Fidelity Security Life
Insurance Company

Variable Annuity Prospectus

May, 2002

FIDELITY SECURITY LIFE INSURANCE COMPANY
FSL SEPARATE ACCOUNT M
FSL FLEXIBLE PREMIUM VARIABLE ANNUITY

This prospectus describes the variable annuity contract offered by Fidelity Security Life Insurance Company (we, us, our). This is an individual deferred variable annuity. The contract is offered as a non-qualified annuity, an individual retirement annuity (IRA), as a tax sheltered annuity (TSA), or pursuant to other qualified plans. This contract provides for accumulation of contract values and annuity payments on a fixed and variable basis.

The contract has a number of investment choices (1 fixed account and 5 investment options). The fixed account is part of our general assets and provides an investment rate guaranteed by us. The 5 investment options available are portfolios of Investors Mark Series Fund, Inc. and Berger Institutional Products Trust, which are listed below. You can put your money in any of these options which are offered through our separate account, the FSL Separate Account M.

Investors Mark Series Fund, Inc.
- Money Market Portfolio
- Growth & Income Portfolio
- Large Cap Growth Portfolio
- Small Cap Equity Portfolio

Berger Institutional Products Trust
- Berger IPT – International Fund

Please read this prospectus before investing. You should keep it for future reference. It contains important information about the contract.

To learn more about the contract, you can obtain a copy of the Statement of Additional Information (SAI) (dated May 1, 2002). The SAI has been filed with the Securities and Exchange Commission (SEC) and is legally a part of this prospectus. The SEC maintains a website (http://www.sec.gov) that contains the SAI, material incorporated by reference and other information regarding companies that file electronically with the SEC. The Table of Contents of the SAI is on page 17 of this prospectus. For a free copy of the SAI, call us at (800) 648-8624 or write to: Fidelity Security Life Insurance Company, Annuity Products, 3130 Broadway, Kansas City, MO 64111-2406.

The Contracts:

- are not bank deposits.
- are not federally insured.
- are not endorsed by any bank or governmental agency.
- are not guaranteed and may be subject to loss of principal.

The SEC has not approved these contracts or determined that this prospectus is accurate or complete. Any representation that it has is a criminal offense.

May 1, 2002

TABLE OF CONTENTS

INDEX OF SPECIAL TERMS

We have tried to make this prospectus as readable and understandable for you as possible. By the very nature of the contract, however, certain technical words or terms are unavoidable. We have identified the following as some of these words or terms. The page indicated here is where we believe you will find the best explanation for the word or term. These words and terms are in italics on the indicated page.

HIGHLIGHTS

The variable annuity contract that we are offering is a contract between you, the owner, and us, the insurance company. The contract provides a means for investing on a tax-deferred basis in our fixed account and 5 investment options. The contract is intended for retirement savings or other long-term investment purposes and provides for a death benefit and guaranteed income options.

The contract, like all deferred annuity contracts, has two phases: the accumulation phase and the income phase. During the accumulation phase, earnings accumulate on a tax-deferred basis and are taxed as income when you make a withdrawal. If you make a withdrawal during the accumulation phase, we may also assess a surrender charge of up to 7%. The income phase occurs when you begin receiving regular payments from your contract.

You can choose to receive annuity payments on a variable basis, fixed basis or combination of both. If you choose variable payments, the amount of the variable annuity payments will depend upon the investment performance of the investment options you select for the income phase. If you choose fixed payments, the amount of the fixed annuity payments are level for the payout period.

Free Look. If you cancel the contract within 10 days after receiving it (or whatever period is required in your state), we will send your money back without assessing a surrender charge. You will receive whatever your contract is worth on the day we receive your request. This may be more or less than your original payment. If we are required by law to return your original payment, we will put your money in the Money Market Portfolio during the free-look period plus 5 days.

Tax Penalty. The earnings in your contract are not taxed until you take money out of your contract. If you take money out during the accumulation phase, earnings come out first and are taxed as income. If you are younger than 59-1/2 when you take money out, you may be charged a 10% federal tax penalty on those earnings. Payments during the income phase are considered partly a return of your original investment.

