer information, increased volatility and may not be available to the extent desired. The prices of securities bought in IPOs may rise and fall rapidly, often because of investor perceptions rather than economic reasons.

Liquidity Risk. The possibility that the market for certain of the Fund's investments may become illiquid under adverse or volatile market or economic conditions, making those investments difficult to sell at an advantageous price. The market price of certain investments may fall dramatically if there is no liquid trading market for the investments. It also may be difficult for the Fund to purchase a desired investment at an advantageous price under such circumstances.

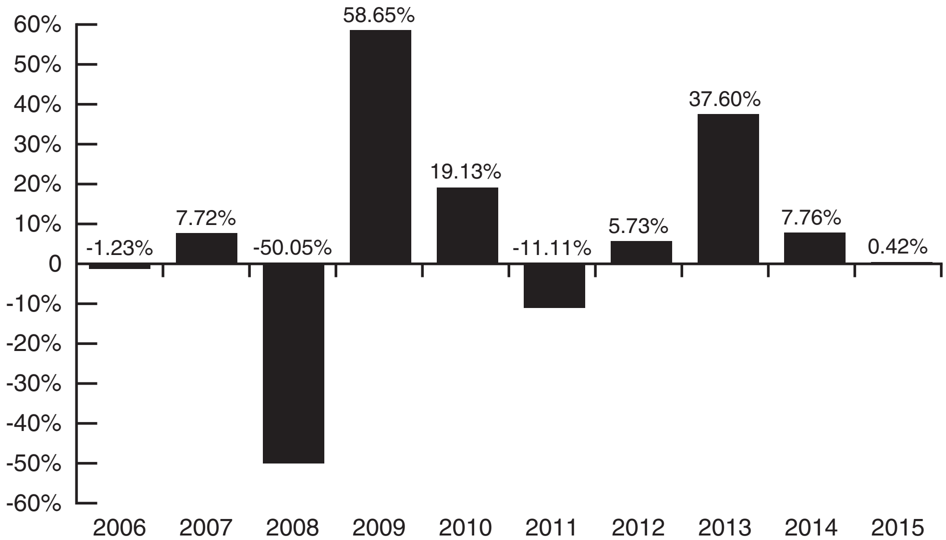
Market Risk. The possibility that the values of, and/or the income generated by, securities held by the Fund may decline, sometimes unpredictably, due to general market conditions or other factors, including those directly involving the issuers of such securities. Security markets are volatile and may decline significantly in response to adverse issuer, regulatory, political, or economic developments. Different sectors of the market and different security types may react differently to such developments.

Small-Cap Securities Risk. The possibility that the return on the Fund's investments in small-cap companies may trail the return on investments in stocks of larger companies or the stock market as a whole. Stock prices of smaller companies may be based in substantial part on future expectations rather than current achievements and may move sharply, especially during market upturns and downturns. Small-cap companies generally depend on a few key employees and have relatively limited product lines, markets or financial resources compared to larger capitalization companies.

An investment in the Fund may be appropriate for investors who are willing to accept the risks and uncertainties of investing in small cap growth companies in the hope of earning capital appreciation.

Performance Information

The bar chart and table below show the performance of the Fund both year-by-year and as an average over different periods of time. They represent the performance of the Fund's previous managers for the period prior to May 1, 2013. Since May 1, 2013, Janus Capital Management LLC has been responsible for the Fund's day-to-day portfolio management. The bar chart and table demonstrate the variability of performance over time and provide an indication of the risks and volatility of an investment in the Fund by showing how the Fund's average annual total returns for various periods compare with those of a broad-based securities market index. Past performance does not necessarily indicate how the Fund will perform in the future. This performance information does not include the impact of any charges deducted under your variable contract. If it did, returns would be lower.



Best Quarter	Worst Quarter
34.99% 6/30/2009	-28.98% 12/31/2008

Average Annual Total Return (for Periods Ended December 31, 2015)

	1 Year	5 Years	10 Years
Small Cap Growth Fund	0.42%	6.95%	3.46%
Russell 2000® Growth Index (reflects no deduction for fees, expenses or taxes)	-1.38%	10.67%	7.95%

Investment Adviser

Penn Mutual Asset Management, Inc.

Investment Sub-Adviser

Janus Capital Management LLC

Portfolio Manager

Jonathan D. Coleman, CFA, Head of Growth Equities and portfolio manager at Janus Capital Management LLC, has served as a portfolio manager of the Fund since May 2013.

Purchase and Sale of Fund Shares, Tax Information and Payments to Insurance Companies and Other Financial Intermediaries

For important information about the purchase and sale of Fund shares, tax information and payments to insurance companies and other financial intermediaries, please turn to the "Additional Fund Summary Information" section on page 124 of this prospectus.

FUND SUMMARY: SMALL CAP VALUE FUND

Investment Objective

The investment objective of the Small Cap Value Fund (the "Fund") is to seek capital appreciation.

Fund Fees and Expenses

This table describes the fees and expenses that you may pay if you buy and hold shares of the Fund. Additional fees and expenses will be applied at the variable contract level. Those fees and expenses are described in your variable contract prospectus. If the information below were to reflect the deduction of variable contract charges, fees and expenses would be higher.

Annual Fund Operating Expenses
(expenses that you pay each year as a percentage of the value of your investment)

Investment Advisory Fees	0.72%
Distribution (12b-1) Fees	None
Other Expenses	0.27%
Acquired Fund Fees and Expenses	0.03%
Total Annual Fund Operating Expenses*	1.02%

* The Total Annual Fund Operating Expenses in this fee table may not correlate to the expense ratios in the Fund's financial highlights and financial statements because the financial highlights and financial statements reflect only the operating expenses of the Fund and do not include Acquired Fund Fees and Expenses, which are fees and expenses incurred indirectly by the Fund through its investments in certain underlying investment companies.

Example

This example is intended to help you compare the cost of investing in the Fund with the cost of investing in other mutual funds. The example does not reflect expenses and charges which are, or may be, imposed under your variable contract. If the examples were to reflect the deduction of such charges, the costs shown would be greater. The example assumes that you invest $10,000 in the Fund for the time periods indicated. The example also assumes that your investment has a 5% return each year and that the Fund's operating expenses remain the same. Although your actual costs and returns might be higher or lower, based on these assumptions your costs would be:

1 Year	3 Years	5 Years	10 Years
$104	$325	$563	$1,248

Portfolio Turnover

The Fund pays transaction costs, such as commissions, when it buys and sells securities (or "turns over" its portfolio). A higher portfolio turnover may indicate higher transaction costs. These costs, which are not reflected in the annual fund operating expenses or in the Example, affect the Fund's performance. During the most recent fiscal year, the Fund's portfolio turnover rate was 47% of the average value of its portfolio.

Principal Investment Strategy

The Fund is managed using a value oriented approach. The Sub-Adviser evaluates securities using fundamental analysis and intends to purchase equity investments that are, in its view, underpriced relative to a combination of such companies' long term earnings prospects, growth rate, free cash flow and/or dividend-paying ability. Under normal circumstances, the Fund invests at least 80% of its net assets, plus the amount of any borrowings for investment purposes, in a diversified portfolio of equity investments in small-cap issuers with public stock market capitalizations (measured at the time of purchase) within the range of the market capitalization of companies constituting the Russell 2000® Value Index at the time of investment (as of March 31, 2016, this range was between $13.6 million and $5.8 billion). If the market capitalization of a company held by the Fund moves outside this range, the Fund may, but is not required to, sell the securities. Because the Fund's definition of small-cap issuers is dynamic, the lower and upper limits on market capitalization will change with the markets. The Fund's investments in small capitalization companies may include micro-capitalization companies and "unseasoned companies," which are companies that (together with their predecessors) have operated for less than three years. The Russell 2000® Value Index measures the performance of those Russell 2000 companies with lower price to book ratio and lower forecasted growth values. Through fundamental proprietary research the Fund will attempt to take advantage of what the Sub-Adviser believes to be well-positioned cash generating businesses run by shareholder-orientated managements. The Sub-Adviser will seek to buy these companies opportunistically at a price low enough to provide a healthy margin of safety. Under normal circumstances, the Fund's investment horizons for ownership of stocks will be two to three years.

Although the Fund will invest primarily in publicly traded U.S. securities, including real estate investment trusts ("REITs"), it may invest up to 25% of its net assets in foreign securities, including securities of issuers in emerging countries and securities quoted in foreign currencies. The Fund may, but is not required to, undertake hedging activities and may invest in certain instruments, such as forward currency exchange contracts, and may use certain techniques to hedge currency risks associated with the purchase of individual securities denominated in a foreign currency. The Fund may invest in the aggregate up to 20% of its net assets in companies with public stock market capitalizations outside the range of companies constituting the Russell 2000® Value Index at the time of investment and in fixed income securities, such as government, corporate, and bank debt obligations.

Principal Risks of Investing

Credit Risk. The possibility that an issuer of a debt security, or the counterparty to a derivatives contract, held by the Fund defaults on its payment obligations.

Currency Risk. The possibility that the value of the Fund's assets may be affected favorably or unfavorably by currency exchange rates, currency exchange control regulations, and restrictions or prohibitions on the repatriation of foreign currencies.

Derivatives Risk. The possibility that the Fund's use of derivatives, such as futures, options and swap agreements, may lead to losses, including those magnified by leverage, particularly when derivatives are used to enhance return rather than mitigate risk. Certain derivative instruments may be difficult to sell when the Sub-Adviser believes it would be appropriate to do so, difficult to value if the instrument becomes illiquid, or the other party to a derivative contract may be unwilling or unable to fulfill its contractual obligations.

Emerging Markets Risk. The possibility that the stocks of companies located in emerging markets may be more volatile, and less liquid, than the stocks of companies located in the U.S. and developed foreign markets due to political, economic, or regulatory conditions within emerging market countries. In addition, emerging market countries may experience more volatile interest and currency exchange rates, higher levels of inflation and less efficient trading and settlement systems.

Foreign Investment Risk. The possibility that the Fund's investments in foreign securities may be adversely affected by political, social, and economic conditions affecting foreign issuers, greater volatility, reduced liquidity, or decreases in foreign currency values relative to the U.S. dollar.

Interest Rate Risk. The possibility that the prices of the Fund's fixed income investments will decline due to rising interest rates.

Investment Style Risk. The possibility that the Fund could underperform if the Fund's investment style shifts out of favor based on changing market sentiment and conditions.

Liquidity Risk. The possibility that the market for certain of the Fund's investments may become illiquid under adverse or volatile market or economic conditions, making those investments difficult to sell at an advantageous price. The market price of certain investments may fall dramatically if there is no liquid trading market for the investments. It also may be difficult for the Fund to purchase a desired investment at an advantageous price under such circumstances.

Market Risk. The possibility that the values of, and/or the income generated by, securities held by the Fund may decline, sometimes unpredictably, due to general market conditions or other factors, including those directly involving the issuers of such securities. Security markets are volatile and may decline significantly in response to adverse issuer, regulatory, political, or economic developments. Different sectors of the market and different security types may react differently to such developments.

Micro-Cap Securities Risk. The possibility that the return on the Fund's investments in micro-cap companies may be less than the return on investments in stocks of larger companies or the stock market as a whole. Stock prices of micro-cap companies may be based in substantial part on future expectations rather than current achievements and may move sharply, especially during market upturns and downturns. Micro-cap companies are followed by relatively few securities analysts, and there tends to be less publicly available information about these companies. Micro-cap companies are more likely to be newly formed or in the early stages of development, depend on a few key employees, and have relatively limited product lines, markets or financial resources compared to larger capitalization companies.

REITs Risk. The possibility that the Fund's investments in REITs will subject the Fund to the risks associated with the direct ownership of real estate, including fluctuations in the value of underlying properties, changes in interest rates and risks related to general or local economic conditions. REITs are dependent upon management skills and generally may not be diversified. REITs are also subject to heavy cash flow dependency, defaults by borrowers or tenants and self-liquidation.

Small- and Mid-Cap Securities Risk. The possibility that the Fund's investments in small- and mid-cap securities may be subject to greater risk and higher volatility than are customarily associated with investing in larger more established companies. Securities issued by small- and mid-sized companies, which can include start-up companies, tend to be more vulnerable than larger and more established companies to adverse business and economic developments. Such companies generally have narrower product lines, more limited financial resources and more limited markets for their stock as compared with larger companies. As a result, the value of such securities also may be more volatile than the securities of larger companies, and the Fund's portfolio may experience difficulty in purchasing or selling such securities at the desired time and price or in the desired amount.

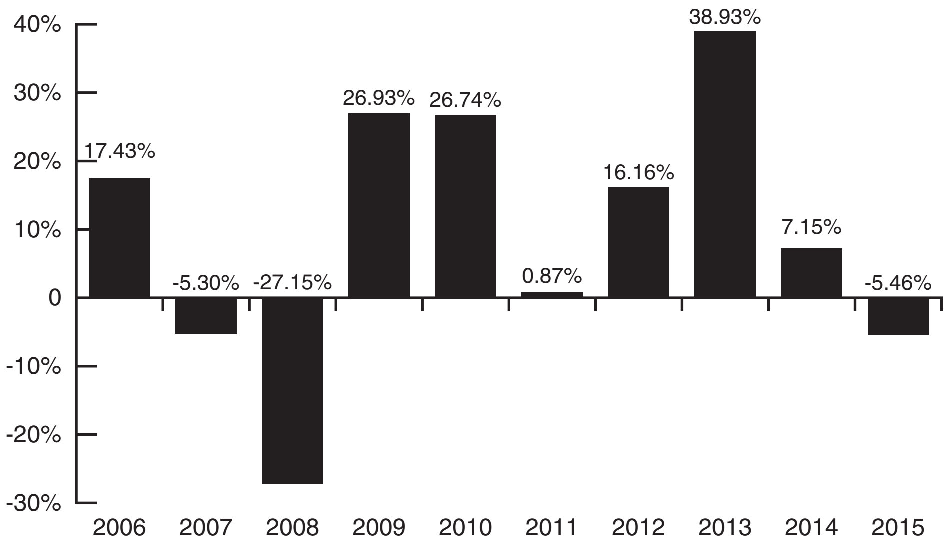
Unseasoned Company Risk. The possibility that the Fund's investment in relatively new or unseasoned companies that are in their early stages of development may expose the Fund to greater risks than investments in more established companies with more extensive financial histories and greater liquidity. Unseasoned companies do not have proven track records and may lack substantial capital reserves.

"Value" Investing Risk. The possibility that the Fund's investments in securities believed by the Sub-Adviser to be undervalued may not realize their perceived value for extended periods of time or may never realize their perceived value. The securities in which the Fund invests may respond differently to market and other developments than other types of securities, and may underperform growth stocks and/or the market as a whole.

An investment in the Fund may be appropriate for investors who are willing to accept the risks and uncertainties of investing in small-cap stocks in the hope of earning above-average capital appreciation.

Performance Information

The bar chart and table below show the performance of the Fund both year-by-year and as an average over different periods of time. The bar chart and table demonstrate the variability of performance over time and provide an indication of the risks and volatility of an investment in the Fund by showing how the Fund's average annual total returns for various periods compare with those of a broad-based securities market index. Past performance does not necessarily indicate how the Fund will perform in the future. This performance information does not include the impact of any charges deducted under your variable contract. If it did, returns would be lower.



Best Quarter	**Worst Quarter**
19.74%	-25.20%
09/30/2009	12/31/2008

Average Annual Total Return (for Periods Ended December 31, 2015)

	1 Year	5 Years	10 Years
Small Cap Value Fund	-5.46%	10.52%	7.95%
Russell 2000® Value Index (reflects no deduction for fees, expenses or taxes)	-7.47%	7.67%	5.57%

Investment Adviser

Penn Mutual Asset Management, Inc.

Investment Sub-Adviser

Goldman Sachs Asset Management, L.P. ("GSAM")

Portfolio Managers

Sally Pope Davis, Managing Director of GSAM, has served as portfolio manager of the Fund since January 2006.

Robert Crystal, Managing Director of GSAM, has served as portfolio manager of the Fund since March 2006.

Sean A. Butkus, CFA, Vice President of GSAM, has served as portfolio manager of the Fund since February 2012.

Purchase and Sale of Fund Shares, Tax Information and Payments to Insurance Companies and Other Financial Intermediaries

For important information about the purchase and sale of Fund shares, tax information and payments to insurance companies and other financial intermediaries, please turn to the "Additional Fund Summary Information" section on page 124 of this prospectus.

FUND SUMMARY: SMALL CAP INDEX FUND

Investment Objective	The investment objective of the Small Cap Index Fund (the "Fund") is to seek to replicate the returns and characteristics of a small cap index.

Fund Fees and Expenses

This table describes the fees and expenses that you may pay if you buy and hold shares of the Fund. Additional fees and expenses will be applied at the variable contract level. Those fees and expenses are described in your variable contract prospectus. If the information below were to reflect the deduction of variable contract charges, fees and expenses would be higher.

Annual Fund Operating Expenses
(expenses that you pay each year as a percentage of the value of your investment)

Investment Advisory Fees	0.30%
Distribution (12b-1) Fees	None
Other Expenses	0.39%
Total Annual Fund Operating Expenses	0.69%

Example

This example is intended to help you compare the cost of investing in the Fund with the cost of investing in other mutual funds. The example does not reflect expenses and charges which are, or may be, imposed under your variable contract. If the examples were to reflect the deduction of such charges, the costs shown would be greater. The example assumes that you invest $10,000 in the Fund for the time periods indicated. The example also assumes that your investment has a 5% return each year and that the Fund's operating expenses remain the same. Although your actual costs and returns might be higher or lower, based on these assumptions your costs would be:

1 Year	3 Years	5 Years	10 Years
$70	$221	$384	$859

Portfolio Turnover

The Fund pays transaction costs, such as commissions, when it buys and sells securities (or "turns over" its portfolio). A higher portfolio turnover may indicate higher transaction costs. These costs, which are not reflected in the annual fund operating expenses or in the Example, affect the Fund's performance. During the most recent fiscal year, the Fund's portfolio turnover rate was 18% of the average value of its portfolio.

Principal Investment Strategy

Under normal circumstances, the Fund invests at least 80% of its net assets, plus the amount of any borrowings for investment purposes, in securities listed in the Russell 2000® Index (the "Index"). Under normal circumstances, however, the Fund intends to invest substantially all of its assets in securities of companies included in the Index and close substitutes (such as index futures contracts or other investment companies) that are designed to track the Index. The Index measures the performance of the 2,000 smallest companies (based on total market capitalization) in the Russell 3000® Index. The Fund may concentrate (invest 25% or more of the value of its assets) in the securities of issuers having their principal business activities in the same industry if the Index is also concentrated in such industry. The Fund's investments in small capitalization companies may include micro-capitalization companies.

The Sub-Adviser does not manage the Fund according to traditional methods of "active" investment management, which involve the buying and selling of securities based upon economic, financial and market analysis and investment judgment. Instead, the Sub-Adviser utilizes a "passive" investment approach, attempting to replicate the investment performance of its benchmark Index through automated statistical analytic procedures.

The Sub-Adviser seeks to replicate the returns of the Index by investing in the securities of the Index in approximately their Index weight. However, under various circumstances, it may not be possible or practicable to purchase all of those securities in those weightings. In those circumstances, the Fund may purchase a sample of stocks in the Index in proportions expected to replicate generally the performance of the Index as a whole. In addition, from time to time, stocks are added to or removed from the Index. The Fund may sell stocks that are represented in the Index, or purchase stocks that are not yet represented in the Index, in anticipation of their removal from or addition to the Index.

The Sub-Adviser may at times purchase or sell futures contracts in lieu of investment directly in the stocks making up the Index. The Sub-Adviser might do so, for example, in order to increase the Fund's investment exposure pending investment of cash in the stocks comprising the Index. Alternatively, the Sub-Adviser might use futures to reduce its investment exposure to the Index in situations where it intends to sell a portion of the stocks in the Fund's portfolio but the sale has not yet been completed.

Principal Risks of Investing

Concentration Risk. The possibility that, to the extent the Fund invests to a significant extent in a particular industry or group of industries within a particular sector, the Fund may be subject to greater risks than if its investments were broadly diversified across industries and sectors. The Fund also is subject to loss due to adverse occurrences that may affect that industry or group of industries.

Derivatives Risk. The possibility that the Fund's use of derivatives, such as futures, options and swap agreements, may lead to losses, including those magnified by leverage, particularly when derivatives are used to enhance return rather than mitigate risk. Certain derivative instruments may be difficult to sell when the Sub-Adviser believes it would be appropriate to do so, difficult to value if the instrument becomes illiquid, or the other party to a derivative contract may be unwilling or unable to fulfill its contractual obligations.

Investment Style Risk. The possibility that the Fund could underperform if the Fund's investment style shifts out of favor based on changing market sentiment and conditions.

Liquidity Risk. The possibility that the market for certain of the Fund's investments may become illiquid under adverse or volatile market or economic conditions, making those investments difficult to sell at an advantageous price. The market price of certain investments may fall dramatically if there is no liquid trading market for the investments. It also may be difficult for the Fund to purchase a desired investment at an advantageous price under such circumstances.

Market Risk. The possibility that the values of, and/or the income generated by, securities held by the Fund may decline, sometimes unpredictably, due to general market conditions or other factors, including those directly involving the issuers of such securities. Security markets are volatile and may decline significantly in response to adverse issuer, regulatory, political, or economic developments. Different sectors of the market and different security types may react differently to such developments.

Micro-Cap Securities Risk. The possibility that the return on the Fund's investments in micro-cap companies may be less than the return on investments in stocks of larger companies or the stock market as a whole. Stock prices of micro-cap companies may be based in substantial part on future expectations rather than current achievements and may move sharply, especially during market upturns and downturns. Micro-cap companies are followed by relatively few securities analysts, and there tends to be less publicly available information about these companies. Micro-cap companies are more likely to be newly formed or in the early stages of development, depend on a few key employees, and have relatively limited product lines, markets or financial resources compared to larger capitalization companies.

Other Investment Company Risk. The possibility that investments by the Fund in shares of other investment companies will subject the Fund to the risks associated with those investment companies. Fund shareholders will also indirectly bear a proportionate share of any underlying investment company's fees and expenses in addition to paying the Fund's expenses.

Passive Investment Risk. The possibility that the Fund's return may be lower than the return of an actively managed fund because the Fund holds shares of a security based on the holdings of its benchmark index, not the current or projected performance of a security, industry or sector. The Fund does not take defensive positions under any market conditions, including declining markets.

Sampling Risk. The possibility that the Fund may not hold all of the securities included in its benchmark index and that the securities selected for the Fund, in the aggregate, will not provide investment performance matching that of the Fund's benchmark index.

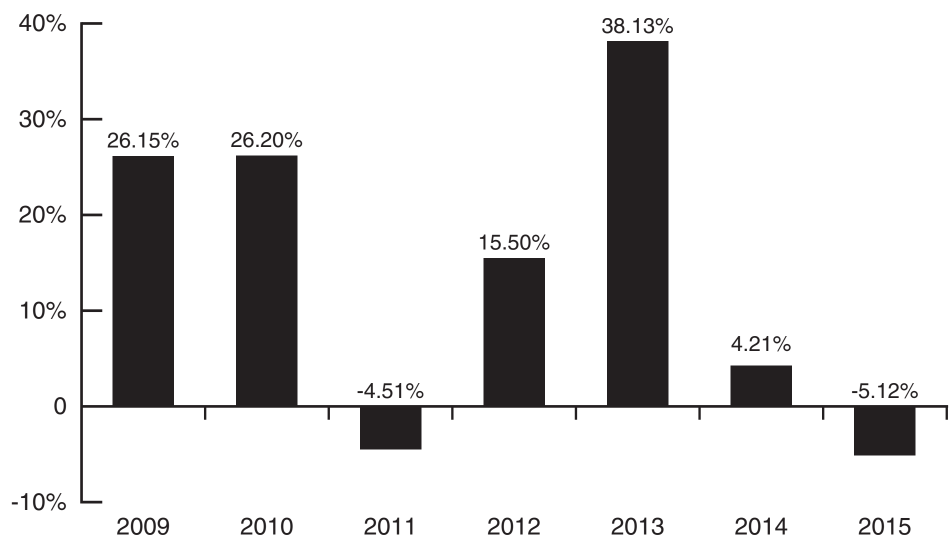
Small-Cap Securities Risk. The possibility that the return on the Fund's investments in small-cap companies may trail the return on investments in stocks of larger companies or the stock market as a whole. Stock prices of smaller companies may be based in substantial part on future expectations rather than current achievements and may move sharply, especially during market upturns and downturns. Small-cap companies generally depend on a few key employees and have relatively limited product lines, markets or financial resources compared to larger capitalization companies.

Tracking Error Risk. The possibility that the Fund's performance may deviate from that of the benchmark index it seeks to track. This risk may be heightened during times of increased market volatility or other unusual market conditions.

An investment in the Fund may be appropriate for investors who are willing to accept the risks and uncertainties of investing in small cap common stocks in the hope of achieving returns similar to that of the Index.

Performance Information

The bar chart and table below show the performance of the Fund both year-by-year and as an average over different periods of time. The bar chart and table demonstrate the variability of performance over time and provide an indication of the risks and volatility of an investment in the Fund by showing how the Fund's average annual total returns for various periods compare with those of a broad-based securities market index. Past performance does not necessarily indicate how the Fund will perform in the future. This performance information does not include the impact of any charges deducted under your variable contract. If it did, returns would be lower.



Best Quarter	Worst Quarter
20.47%	-21.94%
6/30/2009	9/30/2011

Average Annual Total Return (for Periods Ended December 31, 2015

	1 Year	5 Years	Since Inception on August 25, 2008
Small Cap Index Fund	-5.12%	8.54%	7.30%
Russell 2000® Index (reflects no deduction for fees, expenses or taxes)	-4.41%	9.19%	7.55%

Investment Adviser

Penn Mutual Asset Management, Inc.

Investment Sub-Adviser

SSGA Funds Management, Inc.

Portfolio Managers

John Tucker, CFA, is a Senior Managing Director of SSGA Funds Management, Inc. Mr. Tucker has served as portfolio manager of the Fund since August 2008.

Michael Feehily, CFA, is a Senior Managing Director for SSGA Funds Management, Inc. Mr. Feehily has served as portfolio manager of the Fund since May 2015.

Purchase and Sale of Fund Shares, Tax Information and Payments to Insurance Companies and Other Financial Intermediaries

For important information about the purchase and sale of Fund shares, tax information and payments to insurance companies and other financial intermediaries, please turn to the "Additional Fund Summary Information" section on page 124 of this prospectus.

FUND SUMMARY: DEVELOPED INTERNATIONAL INDEX FUND

Investment Objective

The investment objective of the Developed International Index Fund (the "Fund") is to seek to replicate the returns and characteristics of an international index composed of securities from developed countries.

Fund Fees and Expenses

This table describes the fees and expenses that you may pay if you buy and hold shares of the Fund. Additional fees and expenses will be applied at the variable contract level. Those fees and expenses are described in your variable contract prospectus. If the information below were to reflect the deduction of variable contract charges, fees and expenses would be higher.

Annual Fund Operating Expenses
(expenses that you pay each year as a percentage of the value of your investment)

Investment Advisory Fees	0.30%
Distribution (12b-1) Fees	None
Other Expenses	0.53%
Total Annual Fund Operating Expenses	0.83%

Example

This example is intended to help you compare the cost of investing in the Fund with the cost of investing in other mutual funds. The example does not reflect expenses and charges which are, or may be, imposed under your variable contract. If the examples were to reflect the deduction of such charges, the costs shown would be greater. The example assumes that you invest $10,000 in the Fund for the time periods indicated. The example also assumes that your investment has a 5% return each year and that the Fund's operating expenses remain the same. Although your actual costs and returns might be higher or lower, based on these assumptions your costs would be:

1 Year	3 Years	5 Years	10 Years
$85	$265	$460	$1,025

Portfolio Turnover

The Fund pays transaction costs, such as commissions, when it buys and sells securities (or "turns over" its portfolio). A higher portfolio turnover may indicate higher transaction costs. These costs, which are not reflected in the annual fund operating expenses or in the Example, affect the Fund's performance. During the most recent fiscal year, the Fund's portfolio turnover rate was 2% of the average value of its portfolio.

Principal Investment Strategy

Under normal circumstances, the Fund invests at least 80% of its net assets, plus the amount of any borrowings for investment purposes, in securities listed in the MSCI® Europe, Australasia, Far East (MSCI EAFE) Index (the "Index"). Under normal circumstances, however, the Fund intends to invest substantially all of its assets in securities of companies included in the Index (including ADRs and Global Depositary Receipts ("GDRs")) and close substitutes (such as index futures contracts) that are designed to track the Index. The Index is an arithmetic, market value-weighted average of the performance of approximately 1,000 securities primarily from Europe, Australia, Asia and the Far East. The Fund may concentrate (invest 25% or more of the value of its assets) in the securities of issuers having their principal business activities in the same industry if the Index is also concentrated in such industry.

The Sub-Adviser does not manage the Fund according to traditional methods of "active" investment management, which involve the buying and selling of securities based upon economic, financial and market analysis and investment judgment. Instead, the Sub-Adviser utilizes a “passive” investment approach, attempting to replicate the investment performance of its benchmark Index through automated statistical analytic procedures.

The Sub-Adviser seeks to replicate the returns of the Index by investing in the securities of the Index in approximately their Index weight. However, under various circumstances, it may not be possible or practicable to purchase all of those securities in those weightings. In those circumstances, the Fund may purchase a sample of stocks in the Index in proportions expected to replicate generally the performance of the Index as a whole. In addition, from time to time, stocks are added to or removed from the Index. The Fund may sell stocks that are represented in the Index, or purchase stocks that are not yet represented in the Index, in anticipation of their removal from or addition to the Index.

The Sub-Adviser may at times purchase or sell futures contracts in lieu of investment directly in the stocks making up the Index. The Sub-Adviser might do so, for example, in order to increase the Fund’s investment exposure pending investment of cash in the stocks comprising the Index. Alternatively, the Sub-Adviser might use futures to reduce its investment exposure to the Index in situations where it intends to sell a portion of the stocks in the Fund’s portfolio but the sale has not yet been completed. The Sub-Adviser may also enter into forward foreign currency exchange contracts in an attempt to match the Index’s currency exposures.

Principal Risks of Investing

Concentration Risk. The possibility that, to the extent the Fund invests to a significant extent in a particular industry or group of industries within a particular sector, the Fund may be subject to greater risks than if its investments were broadly diversified across industries and sectors. The Fund also is subject to loss due to adverse occurrences that may affect that industry or group of industries.

Currency Risk. The possibility that the value of the Fund’s assets may be affected favorably or unfavorably by currency exchange rates, currency exchange control regulations, and restrictions or prohibitions on the repatriation of foreign currencies.

Depositary Receipt Risk. The possibility that the Fund’s investments in foreign companies through depositary receipts will expose the Fund to the same risks as direct investment in securities of foreign issuers. In addition, investments in ADRs and GDRs may be less liquid than the underlying shares in their primary trading market, and the value of securities underlying ADRs and GDRs may change materially at times when U.S. markets are not open for trading.

Derivatives Risk. The possibility that the Fund’s use of derivatives, such as futures, options and swap agreements, may lead to losses, including those magnified by leverage, particularly when derivatives are used to enhance return rather than mitigate risk. Certain derivative instruments may be difficult to sell when the Sub-Adviser believes it would be appropriate to do so, difficult to value if the instrument becomes illiquid, or the other party to a derivative contract may be unwilling or unable to fulfill its contractual obligations.

Foreign Investment Risk. The possibility that the Fund’s investments in foreign securities may be adversely affected by political, social, and economic conditions affecting foreign issuers, greater volatility, reduced liquidity, or decreases in foreign currency values relative to the U.S. dollar.

Investment Style Risk. The possibility that the Fund could underperform if the Fund’s investment style shifts out of favor based on changing market sentiment and conditions.

Liquidity Risk. The possibility that the market for certain of the Fund’s investments may become illiquid under adverse or volatile market or economic conditions, making those investments difficult to sell at an advantageous price. The market price of certain investments may fall dramatically if there is no liquid trading market for the investments. It also may be difficult for the Fund to purchase a desired investment at an advantageous price under such circumstances.

Market Risk. The possibility that the values of, and/or the income generated by, securities held by the Fund may decline, sometimes unpredictably, due to general market conditions or other factors, including those directly involving the issuers of such securities. Security markets are volatile and may decline significantly in response to adverse issuer, regulatory, political, or economic developments. Different sectors of the market and different security types may react differently to such developments.

Passive Investment Risk. The possibility that the Fund's return may be lower than the return of an actively managed fund because the Fund holds shares of a security based on the holdings of its benchmark index, not the current or projected performance of a security, industry or sector. The Fund does not take defensive positions under any market conditions, including declining markets.

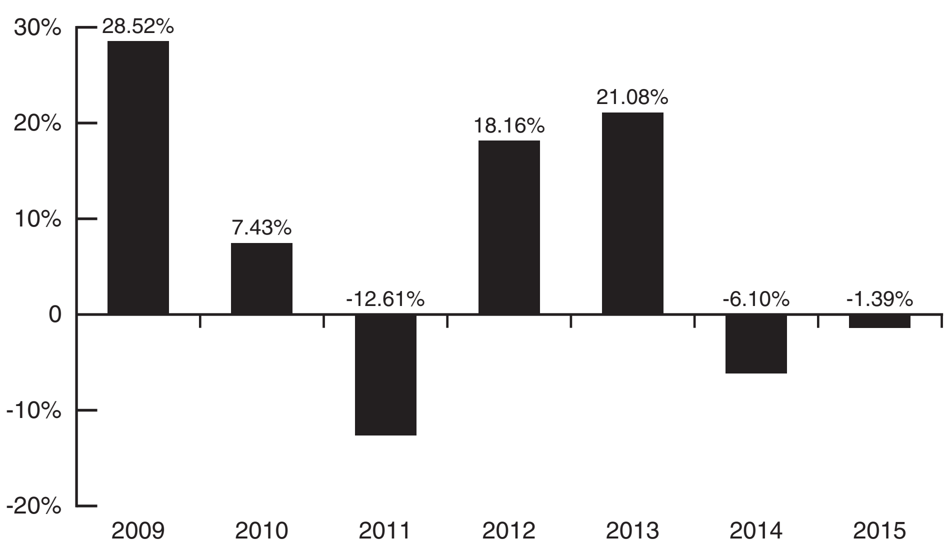
Sampling Risk. The possibility that the Fund may not hold all of the securities included in its benchmark index and that the securities selected for the Fund, in the aggregate, will not provide investment performance matching that of the Fund's benchmark index.

Tracking Error Risk. The possibility that the Fund's performance may deviate from that of the benchmark index it seeks to track. This risk may be heightened during times of increased market volatility or other unusual market conditions.

An investment in the Fund may be appropriate for investors who are willing to accept the risks and uncertainties of investing in international securities in the hope of achieving returns similar to that of the Index.

Performance Information

The bar chart and table below show the performance of the Fund both year-by-year and as an average over different periods of time. The bar chart and table demonstrate the variability of performance over time and provide an indication of the risks and volatility of an investment in the Fund by showing how the Fund's average annual total returns for various periods compare with those of a broad-based securities market index. Past performance does not necessarily indicate how the Fund will perform in the future. This performance information does not include the impact of any charges deducted under your variable contract. If it did, returns would be lower.



Best Quarter	Worst Quarter
25.12%	-20.12%
6/30/2009	9/30/2011

Average Annual Total Return (for Periods Ended December 31, 2015)

	1 Year	5 Years	Since Inception on August 25, 2008
Developed International Index Fund	-1.39%	2.97%	1.83%
MSCI EAFE Index (reflects no deduction for expenses and taxes and is gross of withholding taxes on foreign dividends)	-0.39%	4.07%	2.76%

Investment Adviser

Penn Mutual Asset Management, Inc.

Investment Sub-Adviser

SSGA Funds Management, Inc.

Portfolio Managers

John Tucker, CFA, is a Senior Managing Director of SSGA Funds Management, Inc. Mr. Tucker has served as portfolio manager of the Fund since August 2008.

Michael Feehily, CFA, is a Senior Managing Director for SSGA Funds Management, Inc. Mr. Feehily has served as portfolio manager of the Fund since May 2015.

Purchase and Sale of Fund Shares, Tax Information and Payments to Insurance Companies and Other Financial Intermediaries

For important information about the purchase and sale of Fund shares, tax information and payments to insurance companies and other financial intermediaries, please turn to the "Additional Fund Summary Information" section on page 124 of this prospectus.

FUND SUMMARY: INTERNATIONAL EQUITY FUND

Investment Objective The investment objective of the International Equity Fund (the "Fund") is to achieve capital appreciation.

Fund Fees and Expenses

This table describes the fees and expenses that you may pay if you buy and hold shares of the Fund. Additional fees and expenses will be applied at the variable contract level. Those fees and expenses are described in your variable contract prospectus. If the information below were to reflect the deduction of variable contract charges, fees and expenses would be higher.

Annual Fund Operating Expenses
(expenses that you pay each year as a percentage of the value of your investment)

Investment Advisory Fees	0.85%
Distribution (12b-1) Fees	None
Other Expenses	0.30%
Total Annual Fund Operating Expenses	1.15%

Example

This example is intended to help you compare the cost of investing in the Fund with the cost of investing in other mutual funds. The example does not reflect expenses and charges which are, or may be, imposed under your variable contract. If the examples were to reflect the deduction of such charges, the costs shown would be greater. The example assumes that you invest $10,000 in the Fund for the time periods indicated. The example also assumes that your investment has a 5% return each year and that the Fund's operating expenses remain the same. Although your actual costs and returns might be higher or lower, based on these assumptions your costs would be:

1 Year	3 Years	5 Years	10 Years
$117	$365	$633	$1,398

Portfolio Turnover

The Fund pays transaction costs, such as commissions, when it buys and sells securities (or "turns over" its portfolio). A higher portfolio turnover may indicate higher transaction costs. These costs, which are not reflected in the annual fund operating expenses or in the Example, affect the Fund's performance. During the most recent fiscal year, the Fund's portfolio turnover rate was 27% of the average value of its portfolio.