Inquiries. If you need more information, please contact us at:

Fidelity Security Life Insurance Company
Annuity Products
3130 Broadway
Kansas City, MO 64111-2406
(800) 648-8624

FSL SEPARATE ACCOUNT M TABLE OF FEES AND EXPENSES

Owner Transaction Expenses

Surrender Charge: (as a percentage of purchase payments surrendered – see Note 2)

Number of Complete Years from Receipt of Purchase Payments	Surrender Charge *(See Note 3)* Easy Pay	Lump Sum
0-1	6%	7%
1	6	6
2	6	5
3	5	4
4	5	3
5	4	2
6	3	1
7	2	0
8	2	0
9	1	0
10 and thereafter	0	0

Transfer Fee: (See Notes 4 & 5) — No charge for the first 12 transfers in a contract year during the accumulation phase; thereafter, the fee is $50 per transfer. There is no charge for the 4 allowable transfers in a contract year during the income phase.

Separate Account Annual Expenses: (as a percentage of the average account value)

Mortality and Expense Risk Fees: (See Note 6)

Lump Sum	0.90%
Easy Pay	1.50% (0.90% (if contract value exceeds $100,000)*

Total Separate Account Annual Expenses:

Lump Sum	0.90%
Easy Pay	1.50% (0.90% if contract value exceeds $100,000)*

**Once your contract value reaches $100,000, it will be assessed the lower charge even if the contract value is later reduced by changes in market value or withdrawals.*

Investment Option Expenses: (as a percentage of the average daily net assets of an investment option)

	Management Fees	Other Expenses (after expense reimbursement)	Total Operating Expenses (after expense (reimbursement
Investors Mark Series Fund, Inc. (See Note 7)			
Money Market Portfolio	40%	10%	.50%
Growth & Income Portfolio	80%	10%	.90%
Large Cap Growth Portfolio	80%	10%	.90%
Small Cap Equity Portfolio	95%	10%	1.05%
Berger Institutional Products Trust (See Note 8)			
Berger IPT – International Fund	85%	35%	1.20%

Examples

There are two sets of examples below. The first set assumes your purchase payments are Lump Sum payments or that your contract value exceeds $100,000. The second set assumes that you are only making Easy Pay purchase payments to your contract and that your contract value does not exceed $100,000.

These examples are designed to help you to understand the expenses in a contract. You should not consider these to represent the actual expenses you would pay. The actual expenses may be greater or less than those shown.

- This first set of examples assumes you invested $1,000 in a contract and allocated all of it to an investment option which earned 5% each year. It also assumes that your purchase payments are Lump Sum payments or that your contract value exceeded $100,000. All the expenses of the options shown above are assumed to apply. Under these assumptions you would pay the following:

  a) Upon surrender at the end of each time period;

  b) If the contract is not surrendered or if you begin the income phase.

		Time Periods			
		1 Year	3 Years	5 Years	10 Years
Investors Mark Series Fund, Inc.					
Money Market Portfolio	a)	$84.00	$95.70	$112.84	$204.60
	b)	14.00	45.70	82.84	204.60
Growth & Income Portfolio	a)	88.00	108.53	135.70	258.65
	b)	18.00	58.53	105.70	258.65
Large Cap Growth Portfolio	a)	88.00	108.53	135.70	258.65
	b)	18.00	58.53	105.70	258.65
Small Cap Equity Portfolio	a)	89.50	113.31	144.19	278.44
	b)	9.50	63.31	114.19	278.44
Berger Institutional Products Trust					
Berger IPT – International Fund	a)	91.00	118.08	152.62	297.96
	b)	21.00	68.08	122.62	297.96

- This second set of examples assumes that you are only making Easy Pay purchase payments to your contract and that your contract value does not exceed $100,000. All the expenses of the investment options shown above are assumed to apply. Under these assumptions you would pay the following:

  a) Upon surrender at the end of each time period;

  b) If the contract is not surrendered or if you begin the income phase.

		Time Periods			
		1 Year	3 Years	5 Years	10 Years
Investors Mark Series Fund, Inc.					
Money Market Portfolio	a)	$80.00	$124.90	$167.01	$294.97
	b)	20.00	64.90	117.01	284.97
Growth & Income Portfolio	a)	84.00	137.58	189.34	346.26
	b)	24.00	77.58	139.34	336.26
Large Cap Growth Portfolio	a)	84.00	137.58	189.34	346.26
	b)	24.00	77.58	139.34	336.26
Small Cap Equity Portfolio	a)	85.50	142.31	197.63	365.04
	b)	25.50	82.31	147.63	355.04
Berger Institutional Products Trust					
Berger IPT – International Fund	a)	87.00	147.03	205.87	383.56
	b)	27.00	87.03	155.87	373.56

Notes to Table of Fees, Expenses and Examples

1. The purpose of the Table of Fees and Expenses is to assist you in understanding the various costs and expenses that you will incur directly or indirectly. The Table reflects expenses of the separate account as well as the investment options.