Principal Investment Strategy

Under normal circumstances, the Fund invests at least 80% of its net assets, plus the amount of any borrowings for investment purposes, in equity securities, such as common stocks, preferred stocks, convertible bonds, and warrants. The Fund will invest primarily in companies operating in the countries in Europe and the Pacific Basin. The countries include the eleven Euro-zone countries (France, Germany, Italy, Spain, Portugal, Finland, Ireland, Belgium, the Netherlands, Luxembourg and Austria), the United Kingdom, Denmark, Sweden, Switzerland, Norway, Japan, Hong Kong, Australia, New Zealand, and Singapore. The Sub-Adviser employs bottom-up stock and business analysis to identify high-quality growth companies. Typically, these companies tend to be well managed with the following attributes: consistent operating histories and financial performance; favorable long-term economic prospects; free cash flow generation; and competent management that can be counted on to use cash flow wisely, and channel the reward from the business back to its shareholders. The Sub-Adviser's goal is to construct a portfolio of high-quality growth companies in the developed markets of Europe and the Pacific Basin. With approximately 40-70 stocks, the Fund seeks to be well diversified and will have investments in at least 10 countries and 5 sectors at all times. The Fund may invest in securities of companies in emerging and developing markets. The Fund may, but is not required to, undertake hedging activities and may invest in certain instruments, such as forward currency exchange contracts, and may use certain techniques to hedge currency risks associated with the purchase of individual securities denominated in a foreign currency.

Principal Risks of Investing

Convertible Securities Risk. The possibility that the value of the Fund's investments in convertible securities may be adversely affected by changes in interest rates, the credit of the issuer and the value of the underlying common stock. The market values of convertible securities tend to decline as interest rates increase and, conversely, to increase as interest rates decline. In addition, as the market price of the underlying common stock declines below the conversion price, the price of the convertible security tends to be increasingly influenced by the yield of the convertible security.

Currency Risk. The possibility that the value of the Fund's assets may be affected favorably or unfavorably by currency exchange rates, currency exchange control regulations, and restrictions or prohibitions on the repatriation of foreign currencies.

Derivatives Risk. The possibility that the Fund's use of derivatives, such as futures, options and swap agreements, may lead to losses, including those magnified by leverage, particularly when derivatives are used to enhance return rather than mitigate risk. Certain derivative instruments may be difficult to sell when the Sub-Adviser believes it would be appropriate to do so, difficult to value if the instrument becomes illiquid, or the other party to a derivative contract may be unwilling or unable to fulfill its contractual obligations.

Emerging Markets Risk. The possibility that the stocks of companies located in emerging markets may be more volatile, and less liquid, than the stocks of companies located in the U.S. and developed foreign markets due to political, economic, or regulatory conditions within emerging market countries. In addition, emerging market countries may experience more volatile interest and currency exchange rates, higher levels of inflation and less efficient trading and settlement systems.

Foreign Investment Risk. The possibility that the Fund's investments in foreign securities may be adversely affected by political, social, and economic conditions affecting foreign issuers, greater volatility, reduced liquidity, or decreases in foreign currency values relative to the U.S. dollar.

Investment Style Risk. The possibility that the Fund could underperform if the Fund's investment style shifts out of favor based on changing market sentiment and conditions.

Liquidity Risk. The possibility that the market for certain of the Fund's investments may become illiquid under adverse or volatile market or economic conditions, making those investments difficult to sell at an advantageous price. The market price of certain investments may fall dramatically if there is no liquid trading market for the investments. It also may be difficult for the Fund to purchase a desired investment at an advantageous price under such circumstances.

Market Risk. The possibility that the values of, and/or the income generated by, securities held by the Fund may decline, sometimes unpredictably, due to general market conditions or other factors, including those directly involving the issuers of such securities. Security markets are volatile and may decline significantly in response to adverse issuer, regulatory, political, or economic developments. Different sectors of the market and different security types may react differently to such developments.

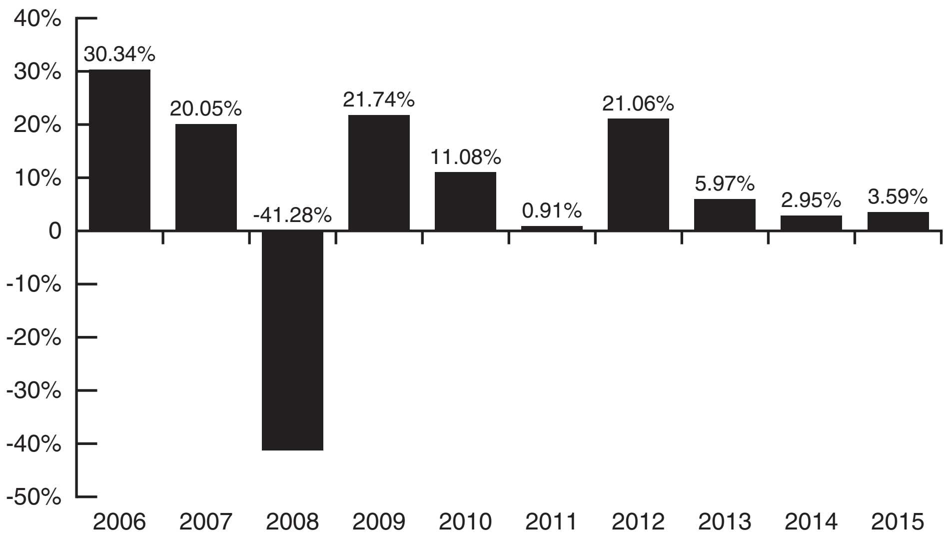
Preferred Stock Risk. The possibility that the value of the Fund's investments in preferred stock may decline if stock prices fall or interest rates rise. In the event of a liquidation, the rights of a company's preferred stock to the distribution of company assets are generally subordinate to the rights of a company's debt securities.

Warrants Risk. The possibility that the Fund's investments in warrants are subject to greater price volatility than the warrants' underlying securities. Warrants offer greater potential for profit or loss than an equivalent investment in the underlying security. A warrant generally ceases to have value if it is not exercised prior to its expiration date.

An investment in the Fund may be appropriate for investors who are willing to accept the risks and uncertainties of international investing in the hope of realizing capital appreciation while diversifying their investment portfolio.

Performance Information

The bar chart and table below show the performance of the Fund both year-by-year and as an average over different periods of time. The bar chart and table demonstrate the variability of performance over time and provide an indication of the risks and volatility of an investment in the Fund by showing how the Fund's average annual total returns for various periods compare with those of a broad-based securities market index and one additional index, the MSCI ACWI (All Country World Index) ex-U.S. Index. The foregoing indices, when considered together, may provide investors with a useful comparison of the Fund's overall performance. Past performance does not necessarily indicate how the Fund will perform in the future. This performance information does not include the impact of any charges deducted under your variable contract. If it did, returns would be lower.



Best Quarter	**Worst Quarter**
18.48%	-19.10%
6/30/2009	9/30/2008

Average Annual Total Return (for Periods Ended December 31, 2015)

	1 Year	5 Years	10 Years
International Equity Fund	3.59%	6.66%	5.54%
MSCI ACWI ex-U.S. Index (reflects no deduction for expenses and taxes and is gross of withholding taxes on foreign dividends)	-5.25%	1.51%	3.38%

Investment Adviser

Penn Mutual Asset Management, Inc.

Investment Sub-Adviser

Vontobel Asset Management, Inc.

Portfolio Manager

Matthew Benkendorf, Chief Investment Officer and Portfolio Manager — International Equities for Vontobel, has served as portfolio manager of the Fund since March 2016.

Purchase and Sale of Fund Shares, Tax Information and Payments to Insurance Companies and Other Financial Intermediaries

For important information about the purchase and sale of Fund shares, tax information and payments to insurance companies and other financial intermediaries, please turn to the "Additional Fund Summary Information" section on page 124 of this prospectus.

FUND SUMMARY: EMERGING MARKETS EQUITY FUND

Investment Objective The investment objective of the Emerging Markets Equity Fund (the "Fund") is to seek to achieve capital appreciation.

Fund Fees and Expenses

This table describes the fees and expenses that you may pay if you buy and hold shares of the Fund. Additional fees and expenses will be applied at the variable contract level. Those fees and expenses are described in your variable contract prospectus. If the information below were to reflect the deduction of variable contract charges, fees and expenses would be higher.

Annual Fund Operating Expenses
(expenses that you pay each year as a percentage of the value of your investment)

Investment Advisory Fees	1.18%
Distribution (12b-1) Fees	None
Other Expenses	0.50%
Total Annual Fund Operating Expenses	1.68%

Example

This example is intended to help you compare the cost of investing in the Fund with the cost of investing in other mutual funds. The example does not reflect expenses and charges which are, or may be, imposed under your variable contract. If the examples were to reflect the deduction of such charges, the costs shown would be greater. The example assumes that you invest $10,000 in the Fund for the time periods indicated. The example also assumes that your investment has a 5% return each year and that the Fund's operating expenses remain the same. Although your actual costs and returns might be higher or lower, based on these assumptions your costs would be:

1 Year	3 Years	5 Years	10 Years
$171	$530	$913	$1,987

Portfolio Turnover

The Fund pays transaction costs, such as commissions, when it buys and sells securities (or "turns over" its portfolio). A higher portfolio turnover may indicate higher transaction costs. These costs, which are not reflected in the annual fund operating expenses or in the Example, affect the Fund's performance. During the most recent fiscal year, the Fund's portfolio turnover rate was 41% of the average value of its portfolio.

Principal Investment Strategy

Under normal circumstances, the Fund invests at least 80% of its total assets in equity securities located in emerging market countries. For this Fund, an issuer is considered to be located in an emerging market country if, at the time of investment: (i) its principal securities trading market is in an emerging market country, (ii) alone or on a consolidated basis it derives 50% or more of its annual revenue from goods produced, sales made or services performed in emerging market countries, or (iii) it is organized under the laws of, or has a principal office in, an emerging market country. By applying this test, it is possible that a particular issuer could be deemed to be from more than one emerging market country. The Sub-Adviser will base determinations as to a company's eligibility on publicly available information and inquiries made to the company.

The Sub-Adviser considers emerging market countries to be countries that major international financial institutions, such as the World Bank, or the Fund's benchmark index generally consider to be less economically mature than developed nations, such as the United States or most nations in Western Europe. Emerging market countries can include every nation in the world except the United States, Canada, Japan, Australia, New Zealand

and most nations located in Western Europe. Allocation of the Fund's investments will depend upon the relative attractiveness of emerging countries and particular issuers. There are no prescribed limits on the geographic distribution of the Fund's investments.

Currently, investing in issuers in many emerging countries is not feasible or may involve unacceptable political risks. The Fund emphasizes investment in those emerging countries whose economies are developing strongly and whose markets are becoming more sophisticated.

The Sub-Adviser seeks to maximize returns by investing in growth-oriented equity securities of emerging country issuers. The Sub-Adviser combines top-down country criteria to allocate the Fund's assets among countries (based on relative economic, political and social fundamentals, stock valuations, and investor sentiment) with bottom-up fundamental analysis of issuers (seeking to identify issuers with strong earnings growth potential). Portfolio securities are typically sold when the Sub-Adviser determines that the holdings no longer satisfy its investment criteria. The Sub-Adviser attempts to manage the overall risk of its investments through its emphasis on thorough macroeconomic and fundamental research.

The Fund invests primarily in equity securities, including common stocks and convertible securities. The Fund may invest in securities of micro-, small-, medium- and large-capitalization companies. The Fund may invest in derivative instruments, including futures, options, swaps and forward foreign currency exchange contracts. The Fund may, but is not required to, use these derivative instruments for a variety of purposes, including hedging, risk management, portfolio management and to earn income. Derivative instruments used by the Fund will be counted toward the Fund's 80% policy discussed above to the extent they have economic characteristics similar to the securities included within that policy. The Fund may purchase securities of other investment companies. The Fund may invest up to 20% of its total assets in debt securities, including up to 5% of its total assets in non-investment grade debt securities (commonly known as "junk bonds"). The Fund may invest up to 10% of its total assets in foreign real estate companies.

The Fund may buy and sell portfolio securities actively. If it does, its portfolio turnover rate and transaction costs will rise, which may lower Fund performance.

Principal Risks of Investing

Convertible Securities Risk. The possibility that the value of the Fund's investments in convertible securities may be adversely affected by changes in interest rates, the credit of the issuer and the value of the underlying common stock. The market values of convertible securities tend to decline as interest rates increase and, conversely, to increase as interest rates decline. In addition, as the market price of the underlying common stock declines below the conversion price, the price of the convertible security tends to be increasingly influenced by the yield of the convertible security.

Corporate Debt Securities Risk. The possibility that the issuer of a debt security held by the Fund is unable to meet its principal and interest payment obligations. The further possibility that corporate debt securities held by the Fund may experience increased price volatility due to such factors as market interest rates, market perception of the creditworthiness of the issuer and general market liquidity.

Credit Risk. The possibility that an issuer of a debt security, or the counterparty to a derivatives contract, held by the Fund defaults on its payment obligations.

Currency Risk. The possibility that the value of the Fund's assets may be affected favorably or unfavorably by currency exchange rates, currency exchange control regulations, and restrictions or prohibitions on the repatriation of foreign currencies.

Derivatives Risk. The possibility that the Fund's use of derivatives, such as futures, options and swap agreements, may lead to losses, including those magnified by leverage, particularly when derivatives are used to enhance return rather than mitigate risk. Certain derivative instruments may be difficult to sell when the Sub-Adviser believes it would be appropriate to do so, difficult to value if the instrument becomes illiquid, or the other party to a derivative contract may be unwilling or unable to fulfill its contractual obligations.

Emerging Markets Risk. The possibility that the stocks of companies located in emerging markets may be more volatile, and less liquid, than the stocks of companies located in the U.S. and developed foreign markets due to political, economic, or regulatory conditions within emerging market countries. In addition, emerging market countries may experience more volatile interest and currency exchange rates, higher levels of inflation and less efficient trading and settlement systems.

Foreign Investment Risk. The possibility that the Fund's investments in foreign securities may be adversely affected by political, social, and economic conditions affecting foreign issuers, greater volatility, reduced liquidity, or decreases in foreign currency values relative to the U.S. dollar.

Foreign Real Estate Company Risk. The possibility that the Fund's investments in foreign real estate companies may make the Fund more susceptible to the risks associated with real estate investing and the real estate industry in general. Foreign real estate companies depend upon specialized management skills, may not be diversified, may have less trading volume, and may be subject to more abrupt or erratic price movements than the overall securities markets. Foreign real estate companies have their own expenses, and the Fund will bear a proportionate share of those expenses.

High Yield Bond Risk. The possibility that the Fund's investment in debt securities rated below investment grade (commonly known as junk bonds) may adversely affect the Fund's yield. Although these securities generally provide for higher yields than higher rated debt securities, the high degree of risk associated with these investments can result in substantial or total loss to the Fund. High yield securities are considered speculative and are subject to a greater risk of loss, greater sensitivity to interest rate changes, increased price volatility, valuation difficulties, and a potential lack of a liquid secondary or public market for the securities.

Interest Rate Risk. The possibility that the prices of the Fund's convertible securities will decline due to rising interest rates.

Investment Style Risk. The possibility that the Fund could underperform if the Fund's investment style shifts out of favor based on changing market sentiment and conditions.

Large-Cap Securities Risk. The possibility that the Fund's investments in larger companies may underperform relative to those of smaller companies. Larger more established companies may be unable to respond quickly to new competitive challenges such as changes in technology and consumer tastes and may not be able to attain the high growth rate of successful smaller companies, especially during extended periods of economic expansion.

Liquidity Risk. The possibility that the market for certain of the Fund's investments may become illiquid under adverse or volatile market or economic conditions, making those investments difficult to sell at an advantageous price. The market price of certain investments may fall dramatically if there is no liquid trading market for the investments. It also may be difficult for the Fund to purchase a desired investment at an advantageous price under such circumstances.

Market Risk. The possibility that the values of, and/or the income generated by, securities held by the Fund may decline, sometimes unpredictably, due to general market conditions or other factors, including those directly involving the issuers of such securities. Security markets are volatile and may decline significantly in response to adverse issuer, regulatory, political, or economic developments. Different sectors of the market and different security types may react differently to such developments.

Micro-Cap Securities Risk. The possibility that the return on the Fund's investments in micro-cap companies may be less than the return on investments in stocks of larger companies or the stock market as a whole. Stock prices of micro-cap companies may be based in substantial part on future expectations rather than current achievements and may move sharply, especially during market upturns and downturns. Micro-cap companies are followed by relatively few securities analysts, and there tends to be less publicly available information about these companies. Micro-cap companies are more likely to be newly formed or in the early stages of development, depend on a few key employees, and have relatively limited product lines, markets or financial resources compared to larger capitalization companies.

Other Investment Company Risk. The possibility that investments by the Fund in shares of other investment companies will subject the Fund to the risks associated with those investment companies. Fund shareholders will also indirectly bear a proportionate share of any underlying investment company's fees and expenses in addition to paying the Fund's expenses.

Portfolio Turnover Risk. The possibility that the Fund may frequently buy and sell portfolio securities, which may increase transaction costs to the Fund and cause the Fund's performance to be less than you expect.

Prepayment and Extension Risk. The possibility that the principal on a fixed income security may be paid off earlier or later than expected causing the Fund to invest in fixed income securities with lower interest rates, which may adversely affect the Fund's performance.

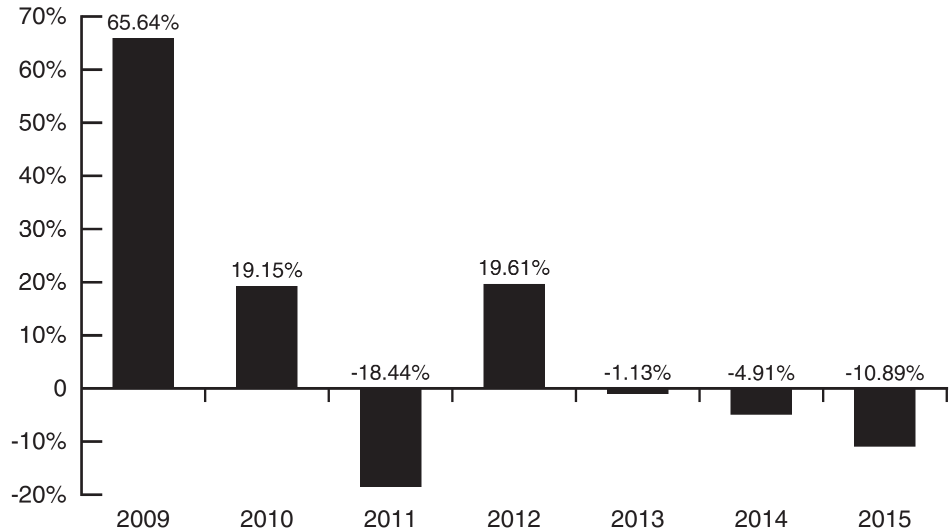
Small- and Mid-Cap Securities Risk. The possibility that the Fund's investments in small- and mid-cap securities may be subject to greater risk and higher volatility than are customarily associated with investing in larger more established companies. Securities issued by small- and mid-sized companies, which can include start-up companies, tend to be more vulnerable than larger and more established companies to adverse business and economic developments. Such companies generally have narrower product lines, more limited financial resources and more limited markets for their stock as compared with larger companies. As a result, the value of such securities also may be more volatile than the securities of larger companies, and the Fund's portfolio may experience difficulty in purchasing or selling such securities at the desired time and price or in the desired amount.

U.S. Government Securities Risk. The possibility that the U.S. government will not provide financial assistance in support of securities issued by certain of its agencies and instrumentalities and held by the Fund if it is not obligated to do because such securities are not issued or guaranteed by the U.S. Treasury. A default by a U.S. government agency or instrumentality could cause the Fund's share price or yield to fall.

An investment in the Fund may be appropriate for investors who are willing to accept the risks and uncertainties of investing in emerging market equity securities in the hope of achieving capital appreciation.

Performance Information

The bar chart and table below show the performance of the Fund both year-by-year and as an average over different periods of time. The bar chart and table demonstrate the variability of performance over time and provide an indication of the risks and volatility of an investment in the Fund by showing how the Fund's average annual total returns for various periods compare with those of a broad-based securities market index. Past performance does not necessarily indicate how the Fund will perform in the future. This performance information does not include the impact of any charges deducted under your variable contract. If it did, returns would be lower.



Best Quarter	Worst Quarter
34.74%	-19.38%
6/30/2009	9/30/2011

Average Annual Total Return (for Periods Ended December 31, 2015)

	1 Year	5 Years	Since Inception on August 25, 2008
Emerging Markets Equity Fund	-10.89%	-3.96%	-0.41%
MSCI Emerging Markets Index (reflects no deduction for expenses and taxes and is gross of withholding taxes on foreign dividends)	-14.60%	-4.47%	0.20%

Investment Adviser

Penn Mutual Asset Management, Inc.

Investment Sub-Adviser

Morgan Stanley Investment Management, Inc. ("MSIM Inc.")

Portfolio Managers

Ruchir Sharma, a Managing Director of MSIM Inc., has served as a portfolio manager of the Fund since August 2008. Paul Psaila, a Managing Director of MSIM Inc., has served as a portfolio manager of the Fund since its inception in August 2008. Eric Carlson, a Managing Director of MSIM Inc., has served as a portfolio manager of the Fund since its inception in August 2008. Ana Cristina Piedrahita, an Executive Director of Morgan Stanley Investment Management Limited, an affiliate of MSIM Inc., has served as a portfolio manager of the Fund since its inception in August 2008. Gaite Ali, a Managing Director of MSIM Inc., has served as a portfolio manager of the Fund since April 2013. Munib Madni, a Managing Director of Morgan Stanley Investment Management Company, an affiliate of MSIM Inc., has served as a portfolio manager of the Fund since May 2012. Samual Rhee, a Managing Director of Morgan Stanley Investment Management Company, an affiliate of MSIM, Inc., has served as a portfolio manager of the Fund since May 2012.

Purchase and Sale of Fund Shares, Tax Information and Payments to Insurance Companies and Other Financial Intermediaries

For important information about the purchase and sale of Fund shares, tax information and payments to insurance companies and other financial intermediaries, please turn to the "Additional Fund Summary Information" section on page 124 of this prospectus.

FUND SUMMARY: REAL ESTATE SECURITIES FUND

Investment Objective The investment objective of the Real Estate Securities Fund (the "Fund") is to achieve a high total return consistent with reasonable investment risks.

Fund Fees and Expenses

This table describes the fees and expenses that you may pay if you buy and hold shares of the Fund. Additional fees and expenses will be applied at the variable contract level. Those fees and expenses are described in your variable contract prospectus. If the information below were to reflect the deduction of variable contract charges, fees and expenses would be higher.

Annual Fund Operating Expenses
(expenses that you pay each year as a percentage of the value of your investment)

Investment Advisory Fees	0.70%
Distribution (12b-1) Fees	None
Other Expenses	0.27%
Total Annual Fund Operating Expenses	0.97%

Example

This example is intended to help you compare the cost of investing in the Fund with the cost of investing in other mutual funds. The example does not reflect expenses and charges which are, or may be, imposed under your variable contract. If the examples were to reflect the deduction of such charges, the costs shown would be greater. The example assumes that you invest $10,000 in the Fund for the time periods indicated. The example also assumes that your investment has a 5% return each year and that the Fund's operating expenses remain the same. Although your actual costs and returns might be higher or lower, based on these assumptions your costs would be:

1 Year	3 Years	5 Years	10 Years
$99	$309	$536	$1,190

Portfolio Turnover

The Fund pays transaction costs, such as commissions, when it buys and sells securities (or "turns over" its portfolio). A higher portfolio turnover may indicate higher transaction costs. These costs, which are not reflected in the annual fund operating expenses or in the Example, affect the Fund's performance. During the most recent fiscal year, the Fund's portfolio turnover rate was 61% of the average value of its portfolio.

Principal Investment Strategy

Under normal circumstances, the Fund invests at least 80%, and normally substantially all, of its net assets, plus the amount of any borrowings for investment purposes, in common stocks and other equity securities issued by real estate companies, including real estate investment trusts ("REITs"). The Fund considers companies real estate companies if such companies (i) derive at least 50% of their revenues from the ownership, construction, financing, management or sale of commercial, industrial, or residential real estate; or (ii) have at least 50% of their assets in such real estate. REITs are companies that own interests in real estate or in real estate related loans or other interests, and their revenue primarily consists of rent derived from owned, income producing real estate properties and capital gains from the sale of such properties. A REIT in the U.S. is generally not taxed on income distributed to shareholders so long as it meets certain tax related requirements, including the requirement that it distribute substantially all of its taxable income to its shareholders. REIT-like entities are organized outside of the U.S. and have operations and receive foreign tax treatment similar to that of U.S. REITs. The Fund retains the ability to invest in real estate companies of any market capitalization. The Fund may invest up to 25% of its total assets in securities of foreign issuers which meet the same criteria for investment as domestic companies, or sponsored and unsponsored depositary receipts for such securities. Depositary receipts may take the form of ADRs, GDRs and EDRs. In managing the Fund's portfolio, the Sub-Adviser adheres to an integrated, bottom-up, relative value investment process.

The Fund may buy and sell portfolio securities actively. If it does, its portfolio turnover rate and transaction costs will rise, which may lower Fund performance.

Principal Risks of Investing

Concentration Risk. The possibility that, to the extent the Fund invests to a significant extent in a particular industry or group of industries within a particular sector, the Fund may be subject to greater risks than if its investments were broadly diversified across industries and sectors. The Fund also is subject to loss due to adverse occurrences that may affect that industry or group of industries.

Currency Risk. The possibility that the value of the Fund's assets may be affected favorably or unfavorably by currency exchange rates, currency exchange control regulations, and restrictions or prohibitions on the repatriation of foreign currencies.

Foreign Investment Risk. The possibility that the Fund's investments in foreign securities may be adversely affected by political, social, and economic conditions affecting foreign issuers, greater volatility, reduced liquidity, or decreases in foreign currency values relative to the U.S. dollar.

Investment Style Risk. The possibility that the Fund could underperform if the Fund's investment style shifts out of favor based on changing market sentiment and conditions.

Liquidity Risk. The possibility that the market for certain of the Fund's investments may become illiquid under adverse or volatile market or economic conditions, making those investments difficult to sell at an advantageous price. The market price of certain investments may fall dramatically if there is no liquid trading market for the investments. It also may be difficult for the Fund to purchase a desired investment at an advantageous price under such circumstances.

Market Risk. The possibility that the values of, and/or the income generated by, securities held by the Fund may decline, sometimes unpredictably, due to general market conditions or other factors, including those directly involving the issuers of such securities. Security markets are volatile and may decline significantly in response to adverse issuer, regulatory, political, or economic developments. Different sectors of the market and different security types may react differently to such developments.

Portfolio Turnover Risk. The possibility that the Fund may frequently buy and sell portfolio securities, which may increase transaction costs to the Fund and cause the Fund's performance to be less than you expect.

Real Estate Securities Risk. The possibility that the Fund's investments in real estate securities, including REITs, may make the Fund more susceptible to the risks associated with direct investments in real estate. These risks include, among others, declines in the value of real estate; risks related to general and local economic conditions; changes in the availability, cost and terms of mortgage funds; loss of rental income due to vacancies; obsolescence of properties; overbuilding and increased competition; increases in property taxes and operating expenses; changes in zoning laws; defaults by borrowers or tenants, particularly during an economic downturn; and changes in interest rates. Any geographic concentration of the Fund's real estate-related investments could result in the Fund being subject to the above risks to a greater degree.

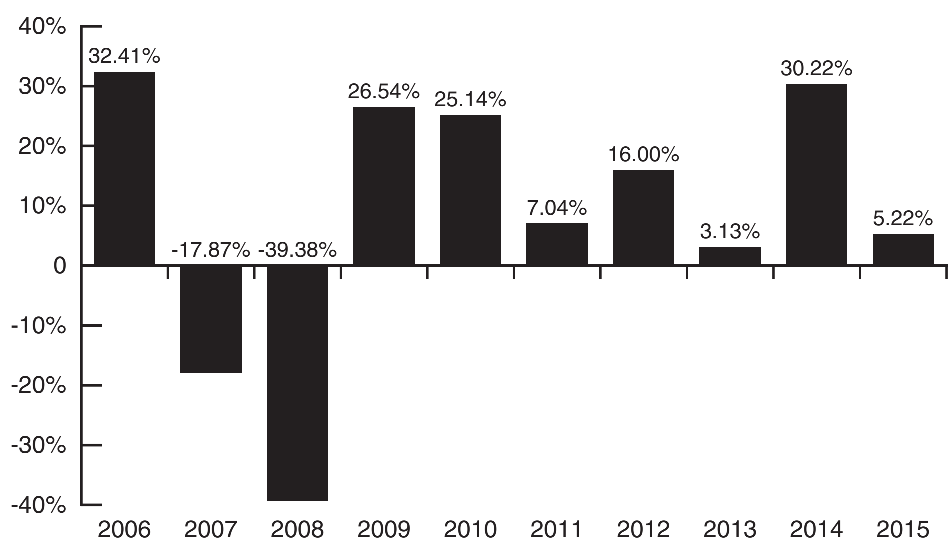
REITs Risk. The possibility that the Fund's investments in REITs will subject the Fund to the risks associated with the direct ownership of real estate, including fluctuations in the value of underlying properties, changes in interest rates and risks related to general or local economic conditions. REITs are dependent upon management skills and generally may not be diversified. REITs are also subject to heavy cash flow dependency, defaults by borrowers or tenants and self-liquidation.

Small- and Mid-Cap Securities Risk. The possibility that the Fund's investments in small- and mid-cap securities may be subject to greater risk and higher volatility than are customarily associated with investing in larger more established companies. Securities issued by small- and mid-sized companies, which can include start-up companies, tend to be more vulnerable than larger and more established companies to adverse business and economic developments. Such companies generally have narrower product lines, more limited financial resources and more limited markets for their stock as compared with larger companies. As a result, the value of such securities also may be more volatile than the securities of larger companies, and the Fund's portfolio may experience difficulty in purchasing or selling such securities at the desired time and price or in the desired amount.

An investment in the Fund may be appropriate for investors who are willing to accept the risks and uncertainties of real estate and real estate related investing in the hope of realizing capital appreciation while diversifying their investment portfolio.

Performance Information

The bar chart and table below show the performance of the Fund both year-by-year and as an average over different periods of time. They represent the performance of the Fund's previous manager for the period prior to May 1, 2011. Since May 1, 2011, Cohen & Steers Capital Management, Inc. ("Cohen & Steers") has been responsible for the Fund's day-to-day portfolio management. The bar chart and table demonstrate the variability of performance over time and provide an indication of the risks and volatility of an investment in the Fund by showing how the Fund's average annual total returns for various periods compare with those of a broad-based securities market index. Past performance does not necessarily indicate how the Fund will perform in the future. This performance information does not include the impact of any charges deducted under your variable contract. If it did, returns would be lower.



Best Quarter	Worst Quarter
30.58%	-40.76%
9/30/2009	12/31/2008

Average Annual Total Return (for Periods Ended December 31, 2015)

	1 Year	5 Years	10 Years
Real Estate Securities Fund	5.22%	11.90%	6.24%
FTSE NAREIT Equity REIT Index (reflects no deduction for fees, expenses or taxes)	3.20%	11.96%	7.41%

Investment Adviser

Penn Mutual Asset Management, Inc.

Investment Sub-Adviser

Cohen & Steers Capital Management, Inc.

Portfolio Managers

Thomas Bohjalian, CFA, is an Executive Vice President of Cohen & Steers and has been a portfolio manager of the Fund since June 2012.

Jon Cheigh is an Executive Vice President of Cohen & Steers and has been a portfolio manager of the Fund since May 2011.

Jason Yablon is a Senior Vice President of Cohen & Steers and has been a portfolio manager of the Fund since May 2013.

Purchase and Sale of Fund Shares, Tax Information and Payments to Insurance Companies and Other Financial Intermediaries

For important information about the purchase and sale of Fund shares, tax information and payments to insurance companies and other financial intermediaries, please turn to the "Additional Fund Summary Information" section on page 124 of this prospectus.

FUND SUMMARY: AGGRESSIVE ALLOCATION FUND

Investment Objective

The investment objective of the Aggressive Allocation Fund (the "Fund") is to seek to achieve long-term capital growth consistent with its asset allocation strategy.

Fund Fees and Expenses

This table describes the fees and expenses that you may pay if you buy and hold shares of the Fund. Additional fees and expenses will be applied at the variable contract level. Those fees and expenses are described in your variable contract prospectus. If the information below were to reflect the deduction of variable contract charges, fees and expenses would be higher.

Annual Fund Operating Expenses
(expenses that you pay each year as a percentage of the value of your investment)

Investment Advisory Fees	0.12%
Distribution (12b-1) Fees	None
Other Expenses	0.22%
Acquired Fund Fees and Expenses	0.99%
Total Annual Fund Operating Expenses*	1.33%

* The Total Annual Fund Operating Expenses in this fee table may not correlate to the expense ratios in the Fund's financial highlights and financial statements because the financial highlights and financial statements reflect only the operating expenses of the Fund and do not include Acquired Fund Fees and Expenses, which are fees and expenses incurred indirectly by the Fund through its investments in certain underlying investment companies.

Example

This example is intended to help you compare the cost of investing in the Fund with the cost of investing in other mutual funds. The example does not reflect expenses and charges which are, or may be, imposed under your variable contract. If the examples were to reflect the deduction of such charges, the costs shown would be greater. The example assumes that you invest $10,000 in the Fund for the time periods indicated. The example also assumes that your investment has a 5% return each year and that the Fund's operating expenses remain the same. Although your actual costs and returns might be higher or lower, based on these assumptions your costs would be:

1 Year	3 Years	5 Years	10 Years
$135	$421	$729	$1,601

Portfolio Turnover

The Fund pays transaction costs, such as commissions, when it buys and sells securities (or "turns over" its portfolio). A higher portfolio turnover may indicate higher transaction costs. These costs, which are not reflected in the annual fund operating expenses or in the Example, affect the Fund's performance. During the most recent fiscal year, the Fund's portfolio turnover rate was 24% of the average value of its portfolio.

Principal Investment Strategy

The Fund seeks to achieve its investment objective by using a "fund-of-funds" strategy. Accordingly, the Fund invests in a combination of other Penn Series Funds (each, an "underlying fund" and, collectively, the "underlying funds") in accordance with its target asset allocations. These underlying funds invest their assets directly in equity, fixed income, money market and other securities in accordance with their own investment objectives and policies. The underlying funds are managed using both indexed and active management strategies.

The Fund has its own distinct target portfolio allocation and is designed to accommodate specific investment goals and risk tolerances. Through its investments in the underlying funds, the Fund's target allocation is intended to allocate the Fund's assets among various asset classes, such as equity securities, fixed income securities and money market securities. The portfolio of the Fund is more heavily allocated to stocks, and reflects an aggressive approach.

In determining the asset allocation of the Fund, the Adviser will rely on the experience of its investment personnel and its evaluation of the overall financial markets, including, but not limited to, information about the economy, interest rates, and the long-term absolute and relative returns of various asset classes. Consideration will also be given to the investment styles of the managers of the underlying funds and their historic patterns of performance relative to their asset class and to other underlying funds. Periodic changes in allocations among the underlying funds will be based on information about the financial markets, changes within particular underlying funds, or the introduction of new Penn Series Funds that would, in the Adviser's opinion, enhance the return potential of the Fund. These changes will be implemented as necessary, recognizing that these decisions tend to be long-term in nature, based on information about the financial markets and on the Fund's investment objective.

The following chart shows the Fund's target asset allocation among the various asset classes. The Adviser may permit modest deviations from the target asset allocations listed below. Accordingly, the Fund's actual allocations may differ from this illustration.

Asset Class	Target Asset Allocation
Equity Funds	85% - 100%
Fixed Income and Money Market Funds	0% - 15%

The Adviser reserves the right to modify the Fund's target asset allocations and to substitute other underlying funds and add additional underlying funds from time to time should circumstances warrant a change. The Adviser may periodically rebalance the Fund's investments in the underlying funds to bring the Fund back within its target range.

Principal Risks

Asset Allocation Risk. The possibility that the Fund may underperform other funds with similar investment objectives due to the Fund's allocation of assets to underlying funds investing in asset classes or market sectors that perform poorly relative to other asset categories.

Market Risk. The possibility that the values of, and/or the income generated by, securities held by the Fund may decline, sometimes unpredictably, due to general market conditions or other factors, including those directly involving the issuers of such securities. Security markets are volatile and may decline significantly in response to adverse issuer, regulatory, political, or economic developments. Different sectors of the market and different security types may react differently to such developments.

Underlying Fund Investment Risk. The possibility that the underperformance of an underlying fund may contribute to the underperformance of the Fund. The Fund's performance and risks will be directly related to the performance and risks of the underlying funds in which it invests. In addition, the Fund indirectly pays a pro rata portion of the expenses incurred by the underlying funds, which also may lower the Fund's performance.

Corporate Debt Securities Risk. The possibility that the issuer of a debt security held by an underlying fund is unable to meet its principal and interest payment obligations. The further possibility that corporate debt securities held by an underlying fund may experience increased price volatility due to such factors as market interest rates, market perception of the creditworthiness of the issuer and general market liquidity.

Credit Risk. The possibility that an issuer of a debt security, or the counterparty to a derivatives contract, held by an underlying fund defaults on its payment obligations.

Currency Risk. The possibility that the value of an underlying fund's assets may be affected favorably or unfavorably by currency exchange rates, currency exchange control regulations, and restrictions or prohibitions on the repatriation of foreign currencies.

Derivatives Risk. The possibility that an underlying fund's use of derivatives, such as futures, options and swap agreements, may lead to losses, including those magnified by leverage, particularly when derivatives are used to enhance return rather than mitigate risk. Certain derivative instruments may be difficult to sell when the Adviser or Sub-Adviser of the underlying fund believes it would be appropriate to do so, difficult to value if the instrument becomes illiquid, or the other party to a derivative contract may be unwilling or unable to fulfill its contractual obligations.