2. The contract provides for several circumstances under which we will waive or reduce the surrender charge.

3. You can purchase a contract and add to it by making payments in one of two ways:

   - Lump Sum payments – any payment of $5,000 or more; or

   - Easy Pay payments – any payment of $50 or more but lower than $5,000.

4. We charge $50 per transfer during the accumulation phase for any transfers after 12 in any contract year.

5. When you transfer contract values from one of our annuity contracts to another, we assess an internal transfer fee of 2% of the amount transferred.

6. The contract refers to a Product Expense Charge. This charge is equivalent to the aggregate charges that until recently were referred to as a Mortality and Expense Risk Charge and an Administrative Charge by many companies issuing variable annuity contracts. Throughout this prospectus we will refer to this charge as a Product Expense Charge.

7. Investors Mark Advisors, LLC voluntarily agreed to reimburse expenses of each Portfolio of Investors Mark Series Fund, Inc. for the year ended December 31, 2001 and will continue this arrangement until April 30, 2003 so that the annual expenses do not exceed the amounts set forth above under "Total Annual Portfolio Expenses" for each Portfolio. Absent such expense reimbursement, the Total Annual Portfolio Expenses for the year ended December 31, 2001 were:

   1.50% for the Money Market Portfolio;
   1.18% for the Growth & Income Portfolio;
   1.50% for the Small Cap Equity Portfolio; and
   1.23% for the Large Cap Growth Portfolio.

8. Under a written contract, the Funds' investment adviser has agreed to waive its advisory fee and reimburse the Funds to the extent that, at any time during the life of a Fund, such Fund's annual operating expenses exceed a specified amount (1.20%-Berger IPT-International Fund). The contract may not be terminated or amended except by a vote of the Funds' Board of Trustees. Absent the waiver and reimbursements, the Management Fee for Berger IPT-International Fund would have been .85%; their Other Expenses would have been .75%; and their Total Annual Portfolio Expenses would have been 1.60% respectively. The investment advisory fee charged to Berger IPT-International Fund is at the following rates of average daily net assets: 0.85% of the first $500 million, 0.80% of the next $500 million, and 0.75% over $1 billion.

9. Premium taxes are not reflected in the examples and may apply in the state where you live.

THERE IS AN ACCUMULATION UNIT VALUE HISTORY (CONDENSED FINANCIAL INFORMATION) CONTAINED IN THE APPENDIX TO THIS PROSPECTUS.

THE COMPANY

Fidelity Security Life Insurance Company, 3130 Broadway, Kansas City, Missouri 64111-2406, is a stock life insurance company. We were originally incorporated on January 17, 1969, as a Missouri Corporation. We are principally engaged in the sale of life insurance and annuities. We are licensed in the District of Columbia and all states except New York, where we are only admitted as a reinsurer. Fidelity Security Life Insurance Company is majority owned by Richard F. Jones (an individual).

THE ANNUITY CONTRACT

This Prospectus describes the variable annuity contract that we are offering.

An annuity is a contract between you, the owner, and us, the insurance company, where we promise to pay you an income, in the form of *annuity payments*, beginning on a designated date in the future. Until you decide to begin receiving annuity payments, your annuity is in the *accumulation phase*. Once you begin receiving annuity payments, your contract enters the *income phase*.

The contract benefits from tax deferral. Tax deferral means that you are not taxed on earnings or appreciation on the assets in your contract until you take money out of your contract.

The contract is called a variable annuity because you can choose among the *investment options*, and depending upon market conditions, you can make or lose money in any of these options. If you select the variable annuity portion of the contract, the amount of money you are able to accumulate in your contract during the accumulation phase depends upon the investment performance of the investment option(s) you select as well as the interest we credit to the fixed account.

You can choose to receive annuity payments on a variable basis, fixed basis or a combination of both. If you choose variable payments, the amount of the annuity payments you receive will depend upon the investment performance of the investment option(s) you select for the income phase. If you select to receive payments on a fixed basis, the payments you receive will remain level.

PURCHASE

Purchase Payments

A purchase payment is the money you give us to buy the contract. You can make payments in two ways:

- as Lump Sum payments; or
- as Easy Pay payments.