Emerging Markets Risk. The possibility that the stocks of companies located in emerging markets may be more volatile, and less liquid, than the stocks of companies located in the U.S. and developed foreign markets due to political, economic, or regulatory conditions within emerging market countries. In addition, emerging market countries may experience more volatile interest and currency exchange rates, higher levels of inflation and less efficient trading and settlement systems.

Foreign Investment Risk. The possibility that an underlying fund's investments in foreign securities may be adversely affected by political, social, and economic conditions affecting foreign issuers, greater volatility, reduced liquidity, or decreases in foreign currency values relative to the U.S. dollar.

"Growth" Investing Risk. The possibility that an underlying fund's investments in securities of companies perceived to be "growth" companies may underperform when value investing is in favor and may be more volatile than other securities because they are more sensitive to investor perceptions of the issuing company's growth of earnings potential. Also, because growth companies usually invest a high portion of earnings in their businesses, growth stocks may lack the dividends of some value stocks that can cushion stock prices in a falling market.

High Yield Bond Risk. The possibility that an underlying fund's investment in debt securities rated below investment grade (commonly known as junk bonds) may adversely affect the underlying fund's yield. Although these securities generally provide for higher yields than higher rated debt securities, the high degree of risk associated with these investments can result in substantial or total loss to the underlying fund. High yield securities are considered speculative and are subject to a greater risk of loss, greater sensitivity to interest rate changes, increased price volatility, valuation difficulties, and a potential lack of a liquid secondary or public market for the securities.

Interest Rate Risk. The possibility that the prices of an underlying fund's fixed income investments will decline due to rising interest rates.

Investment Risk. You may lose money by investing in the Money Market Fund. Although the Money Market Fund seeks to preserve the value of your investment at $1.00 per share, there is no guarantee that the Money Market Fund will be able to do so. An investment in the Money Market Fund is not insured or guaranteed by the FDIC or any other government agency. PMAM, the Fund's sponsor, and its affiliates have no legal obligation to provide financial support to the Money Market Fund, and you should not expect that the sponsor will provide financial support to the Money Market Fund at any time.

Large-Cap Securities Risk. The possibility that an underlying fund's investments in larger companies may underperform relative to those of smaller companies. Larger more established companies may be unable to respond quickly to new competitive challenges such as changes in technology and consumer tastes and may not be able to attain the high growth rate of successful smaller companies, especially during extended periods of economic expansion.

Liquidity Risk. The possibility that the market for certain of an underlying fund's investments may become illiquid under adverse or volatile market or economic conditions, making those investments difficult to sell at an advantageous price. The market price of certain investments may fall dramatically if there is no liquid trading market for the investments. It also may be difficult for an underlying fund to purchase a desired investment at an advantageous price under such circumstances.

Portfolio Turnover Risk. The possibility that an underlying fund may frequently buy and sell portfolio securities, which may increase transaction costs to the underlying fund and cause the underlying fund's performance to be less than you expect.

Prepayment and Extension Risk. The possibility that the principal on a fixed income security may be paid off earlier or later than expected causing an underlying fund to invest in fixed income securities with lower interest rates, which may adversely affect the underlying fund's performance.

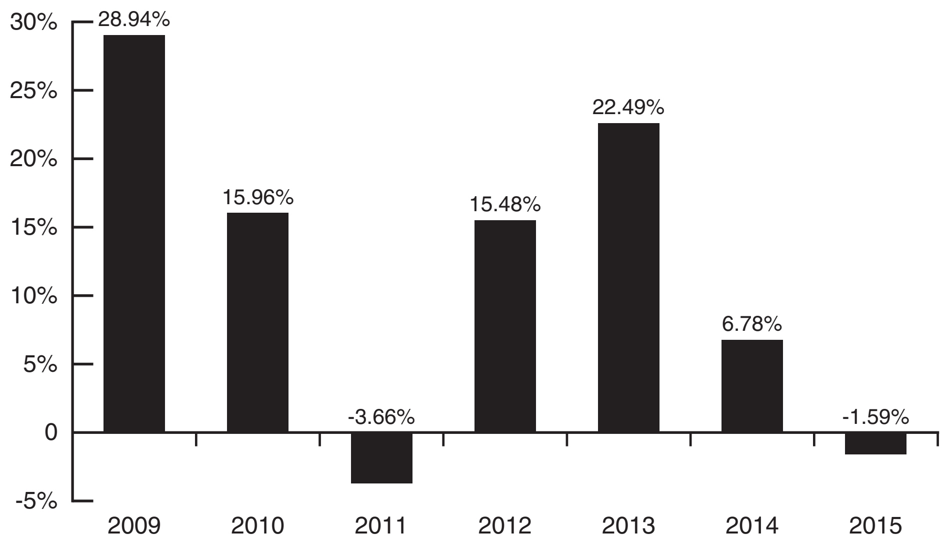
Small- and Mid-Cap Securities Risk. The possibility that an underlying fund's investments in small- and mid-cap securities may be subject to greater risk and higher volatility than are customarily associated with investing in larger more established companies. Securities issued by small- and mid-sized companies, which can include start-up companies, tend to be more vulnerable than larger and more established companies to adverse business and economic developments. Such companies generally have narrower product lines, more limited financial resources and more limited markets for their stock as compared with larger companies. As a result, the value of such securities also may be more volatile than the securities of larger companies, and an underlying fund's portfolio may experience difficulty in purchasing or selling such securities at the desired time and price or in the desired amount.

U.S. Government Securities Risk. The possibility that the U.S. government will not provide financial assistance in support of securities issued by certain of its agencies and instrumentalities and held by an underlying fund if it is not obligated to do because such securities are not issued or guaranteed by the U.S. Treasury. A default by a U.S. government agency or instrumentality could cause an underlying fund's share price or yield to fall.

"Value" Investing Risk. The possibility that an underlying fund's investments in securities perceived to be undervalued may not realize their perceived value for extended periods of time or may never realize their perceived value. The securities in which an underlying fund invests may respond differently to market and other developments than other types of securities, and may underperform growth stocks and/or the market as a whole.

Performance Information

The bar chart and table below show the performance of the Fund both year-by-year and as an average over different periods of time. The bar chart and table demonstrate the variability of performance over time and provide an indication of the risks and volatility of an investment in the Fund by showing how the Fund's average annual total returns for various periods compare with those of a broad-based securities market index and one additional index, the Barclays Capital U.S. Aggregate Bond Index. The Barclays Capital U.S. Aggregate Bond Index, in conjunction with the broad-based index, are used to track the broad range of allocations the Fund makes to the underlying funds. The foregoing indices, when considered together, may provide investors with a useful comparison of the Fund's overall performance. Past performance does not necessarily indicate how the Fund will perform in the future. This performance information does not include the impact of any charges deducted under your variable contract. If it did, returns would be lower.



Best Quarter	Worst Quarter
17.31% 6/30/2009	-16.51% 9/30/2011

Average Annual Total Return (for Periods Ended December 31, 2015)

	1 Year	5 Years	Since Inception on August 25, 2008
Aggressive Allocation Fund	-1.59%	7.45%	5.78%
Russell 3000® Index (reflects no deduction for fees, expenses or taxes)	0.48%	12.18%	8.77%
Barclays Capital U.S. Aggregate Bond Index (reflects no deduction for fees, expenses or taxes)	0.55%	3.25%	4.41%

Investment Adviser

Penn Mutual Asset Management, Inc.

Portfolio Managers

Keith G. Huckerby, President and Portfolio Manager of PMAM, has served as co-portfolio manager of the Fund since August 2008.

Jennifer Moroney, Portfolio Manager of PMAM, has served as co-portfolio manager of the Fund since June 2014.

Purchase and Sale of Fund Shares, Tax Information and Payments to Insurance Companies and Other Financial Intermediaries

For important information about the purchase and sale of Fund shares, tax information and payments to insurance companies and other financial intermediaries, please turn to the "Additional Fund Summary Information" section on page 124 of this prospectus.

FUND SUMMARY: MODERATELY AGGRESSIVE ALLOCATION FUND

Investment Objective

The investment objective of the Moderately Aggressive Allocation Fund (the "Fund") is to seek to achieve long-term capital growth and current income consistent with its asset allocation strategy.

Fund Fees and Expenses

This table describes the fees and expenses that you may pay if you buy and hold shares of the Fund. Additional fees and expenses will be applied at the variable contract level. Those fees and expenses are described in your variable contract prospectus. If the information below were to reflect the deduction of variable contract charges, fees and expenses would be higher.

Annual Fund Operating Expenses
(expenses that you pay each year as a percentage of the value of your investment)

Investment Advisory Fees	0.12%
Distribution (12b-1) Fees	None
Other Expenses	0.20%
Acquired Fund Fees and Expenses	0.93%
Total Annual Fund Operating Expenses*	1.25%

* The Total Annual Fund Operating Expenses in this fee table may not correlate to the expense ratios in the Fund's financial highlights and financial statements because the financial highlights and financial statements reflect only the operating expenses of the Fund and do not include Acquired Fund Fees and Expenses, which are fees and expenses incurred indirectly by the Fund through its investments in certain underlying investment companies.

Example

This example is intended to help you compare the cost of investing in the Fund with the cost of investing in other mutual funds. The example does not reflect expenses and charges which are, or may be, imposed under your variable contract. If the examples were to reflect the deduction of such charges, the costs shown would be greater. The example assumes that you invest $10,000 in the Fund for the time periods indicated. The example also assumes that your investment has a 5% return each year and that the Fund's operating expenses remain the same. Although your actual costs and returns might be higher or lower, based on these assumptions your costs would be:

1 Year	3 Years	5 Years	10 Years
$127	$397	$686	$1,511

Portfolio Turnover

The Fund pays transaction costs, such as commissions, when it buys and sells securities (or "turns over" its portfolio). A higher portfolio turnover may indicate higher transaction costs. These costs, which are not reflected in the annual fund operating expenses or in the Example, affect the Fund's performance. During the most recent fiscal year, the Fund's portfolio turnover rate was 20% of the average value of its portfolio.

Principal Investment Strategy

The Fund seeks to achieve its investment objective by using a "fund-of-funds" strategy. Accordingly, the Fund invests in a combination of other Penn Series Funds (each, an "underlying fund" and, collectively, the "underlying funds") in accordance with its target asset allocations. These underlying funds invest their assets directly in equity, fixed income, money market and other securities in accordance with their own investment objectives and policies. The underlying funds are managed using both indexed and active management strategies.

The Fund has its own distinct target portfolio allocation and is designed to accommodate specific investment goals and risk tolerances. Through its investments in the underlying funds, the Fund's target allocation is intended to allocate the Fund's assets among various asset classes, such as equity securities, fixed income securities and money market securities. The portfolio of the Fund is more heavily allocated to stocks, and reflects a moderately aggressive approach.

In determining the asset allocation of the Fund, the Adviser will rely on the experience of its investment personnel and its evaluation of the overall financial markets, including, but not limited to, information about the economy, interest rates, and the long-term absolute and relative returns of various asset classes. Consideration will also be given to the investment styles of the managers of the underlying funds and their historic patterns of performance relative to their asset class and to other underlying funds. Periodic changes in allocations among the underlying funds will be based on information about the financial markets, changes within particular underlying funds, or the introduction of new Penn Series Funds that would, in the Adviser's opinion, enhance the return potential of the Fund. These changes will be implemented as necessary, recognizing that these decisions tend to be long-term in nature, based on information about the financial markets and on the Fund's investment objective.

The following chart shows the Fund's target asset allocation among the various asset classes. The Adviser may permit modest deviations from the target asset allocations listed below. Accordingly, the Fund's actual allocations may differ from this illustration.

Asset Class	Target Asset Allocation
Equity Funds	70% - 100%
Fixed Income and Money Market Funds	0% - 30%

The Adviser reserves the right to modify the Fund's target asset allocations and to substitute other underlying funds and add additional underlying funds from time to time should circumstances warrant a change. The Adviser may periodically rebalance the Fund's investments in the underlying funds to bring the Fund back within its target range.

Principal Risks

Asset Allocation Risk. The possibility that the Fund may underperform other funds with similar investment objectives due to the Fund's allocation of assets to underlying funds investing in asset classes or market sectors that perform poorly relative to other asset categories.

Market Risk. The possibility that the values of, and/or the income generated by, securities held by the Fund may decline, sometimes unpredictably, due to general market conditions or other factors, including those directly involving the issuers of such securities. Security markets are volatile and may decline significantly in response to adverse issuer, regulatory, political, or economic developments. Different sectors of the market and different security types may react differently to such developments.

Underlying Fund Investment Risk. The possibility that the underperformance of an underlying fund may contribute to the underperformance of the Fund. The Fund's performance and risks will be directly related to the performance and risks of the underlying funds in which it invests. In addition, the Fund indirectly pays a pro rata portion of the expenses incurred by the underlying funds, which also may lower the Fund's performance.

Corporate Debt Securities Risk. The possibility that the issuer of a debt security held by an underlying fund is unable to meet its principal and interest payment obligations. The further possibility that corporate debt securities held by an underlying fund may experience increased price volatility due to such factors as market interest rates, market perception of the creditworthiness of the issuer and general market liquidity.

Credit Risk. The possibility that an issuer of a debt security, or the counterparty to a derivatives contract, held by an underlying fund defaults on its payment obligations.

Currency Risk. The possibility that the value of an underlying fund's assets may be affected favorably or unfavorably by currency exchange rates, currency exchange control regulations, and restrictions or prohibitions on the repatriation of foreign currencies.

Derivatives Risk. The possibility that an underlying fund's use of derivatives, such as futures, options and swap agreements, may lead to losses, including those magnified by leverage, particularly when derivatives are used to enhance return rather than mitigate risk. Certain derivative instruments may be difficult to sell when the Adviser or Sub-Adviser of the underlying fund believes it would be appropriate to do so, difficult to value if the instrument becomes illiquid, or the other party to a derivative contract may be unwilling or unable to fulfill its contractual obligations.

Foreign Investment Risk. The possibility that an underlying fund's investments in foreign securities may be adversely affected by political, social, and economic conditions affecting foreign issuers, greater volatility, reduced liquidity, or decreases in foreign currency values relative to the U.S. dollar.

"Growth" Investing Risk. The possibility that an underlying fund's investments in securities of companies perceived to be "growth" companies may underperform when value investing is in favor and may be more volatile than other securities because they are more sensitive to investor perceptions of the issuing company's growth of earnings potential. Also, because growth companies usually invest a high portion of earnings in their businesses, growth stocks may lack the dividends of some value stocks that can cushion stock prices in a falling market.

High Yield Bond Risk. The possibility that an underlying fund's investment in debt securities rated below investment grade (commonly known as junk bonds) may adversely affect the underlying fund's yield. Although these securities generally provide for higher yields than higher rated debt securities, the high degree of risk associated with these investments can result in substantial or total loss to the underlying fund. High yield securities are considered speculative and are subject to a greater risk of loss, greater sensitivity to interest rate changes, increased price volatility, valuation difficulties, and a potential lack of a liquid secondary or public market for the securities.

Interest Rate Risk. The possibility that the prices of an underlying fund's fixed income investments will decline due to rising interest rates.

Investment Risk. You may lose money by investing in the Money Market Fund. Although the Money Market Fund seeks to preserve the value of your investment at $1.00 per share, there is no guarantee that the Money Market Fund will be able to do so. An investment in the Money Market Fund is not insured or guaranteed by the FDIC or any other government agency. PMAM, the Fund's sponsor, and its affiliates have no legal obligation to provide financial support to the Money Market Fund, and you should not expect that the sponsor will provide financial support to the Money Market Fund at any time.

Large-Cap Securities Risk. The possibility that an underlying fund's investments in larger companies may underperform relative to those of smaller companies. Larger more established companies may be unable to respond quickly to new competitive challenges such as changes in technology and consumer tastes and may not be able to attain the high growth rate of successful smaller companies, especially during extended periods of economic expansion.

Liquidity Risk. The possibility that the market for certain of an underlying fund's investments may become illiquid under adverse or volatile market or economic conditions, making those investments difficult to sell at an advantageous price. The market price of certain investments may fall dramatically if there is no liquid trading market for the investments. It also may be difficult for an underlying fund to purchase a desired investment at an advantageous price under such circumstances.

Portfolio Turnover Risk. The possibility that an underlying fund may frequently buy and sell portfolio securities, which may increase transaction costs to the underlying fund and cause the underlying fund's performance to be less than you expect.

Prepayment and Extension Risk. The possibility that the principal on a fixed income security may be paid off earlier or later than expected causing an underlying fund to invest in fixed income securities with lower interest rates, which may adversely affect the underlying fund's performance.

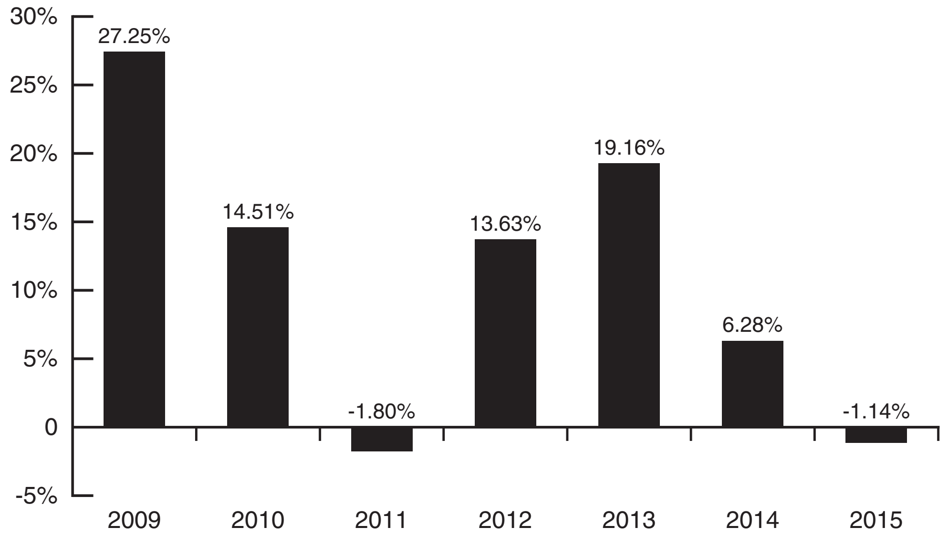
Small- and Mid-Cap Securities Risk. The possibility that an underlying fund's investments in small- and mid-cap securities may be subject to greater risk and higher volatility than are customarily associated with investing in larger more established companies. Securities issued by small- and mid-sized companies, which can include start-up companies, tend to be more vulnerable than larger and more established companies to adverse business and economic developments. Such companies generally have narrower product lines, more limited financial resources and more limited markets for their stock as compared with larger companies. As a result, the value of such securities also may be more volatile than the securities of larger companies, and an underlying fund's portfolio may experience difficulty in purchasing or selling such securities at the desired time and price or in the desired amount.

U.S. Government Securities Risk. The possibility that the U.S. government will not provide financial assistance in support of securities issued by certain of its agencies and instrumentalities and held by an underlying fund if it is not obligated to do because such securities are not issued or guaranteed by the U.S. Treasury. A default by a U.S. government agency or instrumentality could cause an underlying fund's share price or yield to fall.

"Value" Investing Risk. The possibility that an underlying fund's investments in securities perceived to be undervalued may not realize their perceived value for extended periods of time or may never realize their perceived value. The securities in which an underlying fund invests may respond differently to market and other developments than other types of securities, and may underperform growth stocks and/or the market as a whole.

Performance Information

The bar chart and table below show the performance of the Fund both year-by-year and as an average over different periods of time. The bar chart and table demonstrate the variability of performance over time and provide an indication of the risks and volatility of an investment in the Fund by showing how the Fund's average annual total returns for various periods compare with those of a broad-based securities market index and one additional index, the Barclays Capital U.S. Aggregate Bond Index. The Barclays Capital U.S. Aggregate Bond Index, in conjunction with the broad-based index, are used to track the broad range of allocations the Fund makes to the underlying funds. The foregoing indices, when considered together, may provide investors with a useful comparison of the Fund's overall performance. Past performance does not necessarily indicate how the Fund will perform in the future. This performance information does not include the impact of any charges deducted under your variable contract. If it did, returns would be lower.



Best Quarter	Worst Quarter
14.52%	-13.53%
9/30/2009	9/30/2011

Average Annual Total Return (for Periods Ended December 31, 2015)

	1 Year	5 Years	Since Inception on August 25, 2008
Moderately Aggressive Allocation Fund	-1.14%	6.92%	6.48%
Russell 3000® Index (reflects no deduction for fees, expenses or taxes)	0.48%	12.18%	8.77%
Barclays Capital U.S. Aggregate Bond Index (reflects no deduction for fees, expenses or taxes)	0.55%	3.25%	4.41%

Investment Adviser

Penn Mutual Asset Management, Inc.

Portfolio Managers

Keith G. Huckerby, President and Portfolio Manager of PMAM, has served as co-portfolio manager of the Fund since August 2008.

Jennifer Moroney, Portfolio Manager of PMAM, has served as co-portfolio manager of the Fund since June 2014.

Purchase and Sale of Fund Shares, Tax Information and Payments to Insurance Companies and Other Financial Intermediaries

For important information about the purchase and sale of Fund shares, tax information and payments to insurance companies and other financial intermediaries, please turn to the "Additional Fund Summary Information" section on page 124 of this prospectus.

FUND SUMMARY: MODERATE ALLOCATION FUND

Investment Objective

The investment objective of the Moderate Allocation Fund (the "Fund") is to seek to achieve long-term capital growth and current income consistent with its asset allocation strategy.

Fund Fees and Expenses

This table describes the fees and expenses that you may pay if you buy and hold shares of the Fund. Additional fees and expenses will be applied at the variable contract level. Those fees and expenses are described in your variable contract prospectus. If the information below were to reflect the deduction of variable contract charges, fees and expenses would be higher.

Annual Fund Operating Expenses
(expenses that you pay each year as a percentage of the value of your investment)

Investment Advisory Fees	0.12%
Distribution (12b-1) Fees	None
Other Expenses	0.20%
Acquired Fund Fees and Expenses	0.86%
Total Annual Fund Operating Expenses*	1.18%

* The Total Annual Fund Operating Expenses in this fee table may not correlate to the expense ratios in the Fund's financial highlights and financial statements because the financial highlights and financial statements reflect only the operating expenses of the Fund and do not include Acquired Fund Fees and Expenses, which are fees and expenses incurred indirectly by the Fund through its investments in certain underlying investment companies.

Example

This example is intended to help you compare the cost of investing in the Fund with the cost of investing in other mutual funds. The example does not reflect expenses and charges which are, or may be, imposed under your variable contract. If the examples were to reflect the deduction of such charges, the costs shown would be greater. The example assumes that you invest $10,000 in the Fund for the time periods indicated. The example also assumes that your investment has a 5% return each year and that the Fund's operating expenses remain the same. Although your actual costs and returns might be higher or lower, based on these assumptions your costs would be:

1 Year	3 Years	5 Years	10 Years
$120	$375	$649	$1,432

Portfolio Turnover

The Fund pays transaction costs, such as commissions, when it buys and sells securities (or "turns over" its portfolio). A higher portfolio turnover may indicate higher transaction costs. These costs, which are not reflected in the annual fund operating expenses or in the Example, affect the Fund's performance. During the most recent fiscal year, the Fund's portfolio turnover rate was 17% of the average value of its portfolio.

Principal Investment Strategy

The Fund seeks to achieve its investment objective by using a "fund-of-funds" strategy. Accordingly, the Fund invests in a combination of other Penn Series Funds (each, an "underlying fund" and, collectively, the "underlying funds") in accordance with its target asset allocations. These underlying funds invest their assets directly in equity, fixed income, money market and other securities in accordance with their own investment objectives and policies. The underlying funds are managed using both indexed and active management strategies.

The Fund has its own distinct target portfolio allocation and is designed to accommodate specific investment goals and risk tolerances. Through its investments in the underlying funds, the Fund's target allocation is intended to allocate the Fund's assets among various asset classes, such as equity securities, fixed income securities and money market securities. The portfolio of the Fund is allocated among stock, bond and cash investments with a majority of its assets allocated to stocks, and is designed to offer investors an investment option that is less aggressive than the Penn Series Aggressive Allocation and Moderately Aggressive Allocation Funds, but more aggressive than the Penn Series Moderately Conservative Allocation and Conservative Allocation Funds.

In determining the asset allocation of the Fund, the Adviser will rely on the experience of its investment personnel and its evaluation of the overall financial markets, including, but not limited to, information about the economy, interest rates, and the long-term absolute and relative returns of various asset classes. Consideration will also be given to the investment styles of the managers of the underlying funds and their historic patterns of performance relative to their asset class and to other underlying funds. Periodic changes in allocations among the underlying funds will be based on information about the financial markets, changes within particular underlying funds, or the introduction of new Penn Series Funds that would, in the Adviser's opinion, enhance the return potential of the Fund. These changes will be implemented as necessary, recognizing that these decisions tend to be long-term in nature, based on information about the financial markets and on the Fund's investment objective.

The following chart shows the Fund's target asset allocation among the various asset classes. The Adviser may permit modest deviations from the target asset allocations listed below. Accordingly, the Fund's actual allocations may differ from this illustration.

Asset Class	Target Asset Allocation
Equity Funds	50% - 70%
Fixed Income and Money Market Funds	30% - 50%

The Adviser reserves the right to modify the Fund's target asset allocations and to substitute other underlying funds and add additional underlying funds from time to time should circumstances warrant a change. The Adviser may periodically rebalance the Fund's investments in the underlying funds to bring the Fund back within its target range.

Principal Risks

Asset Allocation Risk. The possibility that the Fund may underperform other funds with similar investment objectives due to the Fund's allocation of assets to underlying funds investing in asset classes or market sectors that perform poorly relative to other asset categories.

Market Risk. The possibility that the values of, and/or the income generated by, securities held by the Fund may decline, sometimes unpredictably, due to general market conditions or other factors, including those directly involving the issuers of such securities. Security markets are volatile and may decline significantly in response to adverse issuer, regulatory, political, or economic developments. Different sectors of the market and different security types may react differently to such developments.

Underlying Fund Investment Risk. The possibility that the underperformance of an underlying fund may contribute to the underperformance of the Fund. The Fund's performance and risks will be directly related to the performance and risks of the underlying funds in which it invests. In addition, the Fund indirectly pays a pro rata portion of the expenses incurred by the underlying funds, which also may lower the Fund's performance.

Corporate Debt Securities Risk. The possibility that the issuer of a debt security held by an underlying fund is unable to meet its principal and interest payment obligations. The further possibility that corporate debt securities held by an underlying fund may experience increased price volatility due to such factors as market interest rates, market perception of the creditworthiness of the issuer and general market liquidity.

Credit Risk. The possibility that an issuer of a debt security, or the counterparty to a derivatives contract, held by an underlying fund defaults on its payment obligations.

Currency Risk. The possibility that the value of an underlying fund's assets may be affected favorably or unfavorably by currency exchange rates, currency exchange control regulations, and restrictions or prohibitions on the repatriation of foreign currencies.

Derivatives Risk. The possibility that an underlying fund's use of derivatives, such as futures, options and swap agreements, may lead to losses, including those magnified by leverage, particularly when derivatives are used to enhance return rather than mitigate risk. Certain derivative instruments may be difficult to sell when the Adviser or Sub-Adviser of the underlying fund believes it would be appropriate to do so, difficult to value if the instrument becomes illiquid, or the other party to a derivative contract may be unwilling or unable to fulfill its contractual obligations.

Foreign Investment Risk. The possibility that an underlying fund's investments in foreign securities may be adversely affected by political, social, and economic conditions affecting foreign issuers, greater volatility, reduced liquidity, or decreases in foreign currency values relative to the U.S. dollar.

"Growth" Investing Risk. The possibility that an underlying fund's investments in securities of companies perceived to be "growth" companies may underperform when value investing is in favor and may be more volatile than other securities because they are more sensitive to investor perceptions of the issuing company's growth of earnings potential. Also, because growth companies usually invest a high portion of earnings in their businesses, growth stocks may lack the dividends of some value stocks that can cushion stock prices in a falling market.

High Yield Bond Risk. The possibility that an underlying fund's investment in debt securities rated below investment grade (commonly known as junk bonds) may adversely affect the underlying fund's yield. Although these securities generally provide for higher yields than higher rated debt securities, the high degree of risk associated with these investments can result in substantial or total loss to the underlying fund. High yield securities are considered speculative and are subject to a greater risk of loss, greater sensitivity to interest rate changes, increased price volatility, valuation difficulties, and a potential lack of a liquid secondary or public market for the securities.

Interest Rate Risk. The possibility that the prices of an underlying fund's fixed income investments will decline due to rising interest rates.

Investment Risk. You may lose money by investing in the Money Market Fund. Although the Money Market Fund seeks to preserve the value of your investment at $1.00 per share, there is no guarantee that the Money Market Fund will be able to do so. An investment in the Money Market Fund is not insured or guaranteed by the FDIC or any other government agency. PMAM, the Fund's sponsor, and its affiliates have no legal obligation to provide financial support to the Money Market Fund, and you should not expect that the sponsor will provide financial support to the Money Market Fund at any time.

Large-Cap Securities Risk. The possibility that an underlying fund's investments in larger companies may underperform relative to those of smaller companies. Larger more established companies may be unable to respond quickly to new competitive challenges such as changes in technology and consumer tastes and may not be able to attain the high growth rate of successful smaller companies, especially during extended periods of economic expansion.

Liquidity Risk. The possibility that the market for certain of an underlying fund's investments may become illiquid under adverse or volatile market or economic conditions, making those investments difficult to sell at an advantageous price. The market price of certain investments may fall dramatically if there is no liquid trading market for the investments. It also may be difficult for an underlying fund to purchase a desired investment at an advantageous price under such circumstances.

Portfolio Turnover Risk. The possibility that an underlying fund may frequently buy and sell portfolio securities, which may increase transaction costs to the underlying fund and cause the underlying fund's performance to be less than you expect.

Prepayment and Extension Risk. The possibility that the principal on a fixed income security may be paid off earlier or later than expected causing an underlying fund to invest in fixed income securities with lower interest rates, which may adversely affect the underlying fund's performance.

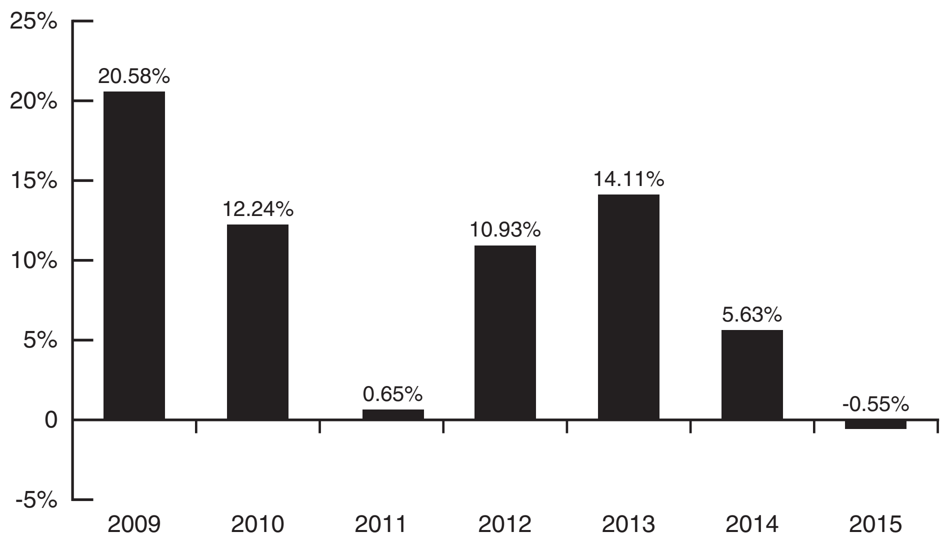
Small- and Mid-Cap Securities Risk. The possibility that an underlying fund's investments in small- and mid-cap securities may be subject to greater risk and higher volatility than are customarily associated with investing in larger more established companies. Securities issued by small- and mid-sized companies, which can include start-up companies, tend to be more vulnerable than larger and more established companies to adverse business and economic developments. Such companies generally have narrower product lines, more limited financial resources and more limited markets for their stock as compared with larger companies. As a result, the value of such securities also may be more volatile than the securities of larger companies, and an underlying fund's portfolio may experience difficulty in purchasing or selling such securities at the desired time and price or in the desired amount.

U.S. Government Securities Risk. The possibility that the U.S. government will not provide financial assistance in support of securities issued by certain of its agencies and instrumentalities and held by an underlying fund if it is not obligated to do because such securities are not issued or guaranteed by the U.S. Treasury. A default by a U.S. government agency or instrumentality could cause an underlying fund's share price or yield to fall.

"Value" Investing Risk. The possibility that an underlying fund's investments in securities perceived to be undervalued may not realize their perceived value for extended periods of time or may never realize their perceived value. The securities in which an underlying fund invests may respond differently to market and other developments than other types of securities, and may underperform growth stocks and/or the market as a whole.

Performance Information

The bar chart and table below show the performance of the Fund both year-by-year and as an average over different periods of time. The bar chart and table demonstrate the variability of performance over time and provide an indication of the risks and volatility of an investment in the Fund by showing how the Fund's average annual total returns for various periods compare with those of a broad-based securities market index and one additional index, the Barclays Capital U.S. Aggregate Bond Index. The Barclays Capital U.S. Aggregate Bond Index, in conjunction with the broad-based index, are used to track the broad range of allocations the Fund makes to the underlying funds. The foregoing indices, when considered together, may provide investors with a useful comparison of the Fund's overall performance. Past performance does not necessarily indicate how the Fund will perform in the future. This performance information does not include the impact of any charges deducted under your variable contract. If it did, returns would be lower.



Best Quarter	Worst Quarter
11.68%	-9.29%
6/30/2009	9/30/2011

Average Annual Total Return (for Periods Ended December 31, 2015)

	1 Year	5 Years	Since Inception on August 25, 2008
Moderate Allocation Fund	-0.55%	6.00%	5.39%
Russell 3000® Index (reflects no deduction for fees, expenses or taxes)	0.48%	12.18%	8.77%
Barclays Capital U.S. Aggregate Bond Index (reflects no deduction for fees, expenses or taxes)	0.55%	3.25%	4.41%

Investment Adviser

Penn Mutual Asset Management, Inc.

Portfolio Managers

Keith G. Huckerby, President and Portfolio Manager of PMAM, has served as co-portfolio manager of the Fund since August 2008.

Jennifer Moroney, Portfolio Manager of PMAM, has served as co-portfolio manager of the Fund since June 2014.

Purchase and Sale of Fund Shares, Tax Information and Payments to Insurance Companies and Other Financial Intermediaries

For important information about the purchase and sale of Fund shares, tax information and payments to insurance companies and other financial intermediaries, please turn to the "Additional Fund Summary Information" section on page 124 of this prospectus.

FUND SUMMARY: MODERATELY CONSERVATIVE ALLOCATION FUND

Investment Objective

The investment objective of the Moderately Conservative Allocation Fund (the "Fund") is to seek to achieve long-term capital growth and current income consistent with its asset allocation strategy.

Fund Fees and Expenses

This table describes the fees and expenses that you may pay if you buy and hold shares of the Fund. Additional fees and expenses will be applied at the variable contract level. Those fees and expenses are described in your variable contract prospectus. If the information below were to reflect the deduction of variable contract charges, fees and expenses would be higher.

Annual Fund Operating Expenses
(expenses that you pay each year as a percentage of the value of your investment)

Investment Advisory Fees	0.12%
Distribution (12b-1) Fees	None
Other Expenses	0.21%
Acquired Fund Fees and Expenses	0.80%
Total Annual Fund Operating Expenses*	1.13%

* The Total Annual Fund Operating Expenses in this fee table may not correlate to the expense ratios in the Fund's financial highlights and financial statements because the financial highlights and financial statements reflect only the operating expenses of the Fund and do not include Acquired Fund Fees and Expenses, which are fees and expenses incurred indirectly by the Fund through its investments in certain underlying investment companies.

Example

This example is intended to help you compare the cost of investing in the Fund with the cost of investing in other mutual funds. The example does not reflect expenses and charges which are, or may be, imposed under your variable contract. If the examples were to reflect the deduction of such charges, the costs shown would be greater. The example assumes that you invest $10,000 in the Fund for the time periods indicated. The example also assumes that your investment has a 5% return each year and that the Fund's operating expenses remain the same. Although your actual costs and returns might be higher or lower, based on these assumptions your costs would be:

1 Year	3 Years	5 Years	10 Years
$115	$359	$622	$1,375

Portfolio Turnover

The Fund pays transaction costs, such as commissions, when it buys and sells securities (or "turns over" its portfolio). A higher portfolio turnover may indicate higher transaction costs. These costs, which are not reflected in the annual fund operating expenses or in the Example, affect the Fund's performance. During the most recent fiscal year, the Fund's portfolio turnover rate was 23% of the average value of its portfolio.

Principal Investment Strategy

The Fund seeks to achieve its investment objective by using a "fund-of-funds" strategy. Accordingly, the Fund invests in a combination of other Penn Series Funds (each, an "underlying fund" and, collectively, the "underlying funds") in accordance with its target asset allocations. These underlying funds invest their assets directly in equity, fixed income, money market and other securities in accordance with their own investment objectives and policies. The underlying funds are managed using both indexed and active management strategies.

The Fund has its own distinct target portfolio allocation and is designed to accommodate specific investment goals and risk tolerances. Through its investments in the underlying funds, the Fund's target allocation is intended to allocate the Fund's assets among various asset classes, such as equity securities, fixed income securities and money market securities. The portfolio of the Fund is more heavily allocated to bonds and cash investments, and reflects a moderately conservative approach.