A Lump Sum payment is any payment of $5,000 or more. Easy Pay payments are designed to give you the opportunity to make regular payments to your contract. The minimum Easy Pay payment, whether for your initial payment or a subsequent payment, we will accept is $50. The maximum total of all purchase payments we will accept for the contract without our prior consent is $500,000.

Allocation of Purchase Payments

When you purchase a contract, you choose how we will apply your purchase payments among the investment options. If you make additional purchase payments, we will allocate them in the same way as your first purchase payment, unless you tell us otherwise.

Free Look. If you change your mind about owning this contract, you can cancel it within 10 days after receiving it (or the period required in your state, which is shown on page 1 of your contract). When you cancel the contract within this time period, we will not assess a surrender charge. You will receive back whatever your contract is worth on the day we receive your request. In certain states, or if you have purchased the contract as an IRA, we may be required to give you back your purchase payment if you decide to cancel your contract within 10 days after receiving it (or whatever period is required in your state). If that is the case, we will put your purchase payment in the Money Market Portfolio for 15 days before we allocate your first purchase payment to the investment option(s) you have selected. (In some states, the period may be longer.) If we do allocate your purchase payment to the Money Market Portfolio and you exercise your free look right, we will return the greater of your contract value or your purchase payments.

Once we receive your purchase payment and the necessary information, we will issue your contract and allocate your first purchase payment within two business days. If you do not give us all of the information we need, we will contact you to get it. If for some reason we are unable to complete this process within five business days, we will either send back your money or get your permission to keep it until we get all of the necessary information. If you add more money to your contract by making additional purchase payments, we will credit those amounts to your contract within one business day. Our business day closes when the New York Stock Exchange closes, usually 4:00 p.m. Eastern time.

INVESTMENT CHOICES

The contract offers you the choice of allocating purchase payments to our fixed account or to one or more of the investment options which are listed below. Additional investment options may be available in the future.

You should read the prospectuses for these funds carefully before investing.

Copies of these prospectuses are attached to this prospectus. Certain investment options contained in the fund prospectuses may not be available with your contract.

Investors Mark Series Fund, Inc.

Investors Mark Series Fund, Inc. is managed by Investors Mark Advisors, LLC (Adviser). Investors Mark Series Fund, Inc. is a mutual fund with multiple portfolios, four of which are available under the contract. Each portfolio has a different investment objective. The Adviser has engaged sub-advisers to provide investment advice for the individual portfolios. The following portfolios are available under the contract:

- Money Market Portfolio – Standish, Ayer & Wood, Inc. is the sub-adviser.
- Growth & Income Portfolio – Lord, Abbett & Co. is the sub-adviser.
- Large Cap Growth Portfolio – Stein Roe & Farnham, Incorporated is the sub-adviser.
- Small Cap Equity Portfolio – Stein Roe & Farnham, Incorporated is the sub-adviser.

Berger Institutional Products Trust

Berger Institutional Products Trust is a mutual fund with multiple portfolios, of which only one is available under the contract. That portfolio is managed by Berger Financial Group (formerly, Berger LLC). Berger Financial Group has retained Bank of Ireland Asset Management (U.S.) Limited (BIAM) as sub-adviser. BIAM is responsible for day-to-day management of the fund's portfolio as sub-adviser.

Prior to May 12, 2000, BBOI Worldwide LLC (BBOI), a joint venture between Berger Financial Group (formerly, Berger LLC) and BIAM, served as adviser and administrator to the portfolio. Effective May 12, 2000, the portfolio entered into a new advisory agreement with Berger LLC replacing BBOI.

- Berger IPT – International Fund.

The investment objectives and policies of certain of the investment options are similar to the investment objectives and policies of other mutual funds that certain of the investment advisers manage. Although the objectives and policies may be similar, the investment results of the investment options may be higher or lower than the results of such other mutual funds. The investment advisers cannot guarantee, and make no representation, that the investment results of similar funds will be comparable even though the investment options have the same investment advisers.

An investment option's performance may be affected by risks specific to certain types of investments, such as foreign securities, derivative investments, non-investment grade debt securities, initial public offerings (IPOs) or companies with relatively small market capitalizations. IPOs and other investment techniques may have a magnified performance impact on an investment option with a small asset base. An investment option may not experience similar performance as its assets grow.