In determining the asset allocation of the Fund, the Adviser will rely on the experience of its investment personnel and its evaluation of the overall financial markets, including, but not limited to, information about the economy, interest rates, and the long-term absolute and relative returns of various asset classes. Consideration will also be given to the investment styles of the managers of the underlying funds and their historic patterns of performance relative to their asset class and to other underlying funds. Periodic changes in allocations among the underlying funds will be based on information about the financial markets, changes within particular underlying funds, or the introduction of new Penn Series Funds that would, in the Adviser's opinion, enhance the return potential of the Fund. These changes will be implemented as necessary, recognizing that these decisions tend to be long-term in nature, based on information about the financial markets and on the Fund's investment objective.

The following chart shows the Fund's target asset allocation among the various asset classes. The Adviser may permit modest deviations from the target asset allocations listed below. Accordingly, the Fund's actual allocations may differ from this illustration.

Asset Class	Target Asset Allocation
Equity Funds	30% - 50%
Fixed Income and Money Market Funds	50% - 70%

The Adviser reserves the right to modify the Fund's target asset allocations and to substitute other underlying funds and add additional underlying funds from time to time should circumstances warrant a change. The Adviser may periodically rebalance the Fund's investments in the underlying funds to bring the Fund back within its target range.

Principal Risks

Asset Allocation Risk. The possibility that the Fund may underperform other funds with similar investment objectives due to the Fund's allocation of assets to underlying funds investing in asset classes or market sectors that perform poorly relative to other asset categories.

Market Risk. The possibility that the values of, and/or the income generated by, securities held by the Fund may decline, sometimes unpredictably, due to general market conditions or other factors, including those directly involving the issuers of such securities. Security markets are volatile and may decline significantly in response to adverse issuer, regulatory, political, or economic developments. Different sectors of the market and different security types may react differently to such developments.

Underlying Fund Investment Risk. The possibility that the underperformance of an underlying fund may contribute to the underperformance of the Fund. The Fund's performance and risks will be directly related to the performance and risks of the underlying funds in which it invests. In addition, the Fund indirectly pays a pro rata portion of the expenses incurred by the underlying funds, which also may lower the Fund's performance.

Corporate Debt Securities Risk. The possibility that the issuer of a debt security held by an underlying fund is unable to meet its principal and interest payment obligations. The further possibility that corporate debt securities held by an underlying fund may experience increased price volatility due to such factors as market interest rates, market perception of the creditworthiness of the issuer and general market liquidity.

Credit Risk. The possibility that an issuer of a debt security, or the counterparty to a derivatives contract, held by an underlying fund defaults on its payment obligations.

Currency Risk. The possibility that the value of an underlying fund's assets may be affected favorably or unfavorably by currency exchange rates, currency exchange control regulations, and restrictions or prohibitions on the repatriation of foreign currencies.

Derivatives Risk. The possibility that an underlying fund's use of derivatives, such as futures, options and swap agreements, may lead to losses, including those magnified by leverage, particularly when derivatives are used to enhance return rather than mitigate risk. Certain derivative instruments may be difficult to sell when the Adviser or Sub-Adviser of the underlying fund believes it would be appropriate to do so, difficult to value if the instrument becomes illiquid, or the other party to a derivative contract may be unwilling or unable to fulfill its contractual obligations.

Foreign Investment Risk. The possibility that an underlying fund's investments in foreign securities may be adversely affected by political, social, and economic conditions affecting foreign issuers, greater volatility, reduced liquidity, or decreases in foreign currency values relative to the U.S. dollar.

"Growth" Investing Risk. The possibility that an underlying fund's investments in securities of companies perceived to be "growth" companies may underperform when value investing is in favor and may be more volatile than other securities because they are more sensitive to investor perceptions of the issuing company's growth of earnings potential. Also, because growth companies usually invest a high portion of earnings in their businesses, growth stocks may lack the dividends of some value stocks that can cushion stock prices in a falling market.

High Yield Bond Risk. The possibility that an underlying fund's investment in debt securities rated below investment grade (commonly known as junk bonds) may adversely affect the underlying fund's yield. Although these securities generally provide for higher yields than higher rated debt securities, the high degree of risk associated with these investments can result in substantial or total loss to the underlying fund. High yield securities are considered speculative and are subject to a greater risk of loss, greater sensitivity to interest rate changes, increased price volatility, valuation difficulties, and a potential lack of a liquid secondary or public market for the securities.

Interest Rate Risk. The possibility that the prices of an underlying fund's fixed income investments will decline due to rising interest rates.

Investment Risk. You may lose money by investing in the Money Market Fund. Although the Money Market Fund seeks to preserve the value of your investment at $1.00 per share, there is no guarantee that the Money Market Fund will be able to do so. An investment in the Money Market Fund is not insured or guaranteed by the FDIC or any other government agency. PMAM, the Fund's sponsor, and its affiliates have no legal obligation to provide financial support to the Money Market Fund, and you should not expect that the sponsor will provide financial support to the Money Market Fund at any time.

Large-Cap Securities Risk. The possibility that an underlying fund's investments in larger companies may underperform relative to those of smaller companies. Larger more established companies may be unable to respond quickly to new competitive challenges such as changes in technology and consumer tastes and may not be able to attain the high growth rate of successful smaller companies, especially during extended periods of economic expansion.

Liquidity Risk. The possibility that the market for certain of an underlying fund's investments may become illiquid under adverse or volatile market or economic conditions, making those investments difficult to sell at an advantageous price. The market price of certain investments may fall dramatically if there is no liquid trading market for the investments. It also may be difficult for an underlying fund to purchase a desired investment at an advantageous price under such circumstances.

Portfolio Turnover Risk. The possibility that an underlying fund may frequently buy and sell portfolio securities, which may increase transaction costs to the underlying fund and cause the underlying fund's performance to be less than you expect.

Prepayment and Extension Risk. The possibility that the principal on a fixed income security may be paid off earlier or later than expected causing an underlying fund to invest in fixed income securities with lower interest rates, which may adversely affect the underlying fund's performance.

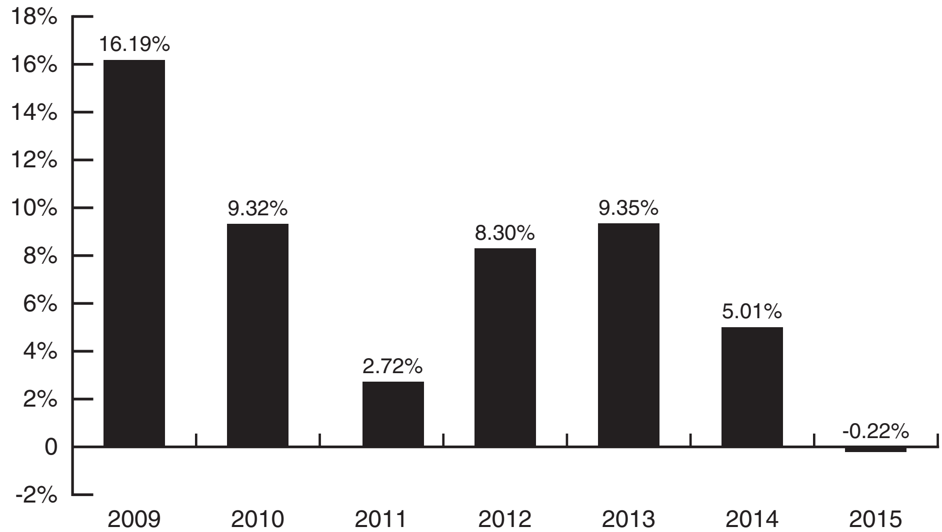
Small- and Mid-Cap Securities Risk. The possibility that an underlying fund's investments in small- and mid-cap securities may be subject to greater risk and higher volatility than are customarily associated with investing in larger more established companies. Securities issued by small- and mid-sized companies, which can include start-up companies, tend to be more vulnerable than larger and more established companies to adverse business and economic developments. Such companies generally have narrower product lines, more limited financial resources and more limited markets for their stock as compared with larger companies. As a result, the value of such securities also may be more volatile than the securities of larger companies, and an underlying fund's portfolio may experience difficulty in purchasing or selling such securities at the desired time and price or in the desired amount.

U.S. Government Securities Risk. The possibility that the U.S. government will not provide financial assistance in support of securities issued by certain of its agencies and instrumentalities and held by an underlying fund if it is not obligated to do because such securities are not issued or guaranteed by the U.S. Treasury. A default by a U.S. government agency or instrumentality could cause an underlying fund's share price or yield to fall.

"Value" Investing Risk. The possibility that an underlying fund's investments in securities perceived to be undervalued may not realize their perceived value for extended periods of time or may never realize their perceived value. The securities in which an underlying fund invests may respond differently to market and other developments than other types of securities, and may underperform growth stocks and/or the market as a whole.

Performance Information

The bar chart and table below show the performance of the Fund both year-by-year and as an average over different periods of time. The bar chart and table demonstrate the variability of performance over time and provide an indication of the risks and volatility of an investment in the Fund by showing how the Fund's average annual total returns for various periods compare with those of a broad-based securities market index and one additional index, the Russell 3000® Index. The Russell 3000® Index, in conjunction with the broad-based index, are used to track the broad range of allocations the Fund makes to the underlying funds. The foregoing indices, when considered together, may provide investors with a useful comparison of the Fund's overall performance. Past performance does not necessarily indicate how the Fund will perform in the future. This performance information does not include the impact of any charges deducted under your variable contract. If it did, returns would be lower.



Best Quarter	Worst Quarter
8.62%	-5.34%
6/30/2009	9/30/2011

Average Annual Total Return (for Periods Ended December 31, 2015)

	1 Year	5 Years	Since Inception on August 25, 2008
Moderately Conservative Allocation Fund	-0.22%	4.97%	4.69%
Russell 3000® Index (reflects no deduction for fees, expenses or taxes)	0.48%	12.18%	8.77%
Barclays Capital U.S. Aggregate Bond Index (reflects no deduction for fees, expenses or taxes)	0.55%	3.25%	4.41%

Investment Adviser

Penn Mutual Asset Management, Inc.

Portfolio Managers

Keith G. Huckerby, President and Portfolio Manager of PMAM, has served as co-portfolio manager of the Fund since August 2008.

Jennifer Moroney, Portfolio Manager of PMAM, has served as co-portfolio manager of the Fund since June 2014.

Purchase and Sale of Fund Shares, Tax Information and Payments to Insurance Companies and Other Financial Intermediaries

For important information about the purchase and sale of Fund shares, tax information and payments to insurance companies and other financial intermediaries, please turn to the “Additional Fund Summary Information” section on page 124 of this prospectus.

FUND SUMMARY: CONSERVATIVE ALLOCATION FUND

Investment Objective The investment objective of the Conservative Allocation Fund (the "Fund") is to seek to achieve long-term capital growth and current income consistent with its asset allocation strategy.

Fund Fees and Expenses

This table describes the fees and expenses that you may pay if you buy and hold shares of the Fund. Additional fees and expenses will be applied at the variable contract level. Those fees and expenses are described in your variable contract prospectus. If the information below were to reflect the deduction of variable contract charges, fees and expenses would be higher.

Annual Fund Operating Expenses
(expenses that you pay each year as a percentage of the value of your investment)

Investment Advisory Fees	0.12%
Distribution (12b-1) Fees	None
Other Expenses	0.22%
Acquired Fund Fees and Expenses	0.72%
Total Annual Fund Operating Expenses*	1.06%

* The Total Annual Fund Operating Expenses in this fee table may not correlate to the expense ratios in the Fund's financial highlights and financial statements because the financial highlights and financial statements reflect only the operating expenses of the Fund and do not include Acquired Fund Fees and Expenses, which are fees and expenses incurred indirectly by the Fund through its investments in certain underlying investment companies.

Example

This example is intended to help you compare the cost of investing in the Fund with the cost of investing in other mutual funds. The example does not reflect expenses and charges which are, or may be, imposed under your variable contract. If the examples were to reflect the deduction of such charges, the costs shown would be greater. The example assumes that you invest $10,000 in the Fund for the time periods indicated. The example also assumes that your investment has a 5% return each year and that the Fund's operating expenses remain the same. Although your actual costs and returns might be higher or lower, based on these assumptions your costs would be:

1 Year	3 Years	5 Years	10 Years
$108	$337	$585	$1,294

Portfolio Turnover

The Fund pays transaction costs, such as commissions, when it buys and sells securities (or "turns over" its portfolio). A higher portfolio turnover may indicate higher transaction costs. These costs, which are not reflected in the annual fund operating expenses or in the Example, affect the Fund's performance. During the most recent fiscal year, the Fund's portfolio turnover rate was 24% of the average value of its portfolio.

Principal Investment Strategy

The Fund seeks to achieve its investment objective by using a "fund-of-funds" strategy. Accordingly, the Fund invests in a combination of other Penn Series Funds (each, an "underlying fund" and, collectively, the "underlying funds") in accordance with its target asset allocations. These underlying funds invest their assets directly in equity, fixed income, money market and other securities in accordance with their own investment objectives and policies. The underlying funds are managed using both indexed and active management strategies.

The Fund has its own distinct target portfolio allocation and is designed to accommodate specific investment goals and risk tolerances. Through its investments in the underlying funds, the Fund's target allocation is intended to allocate the Fund's assets among various asset classes, such as equity securities, fixed income securities and money market securities. The portfolio of the Fund is more heavily allocated to bonds and cash investments, and reflects a conservative approach.

In determining the asset allocation of the Fund, the Adviser will rely on the experience of its investment personnel and its evaluation of the overall financial markets, including, but not limited to, information about the economy, interest rates, and the long-term absolute and relative returns of various asset classes. Consideration will also be given to the investment styles of the managers of the underlying funds and their historic patterns of performance relative to their asset class and to other underlying funds. Periodic changes in allocations among the underlying funds will be based on information about the financial markets, changes within particular underlying funds, or the introduction of new Penn Series Funds that would, in the Adviser's opinion, enhance the return potential of the Fund. These changes will be implemented as necessary, recognizing that these decisions tend to be long-term in nature, based on information about the financial markets and on the Fund's investment objective.

The following chart shows the Fund's target asset allocation among the various asset classes. The Adviser may permit modest deviations from the target asset allocations listed below. Accordingly, the Fund's actual allocations may differ from this illustration.

Asset Class	Target Asset Allocation
Equity Funds	20% - 40%
Fixed Income and Money Market Funds	60% - 80%

The Adviser reserves the right to modify the Fund's target asset allocations and to substitute other underlying funds and add additional underlying funds from time to time should circumstances warrant a change. The Adviser may periodically rebalance the Fund's investments in the underlying funds to bring the Fund back within its target range.

Principal Risks

Asset Allocation Risk. The possibility that the Fund may underperform other funds with similar investment objectives due to the Fund's allocation of assets to underlying funds investing in asset classes or market sectors that perform poorly relative to other asset categories.

Market Risk. The possibility that the values of, and/or the income generated by, securities held by the Fund may decline, sometimes unpredictably, due to general market conditions or other factors, including those directly involving the issuers of such securities. Security markets are volatile and may decline significantly in response to adverse issuer, regulatory, political, or economic developments. Different sectors of the market and different security types may react differently to such developments.

Underlying Fund Investment Risk. The possibility that the underperformance of an underlying fund may contribute to the underperformance of the Fund. The Fund's performance and risks will be directly related to the performance and risks of the underlying funds in which it invests. In addition, the Fund indirectly pays a pro rata portion of the expenses incurred by the underlying funds, which also may lower the Fund's performance.

Corporate Debt Securities Risk. The possibility that the issuer of a debt security held by an underlying fund is unable to meet its principal and interest payment obligations. The further possibility that corporate debt securities held by an underlying fund may experience increased price volatility due to such factors as market interest rates, market perception of the creditworthiness of the issuer and general market liquidity.

Credit Risk. The possibility that an issuer of a debt security, or the counterparty to a derivatives contract, held by an underlying fund defaults on its payment obligations.

Derivatives Risk. The possibility that an underlying fund's use of derivatives, such as futures, options and swap agreements, may lead to losses, including those magnified by leverage, particularly when derivatives are used to enhance return rather than mitigate risk. Certain derivative instruments may be difficult to sell when the Adviser or Sub-Adviser of the underlying fund believes it would be appropriate to do so, difficult to value if the instrument becomes illiquid, or the other party to a derivative contract may be unwilling or unable to fulfill its contractual obligations.

Foreign Investment Risk. The possibility that an underlying fund's investments in foreign securities may be adversely affected by political, social, and economic conditions affecting foreign issuers, greater volatility, reduced liquidity, or decreases in foreign currency values relative to the U.S. dollar.

"Growth" Investing Risk. The possibility that an underlying fund's investments in securities of companies perceived to be "growth" companies may underperform when value investing is in favor and may be more volatile than other securities because they are more sensitive to investor perceptions of the issuing company's growth of earnings potential. Also, because growth companies usually invest a high portion of earnings in their businesses, growth stocks may lack the dividends of some value stocks that can cushion stock prices in a falling market.

High Yield Bond Risk. The possibility that an underlying fund's investment in debt securities rated below investment grade (commonly known as junk bonds) may adversely affect the underlying fund's yield. Although these securities generally provide for higher yields than higher rated debt securities, the high degree of risk associated with these investments can result in substantial or total loss to the underlying fund. High yield securities are considered speculative and are subject to a greater risk of loss, greater sensitivity to interest rate changes, increased price volatility, valuation difficulties, and a potential lack of a liquid secondary or public market for the securities.

Interest Rate Risk. The possibility that the prices of an underlying fund's fixed income investments will decline due to rising interest rates.

Investment Risk. You may lose money by investing in the Money Market Fund. Although the Money Market Fund seeks to preserve the value of your investment at $1.00 per share, there is no guarantee that the Money Market Fund will be able to do so. An investment in the Money Market Fund is not insured or guaranteed by the FDIC or any other government agency. PMAM, the Fund's sponsor, and its affiliates have no legal obligation to provide financial support to the Money Market Fund, and you should not expect that the sponsor will provide financial support to the Money Market Fund at any time.

Large-Cap Securities Risk. The possibility that an underlying fund's investments in larger companies may underperform relative to those of smaller companies. Larger more established companies may be unable to respond quickly to new competitive challenges such as changes in technology and consumer tastes and may not be able to attain the high growth rate of successful smaller companies, especially during extended periods of economic expansion.

Liquidity Risk. The possibility that the market for certain of an underlying fund's investments may become illiquid under adverse or volatile market or economic conditions, making those investments difficult to sell at an advantageous price. The market price of certain investments may fall dramatically if there is no liquid trading market for the investments. It also may be difficult for an underlying fund to purchase a desired investment at an advantageous price under such circumstances.

Portfolio Turnover Risk. The possibility that an underlying fund may frequently buy and sell portfolio securities, which may increase transaction costs to the underlying fund and cause the underlying fund's performance to be less than you expect.

Prepayment and Extension Risk. The possibility that the principal on a fixed income security may be paid off earlier or later than expected causing an underlying fund to invest in fixed income securities with lower interest rates, which may adversely affect the underlying fund's performance.

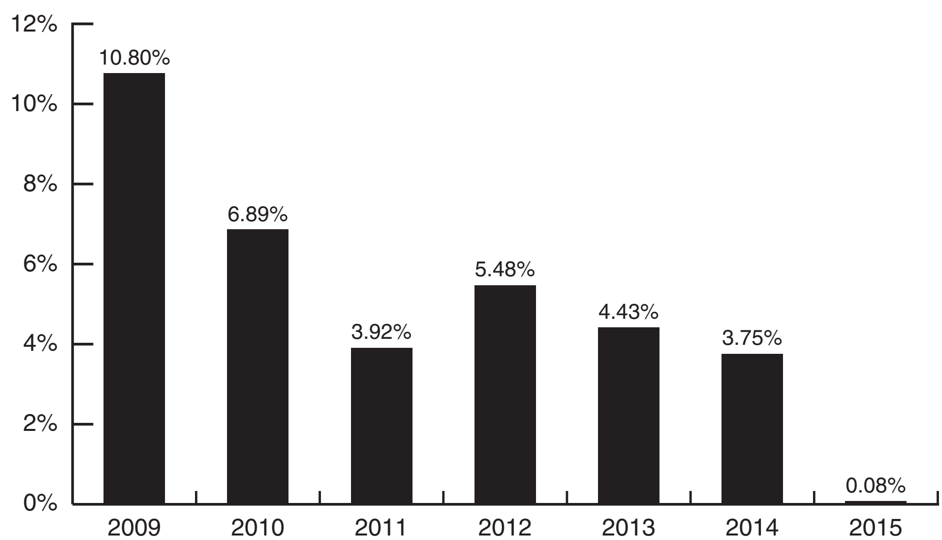
Small- and Mid-Cap Securities Risk. The possibility that an underlying fund's investments in small- and mid-cap securities may be subject to greater risk and higher volatility than are customarily associated with investing in larger more established companies. Securities issued by small- and mid-sized companies, which can include start-up companies, tend to be more vulnerable than larger and more established companies to adverse business and economic developments. Such companies generally have narrower product lines, more limited financial resources and more limited markets for their stock as compared with larger companies. As a result, the value of such securities also may be more volatile than the securities of larger companies, and an underlying fund's portfolio may experience difficulty in purchasing or selling such securities at the desired time and price or in the desired amount.

U.S. Government Securities Risk. The possibility that the U.S. government will not provide financial assistance in support of securities issued by certain of its agencies and instrumentalities and held by an underlying fund if it is not obligated to do because such securities are not issued or guaranteed by the U.S. Treasury. A default by a U.S. government agency or instrumentality could cause an underlying fund's share price or yield to fall.

"Value" Investing Risk. The possibility that an underlying fund's investments in securities perceived to be undervalued may not realize their perceived value for extended periods of time or may never realize their perceived value. The securities in which an underlying fund invests may respond differently to market and other developments than other types of securities, and may underperform growth stocks and/or the market as a whole.

Performance Information

The bar chart and table below show the performance of the Fund both year-by-year and as an average over different periods of time. The bar chart and table demonstrate the variability of performance over time and provide an indication of the risks and volatility of an investment in the Fund by showing how the Fund's average annual total returns for various periods compare with those of a broad-based securities market index and one additional index, the Russell 3000® Index. The Russell 3000® Index, in conjunction with the broad-based index, are used to track the broad range of allocations the Fund makes to the underlying funds. The foregoing indices, when considered together, may provide investors with a useful comparison of the Fund's overall performance. Past performance does not necessarily indicate how the Fund will perform in the future. This performance information does not include the impact of any charges deducted under your variable contract. If it did, returns would be lower.



Best Quarter	Worst Quarter
5.26%	-1.37%
6/30/2009	9/30/2011

Average Annual Total Return (for Periods Ended December 31, 2015)

	1 Year	5 Years	Since Inception on August 25, 2008
Conservative Allocation Fund	0.08%	3.52%	3.78%
Barclays Capital U.S. Aggregate Bond Index (reflects no deduction for fees, expenses or taxes)	0.55%	3.25%	4.41%
Russell 3000® Index (reflects no deduction for fees, expenses or taxes)	0.48%	12.18%	8.77%

Investment Adviser

Penn Mutual Asset Management, Inc.

Portfolio Managers

Keith G. Huckerby, President and Portfolio Manager of PMAM, has served as co-portfolio manager of the Fund since August 2008.

Jennifer Moroney, Portfolio Manager of PMAM, has served as co-portfolio manager of the Fund since June 2014.

Purchase and Sale of Fund Shares, Tax Information and Payments to Insurance Companies and Other Financial Intermediaries

For important information about the purchase and sale of Fund shares, tax information and payments to insurance companies and other financial intermediaries, please turn to the "Additional Fund Summary Information" section on page 124 of this prospectus.

ADDITIONAL FUND SUMMARY INFORMATION

Purchase and Sale of Fund shares

The Funds offer their shares only to The Penn Mutual Life Insurance Company (“Penn Mutual”) and its subsidiary, The Penn Insurance and Annuity Company (“PIA”), for separate accounts (“Separate Accounts”) they establish to fund variable contracts. Penn Mutual or PIA purchases or redeems shares of the Funds based on, among other things, the amount of net premium payments allocated to the investment option selected by the policy holder or contract owner (collectively, the “contract owner”). Each payment is allocated to the subaccount of the Separate Account, transferred from one subaccount to another, or, in some cases, transferred from the fixed account option to a subaccount of the Separate Account. The variable contract prospectus describes how contract owners may allocate, transfer within and withdraw amounts from their variable contracts.

Tax Information

The Funds expect all net investment income and net realized capital gains of the Funds to be distributed to the Penn Mutual and PIA Separate Accounts (or deemed distributed as a consent dividend) at least annually. Distributions will be reinvested in the distributing Fund unless Penn Mutual or PIA elects otherwise, which is not anticipated. Net investment income and net realized capital gains that the Funds distribute are not currently taxable to owners of variable contracts when left to accumulate in the variable contracts or under a qualified pension or retirement plan. For information about federal income taxation of contract owners, refer to the specific variable contract prospectus.

Payments to Insurance Companies and Other Financial Intermediaries

The Funds are not sold directly to the general public. The Funds offer their shares only through Penn Mutual and PIA Separate Accounts to fund variable contracts. The Funds and their related companies may make payments to Penn Mutual and PIA (or their affiliates) or other financial intermediaries for distribution and/or other services. These payments may create a conflict of interest by influencing Penn Mutual and PIA or other financial intermediary or your sales person to recommend a variable contract that offers the Funds over another investment. Ask your salesperson or your financial intermediary for more information. The prospectus for your variable contract may also contain additional information about these payments.

ADDITIONAL INFORMATION ABOUT THE COMPANY AND THE FUNDS

Penn Series Funds, Inc. (the "Company") is a registered investment company that offers diverse investment options available only through variable contracts of Penn Mutual and PIA. Shares of the Penn Series Funds are held by Penn Mutual and PIA in separate accounts established for the purpose of funding variable annuity contracts and variable life insurance policies. The Company offers 29 different portfolios advised by PMAM and, in the case of certain Funds, sub-advised by AllianceBernstein L.P., American Century Investment Management, Inc., Cohen & Steers Capital Management, Inc., Eaton Vance Management, Goldman Sachs Asset Management, L.P., Ivy Investment Management Company, Janus Capital Management LLC, Loomis, Sayles & Company, L.P., Massachusetts Financial Services Company, Morgan Stanley Investment Management, Inc., Neuberger Berman Investment Advisers LLC, SSGA Funds Management, Inc., T. Rowe Price Associates, Inc., Vontobel Asset Management, Inc., and Wells Capital Management Incorporated.

More Information About the Funds' Investment Objectives

Each Fund's investment objective is a non-fundamental policy of the Fund and may be changed by the Company's Board of Directors without the approval of shareholders.

There is no guarantee that a Fund will be able to achieve its investment objective, and it is possible to lose money by investing in a Fund.

More Information About the Funds' Principal Investment Strategies

Each Fund's investment policy to invest at least 80% of its net assets in a particular type of investment or security is a non-fundamental policy of the Fund that can be changed by the Fund upon 60 days' prior notice to shareholders.

The value of your investment in a Fund changes with the values of that Fund's investments. Many factors can affect those values. The factors that are most likely to have a material effect on a particular Fund's portfolio as a whole are summarized in each Fund's "Fund Summary" section and are described in more detail in this section.

The following sections provide additional information regarding certain of the Funds' principal investment strategies.

Temporary Investing. Each Fund, except for the Index 500 Fund, Small Cap Index Fund and Developed International Index Fund, may invest without limit in money market instruments and other short-term fixed income securities in an effort to protect the value of the Fund when a Fund's Adviser or Sub-Adviser believes that changes in economic, financial or political conditions warrant. When a Fund engages in temporary defensive investing, it may not achieve its investment objective. A Fund may be invested in this manner for extended periods, depending on the Adviser's or Sub-Adviser's assessment of market conditions, which could result in lower returns and loss of market opportunity.

High Yield Bond Fund. The Fund may, from time to time, purchase bonds that are in default, rated Ca by Moody's or D by S&P, if, in the opinion of the Sub-Adviser, there is potential for capital appreciation. Such bonds are regarded, on balance, as predominantly speculative with respect to the issuer's capacity to pay interest and repay principal in accordance with the terms of the obligation. In addition, the Fund may invest its portfolio in medium quality investment grade securities (rated Baa by Moody's or BBB by S&P) which provide greater liquidity than lower quality securities. Investments in the Fund's portfolio also may include: corporate debt securities; U.S. Government obligations; U.S. Government agency securities; bank obligations; savings and loan obligations; commercial paper; securities of certain supranational organizations; repurchase agreements involving these securities; private placements (restricted securities); foreign securities; convertible securities; preferred stocks; loan participation and assignments; trade claims; deferrable subordinate securities; zero coupon and pay-in-kind bonds; foreign currency exchange contracts; and credit default swaps. With the exception of the Fund's investment in preferred and common stock, forward currency exchange contracts and credit default swaps, there is no limit on the Fund's investment in these securities. The Fund may invest up to 20% of its total assets in equity securities (including up to 10% of net assets in warrants to purchase common stocks) that are considered by the Sub-Adviser to be consistent with the Fund's current income and capital appreciation investment objectives. The Fund will invest in forward currency exchange contracts and credit default swaps in a manner and to the extent permitted by the 1940 Act and related SEC guidance. The Fund also may invest up to 10% of its total assets in hybrid instruments.

Because investment in lower and medium quality fixed income securities involves greater investment risk, including the possibility of default or bankruptcy, achievement of the Fund's investment objectives will be more dependent on the Sub-Adviser's credit analysis than would be the case if the Fund were investing in higher quality fixed income securities. Although the ratings of Moody's or S&P are used as preliminary indicators of investment quality, a credit rating assigned by such a commercial rating service will not measure the market risk of lower quality bonds and may not be a timely reflection of the condition and economic viability of an individual issuer.

The Sub-Adviser places primary significance on its own in-depth credit analysis and security research. The Fund's Sub-Adviser maintains a proprietary credit rating system based upon comparative credit analyses of issuers within the same industry and individual credit analysis of each company. These analyses take into consideration such factors as a corporation's present and potential liquidity, profitability, internal capability to generate funds, and adequacy of capital. Although some issuers do not seek to have their securities rated by Moody's or S&P, such unrated securities will also be purchased by the Fund only after being subjected to analysis by the Sub-Adviser. Unrated securities are not necessarily of lower quality than rated securities, but the market for rated securities is usually broader.

Maturity. The maturity of debt securities may be considered long- (10 plus years), intermediate-(1 to 10 years), or short-term (12 months or less). The proportion invested by the Fund in each category can be expected to vary depending upon the evaluation of market patterns and trends by the Sub-Adviser. Normally, the Fund's dollar weighted average maturity is expected to be in the 5 to 10 year range.

Yield and Price. Lower to medium quality, long-term fixed income securities typically yield more than higher quality, long-term fixed income securities. Thus, the Fund's yield normally can be expected to be higher than that of a fund investing in higher quality debt securities. The yields and prices of lower quality fixed income securities may tend to fluctuate more than those for higher rated securities. In the lower quality segments of the fixed income markets, changes in perception of issuers' creditworthiness tend to occur more frequently and in a more pronounced manner than do changes in higher quality securities, which may result in greater price and yield volatility. For a given period of time, the Fund may have a high yield but a negative total return.

During 2015, the dollar weighted average ratings (computed monthly) of the debt obligations held by the High Yield Bond Fund (excluding equities and reserves), expressed as a percentage of the Fund's total net investments, were as follows:

Standard and Poor's Ratings	Percentage of Total Net Investments*
BB+	11.20%
BB	9.48%
BB-	13.89%
B+	13.71%
B	18.72%
B-	13.94%
CCC+	13.16%
Short Term	1.43%
Equity	1.45%
Not Rated	3.02%

* Unaudited.

Flexibly Managed Fund. In addition to investing in common stocks, the Fund may invest in the securities listed below.

- Equity-related securities, such as convertible securities (*e.g.*, bonds or preferred stock convertible into or exchangeable for common stock), preferred stock, warrants, futures, and options.

- Corporate debt securities within the four highest credit categories assigned by nationally recognized statistical rating organizations, which include both high and medium-quality investment grade bonds. The Fund may invest up to 25% of its total assets in noninvestment-grade corporate bonds (also known as "junk bonds") and other debt instruments that are rated noninvestment-grade. If a security is split rated (*i.e.*, rated investment-grade by at least one rating agency and noninvestment-grade by another rating agency), the higher rating will be used for purposes of this requirement. In addition, the Fund may invest up to 10% of its total assets in mortgage- and asset-backed securities. The Fund's investment in all corporate debt securities will be limited to 35% of net assets. The Fund's convertible bond holdings will not be subject to these debt limits, but rather, will be treated as equity-related securities. There is no limit on the Fund's investments in convertible securities. Medium-quality investment grade bonds are regarded as having an adequate capacity to pay principal and interest although adverse economic conditions or changing circumstances are more likely to lead to a weakening of such capacity than that for higher grade bonds.

- Short-term reserves (*i.e.*, money market instruments), which may be used to reduce downside volatility during uncertain or declining equity market conditions. The Fund's reserves will be invested in shares of an internally managed fund of the Sub-Adviser or the following high-grade money market instruments: U.S. Government obligations, certificates of deposit, bankers' acceptances, commercial paper, short-term corporate debt securities and repurchase agreements.

If the Fund's position in money market securities maturing in one year or less equals 35% or more of the Fund's total assets, the Fund will normally have 25% or more of its assets concentrated in securities of the banking industry. Investments in the banking industry may be affected by general economic conditions as well as exposure to credit losses arising from possible financial difficulties of borrowers. In addition, the profitability of the banking industry is largely dependent upon the availability and cost of funds for the purpose of financing lending operations under prevailing money market conditions. The Sub-Adviser believes that any risk to the Fund which might result from concentrating in the banking industry will be minimized by diversification of the Fund's investments, the short maturity of money market instruments, and the Sub-Adviser's credit research.

International Equity Fund. The Fund may not always purchase securities in the principal market in which such securities are traded. For example, ADRs and European Depositary Receipts ("EDRs") may be purchased if trading conditions make them more attractive than the underlying security. For purposes of determining the country of origin, ADRs and EDRs will not be deemed to be domestic securities.

The Fund may also acquire fixed income investments where these fixed income securities are convertible into equity securities (and which may therefore reflect appreciation in the underlying equity security), and where anticipated interest rate movements, or factors affecting the degree of risk inherent in a fixed income security, are expected to change significantly so as to produce appreciation in the security consistent with the objective of the Fund. Fixed income securities in which the Fund may invest will be rated at the time of purchase Baa or higher by Moody's Investor Service, Inc., or BBB or higher by Standard and Poor's Ratings Group or, if they are foreign securities which are not subject to standard credit ratings, the fixed income securities will be "investment grade" issues (in the judgment of the Sub-Adviser) based on available information.

Real Estate Securities Fund. The Sub-Adviser adheres to a bottom-up, relative value investment process when selecting publicly traded real estate securities. To guide the portfolio construction process, the Advisor utilizes a proprietary valuation model that quantifies relative valuation of real estate securities based on price-to-net asset value (NAV), cash flow multiple/growth ratios and a Dividend Discount Model (DDM). Analysts incorporate both quantitative and qualitative analysis in their NAV, cash flow, growth and DDM estimates. The company research process includes an evaluation of management, strategy, property quality, financial strength and corporate structure. Judgments with respect to risk control, diversification, liquidity and other factors are considered along with the models' output and drive the portfolio managers' investment decisions.

Penn Series LifeStyle Funds. The Penn Series LifeStyle Funds consist of the following five funds: Aggressive Allocation Fund, Moderately Aggressive Allocation Fund, Moderate Allocation Fund, Moderately Conservative Allocation Fund and Conservative Allocation Fund (each, a "LifeStyle Fund" and collectively, the "LifeStyle Funds").

The LifeStyle Funds seek to achieve their respective investment objectives by using a "fund-of-funds" strategy. Accordingly, the LifeStyle Funds invest in a combination of other Penn Series Funds (each, an "underlying fund" and collectively, the "underlying funds") in accordance with their target asset allocations. These underlying funds invest their assets directly in equity, fixed income, money market and other securities in accordance with their own investment objectives and policies. The underlying funds are managed using both indexed and active management strategies. The LifeStyle Funds intend to invest primarily in a combination of underlying funds; however, the LifeStyle Funds may invest directly in equity and fixed income securities and cash equivalents, including money market securities.

Each LifeStyle Fund is invested in accordance with a distinct target portfolio allocation designed to accommodate different investment goals and risk tolerances. Through its investments in the underlying funds, each LifeStyle Fund's target allocation is intended to allocate the LifeStyle Fund's assets among various asset classes, such as equity securities, fixed income securities and money market securities. The portfolios of the Aggressive Allocation Fund and Moderately Aggressive Allocation Fund are more heavily allocated to stocks, and reflect a more aggressive approach. The portfolios of the Moderately Conservative Allocation Fund and Conservative Allocation Fund are more heavily allocated to bonds and cash investments, and reflect a more conservative approach. The portfolio of the Moderate Allocation Fund is allocated among stock, bond and cash investments with a majority of its assets allocated to stocks, and is designed to offer investors an investment option that is less aggressive than the Aggressive Allocation Fund and Moderately Aggressive Allocation Fund, but more aggressive than the Moderately Conservative Allocation Fund and Conservative Allocation Fund. The Aggressive Allocation Fund is designed as the most aggressive of the LifeStyle Funds and the Conservative Allocation Fund is designed as the most conservative of the LifeStyle Funds.

In determining the asset allocation of the LifeStyle Funds, the Adviser will rely on the experience of its investment personnel and its evaluation of the overall financial markets, including, but not limited to, information about the economy, interest rates, and the long-term absolute and relative returns of various asset classes. Consideration will also be given to the investment styles of the managers of the underlying funds and their historic patterns of performance relative to their asset class and to other underlying funds.

Periodic changes in allocations among the underlying funds will be based on information about the financial markets, changes within particular underlying funds, or the introduction of new Penn Series Funds that would, in the Adviser's opinion, enhance the return potential of the LifeStyle Funds. These changes will be implemented as necessary, recognizing that these decisions tend to be long-term in nature, based on information about the financial markets and on a LifeStyle Fund's investment objective.

The following chart shows each LifeStyle Fund's target asset allocation among the various asset classes and which underlying funds may be used within each asset class as of the date of this prospectus. The Adviser may permit modest deviations from the target asset allocations listed below. Market appreciation or depreciation may cause a LifeStyle Fund to be outside of its target asset allocation range. Further, differences in the performance of the underlying funds and the size and frequency of purchase and redemption orders may also affect a LifeStyle Fund's actual allocations. Accordingly, a LifeStyle Fund's actual allocations may differ from this illustration.

Asset Classes and Underlying Funds	Target Asset Allocation				
	Aggressive Allocation Fund	Moderately Aggressive Allocation Fund	Moderate Allocation Fund	Moderately Conservative Allocation Fund	Conservative Allocation Fund
Equity Funds	85%-100%	70%-100%	50%-70%	30%-50%	20%-40%
Penn Series Flexibly Managed Fund	0%-30%	0%-30%	0%-20%	0%-20%	0%-15%
Penn Series Large Growth Stock Fund	0%-30%	0%-30%	0%-20%	0%-20%	0%-15%
Penn Series Large Cap Value Fund	0%-30%	0%-30%	0%-20%	0%-20%	0%-15%
Penn Series Large Cap Growth Fund	0%-30%	0%-30%	0%-20%	0%-20%	0%-15%
Penn Series Large Core Growth Fund	0%-30%	0%-30%	0%-20%	0%-20%	0%-15%
Penn Series Large Core Value Fund	0%-30%	0%-30%	0%-20%	0%-20%	0%-15%
Penn Series Index 500 Fund	0%-30%	0%-30%	0%-20%	0%-20%	0%-15%
Penn Series Mid Cap Growth Fund	0%-30%	0%-30%	0%-20%	0%-20%	0%-15%
Penn Series Mid Cap Value Fund	0%-30%	0%-30%	0%-20%	0%-20%	0%-15%
Penn Series Mid Core Value Fund	0%-30%	0%-30%	0%-20%	0%-20%	0%-15%
Penn Series SMID Cap Growth Fund	0%-30%	0%-30%	0%-20%	0%-20%	0%-15%
Penn Series SMID Cap Value Fund	0%-30%	0%-30%	0%-20%	0%-20%	0%-15%
Penn Series Small Cap Growth Fund	0%-30%	0%-30%	0%-20%	0%-20%	0%-15%
Penn Series Small Cap Value Fund	0%-30%	0%-30%	0%-20%	0%-20%	0%-15%
Penn Series Small Cap Index Fund	0%-30%	0%-30%	0%-20%	0%-20%	0%-15%
Penn Series International Equity Fund	0%-30%	0%-30%	0%-20%	0%-20%	0%-15%
Penn Series Developed International Index Fund	0%-30%	0%-30%	0%-20%	0%-20%	0%-15%
Penn Series Emerging Markets Equity Fund	0%-30%	0%-30%	0%-20%	0%-20%	0%-15%
Penn Series Real Estate Securities Fund	0%-30%	0%-30%	0%-20%	0%-20%	0%-15%
Fixed Income and Money Market Funds	0%-15%	0%-30%	30%-50%	50%-70%	60%-80%
Penn Series Quality Bond Fund	0%-15%	0%-30%	0%-50%	0%-70%	0%-80%
Penn Series Limited Maturity Bond Fund	0%-15%	0%-30%	0%-50%	0%-70%	0%-80%
Penn Series High Yield Bond Fund	0%-15%	0%-30%	0%-30%	0%-30%	0%-30%
Penn Series Money Market Fund	0%-15%	0%-30%	0%-50%	0%-70%	0%-80%

The Adviser reserves the right to modify a LifeStyle Fund's target asset allocations and to substitute other underlying funds and add additional underlying funds from time to time should circumstances warrant a change. The Adviser may periodically rebalance each LifeStyle Fund's investments in the underlying funds to bring the LifeStyle Fund back within its target range.

Each LifeStyle Fund's investment performance is directly related to the investment performance of the underlying funds. Because the underlying funds invest their assets directly in equity, fixed income, money market and other securities in accordance with their own investment objectives and policies, each investor should review the investment strategy of each underlying fund prior to investing in the LifeStyle Funds. A description of the investment strategy of each underlying fund can be found in such underlying fund's "Fund Summary" section of this Prospectus.

An investment in the LifeStyle Funds may be appropriate for investors who are willing to accept the risks and uncertainties of investing in funds which allocate their assets among various asset classes and market segments in the hope of achieving long-term capital growth and, with respect to each LifeStyle Fund except for the Aggressive Allocation Fund, current income.

The LifeStyle Funds are subject to asset allocation risk, which is the risk that the selection of the underlying funds and the allocation of the underlying funds' assets among the various asset classes and market segments will cause the LifeStyle Funds to underperform other funds with similar investment objectives.

The LifeStyle Funds purchase shares of the underlying funds. When the LifeStyle Funds invest in an underlying fund, in addition to directly bearing the expenses associated with their own operations, they will bear a pro rata portion of the underlying fund's expenses.

Through their investments in the underlying funds, the LifeStyle Funds will be subject to the risks associated with the underlying funds' investments. A summary of the principal risks of each underlying fund can be found in such underlying fund's "Fund Summary" section of this Prospectus. Please see "Principal Investment Risks" section for a more detailed description of these risks.

Each LifeStyle Fund has a different level of risk and the amount of risk is relative to such LifeStyle Fund's target asset allocation.

Each LifeStyle Fund may invest a portion of its assets directly in equity and fixed income securities and cash equivalents, including money market securities. Each LifeStyle Fund's direct investment in these securities is subject to the same or similar risks as those described for an underlying fund's investment in the same security, and an overview of such risks is provided below.

More Information About the Funds' Principal Investment Risks

The following section provides additional information regarding the principal risks summarized under "Principal Risks" in the Fund Summaries. The risks below may not be applicable to each Fund. Please consult the Fund Summary sections to determine which risks are applicable to a particular Fund.

Asset Allocation Risk. The possibility that a Fund may underperform other funds with similar investment objectives due to the Fund's allocation of assets to underlying funds investing in asset classes or market sectors that perform poorly relative to other asset categories. The particular asset allocation of the Balanced Fund and each LifeStyle Fund can have a significant effect on performance. Each of these Funds manages its allocation with long-term performance in mind, and does not seek any particular type of performance in the short term. Because the risks and returns of different asset classes can vary widely over any given time period, each of these Fund's performance could suffer if a particular asset class does not perform as expected.

Bank Loans Risk. The possibility that, to the extent a Fund invests in bank loans, it is exposed to additional risks beyond those associated with traditional debt securities. Bank loans are fixed and floating rate loans arranged through private negotiations between a company or a non-U.S. government and one or more financial institutions (lenders). In connection with purchasing participations, the Funds generally will have no right to enforce compliance by the borrower with the terms of the loan agreement relating to the loan, nor any rights of set-off against the borrower, and the Funds may not benefit directly from any collateral supporting the loan in which it has purchased the participation. As a result, the Funds will assume the credit risk of both the borrower and the lender that is selling the participation. Other risks associated with investing in bank loans include liquidity risk, prepayment risk, extension risk, the risk of subordination to other creditors, restrictions on resale, and the lack of a regular trading market and publicly available information. In addition, liquidity risk may be more pronounced for a portfolio investing in loans because certain loans may have a more limited secondary market. These loans may be difficult to value, which may result in a loss. In addition, bank loans generally are subject to extended settlement periods in excess of seven days, which may impair the Fund's ability to sell or realize the full value of its loans in the event of a need to liquidate such loans. Purchases and sales of loans in the secondary market generally are subject to contractual restrictions that may delay the Fund's ability to make timely redemptions. When the Funds purchase assignments from lenders, the Funds will acquire direct rights against the borrower on the loan. The Funds may have difficulty disposing of bank loans because, in certain cases, the market for such instruments is not highly liquid. The lack of a highly liquid secondary market may have an adverse impact on the value of such instruments and on the Funds' ability to dispose of the bank loan in response to a specific economic event, such as deterioration in the creditworthiness of the borrower. Bank loans may not be considered securities and, therefore, the Fund may not have the protections of the federal securities laws with respect to its holdings of such loans.

Banking Industry Risk. The possibility that the Fund's investments in securities in the banking industry may be adversely affected by interest rate risk, credit risk, and financial, economic, and regulatory developments affecting the banking industry. Deteriorating economic and business conditions can disproportionately impact companies in the banking industry due to increased defaults on bank loans and declines in total deposits. Banks are subject to extensive government regulation that may affect the scope of their activities, their profitability, the prices they charge and the amount of capital they maintain. Increased government involvement in the banking industry, including measures to take ownership positions in banks, could result in a dilution in the value of the shares that shareholders hold in such institutions.

Concentration Risk. The possibility that, to the extent a Fund invests to a significant extent in a particular industry or group of industries within a particular sector, the Fund may be subject to greater risks than if its investments were broadly diversified across industries and sectors. Such Fund also is subject to loss due to adverse occurrences that may affect that industry or group of industries. As a result, the economic, political and regulatory developments in such industry or group of industries will have a greater impact on the Fund's net asset value and will cause its shares to fluctuate more than if the Fund did not concentrate its investments.

Convertible Securities Risk. The possibility that the value of a Fund's investments in convertible securities may be adversely affected by changes in interest rates, the credit of the issuer and the value of the underlying common stock. Convertible securities are bonds, debentures, notes, preferred stock or other securities that may be converted into or exercised for a prescribed amount of common stock at a specified time and price. Convertible securities provide an opportunity for equity participation, with the potential for a higher dividend or interest yield and lower price volatility compared to common stock. Convertible securities typically pay a lower interest rate than nonconvertible bonds of the same quality and maturity because of the conversion feature. The market values of convertible securities tend to decline as interest rates increase and, conversely, to increase as interest rates decline. In addition, as the market price of the underlying common stock declines below the conversion price, the price of the convertible security tends to be increasingly influenced by the yield of the convertible security. Convertible securities may also be rated below investment grade ("junk bond") or are not rated, and are subject to credit risk and prepayment risk.

Corporate Debt Securities Risk. The possibility that the issuer of a debt security held by a Fund is unable to meet its principal and interest payment obligations. The further possibility that corporate debt securities held by a Fund may experience increased price volatility due to such factors as market interest rates, market perception of the creditworthiness of the issuer and general market liquidity. When interest rates rise, the value of corporate debt securities can be expected to decline. Debt securities with longer maturities tend to be more sensitive to interest rate movements than those with shorter maturities.

Counterparty Risk. The possibility that a party to a transaction involving a Fund may fail to meet its obligations thereby causing the Fund to lose money or the benefit of the transaction or preventing the Fund from selling or buying other securities to implement its investment strategies. For example, the use of repurchase agreements involves counterparty risk. A repurchase agreement is an agreement under which a Fund acquires a fixed income security from a commercial bank, broker, or dealer, and simultaneously agrees to resell such security to the seller at an agreed-upon price and date (normally, the next business day). The resale price reflects an agreed-upon interest rate effective for the period the instrument is held by a Fund and is unrelated to the interest rate on the underlying instrument. If the seller is unable to pay the agreed-upon repurchase price on the repurchase date or defaults in some other manner, a Fund may incur costs in disposing of the collateral, which would reduce the amount realized thereon. If the seller seeks relief under the bankruptcy laws, the disposition of the collateral may be delayed or limited. Finally, it is possible that the Fund may not be able to substantiate its interest in the underlying security and may be deemed an unsecured creditor of the other party to the agreement. Investments in repurchase agreements also may be subject to the risk that the market value of the underlying obligations may decline prior to the expiration of the repurchase agreement term.

Credit Risk. The possibility that an issuer of a debt security, or the counterparty to a derivatives contract, held by an underlying fund defaults on its payment obligations. A Fund could lose money if an issuer of a debt security, or the counterparty to a derivatives contract, held by the Fund defaults on its payment obligations. Discontinuation of these payments could substantially adversely affect the market value of the security. Securities are subject to varying degrees of credit risk, which are often reflected in their credit ratings. High yield or junk bonds are considered speculative with respect to their issuers' ability to make timely payments or otherwise honor their obligations.

Currency Risk. The possibility that the value of a Fund's assets may be affected favorably or unfavorably by currency exchange rates, currency exchange control regulations, and restrictions or prohibitions on the repatriation of foreign currencies. Currencies in non-U.S. countries may fluctuate significantly over short periods of time for a number of reasons, including changes in interest rates, intervention by U.S. or foreign governments, central banks or supranational agencies, such as the International Monetary Fund, or by the imposition of currency controls or other political developments in the United State or abroad. A Sub-Adviser may, but is not required to, invest in certain instruments, such as forward currency exchange contracts, and may use certain techniques, such as hedging, to manage these risks. However, the Sub-Adviser cannot guarantee that it will succeed in doing so. A Fund could be exposed to risk if the counterparties are unable to meet the terms of the hedging contracts. In addition, a hedging strategy relies upon the ability of the Sub-Adviser to accurately predict movements in currency exchange rates. In certain markets, it may not be possible to hedge currency risk.

Depositary Receipt Risk. The possibility that a Fund's investments in foreign companies through depositary receipts will expose a Fund to the same risks as direct investment in securities of foreign issuers. In addition, investments in American Depositary Receipts ("ADRs") and Global Depositary Receipts ("GDRs") may be less liquid than the underlying shares in their primary trading market, and the value of securities underlying ADRs and GDRs may change materially at times when U.S. markets are not open for trading. ADRs are dollar-denominated depositary receipts typically issued by a U.S. financial institution which evidence an ownership interest in a security or pool of securities issued by a foreign issuer. ADRs are listed and traded in the United States. GDRs are similar to ADRs, but are shares of foreign-based corporations generally issued by international banks in one or more markets around the world. Depositary receipts may be sponsored or unsponsored. Holders of unsponsored depositary receipts generally bear all the costs associated with establishing unsponsored depositary receipts. In addition, the issuers of the securities underlying unsponsored depositary receipts are not obligated to disclose material information in the United States and, therefore, there may be less information available regarding such issuers and there may not be a correlation between such information and the market value of the depositary receipts.

Derivatives Risk. The possibility that a Fund's use of derivatives, such as futures, options and swap agreements, may lead to losses, including those magnified by leverage, particularly when derivatives are used to enhance return rather than mitigate risk. The use of leverage can amplify the effects of market volatility on a Fund's share price and make a Fund's returns more volatile. This is because leverage tends to exaggerate the effect of any increase or decrease in the value of a Fund's portfolio securities. The use of leverage may also cause a Fund to liquidate portfolio positions when it would not be advantageous to do so in order to satisfy its obligations. Certain derivative instruments may be difficult to sell when the Adviser or Sub-Adviser believes it would be appropriate to do so, difficult to value if the instrument becomes illiquid, or the other party to a derivative contract may be unwilling or unable to fulfill its contractual obligations. The principal risks of the principal types of derivatives used by the Funds are described below:

Credit Default Swap Risk. The possibility that a Fund's investments in credit default swaps may subject the Fund to greater risks than if the Fund were to invest directly in the reference obligation. Swaps are agreements whereby two parties agree to exchange payment streams calculated in relation to a rate, index, instrument or certain securities and a predetermined amount. A credit default swap enables a Fund to buy or sell protection against a designated event of default, restructuring or other credit related event of an issuer or a basket of securities. Investing in credit default swaps exposes a Fund to the credit risk of both the counterparty to the credit default swap and the issuer of the underlying reference obligation. Such Fund could realize a loss on its investment if it does not correctly evaluate the creditworthiness of the issuer of the bond or other reference obligation on which the credit default swap is based, as well as the continued creditworthiness of the counterparty. Investments in credit default swaps are also subject to liquidity risk.

The buyer of a credit default swap is generally obligated to pay the seller a periodic stream of payments over the term of the contract in return for a contingent payment upon the occurrence of a credit event with respect to an underlying reference obligation. If a Fund is a seller of protection, and a credit event occurs, as defined under the terms of that particular swap agreement, a Fund will generally either (i) pay to the buyer an amount equal to the notional amount of the swap and take delivery of the referenced obligation, other deliverable obligations, or underlying securities comprising a referenced index or (ii) pay a net settlement amount in the form of cash or securities equal to the notional amount of the swap less the recovery value of the referenced obligation or underlying securities comprising a referenced index. If a Fund is a buyer of protection and a credit event occurs, as defined under the terms of that particular swap agreement, a Fund will either (i) receive from the seller of protection an amount equal to the notional amount of the swap and deliver the referenced obligation, other deliverable obligations or underlying securities comprising the referenced index or (ii) receive a net settlement amount in the form of cash or securities equal to the notional amount of the swap less the recovery value of the referenced obligation or underlying securities comprising the referenced index. Recovery values are assumed by market makers considering either industry standard recovery rates or entity specific factors and considerations until a credit event occurs. If a credit event has occurred, the recovery value is determined by a facilitated auction whereby a minimum number of allowable broker bids, together with a specified valuation method, are used to calculate the settlement value.

Credit default swaps involve special risks in addition to those mentioned above because they are difficult to value, are highly susceptible to liquidity and credit risk, and generally pay a return to the party that has paid the premium only in the event of an actual default by the issuer of the underlying obligation (as opposed to a credit downgrade or other indication of financial difficulty). Like a long or short position in a physical security, credit default swaps are subject to the same factors that cause changes in the market value of the underlying asset it is attempting to replicate.

Forward Contracts Risk. A forward contract involves a negotiated obligation to purchase or sell a specific security at a future date (with or without delivery required), which may be any fixed number of days from the date of the contract agreed upon by the parties, at a price set at the time of the contract. Risks associated with forwards include: (i) there may be an imperfect correlation between the movement in prices of forward contracts and the securities underlying them; (ii) there may not be a liquid market for forwards; and (iii) forwards may be difficult to accurately value. Forwards are also subject to credit risk, liquidity risk and leverage risk, each of which is further described elsewhere in this section.

Futures Risk. Futures contracts provide for the future sale by one party and purchase by another party of a specified amount of a specific security at a specified future time and at a specified price. The risks of futures include (i) leverage risk; (ii) correlation or tracking risk and (iii) liquidity risk. Because futures require only a small initial investment in the form of a deposit or margin, they involve a high degree of leverage. Accordingly, the fluctuation of the value of futures in relation to the underlying assets upon which they are based is magnified. Thus, a Fund may experience losses that exceed losses experienced by funds that do not use futures contracts. There may be imperfect correlation, or even no correlation, between price movements of a futures contract and price movements of investments for which futures are used as a substitute, or which futures are intended to hedge. Lack of correlation (or tracking) may be due to factors unrelated to the value of the investments being hedged, such as speculative or other pressures on the markets in which these instruments are traded. Consequently, the effectiveness of futures as a security substitute or as a hedging vehicle will depend, in part, on the degree of correlation between price movements in the futures and price movements in underlying securities. While futures contracts are generally liquid instruments, under certain market conditions they may become illiquid. Futures exchanges may impose daily or intra-day price change limits and/or limit the volume of trading. Additionally, government regulation may further reduce liquidity through similar trading restrictions. As a result, a Fund may be unable to close out its futures contracts at a time which is advantageous. The successful use of futures depends upon a variety of factors, particularly the ability of the Adviser or Sub-Adviser to predict movements of the underlying securities markets, which requires different skills than predicting changes in the prices of individual securities. There can be no assurance that any particular futures strategy adopted will succeed.

Options Risk. Certain Funds may purchase and write put and call options and enter into related closing transactions. A put option on a security gives the purchaser of the option the right to sell, and the writer of the option the obligation to buy, the underlying security at any time during the option period. A call option on a security gives the purchaser of the option the right to buy, and the writer of the option the obligation to sell, the underlying security at any time during the option period. Risks associated with options transactions include: (i) there may be an imperfect correlation between the movement in prices of options and the securities underlying them; and (ii) while a Fund will receive a premium when it writes covered call options, it may not participate fully in a rise in the market value of the underlying security. Investments in options are also subject to leverage risk and liquidity risk, each of which is further described elsewhere in this section.

Emerging Markets Risk. The possibility that the stocks of companies located in emerging markets may be more volatile, and less liquid, than the stocks of companies located in the U.S. and developed foreign markets due to political, economic, or regulatory conditions within emerging market countries. In addition, emerging market countries may experience more volatile interest and currency exchange rates, higher levels of inflation and less efficient trading and settlement systems. Emerging market countries often have less uniformity in accounting and reporting requirements and unreliable securities valuation. It is sometimes difficult to obtain and enforce court judgments in such countries and there is often a greater potential for nationalization and/or expropriation of assets by the government of an emerging market country. In addition, the financial stability of issuers (including governments) in emerging market countries may be more precarious than in other countries. As a result, there will tend to be an increased risk of price volatility associated with a Fund's investments in emerging market countries, which may be magnified by currency fluctuations relative to the U.S. dollar.

Fixed Income Market Risk. The possibility that the market value of a fixed-income security may decline due to general market conditions that are not specifically related to a particular company, such as real or perceived adverse economic conditions, changes in the outlook for corporate earnings, changes in interest or currency rates or adverse investor sentiment generally. Fixed income securities markets may, in response to governmental intervention, economic or market developments (including potentially a reduction in the number of broker-dealers willing to engage in market-making activity), or other factors, experience periods of increased, and sometimes unpredictable, volatility and reduced liquidity. During those periods, a Fund may experience increased levels of shareholder redemptions, and may have to sell securities at inopportune times, and at unfavorable prices. Fixed income securities also may be difficult to value during such periods. In recent periods, governmental financial regulators, including the U.S. Federal Reserve, have taken steps to maintain historically low interest rates by purchasing bonds. Steps by those regulators to curtail or "taper" such activities could result in the effects described above, and could have a material adverse effect on prices for fixed income securities and on the management of the Fund.

Foreign Investment Risk. The possibility that a Fund's investments in foreign securities, including ADRs and GDRs, may be adversely affected by political, social, and economic conditions affecting foreign issuers, greater volatility, reduced liquidity, decreases in foreign currency values relative to the U.S. dollar, and changes in exchange control regulations (including limitations on currency movements and exchanges). In certain countries, legal remedies available to investors may be more limited than those available with respect to investments in the United States. Because of its foreign investments, a Fund may also experience more rapid or extreme changes in value than a fund that invests solely in securities of U.S. companies because the securities markets of many foreign countries are relatively small, with a limited number of companies representing a small number of industries. There also is the risk that the cost of buying, selling, and holding foreign securities, including brokerage, tax, and custody costs, may be higher than those involved in domestic transactions.

Foreign Real Estate Company Risk. The possibility that a Fund's investments in foreign real estate companies may make the Fund more susceptible to the risks associated with real estate investing and the real estate industry in general. Foreign real estate companies pool investors' funds for investment primarily in commercial real estate properties or real-estate related loans. Foreign real estate companies generally derive their income from rents on the underlying properties or interest on the underlying loans. The value of these companies are impacted by changes in the value of the underlying properties or changes in interest rates that affect the underlying loans.

Investing in foreign real estate companies makes a Fund more susceptible to risks associated with the ownership of real estate and with the real estate industry in general. In addition, foreign real estate companies depend upon specialized management skills, may not be diversified, may have less trading volume, and may be subject to more abrupt or erratic price movements than the overall securities markets. Foreign real estate companies have their own expenses, and a Fund will bear a proportionate share of those expenses.

Forward Commitment Risk. The possibility that a Fund engages in when-issued, delayed delivery or forward commitment transactions (*e.g.*, TBAs) and a counterparty fails to consummate the sale, resulting in a missed opportunity by the Fund to obtain an advantageous price or yield. A forward commitment transaction involves a contract to purchase or sell securities for a fixed price at a future date beyond the customary settlement period. Typically, no interest accrues to the purchaser until the security is delivered. When a Fund purchases a security in a forward commitment transaction, payment for the security is not required until the delivery date. However, the Fund assumes the rights and risks of ownership, including the risks of price and yield fluctuations and the risk that the security will not be issued as anticipated. When a Fund has sold a security in a forward commitment transaction, the Fund does not participate in further gains or losses with respect to the security. Such transactions may also have the effect of leverage on a Fund and may cause a Fund to be more volatile. Additionally, these transactions may create a higher portfolio turnover rate.

"Growth" Investing Risk. The possibility that a Fund's investments in securities of companies perceived to be "growth" companies may underperform when value investing is in favor and may be more volatile than other securities because they are more sensitive to investor perceptions of the issuing company's growth of earnings potential. Also, because growth companies usually invest a high portion of earnings in their businesses, growth stocks may lack the dividends of some value stocks that can cushion stock prices in a falling market. The prices of growth stocks are based largely on projections of the issuer's future earnings and revenues. If a company's earnings or revenues fall short of expectations, its stock price may fall dramatically. Growth stocks may be more expensive relative to their earnings or assets compared to value or other stocks.

High Yield Bond Risk. The possibility that a Fund's investment in debt securities rated below investment grade (commonly known as junk bonds) may adversely affect the Fund's yield. Although these securities generally provide for higher yields than higher rated debt securities, the high degree of risk associated with these investments can result in substantial or total loss to the Fund. Investing in high yield or junk bonds involves risks, including credit risk. The value of high yield, lower quality bonds is affected by the creditworthiness of the companies that issue the securities, general economic and specific industry conditions. High yield securities are considered speculative and are subject to a greater risk of loss, greater sensitivity to interest rate changes, increased price volatility, valuation difficulties, and a potential lack of a liquid secondary or public market for the securities. Companies issuing high yield bonds are not as strong financially as those with higher credit ratings, so the bonds are usually considered speculative investments. These companies are more vulnerable to financial setbacks and recession than more creditworthy companies which may impair their ability to make interest and principal payments. Therefore, the credit risk of a Fund investing in high yield or junk bonds increases when the U.S. economy slows or enters a recession. The share price of a Fund investing in high yield or junk bonds is expected to be more volatile than the share price of a fund investing in higher quality securities, which react primarily to the general level of interest rates. In addition, the trading market for lower quality bonds may be less active and less liquid, that is, the Adviser or Sub-Adviser may not be able to sell bonds at desired prices and large purchases or sales of certain high yield bond issues can cause substantial price swings. As a result, the price at which lower quality bonds can be sold may be adversely affected and valuing such lower quality bonds can be a difficult task. Because better-quality junk bonds follow the higher grade bond market to some extent, if a Fund focuses on BB-rated bonds by S&P and Ba-rated bonds by Moody's (*i.e.*, better-quality junk bonds), the Fund may be more vulnerable to interest rate risk as compared to credit risk. However, if a Fund's focus is on bonds rated B and lower by Moody's and S&P (*i.e.,* lower-quality junk bonds), the Fund may be more vulnerable to credit risk as compared to interest rate risk.

Income Risk. The possibility that the Fund's yield (the rate of dividends the Fund pays) may decline in the event of declining interest rates or when the Fund experiences defaults on debt securities it holds. The Fund's income declines when interest rates fall because, as the Fund's higher-yielding debt securities mature or are prepaid, the Fund must re-invest the proceeds in debt securities that have lower, prevailing interest rates. The amount and rate of distributions that the Fund's shareholders receive are affected by the income that the Fund receives from its portfolio holdings. If the income is reduced, distributions by the Fund to shareholders may be less.

Inflation Linked Bond Risk. The possibility that the value of a Fund's investments in inflation linked bonds will decline in value in response to a rise in real interest rates. Inflation linked bonds are income-generating instruments whose interest and principal payments are adjusted for inflation, which is a sustained increase in prices that erodes the purchasing power of money. Real interest rates are interest rates that factor in the rate of inflation. A rise in real interest rates may cause the prices of inflation linked bonds to fall, while a decline in real interest rates may cause the prices to increase. There can be no assurance that the value of an inflation linked bond will be directly correlated to changes in interest rates; for example, if interest rates rise for reasons other than inflation, the increase may not be reflected in the bond's inflation measure. Inflation linked bonds may experience greater losses than other debt securities with similar durations when real interest rates rise faster than nominal interest rates. Investing in inflation linked bonds may also reduce a Fund's distributable income during periods of extreme deflation. If prices for goods and services decline throughout the economy, the principal and income on inflation linked bonds may decline and result in losses to the Fund.

Interest Rate Risk. The prices of a Fund's fixed income investments will vary inversely with changes in interest rates. A decrease in interest rates will generally result in an increase in price of the Fund's fixed income investments. Conversely, during periods of rising interest rates, the price of the Fund's fixed income investments will generally decline. Longer term fixed income securities tend to experience larger changes in price than shorter term securities because they are more sensitive to interest rate changes. A portfolio with a lower average duration generally will experience less price volatility in response to changes in interest rates as compared to a portfolio with a higher duration.

Investment Risk. You could lose money by investing in the Money Market Fund. An investment in the Money Market Fund is not a bank deposit and is not insured or guaranteed by the FDIC or any other government agency. Although the Fund seeks to preserve the value of your investment at $1.00 per share, there is no guarantee that the Money Market Fund will be able to do so and the Fund may experience losses with respect to its investments. Furthermore, there can be no assurance that PMAM, the Fund's sponsor, or its affiliates will make capital infusions into the Money Market Fund, purchase distressed Fund assets, enter into support agreements with the Fund or take other actions intended to maintain the Fund's $1.00 share price.

Investment Style Risk. The possibility that a Fund could underperform if the Fund's investment style shifts out of favor based on changing market sentiment and conditions. If a Fund has large holdings in a relatively small number of companies, disappointing performance by those companies will have a more adverse impact on the Fund than would be the case with a more diversified fund.

IPOs Risk. The possibility that a Fund's performance may be affected by the purchase of securities issued in initial public offerings (IPOs) that have little to no trading history, limited issuer information, increased volatility and may not be available to the extent desired. The prices of securities bought in IPOs may rise and fall rapidly, often because of investor perceptions rather than economic reasons. At any particular time or from time to time a Fund may not be able to invest in securities issued in IPOs, or invest to the extent desired, because, for example, only a small portion (if any) of the securities being offered in an IPO may be made available to the Fund. In addition, under certain market conditions a relatively small number of companies may issue securities in IPOs. Similarly, as the number of funds to which IPO securities are allocated increases, the number of securities issued to a Fund may decrease. The investment performance of a Fund during periods when it is unable to invest significantly or at all in IPOs may be lower than during periods when the Fund is able to do so. In addition, as a Fund increases in size, the impact of IPOs on the Fund's performance will generally decrease.

Large-Cap Securities Risk. The possibility that a Fund's investments in larger companies may underperform relative to those of smaller companies. Larger more established companies may be unable to respond quickly to new competitive challenges such as changes in technology and consumer tastes and may not be able to attain the high growth rate of successful smaller companies, especially during extended periods of economic expansion.

Liquidity Risk. The possibility that the market for certain Fund investments may become illiquid under adverse or volatile market or economic conditions, making those investments difficult to sell at an advantageous price. The market price of certain investments may fall dramatically if there is no liquid trading market for the investments. It also may be difficult for the Fund to purchase a desired investment at an advantageous price under such circumstances. Illiquid investments may be more difficult to value. A Fund's investments in illiquid securities may reduce the returns of the Fund because, to meet redemption requests, the Fund may be forced to sell securities at an unfavorable time and/or under unfavorable conditions. Further, transactions in illiquid securities may entail transaction costs that are higher than those for transactions in liquid securities.

Management Risk. The possibility that the investment decisions, techniques, analyses or models implemented by the Adviser or Sub-Adviser of an actively managed Fund in seeking to achieve the Fund's investment objective may not produce the returns expected, may cause the Fund's shares to lose value or may cause the Fund to underperform relevant benchmarks or other funds with similar investment objectives. An actively managed Fund is subject to the risk that the Adviser or Sub-Adviser's judgments about the attractiveness, value, or potential appreciation of the Fund's investments may prove to be incorrect.

Market Risk. The possibility that the values of, and/or the income generated by, securities held by a Fund may decline, sometimes unpredictably, due to general market conditions or other factors, including those directly involving the issuers of such securities. Security markets are volatile and may decline significantly in response to adverse issuer, regulatory, political, or economic developments. Different sectors of the market and different security types may react differently to such developments. Individual companies may report poor results or be negatively affected by industry and/or economic trends and developments. The prices of securities issued by such companies may suffer a decline in response. In addition, the equity market tends to move in cycles which may cause stock prices to fall over short or extended periods of time. U.S. and foreign stock markets have experienced periods of substantial price volatility in the past and may do so again in the future. Common stock in which the Funds invest represents an equity or ownership interest in an issuer. In the event an issuer is liquidated or declares bankruptcy, the claims of owners of bonds and preferred stock take precedence over the claims of those who own common stock. As with any investment whose performance is tied to these markets, the value of a Fund's investments will fluctuate, which means that the Fund could lose money on its investments.

Micro-Cap Securities Risk. The possibility that the return on a Fund's investments in micro-cap companies may be less than the return on investments in stocks of larger companies or the stock market as a whole. Stock prices of micro-cap companies may be based in substantial part on future expectations rather than current achievements and may move sharply, especially during market upturns and downturns. Micro-cap companies are followed by relatively few securities analysts, and there tends to be less publicly available information about these companies. Micro-cap companies are more likely to be newly formed or in the early stages of development, depend on a few key employees, and have relatively limited product lines, markets or financial resources compared to larger capitalization companies.

Mid-Cap Securities Risk. The possibility that the return on a Fund's investments in mid-cap companies may be less than the return on investments in stocks of larger or smaller companies or the stock market as a whole. Mid-cap companies may be more vulnerable to market volatility and adverse business or economic events than larger, more established companies. The securities of mid-cap companies are more likely to trade in lower volumes and are generally subject to greater and less predictable price changes than the securities of larger capitalization companies.

Mortgage- and Asset-Backed Securities Risk. The possibility that a Fund's investments in mortgage- and asset-backed securities may decline in value and become less liquid when defaults on the underlying mortgages or assets occur and may exhibit additional volatility in periods of rising interest rates. Rising interest rates tend to extend the duration of these securities, making them more sensitive to changes in interest rates than instruments with fixed payment schedules. When interest rates decline or are low, the prepayment of mortgages or assets underlying such securities may reduce a Fund's returns.

Asset-Backed Securities Risk. Asset-backed securities are securities backed by non-mortgage assets such as company receivables, truck and auto loans, leases and credit card receivables. Asset-backed securities are generally issued as pass-through certificates, which represent undivided fractional ownership interests in the underlying pools of assets. Therefore, repayment depends largely on the cash flows generated by the assets backing the securities. Asset-backed securities entail prepayment risk, which may vary depending on the type of asset, but is generally less than the prepayment risk associated with mortgage-backed securities. Asset-backed securities present credit risks that are not presented by mortgage-backed securities. This is because asset-backed securities generally do not have the benefit of a security interest in collateral that is comparable in quality to mortgage assets. If the issuer of an asset-backed security defaults on its payment obligations, there is the possibility that, in some cases, a Fund will be unable to possess and sell the underlying collateral and that the Fund's recoveries on repossessed collateral may not be available to support payments on the security. In the event of a default, a Fund may suffer a loss if it cannot sell collateral quickly and receive the amount it is owed.

Mortgage-Backed Securities Risk. Mortgage-backed securities are instruments that entitle the holder to a share of all interest and principal payments from mortgages underlying the security. The mortgages backing these securities include conventional fifteen- and thirty-year fixed-rate mortgages, graduated payment mortgages, adjustable rate mortgages and floating mortgages. Mortgage-backed securities are sensitive to changes in interest rates, but may respond to these changes differently from other fixed income securities due to the possibility of prepayment of the underlying mortgage loans. As a result, it may not be possible to determine in advance the actual maturity date or average life of a mortgage-backed security. Rising interest rates tend to discourage refinancings, with the result that the average life and volatility of the security will increase, exacerbating its decrease in market price. When interest rates fall, however, mortgage-backed securities may not gain as much in market value because of the expectation of additional mortgage prepayments, which must be reinvested at lower interest rates. Prepayment risk may make it difficult to calculate the average maturity of a Fund's mortgage-backed securities and, therefore, to assess the volatility risk of the Fund. The privately issued mortgage-backed securities in which a Fund may invest are not issued or guaranteed by the U.S. Government or its agencies or instrumentalities and may bear a greater risk of nonpayment than securities that are backed by the U.S. Treasury.

Other Investment Company Risk. The possibility that investments by a Fund in shares of other investment companies, including business development companies or ETFs, will subject the Fund to the risks associated with those investment companies. Fund shareholders will also indirectly bear a proportionate share of any underlying investment company's fees and expenses in addition to paying the Fund's expenses. Therefore, it may be more costly to own an investment company than to own the underlying securities directly. In addition, lack of liquidity in an investment company can result in its value being more volatile than the underlying portfolio securities.

Passive Investment Risk. The possibility that a Fund's return may be lower than the return of an actively managed fund because the Fund holds shares of a security based on the holdings of its benchmark index, not the current or projected performance of a security, industry or sector. Therefore, unless a specific security is removed from the Fund's Index, or the selling of shares of that security is otherwise required upon a rebalancing of the Index, the Fund generally would not sell a security because the security's issuer was in financial trouble. If a specific security is removed from the Index, the Fund may be forced to sell such security at an inopportune time or price. An investment in a passively managed Fund that attempts to track the performance of an index of equity securities involves risks similar to those of investing in any equity securities traded on an exchange, such as market fluctuations caused by such factors as economic and political developments, changes in interest rates and perceived trends in security prices. It is anticipated that the value of Fund shares will decline, more or less, in correspondence with any decline in value of the Index. An Index may not contain the appropriate mix of securities for any particular point in the business cycle of the overall economy, particular economic sectors, or narrow industries within which the commercial activities of the companies comprising the portfolio securities holdings of a Fund are conducted, and the timing of movements from one type of security to another in seeking to replicate the Index could have a negative effect on the Fund's performance. Unlike with an actively managed fund, the Sub-Adviser does not use techniques or defensive strategies, under any market conditions, that are designed to lessen the effects of market volatility or to reduce the impact of periods of market decline. This means that, based on market and economic conditions, a passively managed Fund's returns could be lower than other types of mutual funds that may actively shift their portfolio assets to take advantage of market opportunities or to lessen the impact of a market decline.

Portfolio Turnover Risk. The possibility that a Fund may frequently buy and sell portfolio securities, which may increase transaction costs, including brokerage commissions and dealer mark ups, to the Fund and cause the Fund's performance to be less than you expect.