Shares of the investment options may be offered in connection with certain variable annuity contracts and variable life insurance policies of various life insurance companies which may or may not be affiliated with us. Certain investment options may also be sold directly to qualified plans. The investment options believe that offering their shares in this manner will not be disadvantageous to you.

We may enter into certain arrangements under which we are reimbursed by the investment options' advisers, distributors and/or affiliates for the administrative services which we provide to the options.

Fixed Account

During the accumulation phase, you may allocate purchase payments and contract values to our fixed account. The fixed account forms a portion of our general account. At our discretion, we may, from time to time, declare an excess interest rate for the fixed account.

General Account

During the income phase, you can select to have your annuity payments paid out of our general account. We guarantee a specified interest rate used in determining the payments. If you choose this option, the payments you receive will remain level. This option is only available during the income phase.

Transfers

You can make transfers as described below. We have the right to terminate or modify these transfer provisions.

You can make transfers by telephone. If you own the contract with a joint owner, unless we are instructed otherwise, we will accept instructions from either you or the other owner. We will use reasonable procedures to confirm that instructions given to us by telephone are genuine. If we fail to use such procedures, we may be liable for any losses due to unauthorized or fraudulent instructions. However, we will not be liable for following telephone instructions that we reasonably believe to be genuine. We may tape record telephone instructions.

Transfers are subject to the following:

1. Currently, during the accumulation phase, you can make 12 transfers every contract year without charge. You can transfer into the fixed account from the investment options.
2. Currently, during the accumulation phase you can only make one transfer in a calendar quarter out of the fixed account into the investment options. Any transfer made pursuant to this provision is counted in determining any transfer fee.
3. We will assess a $50 transfer fee for each transfer during the accumulation phase in excess of the free 12 transfers allowed per contract year. Transfers made at the end of the free look period by us and any transfers made pursuant to the Dollar Cost Averaging program, the Rebalancing program, or for loans will not be counted in determining the application of any transfer fee.
4. The minimum amount which you can transfer is $500 or your entire value in the investment option or fixed account if it is less. This requirement is waived if the transfer is made in connection with the Dollar Cost Averaging program, the Rebalancing program, or loans.
5. After a transfer is made, you must keep a minimum of $100 in the account (either in the fixed account or an investment option) from which the transfer was made, unless you transfer the entire account.
6. You may not make a transfer until after the end of the free look period.
7. A transfer will be effected as of the end of a business day when we receive an acceptable transfer request containing all required information. This would include the amount which is to be transferred, and the investment option(s) and/or the fixed account affected.
8. We are not liable for a transfer made in accordance with your instructions.
9. We reserve the right to restrict transfers between investment options to a maximum of 12 per contract year and to restrict transfers from being made on consecutive business days. We also reserve the right to restrict transfers into and out of the fixed account.
10. Your right to make transfers is subject to modification if we determine, in our sole opinion, that the exercise of the right by one or more owners is, or would be, to the disadvantage of other owners. Restrictions may be applied in any manner reasonably designed to prevent any use of the transfer right which is considered by us to be to the disadvantage of other owners. A modification could be applied to transfers to, or from, one or more of the investment options and could include, but is not limited to:
    a) the requirement of a minimum time period between each transfer;
    b) not accepting a transfer request from an agent acting under a power of attorney on behalf of more than one owner; or
    c) limiting the dollar amount that may be transferred between investment options by an owner at any one time.
11. Transfers do not change your allocation instructions for future purchase payments.
12. Transfers made during the income phase are subject to the following:
    a) you may make 4 transfers each contract year between investment options or between the investment options and the general account;
    b) you may not make a transfer within 3 business days of the annuity calculation date; and
    c) you may not make a transfer from the general account to an investment option.

Dollar Cost Averaging Program

The Dollar Cost Averaging Program allows you to systematically transfer a set amount each month from a selected investment option or the fixed account to any of the other investment options. By allocating amounts on a regular schedule as opposed to allocating the total amount at one particular time, you may be less susceptible to the impact of market fluctuations. The Dollar Cost Averaging Program is available only during the accumulation phase.

The minimum amount which can be transferred each month is $100. You must have at least $1,200 in the selected investment option or fixed account (or the amount required to complete your program, if less) in order to participate in the Dollar Cost Averaging Program.

We have the right to modify, terminate or suspend the Dollar Cost Averaging Program.

If you participate in the Dollar Cost Averaging Program, the transfers made under the program are not taken into account in determining any transfer fee. If you are participating in the Dollar Cost Averaging Program, you cannot also participate in the Rebalancing Program.