Preferred Stock Risk. The possibility that the value of a Fund's investments in preferred stock may decline if stock prices fall or interest rates rise. Preferred stocks are nonvoting equity securities that pay a stated fixed or variable rate dividend. Due to their fixed income features, preferred stocks provide higher income potential than issuers' common stocks, but typically are more sensitive to interest rate changes than an underlying common stock. Preferred stocks are also subject to equity market risk, which is the risk that stock prices will fluctuate and can decline and reduce the value of the Fund's investment. In the event of a liquidation, the rights of a company's preferred stock to the distribution of company assets are generally subordinate to the rights of a company's debt securities. Preferred stock may also be subject to prepayment risk.

Prepayment and Extension Risk. The possibility that the principal on a fixed income security may be paid off earlier or later than expected causing a Fund to invest in fixed income securities with lower interest rates, which may adversely affect the Fund's performance. In addition, rising interest rates tend to extend the duration of certain fixed income securities, making them more sensitive to changes in interest rates. As a result, in a period of rising interest rates, a Fund that holds these securities may exhibit additional volatility. This is known as extension risk. When interest rates decline, borrowers may pay off their fixed income securities sooner than expected. This can reduce the returns of a Fund because the Fund will have to reinvest that money at the lower prevailing interest rates. This is known as prepayment risk.

Real Estate Securities Risk. The possibility that a Fund's investments in real estate securities, including REITs, may make the Fund more susceptible to the risks associated with direct investments in real estate. Although the Real Estate Securities Fund may not invest directly in real estate, it has a policy of concentrating its investments in securities issued by real estate companies, including REITs. As such, the Real Estate Securities Fund is subject to the risks associated with the direct ownership of real estate, and an investment in the Fund will be closely linked to the performance of the real estate markets. A Fund that invests, but does not concentrate, in securities issued by real estate companies will be subject to the risks associated with the direct ownership of real estate to a lesser extent. These risks include, among others, declines in the value of real estate; risks related to general and local economic conditions; changes in the availability, cost and terms of mortgage funds; lack of ability to access the credit or capital markets; overbuilding and increased competition; loss of rental income due to vacancies; obsolescence of properties; defaults by borrowers or tenants, particularly during an economic downturn; increases in property taxes and operating expenses; changes in zoning laws; losses due to costs resulting from the clean-up of environmental problems; liability to third parties for damages resulting from environmental problems; casualty or condemnation losses; limitations on rents; changes in market and sub-market values and the appeal of properties to tenants; and changes in interest rates. Any geographic concentration of a Fund's real estate-related investments could result in the Fund being subject to the above risks to a greater degree.

Redemption Risk. The possibility that large redemptions may cause the Money Market Fund to sell its securities at inopportune times resulting in a loss to the Fund, particularly during periods of declining or illiquid markets. With respect to the Money Market Fund, redemptions by a few large investors in the Fund may have a significant adverse effect on the Fund's ability to maintain a stable $1.00 share price. In the event any money market fund fails to maintain a stable net asset value, other money market funds, including the Fund, could face a universal risk of increased redemption pressures, potentially jeopardizing the stability of their $1.00 share prices.

REITs Risk. The possibility that a Fund's investments in REITs will subject the Fund to the risks associated with the direct ownership of real estate, including fluctuations in the value of underlying properties, changes in interest rates and risks related to general or local economic conditions. REITs may be affected by changes in the value of the underlying properties owned by the trusts. Further, REITs are dependent upon specialized management skills and may have their investments in relatively few properties, or in a small geographic area or a single property type. REITs are also subject to heavy cash flow dependency, defaults by borrowers and self-liquidation. In addition, REITs could possibly fail to qualify for the favorable U.S. federal income tax treatment generally available to them under the Internal Revenue Code, or fail to maintain their exemptions from registration under the 1940 Act. The failure of a company to qualify as a REIT under federal tax law may have adverse consequences to a Fund. The above factors may also adversely affect a borrower's or a lessee's ability to meet its obligations to the REIT. In the event of a default by a borrower or lessee, the REIT may experience delays in enforcing its rights as a lessor and may incur substantial costs associated with protecting its investments. In addition, REITs have their own expenses, and a Fund will bear a proportionate share of those expenses.

Rule 144A Securities Risk. The possibility that the Fund's investment in Rule 144A Securities will subject the Fund to liquidity risk if there are an insufficient number of qualified institutional buyers interested in purchasing Rule 144A Securities held by the Fund leading to the Fund's inability to sell its Rule 144A Securities at a time desired by the Fund or at prices approximating the value at which the Fund is carrying the securities on its books. The Fund's Sub-Adviser intends to invest in 144A Securities determined to be liquid. However, even if determined to be liquid, the Fund's holdings of Rule 144A Securities may increase the level of Fund illiquidity if eligible buyers become uninterested in buying them at a particular time. Issuers of Rule 144A Securities are required to furnish information to potential investors upon request. However, the required disclosure is much less extensive than that required of public companies and is not publicly available since it is not filed with the SEC. Further, issuers of Rule 144A Securities can require recipients of the information (such as a Fund) to agree contractually to keep the information confidential, which could also adversely affect the Fund's ability to dispose of the security.

Sampling Risk. The possibility that an index Fund may not hold all of the securities included in its benchmark index and that the securities selected for the Fund, in the aggregate, will not provide investment performance matching that of the Fund's benchmark index. Representative sampling is a method of indexing that involves investing in a representative sample of securities in an index that collectively have a similar investment profile (risk and return factors and other key characteristics) to the index as a whole. With respect to the Index 500 Fund, Small Cap Index Fund and Developed International Index Fund, each of these Funds may not fully replicate its benchmark index and may hold securities not included in its index. As a result, these Funds are subject to the risk that the Sub-Adviser's investment strategy, the implementation of which is subject to a number of constraints, may not produce the intended results. Because each of these Funds may utilize a sampling approach, each Fund may not track the return of its index as well as it would if the Fund purchased all of the securities in its benchmark index.

Small-Cap Securities Risk. The possibility that the return on a Fund's investments in small-cap companies may trail the return on investments in stocks of larger companies or the stock market as a whole. Small-cap companies, which can include start-up companies, tend to be more vulnerable to adverse business or economic events than larger, more established companies. Stock prices of smaller companies may be based in substantial part on future expectations rather than current achievements and may move sharply, especially during market upturns and downturns. Small-cap companies generally depend on a few key employees and have relatively limited product lines, markets or financial resources compared to larger capitalization companies. In addition, the securities of smaller companies may trade less frequently and in more limited volumes than the securities of larger companies, and a Fund's portfolio may experience difficulty in purchasing or selling such securities at the desired time and price or in the desired amount. Further, smaller companies may have less publicly available information and, when available, it may be inaccurate or incomplete.

Tracking Error Risk. The possibility that a Fund's performance may deviate from that of the benchmark index it seeks to track. This risk may be heightened during times of increased market volatility or other unusual market conditions. The divergence between the performance of a Fund and its benchmark index, positive or negative, is called "tracking error." Tracking error can be caused by many factors and it may be significant. For example, a Fund may not invest in certain securities in its benchmark index, or match the securities' weighting to the benchmark, due to regulatory, operational, custodial or liquidity constraints, which may result in tracking error. A Fund may attempt to offset the effects of not being invested in certain index securities by making substitute investments, but these efforts may not be successful. In addition, cash flows into and out of a Fund, operating expenses and trading costs all affect the ability of the Fund to match the performance of its benchmark index, because the benchmark index does not have to manage cash flows and does not incur any costs. It is anticipated that the correlation of a Fund's performance to that of its index will increase as the size of the Fund grows to critical mass.

Underlying Fund Investment Risk. The possibility that the underperformance of an underlying fund may contribute to the underperformance of a Fund. A Fund's performance and risks will be directly related to the performance and risks of the underlying funds in which it invests. The Balanced Fund and each LifeStyle Fund purchase shares of underlying funds. When these Funds invest in an underlying fund, in addition to directly bearing the expenses associated with their own operations, they will bear a pro rata portion of the underlying fund's expenses. The value of your investment in these Funds is based primarily on the prices of the underlying funds that these Funds purchase. In turn, the price of each underlying fund is based on the value of its securities. Before investing in the Balanced Fund or a LifeStyle Fund, investors should assess the risks associated with the underlying funds in which these Funds may invest and the types of investments made by those underlying funds. Each Fund's exposure to a particular risk will be proportionate to such Fund's overall asset allocation and underlying fund allocation.

Unseasoned Company Risk. The possibility that a Fund's investment in relatively new or unseasoned companies that are in their early stages of development may expose the Fund to greater risks than investments in more established companies with more extensive financial histories and greater liquidity. Unseasoned companies do not have proven track records and may lack substantial capital reserves. Unseasoned companies may also be dependent on a smaller number of products or services.

U.S. Government Securities Risk. The possibility that the U.S. government will not provide financial assistance in support of securities issued by certain of its agencies and instrumentalities if it is not obligated to do so because such securities are not issued or guaranteed by the U.S. Treasury. Securities such as those issued by Fannie Mae, Freddie Mac, and the Federal Home Loan Banks are supported by limited lines of credit maintained by their issuers with the U.S. Treasury. Others, such as obligations issued by the Federal Farm Credit Banks Funding Corporation, are supported solely by the credit of the issuer. There can be no assurance that the U.S. government will provide financial support to securities of its agencies and instrumentalities if it is not obligated to do so under law. A default by a U.S. government agency or instrumentality could cause the Fund's share price or yield to fall.

"Value" Investing Risk. The possibility that a Fund's investments in securities believed by the Sub-Adviser to be undervalued may not realize their perceived value for extended periods of time or may never realize their perceived value. Value investing focuses on companies whose stocks appear undervalued in light of factors such as the company's earnings, book value, revenues or cash flow. The securities in which a Fund invests may respond differently to market and other developments than other types of securities, and may underperform growth stocks and/or the market as a whole.

Warrants Risk. The possibility that a Fund's investments in warrants are subject to greater price volatility than the warrants' underlying securities. A warrant is a security that gives the holder the right, but not the obligation, to subscribe for newly created equity issues of the issuing company or a related company at a fixed price either on a certain date or during a set period. Changes in the value of a warrant do not necessarily correspond to changes in the value of its underlying security. Warrants offer greater potential for profit or loss than an equivalent investment in the underlying security. The price of a warrant may be more volatile than the price of its underlying security, and a warrant may offer greater potential for capital appreciation as well as capital loss. Warrants do not entitle a holder to dividends or voting rights with respect to the underlying security and do not represent any rights in the assets of the issuing company. A warrant generally ceases to have value if it is not exercised prior to its expiration date.

MANAGEMENT

Investment Adviser

Penn Mutual Asset Management, Inc. (formerly, Independence Capital Management, Inc.) PMAM is a registered investment adviser and a registered commodity pool operator. PMAM serves as investment adviser to each of the Funds and has served as the investment adviser of each Fund since its inception. PMAM is a wholly-owned subsidiary of Penn Mutual, a life insurance company that has been in the insurance and investment business since the late 1800s. PMAM was organized in June 1989 and its office is located at 600 Dresher Road, Horsham, Pennsylvania 19044. As of December 31, 2015, PMAM serves as investment adviser for approximately $20 billion of investment assets.

PMAM provides day-to-day portfolio management services for the **Money Market, Limited Maturity Bond, Quality Bond, Balanced,** and **LifeStyle Funds.**

Keith G. Huckerby, President and Chief Marketing Officer of PMAM, is co-portfolio manager for the Balanced, Aggressive Allocation, Moderately Aggressive Allocation, Moderate Allocation, Moderately Conservative Allocation and Conservative Allocation Funds. Mr. Huckerby, with over 20 years in the investment management industry, has also served as Assistant Vice President of Penn Mutual Life Insurance Company where he had worked since 1994.

Mark Heppenstall, CFA, Chief Investment Officer, Portfolio Manager of PMAM, is co-manager for the Money Market, Limited Maturity Bond and Quality Bond Funds. Mr. Heppenstall, with over 27 years of investment experience, also served as Managing Director and Portfolio Manager of Penn Mutual Life Insurance Company from June 2014 to December 2014. Prior to Penn Mutual, Mr. Heppenstall worked for 16 years as Managing Director of Fixed Income at Pennsylvania Public School Employees' Retirement System.

Zhiwei Ren, Managing Director, Portfolio Manager of PMAM, is co-manager for the Money Market, Limited Maturity Bond and Quality Bond Funds. Mr. Ren, with over 10 years of investment experience, also served as Managing Director and Portfolio Manager of Penn Mutual Life Insurance Company from 2011 to 2014. Prior to Penn Mutual, Mr. Ren worked for three years as a Director of Quantitative Research at Genworth Financial and two years as an Investment Managing Consultant at Aflac.

Greg Zappin, Managing Director, Portfolio Manager of PMAM, is co-manager for the Money Market, Limited Maturity Bond and Quality Bond Funds. Mr. Zappin, with over 20 years of investment experience, also served as Managing Director and Portfolio Manager of Penn Mutual Life Insurance Company from 2012 to 2014. Prior to Penn Mutual, Mr. Zappin worked for five years as a Senior Research Analyst at Logan Circle Partners.

Jennifer Moroney, Portfolio Manager of PMAM, is co-manager for the Balanced, Aggressive Allocation, Moderately Aggressive Allocation, Moderate Allocation, Moderately Conservative Allocation and Conservative Allocation Funds since June 2014. Ms. Moroney, with over 13 years of investment experience, has also served as an Investment Product Fund Analyst for Penn Mutual Life Insurance Company where she had worked since 2007.

In addition, PMAM provides investment advisory services to the **High Yield Bond, Flexibly Managed, Large Growth Stock, Large Cap Value, Large Cap Growth, Index 500, Mid Cap Growth, Mid Cap Value, Mid Core Value, Small Cap Value, Small Cap Growth, International Equity, Real Estate Securities, Large Core Growth, Large Core Value, SMID Cap Growth, SMID Cap Value, Emerging Markets Equity, Small Cap Index** and **Developed International Index Funds** through sub-advisers that are selected to manage the Funds.

Manager of Managers Structure. Shareholders of each Fund have authorized PMAM to serve as "manager of managers" for each of the Funds. In its capacity as "manager of managers," PMAM, subject to certain conditions and approval by the Company's Board of Directors, may hire and terminate unaffiliated sub-advisers without shareholder approval for each of the Funds. Currently, each of the Funds operates pursuant to a manager of managers structure, except for the Money Market, Quality Bond, Limited Maturity Bond, Balanced, and LifeStyle Funds, which are managed directly on a day-to-day basis by PMAM. When operating pursuant to a manager of managers structure, PMAM remains responsible, subject to the oversight of the Board of Directors, for overseeing sub-advisers and for the performance of the Funds, as it recommends hiring or replacing sub-advisers to the Board of Directors. Each sub-adviser makes investment decisions for the Fund it manages.

Sub-Advisers

AllianceBernstein L.P. AllianceBernstein L.P. ("AllianceBernstein") is sub-adviser to the **SMID Cap Value Fund**. As sub-adviser, AllianceBernstein provides day-to-day portfolio management services to the Fund. AllianceBernstein is a Delaware limited partnership of which AllianceBernstein Corporation, an indirect wholly-owned subsidiary of AXA Financial, Inc. ("AXA Financial"), is a general partner. AXA Financial is a wholly-owned subsidiary of AXA. AllianceBernstein's principal place of business is located at 1345 Avenue of the Americas, New York, New York 10105. As of December 31, 2015, AllianceBernstein's assets under management totaled $467 billion.

The SMID Cap Value Fund is managed by the Small/Mid Cap Value Senior Investment Management Team, which is comprised of James MacGregor, Joseph G. Paul and Shri Singhvi. James W. MacGregor, Senior Vice President and Chief Investment Officer — Small and Mid -Cap Value Equities, has served as a portfolio manager of the Fund since August 2008. He joined AllianceBernstein in 2005. Joseph Gerard Paul, Senior Vice President and Chief Investment Officer — U.S. Value Equities, has served as a portfolio manager of the Fund since August 2008. He joined AllianceBernstein in 2002. Shri Singhvi, Senior Vice President and Director of Research — Small- and

Mid-Cap Value Equities, has served as a portfolio manager of the Fund since July 2014. He joined AllianceBernstein in 2008.

American Century Investment Management, Inc. American Century Investment Management, Inc. ("American Century") serves as sub-adviser to the **Mid Core Value Fund** and performs day-to-day investment management services for the Fund. American Century has been managing mutual funds since 1958 and is headquartered at 4500 Main Street, Kansas City, Missouri 64111. As of December 31, 2015, American Century had approximately $146.2 billion assets under management.

American Century uses a team of portfolio managers and analysts to manage the Fund. The team meets regularly to review portfolio holdings and discuss purchase and sale activity. Team members buy and sell securities for the Fund as they see fit, guided by the Fund's investment objective and strategy. Each team member is jointly and primarily responsible for the day-to-day management of the Fund.

Phillip N. Davidson, Chief Investment Officer — U.S. Value Equity, Senior Vice President and Senior Portfolio Manager, has been a member of the team that manages the Fund since 2013. He joined American Century Investments in 1993 as a portfolio manager. He has a bachelor's degree in finance and an M.B.A. from Illinois State University. He is a CFA charterholder.

Michael Liss, Vice President and Senior Portfolio Manager, has been a member of the team that manages the Fund since 2013. He joined American Century Investments in 1998 and became a portfolio manager in 2004. He has a bachelor's degree in accounting and finance from Albright College and an M.B.A. in finance from Indiana University. He is a CFA charterholder and a CPA.

Kevin Toney, Senior Vice President and Senior Portfolio Manager, has been a member of the team that manages the Fund since 2013. He joined American Century Investments in 1999 and became a portfolio manager in 2006. He has a bachelor's degree in commerce from the University of Virginia and an M.B.A. from The Wharton School at the University of Pennsylvania. He is a CFA charterholder.

Brian Woglom, Vice President and Portfolio Manager, has been a member of the team that manages the Fund since 2013. He joined American Century Investments in 2005 as an investment analyst and became a portfolio manager in 2012. He has a bachelor's degree from Amherst College and an M.B.A. from the Ross School of Business, University of Michigan. He is a CFA charterholder.

Cohen & Steers Capital Management, Inc. Cohen & Steers, a registered investment adviser, located at 280 Park Avenue, New York, New York 10017, is the sub-adviser to the **Real Estate Securities Fund**. As sub-adviser, Cohen & Steers provides day-to-day portfolio management services to the Fund. Cohen & Steers is a wholly-owned subsidiary of Cohen & Steers, Inc., a publicly traded company whose common stock is listed on the NYSE under the symbol "CNS." As of December 31, 2015, Cohen & Steers managed $52.6 billion in assets. Cohen & Steers was formed in 1986 and its current clients include pension plans of leading corporations, endowment funds and investment companies, including each of the open-end and closed-end Cohen & Steers funds.

Cohen & Steers utilizes a team-based approach in managing the Fund. Messrs. Cheigh, Bohjalian and Yablon direct and supervise the execution of the Fund's investment strategy.

Mr. Bohjalian joined Cohen & Steers in 2002 and currently serves as Executive Vice President of Cohen & Steers, and head of the U.S. real estate investment team of Cohen & Steers. Prior to May 2012, he served as Senior Vice President of Cohen & Steers. Prior to joining Cohen & Steers, Mr. Bohjalian was a vice president and REIT Analyst at AEW Capital Management. Mr. Cheigh joined Cohen & Steers in 2005 and currently serves as an Executive Vice President of Cohen & Steers, and head of the global real estate investment team of Cohen & Steers. Prior to May 2012, he served as a Senior Vice President of Cohen & Steers. Prior to joining Cohen & Steers, Mr. Cheigh was a Vice President and Senior Research Analyst for Security Capital Group. Mr. Yablon joined Cohen & Steers in 2004 and currently serves as a Senior Vice President of Cohen & Steers.

Eaton Vance Management. Eaton Vance Management ("Eaton Vance") is sub-adviser to the **Large Core Value Fund**. As sub-adviser, Eaton Vance provides day-to-day portfolio services to the Fund. Its principal place of business is located at Two International Place, Boston, MA 02110. Eaton Vance is a wholly-owned subsidiary of Eaton Vance Corp., a Maryland corporation and publicly-held holding company. As of December 31, 2015, Eaton Vance and its subsidiaries managed over $308 billion on behalf of mutual funds, institutional clients and individuals.

The Fund is managed by Edward J. Perkin, CFA (lead portfolio manager) and John D. Crowley. Mr. Perkin has served as a portfolio manager of the Fund since June 2014 and manages other Eaton Vance portfolios. He is Chief Equity Investment Officer and Vice President of Eaton Vance. Prior to joining Eaton Vance in 2014, Mr. Perkin was Chief Equity Investment Officer, International and Emerging Markets Equity, and Managing Director, Portfolio Manager, Europe, EAFE and Global, at Goldman Sachs Asset Management (2002-2014). Mr. Crowley has served as a portfolio manager of the Fund since December 2009. He is a Vice President of Eaton Vance and has managed other Eaton Vance portfolios for more than five years.

Goldman Sachs Asset Management, L.P. Goldman Sachs Asset Management, L.P. ("GSAM") is sub-adviser to the **Small Cap Value Fund**. As sub-adviser, GSAM provides day-to-day portfolio management services to the Fund. GSAM is located at 200 West Street, New York, New York 10282-2198 and was registered as an investment adviser in 1990. GSAM is a wholly-owned direct and indirect subsidiary of The Goldman Sachs Group, Inc. GSAM serves as investment manager for a wide range of clients including pension funds, foundations and insurance companies and individual investors. GSAM, including its investment advisory affiliates, had approximately $1,082.7 billion in assets under supervision (AUS) as of December 31, 2015. AUS includes assets under management and other client assets for which GSAM does not have full discretion. GSAM's U.S. Value Team is responsible for the day-to-day management of the Fund.

GSAM's portfolio managers, aided by research analysts, are organized by industry, focusing on a particular area of expertise. While the entire team debates investment ideas and overall portfolio structure, the final buy/sell decision for a particular security resides primarily with the portfolio manager responsible for that particular industry.

Co-lead Portfolio Managers Robert Crystal and Sally Pope Davis oversee the portfolio construction monitoring and investment research for the small cap value strategy.

Sally Pope Davis, Managing Director, is a portfolio manager for the US Value Equity Team, where she has broad research responsibilities and oversees the portfolio construction and investment research for the firm's Small Cap Value Strategy. Prior to joining GSAM in 2001, Sally was a Relationship Manager for two years in Private Wealth Management. Previously, she was a sell-side Bank Analyst for ten years in the Goldman Sachs Investment Research Department. Sally has 35 years of industry experience. She graduated Summa Cum Laude with a BS in Finance from the University of Connecticut and received her M.B.A. from the University of Chicago Graduate School of Business.

Robert Crystal, Managing Director, is a portfolio manager on the US Value Equity Team, where he has broad research responsibilities and oversees the portfolio construction and investment research for the firm's Small Cap Value Strategy. Before joining GSAM, Rob was a Director at Brant Point Capital Management LLC. Rob has 19 years of industry experience. He received his B.A. from the University of Richmond and his M.B.A. from Vanderbilt University. Rob joined the Value Team in March of 2006.

Sean A. Butkus, CFA, Vice President, is a portfolio manager on the US Value Equity Team, where he has broad research responsibilities across the value strategies. Sean joined GSAM in 2004. Previously, he worked on the Business Planning Team of the Investment Management Division at Goldman Sachs, providing analytical support and offering strategic advice to the division's management team. Before joining Goldman Sachs, he worked at Arthur Andersen LLP. Sean has 19 years of industry experience. He received a BS in Natural Science and Accounting from Muhlenberg College and an M.B.A. in Finance from the Wharton School of Business at the University of Pennsylvania.

Ivy Investment Management Company. Ivy Investment Management Company ("Ivy") is sub-adviser to the **Mid Cap Growth Fund**. As sub-adviser, Ivy provides investment management services to the Fund. Ivy is located at 6300 Lamar Avenue, Overland Park, Kansas 66202. Ivy operates as a wholly owned, direct subsidiary of Waddell & Reed Financial, Inc. ("Waddell & Reed"). Waddell & Reed traces its investment heritage back to 1937. The firm is focused on asset management and distribution of investment products. As of December 31, 2015, Waddell & Reed, and its affiliates, had approximately $104.4 billion in assets under management.

Kimberly A. Scott is responsible for the day-to-day portfolio management of the Mid Cap Growth Fund. Ms. Scott has been a Senior Vice President of Ivy since 2004 and portfolio manager of the Ivy Mid Cap Growth Fund since January 2001. Ms. Scott has over 28 years of investment experience.

Janus Capital Management LLC. Janus Capital Management LLC ("Janus") is sub-adviser to the **Small Cap Growth Fund**. As sub-adviser, Janus provides day-to-day portfolio management services to the Fund. Janus is located at 151 Detroit Street, Denver, Colorado 80206-4805. Janus is a wholly owned subsidiary of Janus Capital Group, Inc. ("JCGI"). As of December 31, 2015, JCGI had approximately $189.1 billion assets under management.

Janus (together with its predecessors) has served as investment adviser to Janus mutual funds since 1970 and currently serves as investment adviser to all of the Janus funds, acts as sub-adviser for a number of private-label mutual funds, and provides separate account advisory services for institutional accounts and other unregistered products.

Jonathan D. Coleman is the Head of Growth and Equities at Janus and is Portfolio Manager of Janus Triton Fund, which he has managed since May 2013. Mr. Coleman is also Portfolio Manager of other Janus accounts. He joined Janus in 1994 as a research analyst. Mr. Coleman holds a Bachelor's degree in Political Economy and Spanish from Williams College, where he was a member of Phi Beta Kappa. As a Fulbright Fellow, he conducted research on economic integration in Central America. Mr. Coleman holds the Chartered Financial Analyst designation.

Loomis, Sayles & Company, L.P. Loomis, Sayles & Company, L.P. ("Loomis Sayles") is sub-adviser to the **Large Cap Value Fund.** As sub-adviser, Loomis Sayles provides day-to-day portfolio management services to the Fund. Loomis Sayles is located at One Financial Center, Boston, Massachusetts 02111. Loomis Sayles is owned by Natixis Global Asset Management, L.P. ("Natixis US"). Natixis US is part of Natixis Global Asset Management, an international asset management group based in Paris, France, that is in turn owned by Natixis, a French investment banking and financial services firm. Natixis is principally owned by BPCE, France's second largest banking group. BPCE is owned by banks comprising two autonomous and complementary retail banking networks consisting of the Caisse d'Epargne regional savings banks and the Banque Populaire regional cooperative banks. As of December 31, 2015, Loomis Sayles managed approximately $229 billion in assets.

Adam C. Liebhoff, Vice President of Loomis Sayles, began his investment career in 1998 and rejoined Loomis Sayles after serving as a First Vice President, financial analyst and portfolio manager — mid cap value at Anchor Capital, LLC from August 2014 to September 2014. From 2007 until July 2014, he served as an equity analyst and senior equity analyst for the large cap value team at Loomis Sayles. Mr. Liebhoff received a B.A. from Hobart College and an M.B.A. from Cornell University and has 14 years of investment experience.

Arthur Barry, CFA is a Vice President of Loomis Sayles and a portfolio manager for its large cap value group. Mr. Barry joined Loomis Sayles in 2005. Mr. Barry received a B.S. from Lehigh University and an M.B.A. from Carnegie Mellon University.

Massachusetts Financial Services Company. Massachusetts Financial Services Company ("MFS"), commonly known as MFS Investment Management, is sub-adviser to the **Large Cap Growth Fund**. As sub-adviser, MFS provides investment management services to the Fund. MFS is located at 111 Huntington Avenue, Boston, Massachusetts, 02199. MFS is a subsidiary of Sun Life of Canada (U.S.) Financial Services Holdings Inc., which in turn is an indirect majority owned subsidiary of Sun Life Financial, Inc. (a diversified financial services company). As of December 31, 2015, net assets under management of the MFS organization were approximately $412 billion.

Jeffrey C. Constantino is responsible for the day-to-day portfolio management of the Large Cap Growth Fund. Mr. Constantino is an Investment Officer of MFS. He has been employed in the investment area of MFS since 2000 and has been a portfolio manager since 2005.

Morgan Stanley Investment Management Inc. Morgan Stanley Investment Management Inc. ("MSIM") is sub-adviser to the **Emerging Markets Equity Fund**. As sub-adviser, MSIM provides day-to-day portfolio management services to the Fund. MSIM is a wholly owned subsidiary Morgan Stanley, a preeminent global financial services firm engaged in securities trading and brokerage activities, investment banking, research and analysis, financing and financial advisory services. MSIM has engaged its affiliate, Morgan Stanley Investment Management Company ("MSIM Company"), located at 23 Church Street, #16-01 Capital Square, Singapore 049481, to provide certain sub-advisory services to the Fund. In addition, MSIM has engaged its affiliate, Morgan Stanley Investment Management Limited ("MSIM Limited"), located at 25 Cabot Square, Canary Wharf, London E14 4QA, England, to provide certain sub-advisory services to the Fund. MSIM, together with its affiliated asset management companies, had more than $406 billion in assets under management or supervision as of December 31, 2015. MSIM Company and MSIM Limited are each indirect wholly-owned subsidiaries of Morgan Stanley. MSIM's principal office is located at 522 Fifth Avenue, New York, New York 10036.

The Fund is managed within MSIM's Emerging Markets Equity team. The team works collaboratively when making portfolio decisions. Current members of the team who are jointly and primarily responsible for the day-to-day management of the Fund are: Ruchir Sharma, Paul Psaila, Eric Carlson, Gaite Ali, Munib Madni, Samuel Rhee and Ana Cristina Piedrahita. The Emerging Markets Equity Team is comprised of dedicated portfolio managers/analysts that have extensive experience in analyzing emerging markets equity securities for investors.

Ruchir Sharma is a Managing Director of MSIM. Mr. Sharma is the lead portfolio manager and is responsible for overall portfolio performance and construction. Mr. Sharma focuses on country allocation, relying heavily on input from the regional co-portfolio manager teams who are responsible for stock selection for their respective regions. Portfolio managers generally specialize by region, with the exception of a few specialized groups focusing on specific sectors. Mr. Sharma has been with MSIM in an investment management capacity since October 1996.

Paul Psaila, a Managing Director of MSIM, has been associated with MSIM in an investment management capacity since 1994. Eric Carlson, a Managing Director of MSIM, has been associated with MSIM in an investment management capacity since September 1997. Gaite Ali, a Managing Director of MSIM, has been associated with MSIM in an investment management capacity since September 2007. Munib Madni, a Managing Director of MSIM Company, has been associated with MSIM Company in an investment management capacity since February 2005. Samuel Rhee, a Managing Director of MSIM Company, has been associated with MSIM Company in an investment management capacity since July 2005. Ana Cristina Piedrahita, an Executive Director of MSIM Limited, has been associated with MSIM Limited in an investment management capacity since January 2002.

Neuberger Berman Investment Advisers LLC. Neuberger Berman Investment Advisers LLC ("Neuberger Berman") is sub-adviser to the **Mid Cap Value Fund**. As sub-adviser, Neuberger Berman provides investment management services to the Fund. Neuberger Berman is located at 605 Third Avenue, 2nd Floor, New York, New York, 10158. As of December 31, 2015, Neuberger Berman and its affiliates had approximately $240 billion in assets under management. Neuberger Berman is a wholly-owned subsidiary of Neuberger Berman Holdings LLC and an indirect subsidiary of Neuberger Berman Group LLC ("NBG"). All of NBG's common equity units are owned by NBSH Acquisition, LLC ("NBSH"). NBSH is owned by portfolio managers, members of NBG's management team and certain of NBG's key employees and senior professionals.

Michael C. Greene is a Managing Director of Neuberger Berman. Mr. Greene joined the firm in 2008. He has been the portfolio manager of the Fund since December 2011. Prior to joining the firm, Mr. Greene was chief executive officer and chief investment officer since 1999 at another investment adviser that was acquired by Neuberger Berman in 2008.

SSGA Funds Management, Inc. SSGA Funds Management, Inc. ("SSGA FM") is sub-adviser to the **Small Cap Index Fund, Developed International Index Fund** and **Index 500 Fund.** As sub-adviser, SSGA FM provides day-to-day portfolio management services to the Funds. Its principal place of business is located at State Street Financial Center, One Lincoln Street, Boston, Massachusetts 02111. SSGA FM is registered with the SEC as an investment adviser under the 1940 Act and is a wholly owned subsidiary of State Street Corporation ("State Street"), a publicly held bank holding company. As of December 31, 2015, SSGA FM had approximately $384.95 billion in assets under management. SSGA FM and other advisory affiliates of State Street make up State Street Global Advisors ("SSGA"), the investment management arm of State Street. As of December 31, 2015, SSGA had approximately $2.24 trillion in assets under management.

Michael Feehily, CFA, is a Senior Managing Director of SSGA FM and Co-Head of Global Equity Beta Solutions in North America. He is also a member of the Senior Leadership Team and sits on the firm's North America Product Committee and Trade Management Oversight Committee. Mr. Feehily rejoined SSGA after spending four years in State Street Global Markets where he helped to build the Exposure Solutions business. This group created and managed portfolios that were designed to meet the short-term market exposure needs of institutional clients. Prior to this, Mr. Feehily was Head of the U.S. Passive Equity Team within SSGA. He joined State Street in 1992. Mr. Feehily received a Bachelor of Science Degree from Babson College in Finance, Investments, and Economics. He received an MBA in Finance from Bentley College and also earned the Chartered Financial Analyst designation. He is a member of the CFA Institute and the Boston Security Analysts Society. Mr. Feehily is also a former member of the Russell Index Client Advisory Board.

John Tucker, CFA, is a Senior Managing Director of SSGA FM and Co-Head of Passive Equity Strategies in North America. Mr. Tucker is responsible for overseeing the management of all equity index strategies and exchange traded funds managed in North America. Mr. Tucker is a member of the Senior Leadership Team. Previously, Mr. Tucker was head of the Structured Products group in SSGA's London office, where he was responsible for the management of all index strategies in SSGA's second largest investment center. Mr. Tucker received a BA from Trinity College and an MS in Finance from Boston College. He has also earned the Chartered Financial Analyst designation and is a member of the Boston Security Analysts Society and the CFA Institute. In addition, Mr. Tucker is a member of The Russell Index Client Advisory Board and The S&P U.S. Index Advisory Panel. He joined State Street in 1988.

T. Rowe Price Associates, Inc. T. Rowe Price Associates, Inc. ("Price Associates") is sub-adviser to the **Flexibly Managed, High Yield Bond** and **Large Growth Stock Funds**. As sub-adviser, Price Associates provides day-to-day portfolio management services to the Funds. Price Associates was incorporated in 1947 as successor to the investment counseling firm founded by the late Mr. Thomas Rowe Price, Jr. in 1937. T. Rowe Price Group, Inc. owns 100% of the stock of Price Associates. Its corporate home office is located at 100 East Pratt Street, Baltimore, Maryland, 21202. Price Associates serves as investment adviser to a variety of individual and institutional investors accounts, including other mutual funds. As of December 31, 2015, Price Associates and its affiliates managed more than $763.1 billion of assets for individual and institutional investors, retirement plans and financial intermediaries.

David Giroux is Chairman of the Investment Advisory Committee for the Flexibly Managed Fund. Mr. Giroux is a Vice President of T. Rowe Price Group, Inc., and Price Associates, and a Portfolio Manager in the Equity Division. Prior to joining the firm in 1998, he worked as a Commercial Credit Analyst with Hillsdale National Bank. He earned a B.A. in finance and political economy, magna cum laude, from Hillsdale College. David has also earned the Chartered Financial Analyst accreditation.

Mark J. Vaselkiv is Chairman of the Investment Advisory Committee for the High Yield Bond Fund. He is a Vice President of T. Rowe Price Group, Inc., and Price Associates, and a Portfolio Manager in the Fixed Income Group, heading taxable high-yield bond management. Prior to joining the firm in 1988, Mark was employed as a Vice President, analyzing and trading high-yield debt securities for Shenkman Capital Management, Inc., New York, and a Private Placement Credit Analyst in the Capital Markets Group of Prudential Insurance Company. Mark earned a B.A. in Political Science from Wheaton College, Illinois, and an M.B.A. in finance from New York University.

Joseph B. Fath is Chairman of the Investment Advisory Committee for the Large Growth Stock Fund. He is Vice President of T. Rowe Price Group, Inc. and Price Associates, and a Portfolio Manager in the Equity Division. He joined the firm as an equity research analyst in 2002 and has over 13 years of investment experience. Since 2008, he has assisted other Price Associates portfolio managers in the management of the firm's U.S. large-cap growth strategies. Mr. Fath earned a B.S. in Accounting from the University of Illinois at Urbana-Champaign and an M.B.A. from the Wharton School, University of Pennsylvania. He has also earned his certified public accountant accreditation.

Vontobel Asset Management, Inc. Vontobel Asset Management, Inc. ("Vontobel") is the sub-adviser to the **International Equity Fund**. Vontobel has discretionary trading authority over all of the Fund's assets, subject to continuing oversight and supervision by PMAM and the Fund's Board of Directors. Vontobel is located at 1540 Broadway, New York, NY 10036. Vontobel is a wholly-owned and controlled subsidiary of Vontobel Holding AG, a Swiss bank holding company, having its registered offices in Zurich, Switzerland. Vontobel has provided investment advisory services to mutual fund clients since 1990. As of December 31, 2015, Vontobel managed approximately $48 billion in assets.

Matthew Benkendorf, Chief Investment Officer and Portfolio Manager — International Equities for Vontobel, is responsible for the day-to-day management of the International Equity Fund and has served as Portfolio Manager of the Fund since March 2016. Mr. Benkendorf joined Vontobel in October 1999 in trade support. After being promoted to trader in 2000, Mr. Benkendorf became a research analyst in 2002 and moved into portfolio management in 2006 as co-portfolio manager of Vontobel's European Equity Strategy. In 2008 Mr. Benkendorf continued to grow in his portfolio management role becoming lead portfolio manager of European Equity and co-portfolio manager of Global Equity. In 2010, Mr. Benkendorf became co-portfolio manager of the Vontobel US Equity Strategy ultimately becoming lead portfolio manager in 2012. As a co-architect of Vontobel's quality growth philosophy and style and proven success in managing Vontobel's strategies, he was named Chief Investment Officer in March 2016. During Mr. Benkendorf's portfolio management tenure he has been recognized by the industry for his track record and has won numerous awards from firms such as: Morningstar, Lipper, Euro Funds, European Pension Awards, Osterreichischer and Deutscher. Mr. Benkendorf began his financial career in 1997 and received a B.S.B.A in finance from the University of Denver.

Wells Capital Management Incorporated. Wells Capital Management Incorporated ("WellsCap") is sub-adviser to the **Large Core Growth Fund** and **SMID Cap Growth Fund**. As sub-adviser, WellsCap provides day-to-day portfolio management services to the Funds. WellsCap is located at 525 Market Street, 10th Floor, San Francisco, California, 94105. WellsCap is a wholly-owned subsidiary of Wells Fargo Bank, N.A., which in turn is indirectly wholly-owned by Wells Fargo & Company, a diversified financial services company. As of December 31, 2015, WellsCap and its affiliates had approximately $349.3 billion in assets under management.

The Large Core Growth Fund is managed by an investment team led by Thomas J. Pence, CFA and Michael T. Smith, CFA. Mr. Pence is managing director and senior portfolio manager for the Fundamental Growth Equity team at WellsCap. He has oversight and portfolio management responsibility for the team's Fundamental Small to Mid, Mid Capitalization, Large Capitalization and Large Capitalization Select and All Capitalization growth portfolios. Mr. Pence has earned the right to use the CFA designation. Mr. Smith serves as a co-portfolio manager for all of the Fundamental team's portfolios including the Large Core Growth Fund. He joined WellsCap from Strong Capital Management, having joined Strong in 2000. Mr. Smith has earned the right to use the CFA designation.

The SMID Cap Growth Fund is managed by an investment team led by Thomas J. Pence, CFA, Michael T. Smith, CFA, and Christopher Warner, CFA. Mr. Pence is managing director and senior portfolio manager for the Fundamental Growth Equity team at WellsCap. Mr. Pence has oversight and portfolio management responsibility for the team's Fundamental Small to Mid, Mid Capitalization, Large Capitalization and Large Capitalization Select and All Capitalization growth portfolios. Mr. Smith and Mr. Warner are co-portfolio managers at WellsCap and have responsibility for the Fundamental Growth team's Fundamental Small to Mid Capitalization portfolios. Mr. Smith joined WellsCap from Strong Capital Management, having joined Strong in 2000. Mr. Warner joined WellsCap from a sell side research associate position at Citigroup in 2007 and was recently appointed co-portfolio manager for the strategy. All three managers have earned the right to use the CFA designation.

Additional Portfolio Manager Information. The SAI provides additional information about the portfolio managers' compensation, other accounts managed by the portfolio managers, and the portfolio managers' ownership of securities in the Funds.

Expenses and Expense Limitations

Each Fund bears all of the expenses of its operations other than those incurred by the Adviser and its Sub-Adviser under the investment advisory agreement and investment sub-advisory agreement and those incurred by Penn Mutual under its administrative and corporate services agreement. In particular, each Fund pays investment advisory fees, administrator's fees, including shareholder servicing fees and expenses, custodian, transfer agent, and accounting fees and expenses, legal and auditing fees, expenses of printing and mailing prospectuses and shareholder reports, registration fees and expenses, proxy and annual meeting expenses, and Directors' fees and expenses.

Acquired Fund Fees and Expenses ("AFFE") reflect the estimated amount of fees and expenses that were incurred indirectly by a Fund through its investments in other investment companies and, with respect to the Balanced Fund and the Penn Series LifeStyle Funds, the underlying Penn Series Funds, during the most recent fiscal year. Actual AFFE indirectly borne by a Fund will vary each year with changes in the allocation of the Fund's assets among other investment companies, including underlying Penn Series Funds, and with other events that directly affect the operating expenses of the other investment companies, such as changes to a fund's management fees or expense limitations.

The Adviser and Penn Mutual have contractually agreed to waive fees and/or reimburse expenses to the extent a Fund's total expense ratio (excluding nonrecurring account fees, fees on portfolio transactions, such as exchange fees, dividends and interest on securities sold short, AFFE, service fees, interest, taxes, brokerage commissions, other expenditures which are capitalized in accordance with generally accepted accounting principles, and other non-routine expenses or extraordinary expenses not incurred in the ordinary course of the Fund's business) exceeds the expense limitation for the Fund. Notwithstanding the foregoing, AFFE shall be included when calculating the Balanced Fund's total expense ratio.

The contractual expense limitations for the Funds, as a percentage of a Fund's average daily net assets, are as follows:

Fund	Expense Limitation	Fund	Expense Limitation
Money Market	0.64%*	SMID Cap Growth	1.07%
Limited Maturity Bond	0.74%	SMID Cap Value	1.26%
Quality Bond	0.73%	Small Cap Growth	1.13%
High Yield Bond	0.92%	Small Cap Value	1.02%
Flexibly Managed	0.94%	Small Cap Index	0.74%
Balanced	0.79%	Developed International Index	0.94%
Large Growth Stock	1.02%	International Equity	1.20%
Large Cap Growth	0.89%	Emerging Markets Equity	1.78%
Large Core Growth	0.90%	Real Estate Securities	1.02%
Large Cap Value	0.96%	Aggressive Allocation	0.40%
Large Core Value	0.96%	Moderately Aggressive Allocation	0.34%
Index 500	0.42%	Moderate Allocation	0.34%
Mid Cap Growth	1.00%	Moderately Conservative Allocation	0.35%
Mid Cap Value	0.83%	Conservative Allocation	0.38%
Mid Core Value	1.11%		

* The Money Market Fund's actual total operating expenses for the most recent year were less than the amount shown above because PMAM and Penn Mutual voluntarily waived and/or reimbursed expenses to the extent necessary to maintain the Fund's net yield at a certain level as determined by Penn Mutual and PMAM. Penn Mutual and PMAM may recapture from the Fund any of these expenses or fees they have waived and/or reimbursed until the third anniversary of the end of the fiscal year in which such waiver and/or reimbursement occurs, subject to certain limitations. This recapture could negatively affect the Fund's future yield. During the prior fiscal year, the Money Market Fund did not reimburse PMAM or Penn Mutual for previously waived or reimbursed fees and expenses.

Under the expense limitation agreement among Penn Mutual, PMAM and the Company, on behalf of each Fund, Penn Mutual and PMAM will waive their fees and/or reimburse expenses for the entirety of any excess above a Fund's expense limitation. Further, to the extent Penn Mutual and PMAM do not have an obligation to waive fees and/or reimburse expenses of a Fund (e.g., the Fund is operating at or below its expense limitation), Penn Mutual and PMAM may seek reimbursement from the Fund for amounts previously waived or reimbursed by Penn Mutual and PMAM, if any, during the Fund's preceding three fiscal years. Penn Mutual and PMAM, however, shall not be entitled to any reimbursement that would cause the Fund to exceed its expense limitation.

The expense limitation agreement is expected to continue through April 30, 2017. The agreement may be terminated by a majority vote of the Company's Board of Directors for any reason and at any time. The agreement may also be terminated, by the Adviser and Penn Mutual, upon at least sixty (60) days' prior written notice to the Company, such termination to be effective as of the close of business on April 30, 2017, or at such earlier time provided that such termination is approved by a majority vote of the Company's Board of Directors and Independent Directors voting separately. Unless terminated, this agreement will continue in effect from year to year for successive one-year periods.

Advisory Fees

For the year ended December 31, 2015, each Fund paid PMAM an investment advisory fee based on its average daily assets, at the annual rate set forth below:

Fund	Fee	Fund	Fee
Money Market	0.33%	SMID Cap Growth	0.75%
Limited Maturity Bond	0.46%	SMID Cap Value	0.95%
Quality Bond	0.44%	Small Cap Growth	0.74%
High Yield Bond	0.56%	Small Cap Value	0.72%
Flexibly Managed	0.70%	Small Cap Index	0.30%
Large Growth Stock	0.71%	Developed International Index	0.30%
Large Cap Growth	0.55%	International Equity	0.85%
Large Core Growth	0.60%	Emerging Markets Equity	1.18%
Large Cap Value	0.66%	Real Estate Securities	0.70%
Large Core Value	0.67%	Aggressive Allocation	0.12%
Index 500	0.13%	Moderately Aggressive Allocation	0.12%
Mid Cap Growth	0.70%	Moderate Allocation	0.12%
Mid Cap Value	0.55%	Moderately Conservative Allocation	0.12%
Mid Core Value	0.72%	Conservative Allocation	0.12%

PMAM pays the Sub-Advisers out of the investment advisory fee it receives.

PMAM does not receive an advisory fee for the services it performs for the Balanced Fund. However, PMAM is entitled to receive an investment advisory fee from each of the underlying funds in which the Balanced Fund invests.

A discussion regarding the basis for the Board of Directors' approval of the investment advisory and sub-advisory agreements for each Fund is available in the Funds' June 30, 2015 Semi-Annual Report, which covers the period of January 1, 2015 to June 30, 2015.

ACCOUNTHOLDER INFORMATION

Purchasing and Selling Fund Shares

Shares are offered on each day that the New York Stock Exchange ("NYSE") is open for business.

The Funds offer their shares only to Penn Mutual and its subsidiary, PIA, for the Separate Accounts they establish to fund variable contracts. Penn Mutual or PIA purchases or redeems shares of the Funds based on, primarily, the amount of net premium payments allocated to the investment option selected by the contract owner. Each payment is allocated to the subaccount of the Separate Account, transferred from one subaccount to another, or, in some cases, transferred from the fixed account option to a subaccount of the Separate Account. The variable contract prospectus describes how contract owners may allocate, transfer within and/or withdraw amounts from their variable contracts.

The price per share, also known as net asset value per share ("NAV"), for the contract is the next price determined after receipt of a purchase or redemption order by the Company, through its agent. The NAV for one share is the value of that share's portion of all of the assets in a Fund. Each Fund determines its NAV as of the close of business of the NYSE (normally 4:00 p.m. Eastern Time) on each day that the NYSE is open for business. The NAV will not be calculated on days when the NYSE is closed. The NAV may not be calculated or there may be a delay in calculating the NAV if: (i) the NYSE is closed on a day other than a regular holiday or weekend, (ii) trading on the NYSE is restricted, (iii) an emergency exists (as determined by the SEC), making the sale of investments or determinations of NAV not practicable, or (iv) the SEC permits a delay for the protection of shareholders.

Foreign exchanges and markets may permit trading in foreign securities on days when the NAV is not calculated for the portfolio, which may result in a portfolio's investments being impacted when you are unable to purchase or redeem shares.

For more information regarding NAV calculation, please turn to the "How the Funds Calculate NAV" section in this Prospectus.

How the Funds Calculate NAV

The NAV is determined by dividing the total value of assets, minus liabilities, by the number of Fund shares outstanding. In calculating the NAV, the Funds (except for the Money Market Fund) generally value their portfolio securities at market prices when market quotations are readily available.

Fund shares are generally valued as of NYSE close on each day that the NYSE is open. Market value is generally determined on the basis of official closing prices or the last reported sales prices, or if no sales are reported, based on quotes obtained from established market makers or prices supplied by the Funds' approved pricing services, quotation reporting systems and other third-party sources.

The Funds will normally use pricing data for a domestic equity security received shortly after the NYSE close. A foreign equity security will be valued as of the close of trading on the foreign exchange, or the NYSE close, if the NYSE close occurs before the end of trading on the foreign exchange. Foreign securities markets may be open on days when the U.S. markets are closed. As a result, the values of any foreign securities owned by a Fund may be significantly affected on days when investors cannot buy or sell shares of the Fund. In addition, due to the difference in times between the close of the foreign markets and the time a Fund prices its shares, the value the Fund assigns to foreign securities generally will not be the same as the quoted or published prices of those securities on their primary markets or exchanges.

Domestic and foreign fixed income securities, non-exchange traded derivatives, and equity options are normally valued by recognized independent third-party valuation services, employing evaluation methodologies that utilize actual market transactions, broker-dealer supplied valuations, and matrix pricing. Matrix pricing for corporate bonds, floating rate notes, municipal securities and U.S. government and government agency obligations considers yield or price of bonds of comparable quality, coupon, maturity and type and, for asset-backed securities, commercial mortgage securities and U.S. government agency mortgage securities, also considers prepayment speed assumptions and attributes and performance of the underlying collateral.

Exchange-traded options, futures and options on futures are valued at the settlement price determined by the relevant exchange. Swap agreements are valued on the basis of bid quotes obtained from brokers and dealers or market-based prices supplied by independent third-party valuation services or other pricing sources.

With respect to any portion of the Fund's assets that are invested in one or more open-end management investment companies, a Fund's NAV will be calculated based upon the NAVs of such investments.

In limited circumstances, if market prices are not readily available or they are determined to be unreliable, the Funds may determine fair value prices using methods approved by the Board of Directors. For example, a Fund would fair value a security if the exchange on which the portfolio security is principally traded closed early or if trading in a particular security was halted during the day and did not resume prior to the time the Fund calculated its NAV. Fair valuation may require subjective determinations about the value of a security, and is therefore subject to the unavoidable risk that the value that a Fund assigns to a security may be higher or lower than the security's value would be if a reliable market quotation for the security was readily available.

The Money Market Fund values its assets by the amortized cost method, which approximates market value, pursuant to procedures approved by the Board of Directors. More information about the valuation of the Money Market Fund's holdings and the amortized cost method can be found in the Statement of Additional Information ("SAI").

Frequent Trading Policies & Risks

The Funds are available only as investment options for certain variable contracts issued by Penn Mutual and its subsidiary, PIA (collectively, the "Insurance Company"). The Funds are intended for long-term investment through these variable contracts, and not as short-term trading vehicles. Accordingly, variable contract owners that intend to use market timing investment strategies or make frequent transfers should not choose the Funds as investment options under their variable contracts.

The trading activity of individual contract owners generally is not known to the Funds because, on a daily basis, the Insurance Company aggregates the trading orders of its contract owners and submits net purchase or redemption orders to each Fund. As a result, the Funds' ability to monitor the purchase, redemption, and exchange transactions of contract owners is severely limited. Consequently, the Funds rely on the Insurance Company, as the Issuer and Administrator of the variable contracts, to monitor contract owner transaction activity involving the Funds. Because the Funds are available only through variable contracts issued by the Insurance Company, and because the Funds rely on the Insurance Company to apply limitations on trading activity, the Company's Board of Directors has not adopted separate policies and procedures for the Funds with respect to frequent trading. However, because the Insurance Company serves as an Administrator to the Funds, the Board reviews on a periodic basis the Insurance Company's monitoring activities relating to policies and procedures surrounding frequent trading.

However, despite the efforts by the Insurance Company, there is no guarantee that the Funds or Insurance Company will be able to identify individual contract owners who may be engaging in frequent trading in the Funds. As a result, the Funds cannot assure that the Insurance Company and the Funds will be able to prevent all instances of frequent trading of Fund shares. The Funds do, however, reserve the right to reject any purchase order at any time.

If frequent trading does occur, it could adversely affect the Funds, their long-term shareholders and ultimately contract owners. Frequent trading can reduce the long-term returns of a Fund by: increasing costs paid by the Fund (such as brokerage commissions); disrupting the Fund's portfolio management strategies; and requiring the Fund to maintain higher cash balances to meet redemption requests. Frequent trading also can have the effect of diluting the value of the shares of long-term shareholders in cases in which fluctuations in markets are not fully priced into the Fund's NAV.

With respect to a Fund that invests in foreign securities that trade primarily on markets that close prior to the time the Fund determines its NAV, frequent trading may have a greater potential to dilute the value of the

Fund's shares as compared to a fund investing in U.S. securities. In instances where a significant event that affects the value of one or more foreign securities held by the Fund takes place after the close of the primary foreign market, but before the time that the Fund determines its NAV, certain investors may seek to take advantage of the fact that there will be a delay in the adjustment of the market price for a security caused by this event until the foreign market reopens (sometimes referred to as "price" or "time zone" arbitrage). This type of arbitrage may dilute the value of the Fund's shares if the prices of the Fund's foreign securities do not reflect their fair value. The Company has procedures designed to determine the fair value of foreign securities for purposes of calculating its NAV when such an event has occurred. However, because fair value pricing involves judgments which are inherently subjective, the use of fair value pricing may not always eliminate the risk of price arbitrage. Like all mutual funds that invest in foreign securities, the International Equity, Large Growth Stock, Flexibly Managed, Large Cap Value, Small Cap Value, Large Core Growth, Large Core Value, SMID Cap Value, Developed International Index, Emerging Markets Equity and Real Estate Securities Funds may be susceptible to the risks described above because they may invest a portion of their assets in such securities.

In addition, a Fund that invests in small/mid cap securities or high yield debt securities, which often trade in lower volumes and may be less liquid, may be more susceptible to the risks posed by frequent trading because frequent transactions in the Fund's shares may have a greater impact on the market prices of these types of securities. Like all mutual funds that invest in small/mid cap securities, the Small Cap Growth, Small Cap Value, SMID Cap Value, SMID Cap Growth, Small Cap Index, Mid Cap Growth, Mid Cap Value, Mid Core Value, Emerging Markets Equity, and Real Estate Securities Funds may be susceptible to the risks described above because they invest in such securities. The Limited Maturity Bond, Quality Bond, High Yield Bond, Flexibly Managed, Large Cap Value, and Emerging Markets Equity Funds invest in high yield bonds and, therefore, they, like other mutual funds investing in such securities, also may be susceptible to the risks described above.

Please see the variable contract prospectuses for more information about frequent trading and related risks.

Portfolio Holdings Information

The Company makes available quarterly on Penn Mutual's website (www.pennmutual.com) a Quarterly Fund Summary ("Fund Summary"), which includes certain portfolio holdings information for each Fund. To find the Fund Summary for each Fund, scroll to the bottom of the home page, then click on the "Fund Summaries" link, select the Fund Class (Large Cap Funds, Small Cap Funds, Index Funds, etc.) under "Penn Mutual's Investment Options," then choose a Fund to view the Fund Summary. The Fund Summary includes each Fund's Adviser/Sub-Adviser, investment objective, investment matrix, and other investment information (*e.g.*, asset allocation, top holdings, major sectors). The Fund Summary is made publicly available 60 days after the end of each quarter. The Fund Summary generally remains accessible at least until the Company files its Form N-CSR or N-Q with the SEC for the period that includes the date as of which the website information is current (expected to be at least three months).

With respect to the Money Market Fund, Penn Mutual's website (www.pennmutual.com) includes a list of all the Fund's portfolio holdings and certain attributes of (a) the Fund's portfolio holdings, such as issuer, CUSIP, coupon rate, maturity date, final legal maturity date, a general category of the instrument, amortized cost value and principal amount, and (b) the Fund's portfolio, such as the Fund's dollar-weighted average portfolio maturity and dollar-weighted average life. This information is provided as of the last business day of each month, and can be found by scrolling to the bottom of the home page, clicking on the "Performance and Rates" link, then clicking on the "Penn Series Money Market" link under the Performance Reports section. The monthly Money Market Fund information generally remains accessible on the website for a period of at least six months from its posting date.

A description of the Funds' policy and procedures with respect to the circumstances under which the Funds disclose their portfolio securities is available in the SAI.

Dividends and Distributions

The Funds distribute their net investment income annually as dividends and make distributions of net realized capital gains, if any, at least annually except for distributions from the Money Market Fund, which will be made monthly. Dividends and distributions from a Fund (other than consent dividends) will be automatically reinvested in shares of that Fund unless the shareholder (Penn Mutual or PIA) elects to receive distributions in cash.

TAXES

Below is a summary of some important tax issues that affect the Funds and their shareholders. This summary is based on current tax laws, which may change. The Funds expect that all net investment income and net realized capital gains of the Funds will be distributed for each taxable year and that the Funds will not pay federal income taxes. The Funds may utilize consent dividends to satisfy their distribution obligations. The Funds do not expect to be subject to federal excise taxes with respect to undistributed income.

Special tax rules apply to life insurance companies and variable contracts. Net investment income and net realized capital gains that the Funds distribute are not currently taxable to owners of variable contracts when left to accumulate in the contracts or under a qualified pension or retirement plan.

The sole shareholders of each Fund are separate accounts or other Funds. Therefore, no discussion is included in this Prospectus as to the federal income tax consequences at the shareholder level. For information on federal income taxation of a life insurance company with respect to its receipt of distributions from the Funds and federal income taxation of owners of variable contracts, refer to the variable contract prospectus.

Because each investor's tax circumstances are unique and the tax laws may change, you should consult your tax advisor about the federal, state, local and foreign income tax consequences applicable to your investment. **More information about taxes is included in the SAI.**

The following tables are intended to help you understand the Funds' financial performance for the past five years, or, if shorter, the period of a Fund's operations. Some of this information reflects financial information for a single Fund share. The total returns in the table represent the rate that you would have earned (or lost) on an investment in a Fund, assuming you reinvested all of your dividends and distributions. The information provided has been derived from the Fund's financial statements which have been audited by KPMG LLP ("KPMG"), an independent registered public accounting firm. The KPMG report, along with each Fund's financial statements and related notes thereto, for each such period appear in the Penn Mutual Variable Products Annual Reports for the period ended December 31, 2015 ("Annual Reports"). You can obtain the Annual Reports at no charge by calling 1-800-523-0650. The total return information shown does not reflect expenses that apply to the separate account or the related variable contracts. Inclusion of these charges would reduce the total return figures for all periods shown. For more information about such charges, please see your variable contract prospectus.

MONEY MARKET FUND

For a share outstanding throughout each period

	Year Ended December 31,				
	2015	2014	2013	2012	2011
Net asset value, beginning of period	$ 1.00	$ 1.00	$ 1.00	$ 1.00	$ 1.00
Income from investment operations:					
Net investment income (loss)[2]	—[(a)]	—[(a)]	—[(a)]	—[(a)]	—[(a)]
Total from investment operations	—	—	—	—	—
Less distributions:					
Net investment income	—[(a)]	—[(a)]	—[(a)]	—[(a)]	—[(a)]
Total distributions	—	—	—	—	—
Net asset value, end of period	$ 1.00	$ 1.00	$ 1.00	$ 1.00	$ 1.00
Total return[1]	0.01%	0.01%	0.01%	0.01%	0.01%
Ratios/Supplemental data:					
Net assets, end of period (in thousands)	$133,645	$132,731	$124,881	$141,725	$154,213
Ratio of net expenses to average net assets[3]	0.23%	0.12%	0.16%	0.22%	0.22%
Ratio of total expenses to average net assets[4]	0.61%	0.57%	0.48%	0.49%	0.49%
Ratio of net investment income (loss) to average net assets[3]	0.01%	0.01%	0.01%	0.01%	0.01%

[1] *Total investment return is based on the change in net asset value of a share during the period and assumes reinvestment of dividends and distributions at net asset value. Total returns do not reflect expenses associated with variable contracts such as administrative fees, account charges and surrender charges, which if reflected would reduce the total returns for all periods presented.*

[2] *The net investment income (loss) per share was calculated using the average shares outstanding method.*

[3] *The ratio includes expenses waived/reimbursed net of amount recaptured and fees paid indirectly, where applicable; if expenses waived/reimbursed net of amount recaptured and fees paid indirectly were excluded, the ratio would have been higher (lower), respectively, than the ratio shown.*

[4] *The ratio excludes expenses waived/reimbursed net of amount recaptured and fees paid indirectly, where applicable; if expenses waived/reimbursed net of amount recaptured and fees paid indirectly were included, the ratio would have been lower than the ratio shown.*

[(a)] *Distributions were less than one penny per share.*

LIMITED MATURITY BOND FUND

For a share outstanding throughout each period

	Year Ended December 31,				
	2015	2014	2013	2012	2011
Net asset value, beginning of period	$ 11.50	$ 11.48	$ 11.49	$ 11.42	$ 11.17
Income from investment operations:					
Net investment income (loss)[2]	0.13	0.08	0.05	0.09	0.13
Net realized and unrealized gain (loss) on investment transactions	(0.04)	(0.06)	(0.06)	(0.02)	0.12
Total from investment operations	0.09	0.02	(0.01)	0.07	0.25
Net asset value, end of period	$ 11.59	$ 11.50	$ 11.48	$ 11.49	$ 11.42
Total return[1]	0.78%	0.17%	(0.09%)	0.61%	2.24%
Ratios/Supplemental data:					
Net assets, end of period (in thousands)	$189,846	$222,062	$243,667	$202,385	$174,290
Ratio of total expenses to average net assets	0.73%	0.67%	0.57%	0.57%	0.58%
Ratio of net investment income (loss) to average net assets	1.10%	0.67%	0.60%	0.81%	1.14%
Portfolio turnover rate	127%	82%	50%	31%	50%

1 *Total investment return is based on the change in net asset value of a share during the period and assumes reinvestment of dividends and distributions at net asset value. Total returns do not reflect expenses associated with variable contracts such as administrative fees, account charges and surrender charges, which if reflected would reduce the total returns for all periods presented.*

2 *The net investment income (loss) per share was calculated using the average shares outstanding method.*

QUALITY BOND FUND

For a share outstanding throughout each period

	Year Ended December 31,				
	2015	2014	2013	2012	2011
Net asset value, beginning of period	$ 13.40	$ 12.75	$ 13.14	$ 12.73	$ 11.56
Income from investment operations:					
Net investment income (loss)[2]	0.33	0.26	0.25	0.27	0.32
Net realized and unrealized gain (loss) on investment transactions	(0.28)	0.39	(0.64)	0.14	0.85
Total from investment operations	0.05	0.65	(0.39)	0.41	1.17
Net asset value, end of period	$ 13.45	$ 13.40	$ 12.75	$ 13.14	$ 12.73
Total return[1]	0.37%	5.10%	(2.97%)	3.22%	10.12%
Ratios/Supplemental data:					
Net assets, end of period (in thousands)	$534,675	$559,616	$546,759	$568,400	$477,606
Ratio of total expenses to average net assets	0.68%	0.64%	0.56%	0.56%	0.57%
Ratio of net investment income (loss) to average net assets	2.46%	1.95%	1.91%	2.06%	2.62%
Portfolio turnover rate	131%	135%	47%	32%	44%

[1] *Total investment return is based on the change in net asset value of a share during the period and assumes reinvestment of dividends and distributions at net asset value. Total returns do not reflect expenses associated with variable contracts such as administrative fees, account charges and surrender charges, which if reflected would reduce the total returns for all periods presented.*

[2] *The net investment income (loss) per share was calculated using the average shares outstanding method.*

HIGH YIELD BOND FUND

For a share outstanding throughout each period

	Year Ended December 31,				
	2015	2014	2013	2012	2011
Net asset value, beginning of period	$ 10.98	$ 10.78	$ 9.99	$ 8.72	$ 8.46
Income (loss) from investment operations:					
Net investment income (loss)[2]	0.66	0.62	0.62	0.61	0.62
Net realized and unrealized gain (loss) on investment transactions	(1.03)	(0.42)	0.17	0.66	(0.36)
Total from investment operations	(0.37)	0.20	0.79	1.27	0.26
Net asset value, end of period	$ 10.61	$ 10.98	$ 10.78	$ 9.99	$ 8.72
Total return[1]	(3.37%)	1.86%	7.91%	14.56%	3.07%
Ratios/Supplemental data:					
Net assets, end of period (in thousands)	$173,033	$194,504	$188,788	$179,720	$141,290
Ratio of total expenses to average net assets	0.87%	0.85%	0.82%	0.82%	0.83%
Ratio of net investment income (loss) to average net assets	5.88%	5.58%	5.96%	6.52%	7.16%
Portfolio turnover rate	72%	56%	68%	69%	58%

[1] *Total investment return is based on the change in net asset value of a share during the period and assumes reinvestment of dividends and distributions at net asset value. Total returns do not reflect expenses associated with variable contracts such as administrative fees, account charges and surrender charges, which if reflected would reduce the total returns for all periods presented. Total returns may reflect adjustments to conform with generally accepted accounting principles.*

[2] *The net investment income (loss) per share was calculated using the average shares outstanding method.*

FLEXIBLY MANAGED FUND

For a share outstanding throughout each period

	Year Ended December 31,				
	2015	2014	2013	2012	2011
Net asset value, beginning of period	$ 40.04	$ 35.72	$ 29.22	$ 25.46	$ 24.71
Income (loss) from investment operations:					
Net investment income (loss)[2]	0.46	0.45	0.34	0.44	0.40
Net realized and unrealized gain (loss) on investment transactions	1.55	3.87	6.16	3.32	0.35
Total from investment operations	2.01	4.32	6.50	3.76	0.75
Net asset value, end of period	$ 42.05	$ 40.04	$ 35.72	$ 29.22	$ 25.46
Total return[1]	5.02%	12.09%	22.25%	14.77%	3.04%
Ratios/Supplemental data:					
Net assets, end of period (in thousands)	$3,322,196	$3,074,188	$2,685,504	$2,010,412	$1,655,254
Ratio of total expenses to average net assets	0.92%	0.89%	0.83%	0.84%	0.84%
Ratio of net investment income (loss) to average net assets	1.10%	1.18%	1.04%	1.59%	1.60%
Portfolio turnover rate	69%	74%	63%	65%	83%

[1] *Total investment return is based on the change in net asset value of a share during the period and assumes reinvestment of dividends and distributions at net asset value. Total returns do not reflect expenses associated with variable contracts such as administrative fees, account charges and surrender charges, which if reflected would reduce the total returns for all periods presented. Total returns may reflect adjustments to conform with generally accepted accounting principles.*

[2] *The net investment income (loss) per share was calculated using the average shares outstanding method.*

BALANCED FUND

For a share outstanding throughout each period

	Year Ended December 31,				
	2015	2014	2013	2012	2011
Net asset value, beginning of period	$ 16.13	$ 14.71	$ 12.60	$ 11.40	$ 10.80
Income (loss) from investment operations:					
Net investment income (loss)[3]	(0.03)	(0.03)	(0.03)	(0.02)	(0.02)
Net realized and unrealized gain (loss) on investment transactions	0.14	1.45	2.14	1.22	0.62
Total from investment operations	0.11	1.42	2.11	1.20	0.60
Net asset value, end of period	$ 16.24	$ 16.13	$ 14.71	$ 12.60	$ 11.40
Total return[1]	0.68%	9.65%	16.75%	10.53%	5.56%
Ratios/Supplemental data:					
Net assets, end of period (in thousands)	$76,587	$81,794	$78,642	$71,601	$65,342
Ratio of net expenses to average net assets[2,4]	0.21%	0.20%	0.20%	0.19%	0.18%
Ratio of total expenses to average net assets[2,5]	0.21%	0.21%	0.22%	0.23%	0.24%
Ratio of net investment income (loss) to average net assets[4]	(0.21%)	(0.20%)	(0.20%)	(0.19%)	(0.18%)
Portfolio turnover rate	8%	8%	16%	15%	17%

[1] *Total investment return is based on the change in net asset value of a share during the period and assumes reinvestment of dividends and distributions at net asset value. Total returns do not reflect expenses associated with variable contracts such as administrative fees, account charges and surrender charges, which if reflected would reduce the total returns for all periods presented.*

[2] *The Fund also will indirectly bear its prorated share of expenses of the underlying funds. Such expenses are not included in the calculation of this ratio.*

[3] *The net investment income (loss) per share was calculated using the average shares outstanding method.*

[4] *The ratio includes expenses waived/reimbursed net of amount recaptured and fees paid indirectly, where applicable; if expenses waived/reimbursed net of amount recaptured and fees paid indirectly were excluded, the ratio would have been higher (lower), respectively, than the ratio shown.*

[5] *The ratio excludes expenses waived/reimbursed net of amount recaptured and fees paid indirectly, where applicable; if expenses waived/reimbursed net of amount recaptured and fees paid indirectly were included, the ratio would have been lower than the ratio shown.*

LARGE GROWTH STOCK FUND

For a share outstanding throughout each period

	Year Ended December 31,				
	2015	2014	2013	2012	2011
Net asset value, beginning of period	$ 27.21	$ 25.11	$ 18.05	$ 15.20	$ 15.44
Income (loss) from investment operations:					
Net investment income (loss)[2]	(0.09)	(0.07)	(0.04)	0.01	(0.03)
Net realized and unrealized gain (loss) on investment transactions	2.95	2.17	7.10	2.84	(0.21)
Total from investment operations	2.86	2.10	7.06	2.85	(0.24)
Net asset value, end of period	$ 30.07	$ 27.21	$ 25.11	$ 18.05	$ 15.20
Total return[1]	10.51%	8.36%	39.11%	18.75%	(1.55%)
Ratios/Supplemental data:					
Net assets, end of period (in thousands)	$296,703	$280,682	$262,358	$210,999	$176,692
Ratio of total expenses to average net assets	0.98%	0.96%	0.90%	0.91%	0.93%
Ratio of net investment income (loss) to average net assets	(0.30%)	(0.26%)	(0.21%)	0.03%	(0.19%)
Portfolio turnover rate	37%	38%	36%	35%	33%

[1] *Total investment return is based on the change in net asset value of a share during the period and assumes reinvestment of dividends and distributions at net asset value. Total returns do not reflect expenses associated with variable contracts such as administrative fees, account charges and surrender charges, which if reflected would reduce the total returns for all periods presented.*

[2] *The net investment income (loss) per share was calculated using the average shares outstanding method.*

LARGE CAP GROWTH FUND
For a share outstanding throughout each period

	Year Ended December 31,				
	2015	2014	2013	2012	2011
Net asset value, beginning of period	$ 13.11	$ 11.78	$ 9.57	$ 8.68	$ 9.31
Income (loss) from investment operations:					
Net investment income (loss)[2]	0.05	0.06	0.04	0.01	(0.02)
Net realized and unrealized gain (loss) on investment transactions	(0.07)	1.27	2.17	0.88	(0.61)
Total from investment operations	(0.02)	1.33	2.21	0.89	(0.63)
Net asset value, end of period	$ 13.09	$ 13.11	$ 11.78	$ 9.57	$ 8.68
Total return[1]	(0.15%)	11.29%	23.09%	10.25%	(6.77%)
Ratios/Supplemental data:					
Net assets, end of period (in thousands)	$43,702	$57,663	$54,762	$29,751	$37,465
Ratio of net expenses to average net assets[3]	0.89%	0.89%	0.90%	0.90%	0.96%
Ratio of total expenses to average net assets[4]	0.89%	0.90%	0.90%	0.90%	0.96%
Ratio of net investment income (loss) to average net assets[3]	0.39%	0.47%	0.40%	0.06%	(0.25%)
Portfolio turnover rate	29%	25%	107%	97%	153%

[1] *Total investment return is based on the change in net asset value of a share during the period and assumes reinvestment of dividends and distributions at net asset value. Total returns do not reflect expenses associated with variable contracts such as administrative fees, account charges and surrender charges, which if reflected would reduce the total returns for all periods presented.*

[2] *The net investment income (loss) per share was calculated using the average shares outstanding method.*

[3] *The ratio includes expenses waived/reimbursed net of amount recaptured and fees paid indirectly, where applicable; if expenses waived/reimbursed net of amount recaptured and fees paid indirectly were excluded, the ratio would have been higher (lower), respectively, than the ratio shown.*

[4] *The ratio excludes expenses waived/reimbursed net of amount recaptured and fees paid indirectly, where applicable; if expenses waived/reimbursed net of amount recaptured and fees paid indirectly were included, the ratio would have been lower than the ratio shown.*

LARGE CORE GROWTH FUND

For a share outstanding throughout each period

	Year Ended December 31,				
	2015	2014	2013	2012	2011
Net asset value, beginning of period	$ 16.03	$ 14.88	$ 10.79	$ 9.29	$ 9.78
Income (loss) from investment operations:					
Net investment income (loss)[2]	(0.03)	(0.03)	(0.01)	0.02	(0.01)
Net realized and unrealized gain (loss) on investment transactions	0.30	1.18	4.10	1.48	(0.48)
Total from investment operations	0.27	1.15	4.09	1.50	(0.49)
Net asset value, end of period	$ 16.30	$ 16.03	$ 14.88	$ 10.79	$ 9.29
Total return[1]	1.68%	7.73%	37.91%	16.15%	(5.01%)
Ratios/Supplemental data:					
Net assets, end of period (in thousands)	$111,680	$125,980	$127,757	$106,053	$100,397
Ratio of net expenses to average net assets[3]	0.87%	0.87%	0.88%	0.89%	0.90%
Ratio of total expenses to average net assets[4]	0.87%	0.87%	0.88%	0.89%	0.90%
Ratio of net investment income (loss) to average net assets[3]	(0.20%)	(0.19%)	(0.08%)	0.17%	(0.11%)
Portfolio turnover rate	124%	83%	109%	105%	115%

[1] *Total investment return is based on the change in net asset value of a share during the period and assumes reinvestment of dividends and distributions at net asset value. Total returns do not reflect expenses associated with variable contracts such as administrative fees, account charges and surrender charges, which if reflected would reduce the total returns for all periods presented.*

[2] *The net investment income (loss) per share was calculated using the average shares outstanding method.*

[3] *The ratio includes expenses waived/reimbursed net of amount recaptured and fees paid indirectly, where applicable; if expenses waived/reimbursed net of amount recaptured and fees paid indirectly were excluded, the ratio would have been higher (lower), respectively, than the ratio shown.*

[4] *The ratio excludes expenses waived/reimbursed net of amount recaptured and fees paid indirectly, where applicable; if expenses waived/reimbursed net of amount recaptured and fees paid indirectly were included, the ratio would have been lower than the ratio shown.*