Dollar Cost Averaging does not assure a profit and does not protect against loss in declining markets. Dollar Cost Averaging involves continuous investment in the selected investment option(s) regardless of fluctuating price levels of the investment option(s). You should consider your financial ability to continue the Dollar Cost Averaging Program through periods of fluctuating price levels.

Rebalancing Program

Once your money has been allocated among the investment options, the performance of the selected options may cause your allocation to shift. You can direct us to automatically rebalance your contract to return to your original percentage allocations by selecting our Rebalancing Program. You can tell us whether to rebalance monthly, quarterly, semi-annually or annually.

The Rebalancing Program is available only during the accumulation phase.

If you participate in the Rebalancing Program, the transfers made under the program are not taken into account in determining any transfer fee. Amounts allocated to the fixed account are not taken into account as part of the Rebalancing Program. You cannot participate in the Rebalancing Program if you are participating in the Dollar Cost Averaging Program.

Example:

Assume that you want your initial purchase payment split between 2 investment options. You want 80% to be in the Growth & Income Portfolio and 20% to be in the International Fund. Over the next 2-1/2 months the domestic market does very well while the international market performs poorly. At the end of the quarter, the Growth & Income Portfolio now represents 86% of your holdings because of its increase in value. If you had chosen to have your holdings rebalanced quarterly, on the first day of the next quarter, we would sell some of your units in the Growth & Income Portfolio to bring its value back to 80% and use the money to buy more units in the International Fund to increase those holdings to 20%.

Substitution and Limitation on Further Investment

We may be required to substitute one of the investment options you have selected with another investment option. We would not do this without the prior approval of the Securities and Exchange Commission. We may also limit further investment in an investment option. We will give you notice of our intent to take either of these actions.

EXPENSES

There are charges and other expenses associated with the contracts that reduce the return on your investment in the contract. These charges and expenses are:

Product Expense Charge

Each day we make a deduction for our Product Expense Charge. We do this as part of our calculation of the value of the accumulation units and the annuity units.

This charge is for all the insurance benefits, e.g., guarantee of annuity rates, the death benefit, for certain expenses of the contract, and for assuming the risk (expense risk) that the current charges will be insufficient in the future to cover the cost of administering the contract. If the charges under the contract are not sufficient, then we will bear the loss. We do, however, expect to profit from this charge. This charge cannot be increased.

We assess the Product Expense Charge each business day and it is based on the average value of your contract. We assess a Product Expense Charge as follows:

- Lump Sum Payments: 0.90%, on an annual basis.
- Easy Pay Payments: 1.50% on an annual basis (0.90% on an annual basis if contract value exceeds $100,000).*

**Once your contract value reaches $100,000, it will be assessed the lower charge even if the contract value is later reduced by changes in market value or withdrawals.*

Reduction of Product Expense Charge

We may, at our sole discretion, reduce the Product Expense Charge. We would do so when sales of the contract are made to individuals or to a group of individuals in such a manner that results in a reduction of our administrative costs or other savings. We would consider making such a reduction when:

- the size and type of group to whom the contract is offered can reasonably be expected to produce such a cost savings; or
- the amount of purchase payments can produce some economies resulting in a savings to us.

Any reduction of the Product Expense Charge will not be unfairly discriminatory against any person. We will make such reductions in accordance with our own administrative rules in effect at the time the contract(s) is issued. We have the right to change these rules from time to time.

Surrender Charge

During the accumulation phase, you can make surrenders from your contract. We keep track of each purchase payment. Subject to the free surrender amount and other waivers discussed below, if you make a surrender and it has been less than the stated number of years since you made your purchase payment, we will assess a Surrender Charge.

Surrender Charge: (as a percentage of purchase payments surrendered)

Surrender Charges

Number of Complete Years From Receipt of Purchase Payments	Surrender Charge Easy Pay	Lump Sum
0-1	6%	7%
1	6	6
2	6	5
3	5	4
4	5	3
5	4	2
6	3	1
7	2	0
8	2	0
9	1	0
10 and thereafter	0	0

Each purchase payment has its own Surrender Charge period. For purposes of the Surrender Charge, we treat surrenders as coming from the most recent purchase payments first. When the surrender is for only part of the value of your contract, the Surrender Charge is deducted from the remaining value in your contract.