LARGE CAP VALUE FUND

For a share outstanding throughout each period

	Year Ended December 31,				
	2015	2014	2013	2012	2011
Net asset value, beginning of period	$ 23.22	$ 20.86	$ 15.66	$ 13.83	$ 14.47
Income (loss) from investment operations:					
Net investment income (loss)[2]	0.27	0.30	0.21	0.20	0.18
Net realized and unrealized gain (loss) on investment transactions	(1.28)	2.06	4.99	1.63	(0.82)
Total from investment operations	(1.01)	2.36	5.20	1.83	(0.64)
Net asset value, end of period	$ 22.21	$ 23.22	$ 20.86	$ 15.66	$ 13.83
Total return[1]	(4.35%)	11.31%	33.21%	13.23%	(4.42%)
Ratios/Supplemental data:					
Net assets, end of period (in thousands)	$207,692	$229,080	$217,351	$166,955	$166,056
Ratio of total expenses to average net assets	0.92%	0.90%	0.87%	0.88%	0.89%
Ratio of net investment income (loss) to average net assets	1.17%	1.38%	1.16%	1.32%	1.24%
Portfolio turnover rate	19%	22%	186%	90%	87%

[1] *Total investment return is based on the change in net asset value of a share during the period and assumes reinvestment of dividends and distributions at net asset value. Total returns do not reflect expenses associated with variable contracts such as administrative fees, account charges and surrender charges, which if reflected would reduce the total returns for all periods presented.*

[2] *The net investment income (loss) per share was calculated using the average shares outstanding method.*

LARGE CORE VALUE FUND

For a share outstanding throughout each period

	Year Ended December 31,				
	2015	2014	2013	2012	2011
Net asset value, beginning of period	$ 14.89	$ 13.38	$ 10.31	$ 8.92	$ 9.31
Income (loss) from investment operations:					
Net investment income (loss)[3]	0.22	0.19	0.15	0.16	0.14
Net realized and unrealized gain (loss) on investment transactions	(0.34)	1.32	2.92	1.23	(0.53)
Total from investment operations	(0.12)	1.51	3.07	1.39	(0.39)
Net asset value, end of period	$ 14.77	$ 14.89	$ 13.38	$ 10.31	$ 8.92
Total return[1,2]	(0.81%)	11.29%	29.78%	15.58%	(4.19%)
Ratios/Supplemental data:					
Net assets, end of period (in thousands)	$203,012	$192,695	$185,630	$158,589	$143,147
Ratio of net expenses to average net assets[4]	0.92%	0.91%	0.87%	0.88%	0.89%
Ratio of total expenses to average net assets[5]	0.92%	0.91%	0.87%	0.88%	0.89%
Ratio of net investment income (loss) to average net assets[4]	1.47%	1.33%	1.25%	1.64%	1.52%
Portfolio turnover rate	98%	80%	59%	38%	51%

[1] *Total investment return is based on the change in net asset value of a share during the period and assumes reinvestment of dividends and distributions at net asset value. Total returns do not reflect expenses associated with variable contracts such as administrative fees, account charges and surrender charges, which if reflected would reduce the total returns for all periods presented.*

[2] *The Fund's total return calculation includes a reimbursement by the sub-adviser. Excluding the effect of this reimbursement from the Fund's ending net asset value per share, total return for the year ended December 31, 2013 would have been 29.58%.*

[3] *The net investment income (loss) per share was calculated using the average shares outstanding method.*

[4] *The ratio includes expenses waived/reimbursed net of amount recaptured and fees paid indirectly, where applicable; if expenses waived/ reimbursed net of amount recaptured and fees paid indirectly were excluded, the ratio would have been higher (lower), respectively, than the ratio shown.*

[5] *The ratio excludes expenses waived/reimbursed net of amount recaptured and fees paid indirectly, where applicable; if expenses waived/ reimbursed net of amount recaptured and fees paid indirectly were included, the ratio would have been lower than the ratio shown.*

INDEX 500 FUND

For a share outstanding throughout each period

	Year Ended December 31,				
	2015	2014	2013	2012	2011
Net asset value, beginning of period	$ 15.98	$ 14.11	$ 10.70	$ 9.25	$ 9.09
Income (loss) from investment operations:					
Net investment income (loss)[2]	0.27	0.24	0.21	0.20	0.16
Net realized and unrealized gain (loss) on investment transactions	(0.11)	1.63	3.20	1.25	—
Total from investment operations	0.16	1.87	3.41	1.45	0.16
Net asset value, end of period	$ 16.14	$ 15.98	$ 14.11	$ 10.70	$ 9.25
Total return[1]	1.00%	13.25%	31.87%	15.68%	1.76%
Ratios/Supplemental data:					
Net assets, end of period (in thousands)	$417,965	$442,835	$398,537	$312,146	$267,009
Ratio of net expenses to average net assets[3]	0.38%	0.38%	0.34%	0.34%	0.35%
Ratio of total expenses to average net assets[4]	0.38%	0.38%	0.34%	0.34%	0.36%
Ratio of net investment income (loss) to average net assets[3]	1.68%	1.63%	1.72%	1.93%	1.71%
Portfolio turnover rate	3%	3%	8%	4%	4%

[1] *Total investment return is based on the change in net asset value of a share during the period and assumes reinvestment of dividends and distributions at net asset value. Total returns do not reflect expenses associated with variable contracts such as administrative fees, account charges and surrender charges, which if reflected would reduce the total returns for all periods presented.*

[2] *The net investment income (loss) per share was calculated using the average shares outstanding method.*

[3] *The ratio includes expenses waived/reimbursed net of amount recaptured and fees paid indirectly, where applicable; if expenses waived/reimbursed net of amount recaptured and fees paid indirectly were excluded, the ratio would have been higher (lower), respectively, than the ratio shown.*

[4] *The ratio excludes expenses waived/reimbursed net of amount recaptured and fees paid indirectly, where applicable; if expenses waived/reimbursed net of amount recaptured and fees paid indirectly were included, the ratio would have been lower than the ratio shown.*

MID CAP GROWTH FUND

For a share outstanding throughout each period

	Year Ended December 31,				
	2015	2014	2013	2012	2011
Net asset value, beginning of period	$ 14.88	$ 13.59	$ 9.94	$ 9.37	$ 10.16
Income (loss) from investment operations:					
Net investment income (loss)[2]	—	(0.02)	(0.06)	(0.01)	(0.04)
Net realized and unrealized gain (loss) on investment transactions	(0.86)	1.31	3.71	0.58	(0.75)
Total from investment operations	(0.86)	1.29	3.65	0.57	(0.79)
Net asset value, end of period	$ 14.02	$ 14.88	$ 13.59	$ 9.94	$ 9.37
Total return[1]	(5.78%)	9.49%	36.72%	6.08%	(7.78%)
Ratios/Supplemental data:					
Net assets, end of period (in thousands)	$111,742	$128,486	$120,563	$101,293	$99,083
Ratio of total expenses to average net assets	1.00%	0.97%	0.99%	1.00%	1.00%
Ratio of net investment income (loss) to average net assets	(0.02%)	(0.14%)	(0.49%)	(0.12%)	(0.42%)
Portfolio turnover rate	43%	140%	80%	129%	110%

[1] *Total investment return is based on the change in net asset value of a share during the period and assumes reinvestment of dividends and distributions at net asset value. Total returns do not reflect expenses associated with variable contracts such as administrative fees, account charges and surrender charges, which if reflected would reduce the total returns for all periods presented.*

[2] *The net investment income (loss) per share was calculated using the average shares outstanding method.*

MID CAP VALUE FUND
For a share outstanding throughout each period

	Year Ended December 31,				
	2015	2014	2013	2012	2011
Net asset value, beginning of period	$ 21.04	$ 18.51	$ 13.59	$ 11.80	$ 12.59
Income (loss) from investment operations:					
Net investment income (loss)[2]	0.20	0.17	0.19	0.19	0.09
Net realized and unrealized gain (loss) on investment transactions	(1.88)	2.36	4.73	1.60	(0.88)
Total from investment operations	(1.68)	2.53	4.92	1.79	(0.79)
Net asset value, end of period	$ 19.36	$ 21.04	$ 18.51	$ 13.59	$ 11.80
Total return[1]	(7.98%)	13.67%	36.20%	15.17%	(6.27%)
Ratios/Supplemental data:					
Net assets, end of period (in thousands)	$165,849	$185,293	$172,994	$124,651	$97,048
Ratio of total expenses to average net assets	0.81%	0.81%	0.82%	0.84%	0.84%
Ratio of net investment income (loss) to average net assets	0.93%	0.86%	1.21%	1.49%	0.70%
Portfolio turnover rate	42%	32%	43%	43%	106%

1 *Total investment return is based on the change in net asset value of a share during the period and assumes reinvestment of dividends and distributions at net asset value. Total returns do not reflect expenses associated with variable contracts such as administrative fees, account charges and surrender charges, which if reflected would reduce the total returns for all periods presented.*

2 *The net investment income (loss) per share was calculated using the average shares outstanding method.*

MID CORE VALUE FUND

For a share outstanding throughout each period

	Year Ended December 31,				
	2015	2014	2013	2012	2011
Net asset value, beginning of period	$ 17.84	$ 15.33	$ 11.87	$ 10.37	$ 10.75
Income (loss) from investment operations:					
Net investment income (loss)[2]	0.19	0.21	0.14	0.08	0.03
Net realized and unrealized gain (loss) on investment transactions	(0.46)	2.30	3.32	1.42	(0.41)
Total from investment operations	(0.27)	2.51	3.46	1.50	(0.38)
Net asset value, end of period	$ 17.57	$ 17.84	$ 15.33	$ 11.87	$ 10.37
Total return[1]	(1.51%)	16.37%	29.15%	14.46%	(3.53%)
Ratios/Supplemental data:					
Net assets, end of period (in thousands)	$90,550	$90,229	$71,874	$57,168	$60,179
Ratio of total expenses to average net assets	1.07%	1.05%	1.08%	1.08%	1.08%
Ratio of net investment income (loss) to average net assets	1.06%	1.27%	0.97%	0.68%	0.29%
Portfolio turnover rate	77%	69%	166%	75%	51%

[1] *Total investment return is based on the change in net asset value of a share during the period and assumes reinvestment of dividends and distributions at net asset value. Total returns do not reflect expenses associated with variable contracts such as administrative fees, account charges and surrender charges, which if reflected would reduce the total returns for all periods presented.*

[2] *The net investment income (loss) per share was calculated using the average shares outstanding method.*

SMID CAP GROWTH FUND

For a share outstanding throughout each period

	Year Ended December 31,				
	2015	2014	2013	2012	2011
Net asset value, beginning of period	$ 19.76	$ 19.64	$ 13.75	$ 11.92	$ 12.51
Income (loss) from investment operations:					
Net investment income (loss)[2]	(0.15)	(0.15)	(0.10)	(0.06)	(0.09)
Net realized and unrealized gain (loss) on investment transactions	(0.15)	0.27	5.99	1.89	(0.50)
Total from investment operations	(0.30)	0.12	5.89	1.83	(0.59)
Net asset value, end of period	$ 19.46	$ 19.76	$ 19.64	$ 13.75	$ 11.92
Total return[1]	(1.52%)	0.61%	42.84%	15.35%	(4.72%)
Ratios/Supplemental data:					
Net assets, end of period (in thousands)	$56,002	$55,602	$63,627	$40,578	$26,996
Ratio of net expenses to average net assets[3]	1.07%	1.06%	1.05%	1.05%	1.05%
Ratio of total expenses to average net assets[4]	1.07%	1.06%	1.07%	1.12%	1.13%
Ratio of net investment income (loss) to average net assets[3]	(0.71%)	(0.81%)	(0.61%)	(0.46%)	(0.77%)
Portfolio turnover rate	103%	89%	90%	95%	160%

[1] *Total investment return is based on the change in net asset value of a share during the period and assumes reinvestment of dividends and distributions at net asset value. Total returns do not reflect expenses associated with variable contracts such as administrative fees, account charges and surrender charges, which if reflected would reduce the total returns for all periods presented.*

[2] *The net investment income (loss) per share was calculated using the average shares outstanding method.*

[3] *The ratio includes expenses waived/reimbursed net of amount recaptured and fees paid indirectly, where applicable; if expenses waived/reimbursed net of amount recaptured and fees paid indirectly were excluded, the ratio would have been higher (lower), respectively, than the ratio shown.*

[4] *The ratio excludes expenses waived/reimbursed net of amount recaptured and fees paid indirectly, where applicable; if expenses waived/reimbursed net of amount recaptured and fees paid indirectly were included, the ratio would have been lower than the ratio shown.*

SMID CAP VALUE FUND

For a share outstanding throughout each period

	Year Ended December 31,				
	2015	2014	2013	2012	2011
Net asset value, beginning of period	$ 20.91	$ 19.14	$ 13.87	$ 11.66	$ 12.56
Income (loss) from investment operations:					
Net investment income (loss)[2]	—	0.05	0.07	0.07	0.03
Net realized and unrealized gain (loss) on investment transactions	(1.19)	1.72	5.20	2.14	(0.93)
Total from investment operations	(1.19)	1.77	5.27	2.21	(0.90)
Net asset value, end of period	$ 19.72	$ 20.91	$ 19.14	$ 13.87	$ 11.66
Total return[1]	(5.69%)	9.25%	38.00%	18.95%	(7.17%)
Ratios/Supplemental data:					
Net assets, end of period (in thousands)	$67,959	$73,906	$63,544	$43,575	$ 32,949
Ratio of net expenses to average net assets[3]	1.23%	1.20%	1.14%	1.14%	1.14%
Ratio of total expenses to average net assets[4]	1.23%	1.24%	1.25%	1.27%	1.31%
Ratio of net investment income (loss) to average net assets[3]	(0.02%)	0.24%	0.41%	0.51%	0.27%
Portfolio turnover rate	48%	51%	58%	52%	69%

[1] *Total investment return is based on the change in net asset value of a share during the period and assumes reinvestment of dividends and distributions at net asset value. Total returns do not reflect expenses associated with variable contracts such as administrative fees, account charges and surrender charges, which if reflected would reduce the total returns for all periods presented.*

[2] *The net investment income (loss) per share was calculated using the average shares outstanding method.*

[3] *The ratio includes expenses waived/reimbursed net of amount recaptured and fees paid indirectly, where applicable; if expenses waived/reimbursed net of amount recaptured and fees paid indirectly were excluded, the ratio would have been higher (lower), respectively, than the ratio shown.*

[4] *The ratio excludes expenses waived/reimbursed net of amount recaptured and fees paid indirectly, where applicable; if expenses waived/reimbursed net of amount recaptured and fees paid indirectly were included, the ratio would have been lower than the ratio shown.*

SMALL CAP GROWTH FUND

For a share outstanding throughout each period

	Year Ended December 31,				
	2015	2014	2013	2012	2011
Net asset value, beginning of period	$ 28.47	$ 26.42	$ 19.20	$ 18.16	$ 20.43
Income (loss) from investment operations:					
Net investment income (loss)[2]	(0.14)	(0.11)	(0.11)	(0.18)	(0.15)
Net realized and unrealized gain (loss) on investment transactions	0.26	2.16	7.33	1.22	(2.12)
Total from investment operations	0.12	2.05	7.22	1.04	(2.27)
Net asset value, end of period	$ 28.59	$ 28.47	$ 26.42	$ 19.20	$ 18.16
Total return[1]	0.42%	7.76%	37.60%	5.73%	(11.11%)
Ratios/Supplemental data:					
Net assets, end of period (in thousands)	$91,666	$102,678	$89,539	$77,720	$ 78,447
Ratio of total expenses to average net assets	1.03%	1.02%	1.07%	1.10%	1.08%
Ratio of net investment income (loss) to average net assets	(0.48%)	(0.42%)	(0.50%)	(0.92%)	(0.71%)
Portfolio turnover rate	26%	33%	143%	103%	125%

[1] *Total investment return is based on the change in net asset value of a share during the period and assumes reinvestment of dividends and distributions at net asset value. Total returns do not reflect expenses associated with variable contracts such as administrative fees, account charges and surrender charges, which if reflected would reduce the total returns for all periods presented. Total returns may reflect adjustments to conform with generally accepted accounting principles.*

[2] *The net investment income (loss) per share was calculated using the average shares outstanding method.*

SMALL CAP VALUE FUND
For a share outstanding throughout each period

	Year Ended December 31,				
	2015	2014	2013	2012	2011
Net asset value, beginning of period	$ 28.03	$ 26.16	$ 18.83	$ 16.21	$ 16.07
Income (loss) from investment operations:					
Net investment income (loss)[2]	0.17	0.19	0.10	0.24	0.08
Net realized and unrealized gain (loss) on investment transactions	(1.70)	1.68	7.23	2.38	0.06
Total from investment operations	(1.53)	1.87	7.33	2.62	0.14
Net asset value, end of period	$ 26.50	$ 28.03	$ 26.16	$ 18.83	$ 16.21
Total return[1]	(5.46%)	7.15%	38.93%	16.16%	0.87%
Ratios/Supplemental data:					
Net assets, end of period (in thousands)	$227,139	$246,127	$238,772	$175,841	$159,365
Ratio of total expenses to average net assets	0.99%	1.03%	1.14%	1.15%	1.15%
Ratio of net investment income (loss) to average net assets	0.62%	0.70%	0.46%	1.36%	0.51%
Portfolio turnover rate	47%	45%	59%	50%	47%

[1] *Total investment return is based on the change in net asset value of a share during the period and assumes reinvestment of dividends and distributions at net asset value. Total returns do not reflect expenses associated with variable contracts such as administrative fees, account charges and surrender charges, which if reflected would reduce the total returns for all periods presented.*

[2] *The net investment income (loss) per share was calculated using the average shares outstanding method.*

SMALL CAP INDEX FUND

For a share outstanding throughout each period

	Year Ended December 31,				
	2015	2014	2013	2012	2011
Net asset value, beginning of period	$ 17.59	$ 16.88	$ 12.22	$ 10.58	$ 11.08
Income (loss) from investment operations:					
Net investment income (loss)[2]	0.12	0.12	0.10	0.16	0.08
Net realized and unrealized gain (loss) on investment transactions	(1.02)	0.59	4.56	1.48	(0.58)
Total from investment operations	(0.90)	0.71	4.66	1.64	(0.50)
Net asset value, end of period	$ 16.69	$ 17.59	$ 16.88	$ 12.22	$ 10.58
Total return[1]	(5.12%)	4.21%	38.13%	15.50%	(4.51%)
Ratios/Supplemental data:					
Net assets, end of period (in thousands)	$ 65,480	$ 66,658	$ 64,860	$ 42,443	$ 29,202
Ratio of net expenses to average net assets[3]	0.69%	0.64%	0.55%	0.55%	0.55%
Ratio of total expenses to average net assets[4]	0.69%	0.69%	0.71%	0.70%	0.91%
Ratio of net investment income (loss) to average net assets[3]	0.66%	0.72%	0.71%	1.42%	0.70%
Portfolio turnover rate	18%	20%	17%	18%	18%

[1] *Total investment return is based on the change in net asset value of a share during the period and assumes reinvestment of dividends and distributions at net asset value. Total returns do not reflect expenses associated with variable contracts such as administrative fees, account charges and surrender charges, which if reflected would reduce the total returns for all periods presented.*

[2] *The net investment income (loss) per share was calculated using the average shares outstanding method.*

[3] *The ratio includes expenses waived/reimbursed net of amount recaptured and fees paid indirectly, where applicable; if expenses waived/reimbursed net of amount recaptured and fees paid indirectly were excluded, the ratio would have been higher (lower), respectively, than the ratio shown.*

[4] *The ratio excludes expenses waived/reimbursed net of amount recaptured and fees paid indirectly, where applicable; if expenses waived/reimbursed net of amount recaptured and fees paid indirectly were included, the ratio would have been lower than the ratio shown.*

DEVELOPED INTERNATIONAL INDEX FUND
For a share outstanding throughout each period

	Year Ended December 31,				
	2015	2014	2013	2012	2011
Net asset value, beginning of period	$ 11.54	$ 12.29	$ 10.15	$ 8.59	$ 9.83
Income (loss) from investment operations:					
Net investment income (loss)[2]	0.24	0.30	0.28	0.25	0.27
Net realized and unrealized gain (loss) on investment transactions	(0.40)	(1.05)	1.86	1.31	(1.51)
Total from investment operations	(0.16)	(0.75)	2.14	1.56	(1.24)
Net asset value, end of period	$ 11.38	$ 11.54	$ 12.29	$ 10.15	$ 8.59
Total return[1]	(1.39%)	(6.10%)	21.08%	18.16%	(12.61%)
Ratios/Supplemental data:					
Net assets, end of period (in thousands)	$98,109	$101,510	$103,233	$89,786	$ 61,858
Ratio of net expenses to average net assets[3]	0.83%	0.75%	0.59%	0.59%	0.59%
Ratio of total expenses to average net assets[4]	0.83%	0.82%	0.92%	1.00%	1.01%
Ratio of net investment income (loss) to average net assets[3]	2.02%	2.47%	2.50%	2.73%	2.80%
Portfolio turnover rate	2%	7%	9%	2%	1%

[1] *Total investment return is based on the change in net asset value of a share during the period and assumes reinvestment of dividends and distributions at net asset value. Total returns do not reflect expenses associated with variable contracts such as administrative fees, account charges and surrender charges, which if reflected would reduce the total returns for all periods presented.*

[2] *The net investment income (loss) per share was calculated using the average shares outstanding method.*

[3] *The ratio includes expenses waived/reimbursed net of amount recaptured and fees paid indirectly, where applicable; if expenses waived/reimbursed net of amount recaptured and fees paid indirectly were excluded, the ratio would have been higher (lower), respectively, than the ratio shown.*

[4] *The ratio excludes expenses waived/reimbursed net of amount recaptured and fees paid indirectly, where applicable; if expenses waived/reimbursed net of amount recaptured and fees paid indirectly were included, the ratio would have been lower than the ratio shown.*

INTERNATIONAL EQUITY FUND
For a share outstanding throughout each period

	Year Ended December 31,				
	2015	2014	2013	2012	2011
Net asset value, beginning of period	$ 23.39	$ 22.72	$ 21.44	$ 17.71	$ 17.55
Income (loss) from investment operations:					
Net investment income (loss)[2]	0.28	0.27	0.24	0.25	0.35
Net realized and unrealized gain (loss) on investment transactions	0.56	0.40	1.04	3.48	(0.19)
Total from investment operations	0.84	0.67	1.28	3.73	0.16
Net asset value, end of period	$ 24.23	$ 23.39	$ 22.72	$ 21.44	$ 17.71
Total return[1]	3.59%	2.95%	5.97%	21.06%	0.91%
Ratios/Supplemental data:					
Net assets, end of period (in thousands)	$375,175	$380,898	$378,189	$348,599	$309,920
Ratio of total expenses to average net assets	1.15%	1.15%	1.17%	1.17%	1.20%
Ratio of net investment income (loss) to average net assets	1.17%	1.14%	1.09%	1.30%	1.95%
Portfolio turnover rate	27%	31%	34%	43%	30%

1 *Total investment return is based on the change in net asset value of a share during the period and assumes reinvestment of dividends and distributions at net asset value. Total returns do not reflect expenses associated with variable contracts such as administrative fees, account charges and surrender charges, which if reflected would reduce the total returns for all periods presented.*

2 *The net investment income (loss) per share was calculated using the average shares outstanding method.*

EMERGING MARKETS EQUITY FUND

For a share outstanding throughout each period

	Year Ended December 31,				
	2015	2014	2013	2012	2011
Net asset value, beginning of period	$ 10.84	$ 11.40	$ 11.53	$ 9.64	$ 11.82
Income (loss) from investment operations:					
Net investment income (loss)[2]	0.03	0.02	0.03	0.03	0.07
Net realized and unrealized gain (loss) on investment transactions	(1.21)	(0.58)	(0.16)	1.86	(2.25)
Total from investment operations	(1.18)	(0.56)	(0.13)	1.89	(2.18)
Net asset value, end of period	$ 9.66	$ 10.84	$ 11.40	$ 11.53	$ 9.64
Total return[1]	(10.89%)	(4.91%)	(1.13%)	19.61%	(18.44%)
Ratios/Supplemental data:					
Net assets, end of period (in thousands)	$147,819	$157,027	$163,179	$152,858	$121,066
Ratio of net expenses to average net assets[3]	1.74%	1.75%	1.68%	1.68%	1.68%
Ratio of total expenses to average net assets[4]	1.68%	1.69%	1.82%	1.72%	1.91%
Ratio of net investment income (loss) to average net assets[3]	0.24%	0.19%	0.25%	0.31%	0.63%
Portfolio turnover rate	41%	42%	48%	47%	60%

[1] *Total investment return is based on the change in net asset value of a share during the period and assumes reinvestment of dividends and distributions at net asset value. Total returns do not reflect expenses associated with variable contracts such as administrative fees, account charges and surrender charges, which if reflected would reduce the total returns for all periods presented.*

[2] *The net investment income (loss) per share was calculated using the average shares outstanding method.*

[3] *The ratio includes expenses waived/reimbursed net of amount recaptured and fees paid indirectly, where applicable; if expenses waived/reimbursed net of amount recaptured and fees paid indirectly were excluded, the ratio would have been higher (lower), respectively, than the ratio shown.*

[4] *The ratio excludes expenses waived/reimbursed net of amount recaptured and fees paid indirectly, where applicable; if expenses waived/reimbursed net of amount recaptured and fees paid indirectly were included, the ratio would have been lower than the ratio shown.*

REAL ESTATE SECURITIES FUND

For a share outstanding throughout each period

	Year Ended December 31,				
	2015	2014	2013	2012	2011[2]
Net asset value, beginning of period	$ 18.01	$ 13.83	$ 13.41	$ 11.56	$ 10.80
Income (loss) from investment operations:					
Net investment income (loss)[3]	0.26	0.23	0.18	0.16	0.12
Net realized and unrealized gain (loss) on investment transactions	0.68	3.95	0.24	1.69	0.64
Total from investment operations	0.94	4.18	0.42	1.85	0.76
Net asset value, end of period	$ 18.95	$ 18.01	$ 13.83	$ 13.41	$ 11.56
Total return[1]	5.22%	30.22%	3.13%	16.00%	7.04%
Ratios/Supplemental data:					
Net assets, end of period (in thousands)	$137,644	$136,861	$114,290	$98,146	$76,346
Ratio of total expenses to average net assets	0.97%	0.97%	0.99%	1.01%	1.00%
Ratio of net investment income (loss) to average net assets	1.42%	1.43%	1.35%	1.27%	1.09%
Portfolio turnover rate	61%	54%	69%	85%	144%

[1] *Total investment return is based on the change in net asset value of a share during the period and assumes reinvestment of dividends and distributions at net asset value. Total returns do not reflect expenses associated with variable contracts such as administrative fees, account charges and surrender charges, which if reflected would reduce the total returns for all periods presented.*

[2] *Prior to May 1, 2011, the Real Estate Securities Fund was named the REIT Fund.*

[3] *The net investment income (loss) per share was calculated using the average shares outstanding method.*

AGGRESSIVE ALLOCATION FUND

For a share outstanding throughout each period

	Year Ended December 31,				
	2015	2014	2013	2012	2011
Net asset value, beginning of period	$ 15.12	$ 14.16	$ 11.56	$ 10.01	$ 10.39
Income (loss) from investment operations:					
Net investment income (loss)[3]	(0.05)	(0.05)	(0.04)	(0.04)	(0.03)
Net realized and unrealized gain (loss) on investment transactions	(0.19)	1.01	2.64	1.59	(0.35)
Total from investment operations	(0.24)	0.96	2.60	1.55	(0.38)
Net asset value, end of period	$ 14.88	$ 15.12	$ 14.16	$ 11.56	$ 10.01
Total return[1]	(1.59%)	6.78%	22.49%	15.48%	(3.66%)
Ratios/Supplemental data:					
Net assets, end of period (in thousands)	$61,119	$64,505	$56,879	$41,234	$28,182
Ratio of net expenses to average net assets[2,4]	0.34%	0.34%	0.33%	0.33%	0.33%
Ratio of total expenses to average net assets[2,5]	0.34%	0.34%	0.33%	0.35%	0.38%
Ratio of net investment income (loss) to average net assets[4]	(0.34%)	(0.34%)	(0.33%)	(0.33%)	(0.33%)
Portfolio turnover rate	24%	20%	30%	24%	29%

1 *Total investment return is based on the change in net asset value of a share during the period and assumes reinvestment of dividends and distributions at net asset value. Total returns do not reflect expenses associated with variable contracts such as administrative fees, account charges and surrender charges, which if reflected would reduce the total returns for all periods presented.*

2 *The Fund also will indirectly bear its prorated share of expenses of the underlying funds. Such expenses are not included in the calculation of this ratio.*

3 *The net investment income (loss) per share was calculated using the average shares outstanding method.*

4 *The ratio includes expenses waived/reimbursed net of amount recaptured and fees paid indirectly, where applicable; if expenses waived/reimbursed net of amount recaptured and fees paid indirectly were excluded, the ratio would have been higher (lower), respectively, than the ratio shown.*

5 *The ratio excludes expenses waived/reimbursed net of amount recaptured and fees paid indirectly, where applicable; if expenses waived/reimbursed net of amount recaptured and fees paid indirectly were included, the ratio would have been lower than the ratio shown.*

MODERATELY AGGRESSIVE ALLOCATION FUND

For a share outstanding throughout each period

	Year Ended December 31,				
	2015	2014	2013	2012	2011
Net asset value, beginning of period	$ 15.73	$ 14.80	$ 12.42	$ 10.93	$ 11.13
Income (loss) from investment operations:					
Net investment income (loss)[3]	(0.05)	(0.05)	(0.04)	(0.04)	(0.04)
Net realized and unrealized gain (loss) on investment transactions	(0.13)	0.98	2.42	1.53	(0.16)
Total from investment operations	(0.18)	0.93	2.38	1.49	(0.20)
Net asset value, end of period	$ 15.55	$ 15.73	$ 14.80	$ 12.42	$ 10.93
Total return[1]	(1.14%)	6.28%	19.16%	13.63%	(1.80%)
Ratios/Supplemental data:					
Net assets, end of period (in thousands)	$238,908	$250,402	$231,185	$179,229	$134,968
Ratio of total expenses to average net assets[2]	0.32%	0.32%	0.31%	0.32%	0.32%
Ratio of net investment income (loss) to average net assets	(0.32%)	(0.32%)	(0.31%)	(0.32%)	(0.32%)
Portfolio turnover rate	20%	17%	23%	25%	30%

[1] *Total investment return is based on the change in net asset value of a share during the period and assumes reinvestment of dividends and distributions at net asset value. Total returns do not reflect expenses associated with variable contracts such as administrative fees, account charges and surrender charges, which if reflected would reduce the total returns for all periods presented.*

[2] *The Fund also will indirectly bear its prorated share of expenses of the underlying funds. Such expenses are not included in the calculation of this ratio.*

[3] *The net investment income (loss) per share was calculated using the average shares outstanding method.*

MODERATE ALLOCATION FUND

For a share outstanding throughout each period

	Year Ended December 31				
	2015	2014	2013	2012	2011
Net asset value, beginning of period	$ 14.44	$ 13.67	$ 11.98	$ 10.80	$ 10.73
Income (loss) from investment operations:					
Net investment income (loss)[3]	(0.05)	(0.04)	(0.04)	(0.04)	(0.03)
Net realized and unrealized gain (loss) on investment transactions	(0.03)	0.81	1.73	1.22	0.10
Total from investment operations	(0.08)	0.77	1.69	1.18	0.07
Net asset value, end of period	$ 14.36	$ 14.44	$ 13.67	$ 11.98	$ 10.80
Total return[1]	(0.55%)	5.63%	14.11%	10.93%	0.65%
Ratios/Supplemental data:					
Net assets, end of period (in thousands)	$342,152	$364,044	$350,164	$290,951	$224,256
Ratio of total expenses to average net assets[2]	0.32%	0.31%	0.31%	0.31%	0.32%
Ratio of net investment income (loss) to average net assets	(0.32%)	(0.31%)	(0.31%)	(0.31%)	(0.32%)
Portfolio turnover rate	17%	17%	20%	20%	26%

[1] *Total investment return is based on the change in net asset value of a share during the period and assumes reinvestment of dividends and distributions at net asset value. Total returns do not reflect expenses associated with variable contracts such as administrative fees, account charges and surrender charges, which if reflected would reduce the total returns for all periods presented.*

[2] *The Fund also will indirectly bear its prorated share of expenses of the underlying funds. Such expenses are not included in the calculation of this ratio.*

[3] *The net investment income (loss) per share was calculated using the average shares outstanding method.*

MODERATELY CONSERVATIVE ALLOCATION FUND

For a share outstanding throughout each period

	Year Ended December 31,				
	2015	2014	2013	2012	2011
Net asset value, beginning of period	$ 13.63	$ 12.98	$ 11.87	$ 10.96	$ 10.67
Income (loss) from investment operations:					
Net investment income (loss)[3]	(0.05)	(0.04)	(0.04)	(0.04)	(0.04)
Net realized and unrealized gain (loss) on investment transactions	0.02	0.69	1.15	0.95	0.33
Total from investment operations	(0.03)	0.65	1.11	0.91	0.29
Net asset value, end of period	$ 13.60	$ 13.63	$ 12.98	$ 11.87	$ 10.96
Total return[1]	(0.22%)	5.01%	9.35%	8.30%	2.72%
Ratios/Supplemental data:					
Net assets, end of period (in thousands)	$102,101	$107,669	$111,452	$96,028	$89,677
Ratio of net expenses to average net assets[2,4]	0.33%	0.32%	0.32%	0.33%	0.33%
Ratio of total expenses to average net assets[2,5]	0.33%	0.32%	0.32%	0.33%	0.33%
Ratio of net investment income (loss) to average net assets[4]	(0.33%)	(0.32%)	(0.32%)	(0.33%)	(0.33%)
Portfolio turnover rate	23%	20%	28%	37%	30%

[1] *Total investment return is based on the change in net asset value of a share during the period and assumes reinvestment of dividends and distributions at net asset value. Total returns do not reflect expenses associated with variable contracts such as administrative fees, account charges and surrender charges, which if reflected would reduce the total returns for all periods presented.*

[2] *The Fund also will indirectly bear its prorated share of expenses of the underlying funds. Such expenses are not included in the calculation of this ratio.*

[3] *The net investment income (loss) per share was calculated using the average shares outstanding method.*

[4] *The ratio includes expenses waived/reimbursed net of amount recaptured and fees paid indirectly, where applicable; if expenses waived/reimbursed net of amount recaptured and fees paid indirectly were excluded, the ratio would have been higher (lower), respectively, than the ratio shown.*

[5] *The ratio excludes expenses waived/reimbursed net of amount recaptured and fees paid indirectly, where applicable; if expenses waived/reimbursed net of amount recaptured and fees paid indirectly were included, the ratio would have been lower than the ratio shown.*

CONSERVATIVE ALLOCATION FUND

For a share outstanding throughout each period

	Year Ended December 31,				
	2015	2014	2013	2012	2011
Net asset value, beginning of period	$ 12.72	$ 12.26	$ 11.74	$ 11.13	$ 10.71
Income (loss) from investment operations:					
Net investment income (loss)[3]	(0.04)	(0.04)	(0.04)	(0.04)	(0.04)
Net realized and unrealized gain (loss) on investment transactions	0.05	0.50	0.56	0.65	0.46
Total from investment operations	0.01	0.46	0.52	0.61	0.42
Net asset value, end of period	$ 12.73	$ 12.72	$ 12.26	$ 11.74	$ 11.13
Total return[1]	0.08%	3.75%	4.43%	5.48%	3.92%
Ratios/Supplemental data:					
Net assets, end of period (in thousands)	$61,217	$65,183	$68,185	$70,604	$63,096
Ratio of net expenses to average net assets[2,4]	0.34%	0.33%	0.33%	0.33%	0.33%
Ratio of total expenses to average net assets[2,5]	0.34%	0.33%	0.33%	0.33%	0.34%
Ratio of net investment income (loss) to average net assets[4]	(0.34%)	(0.33%)	(0.33%)	(0.33%)	(0.33%)
Portfolio turnover rate	24%	26%	38%	44%	39%

[1] *Total investment return is based on the change in net asset value of a share during the period and assumes reinvestment of dividends and distributions at net asset value. Total returns do not reflect expenses associated with variable contracts such as administrative fees, account charges and surrender charges, which if reflected would reduce the total returns for all periods presented.*

[2] *The Fund also will indirectly bear its prorated share of expenses of the underlying funds. Such expenses are not included in the calculation of this ratio.*

[3] *The net investment income (loss) per share was calculated using the average shares outstanding method.*

[4] *The ratio includes expenses waived/reimbursed net of amount recaptured and fees paid indirectly, where applicable; if expenses waived/reimbursed net of amount recaptured and fees paid indirectly were excluded, the ratio would have been higher (lower), respectively, than the ratio shown.*

[5] *The ratio excludes expenses waived/reimbursed net of amount recaptured and fees paid indirectly, where applicable; if expenses waived/reimbursed net of amount recaptured and fees paid indirectly were included, the ratio would have been lower than the ratio shown.*

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The Penn Mutual Life Insurance Company
Philadelphia, PA 19172

Statement of Additional Information

In addition to this Prospectus, the Company has a Statement of Additional Information ("SAI"), dated May 1, 2016, which contains additional information about the Funds. The SAI is incorporated by reference into this Prospectus and, therefore, legally forms a part of this Prospectus.

Shareholder Reports

The Company publishes annual and semi-annual reports containing additional information about each Fund's investments. In the Company's annual and semi-annual reports, you will find a discussion of the market conditions and the investment strategies that significantly affected each Fund's performance during that period.

To request more information about the Funds, or obtain the Funds' SAI and annual and semi-annual reports, without charge, you may contact Penn Mutual at 1-800-523-0650 and select "0" to speak with a customer representative or visit Penn Mutual's website (www.pennmutual.com).

Information about the Funds, including the SAI, and the annual and semi-annual reports, also may be obtained from the Securities and Exchange Commission ("SEC") in any of the following ways: (1) in person: you may review and copy documents in the SEC's Public Reference Room in Washington, D.C. (for information call 1-202-551-8090); (2) online: you may retrieve information from the SEC's website at www.sec.gov; or (3) by email or mail: you may request documents, upon payment of a duplicating fee, by electronic request at publicinfo@sec.gov or by writing to the SEC's Public Reference Section, Washington, D.C. 20549-1520.

Penn Series Funds, Inc.'s Investment Company Act registration number is 811-03459.