Note: *For tax purposes, earnings are usually considered to come out first.*

Waiver of the Surrender Charge

Free Surrenders. You may make one surrender of up to 10% of your contract value during a contract year free from any Surrender Charge. This right is non-cumulative.

Internal Transfers. It is our current practice to reduce Surrender Charges for an owner of one of our annuity contracts who wishes to transfer contract values to another of our annuity contracts. The following will apply to such internal transfers:

- there is an internal transfer fee of 2% of the amount transferred when you make a transfer of contract value to another contract (which could be the variable annuity contract we are offering by this prospectus) issued by us;
- once transferred into the other contract, the amount transferred will be subject to an Adjusted Surrender Charge in accordance with the following:

Adjusted Surrender Charges

	Number of Complete Years you have been our Annuity Customer		
Number of Complete Years from Transfer	5 Years or less	5-10 Years	10 Years +
0-1	6%	4%	3%
1	5	3	3
2	4	2	2
3	3	1	1
4	2	0	0
5	1	0	0
6 and longer	0	0	0

- If your contract was issued prior to May 14, 1999, or is no longer subject to a Surrender Charge, we will not assess the internal transfer fee for the first internal transfer you make. Once contract values are in the new contract, they will be subject to the Adjusted Surrender Charge shown above. Any subsequent internal transfer will be subject to the above conditions.

Reduction of Surrender Charges. We may, at our sole discretion, reduce the Surrender Charge or the Adjusted Surrender Charge. We would do so when sales of the contract are made to individuals or to a group of individuals in such a manner that results in a reduction of our distribution costs. Some examples are: if there is a large group of individuals that will be purchasing the contract or if a prospective purchaser already had a relationship with us. We may, at our sole discretion, not deduct the Surrender Charge under a contract issued to an officer, director or employee of ours or any of our affiliates.

Any reduction of Surrender Charges will not be unfairly discriminatory against any person. We will make such reductions in accordance with our administrative rules in effect at the time the contract is issued. We have the right to change those rules from time to time.

Waiver of Surrender Charges Under Certain Benefits. Under the conditions set out in the contract endorsements providing the following benefits, we will not assess the Surrender Charge when:

- **Terminal Illness Endorsement.** You become terminally ill (which means you are not expected to live more than 12 months). Under this benefit, you may make a one time surrender during the accumulation phase up to the full value of your account.
- **Nursing Home or Hospital Confinement Endorsement.** You become confined to a long term care facility, nursing facility or hospital for at least 30 consecutive days. Under this benefit, the maximum amount that you can surrender without the imposition of the Surrender Charge is $2,000 each month for the period of confinement. The maximum total surrenders under this provision is equal to your contract value. This benefit is only available during the accumulation phase.

These benefits may not be available in your state.

Premium Taxes

Some states and other governmental entities (e.g., municipalities) charge premium taxes or similar taxes. We are responsible for the payment of these taxes and will make a deduction from the value of the contract for them. Some of these taxes are due when the contract is issued, and others are due when annuity payments begin. It is our current practice to not charge anyone for these taxes until annuity payments begin. We may at some time in the future discontinue this practice and assess the charge when the tax is due. Premium taxes generally range from 0% to 4%, depending on the state.

Transfer Fee

We will charge $50 for each additional transfer in excess of the free transfers permitted. Transfers made at the end of the free look period by us and any transfers made pursuant to the Dollar Cost Averaging program, Rebalancing program, or loans will not be counted in determining the application of any transfer fee.

Income Taxes

We will deduct from the contract for any income taxes which we incur because of the contract. At the present time, we are not making any such deductions.

Investment Option Expenses

There are deductions from and expenses paid out of the assets of the various investment options, which are described in the attached fund prospectuses.

CONTRACT VALUE

Your contract value is the sum of your interest in the various investment options and our fixed account.

Your interest in the investment option(s) will vary depending upon the investment performance of the options you choose. In order to keep track of your contract value, we use a unit of measure called an *accumulation unit.* During the income phase of your contract we call the unit an *annuity unit*.

Accumulation Units

Every business day we determine the value of an accumulation unit and an annuity unit for each of the investment options. We do this by:

1) determining the change in investment experience (including any charges) for the investment option from the previous business day to the current business day;
2) subtracting our Product Expense Charge and any other charges such as taxes we have deducted; and
3) multiplying the previous business day's accumulation unit (or annuity unit) value by this result.

When you make a purchase payment, we credit your contract with accumulation units. The number of accumulation units credited is determined by dividing the amount of the purchase payment allocated to an investment option by the value of the accumulation unit for that investment option. When you make a surrender, we deduct from your contract accumulation units representing the surrender.

We calculate the value of an accumulation unit for each investment option after the New York Stock Exchange closes each day and then debit or credit your account.

Example:

On Monday we receive an additional purchase payment of $5,000 from you. You have told us you want this to go to the Growth & Income Portfolio. When the New York Stock Exchange closes on that Monday, we determine that the value of an accumulation unit for the Growth & Income Portfolio is $13.90. We then divide $5,000 by $13.90 and credit your contract on Monday night with 359.71 accumulation units for the Growth & Income Portfolio.

SURRENDERS

You can have access to the money in your contract:

- by making a surrender (either a partial or a complete surrender); or
- by electing to receive annuity payments; or
- when a death benefit is paid to your beneficiary; or
- if your contract was issued as a TSA, by taking a loan out of the fixed account.

Surrenders can only be made during the accumulation phase.

When you make a complete surrender you will receive the value of your contract on the day your request is received less any applicable surrender charge and less any premium tax.

Unless you instruct us otherwise, any partial surrender will be made pro rata from all the investment options and the fixed account you selected. Under most circumstances the amount of any partial surrender must be for at least $500, or your entire interest in the fixed account or an investment option. We require that after a partial surrender is made you keep at least $5,000 in your contract for Lump Sum payments or $1,000 for Easy Pay payments.

Income taxes, tax penalties and certain restrictions may apply to any surrender you make.

There are limits to the amount you can surrender from a qualified plan referred to as a 403(b) plan (TSA). For a more complete explanation see the discussion in the Taxes Section and the discussion in the Statement of Additional Information.

Minimum Distribution Program

If your contract has been issued as an IRA, TSA or other qualified plan, you may elect the Minimum Distribution Program. Under this program, we will make payments to you that are designed to meet the applicable minimum distribution requirements imposed by the Internal Revenue Code on such qualified plans. We will make payments to you periodically at your election (currently: monthly, quarterly, semi-annually or annually). The payment amount and frequency may be limited. The payments will not be subject to the surrender charges and will be in lieu of the 10% free surrender amount allowed each year.

Loans

If you purchased this contract as a TSA (also referred to as a 403(b) plan), during the accumulation phase you can take a loan out of the fixed account using the contract as collateral. The minimum loan we will make is $2,000. No loans are permitted out of the investment options and no loans are permitted during the income phase. When you request a loan, we will transfer any amounts necessary to implement the loan request from the investment options to the fixed account. Repayment of the loan will be made into the fixed account. We will then allocate that money in the same manner that your purchase payments are being allocated. Your loan documents will explain the terms, conditions and limitations regarding loans from your TSA contract.

DEATH BENEFIT

Death of Contract Owner During the Accumulation Phase

Upon your death or that of the joint owner during the accumulation phase, the death benefit will be paid to your primary beneficiary. Upon the death of a joint owner, the surviving joint owner, if any, will be treated as the primary beneficiary. Any other beneficiary designation on record at the time of death will be treated as a contingent beneficiary unless you have informed us otherwise in writing.

Death Benefit Amount during the Accumulation Phase

The death benefit during the accumulation phase will be the greater of:

1) the purchase payments, less any surrenders including any applicable charges; or
2) your contract value.

The amount of the death benefit is determined as of the end of the business day during which we receive both due proof of death and an election for the payment method. The death benefit amount remains in an investment option and/or the fixed account until distribution begins. From the time the death benefit is determined until complete distribution is made, any amount in an investment option will be subject to investment risk which is borne by the beneficiary.

Death Benefit Options During the Accumulation Phase

A beneficiary must elect the death benefit to be paid under one of the following options in the event of your death during the accumulation phase. If the beneficiary is the spouse of the owner, he or she may elect to continue the contract in his or her own name and exercise all the owner's rights under the contract. In this event, the contract value will be adjusted to equal the death benefit.

Option 1 – lump sum payment of the death benefit; or

Option 2 – The payment of the entire death benefit within 5 years of the date of death of the owner or any joint owner; or

Option 3 – Payment of the death benefit under an annuity option over the lifetime of the beneficiary or over a period not extending beyond the life expectancy of the beneficiary with distribution beginning within 1 year of the date of your death or of any joint owner.

Any portion of the death benefit not applied under Option 3 within 1 year of the date of your death, or that of a joint owner, must be distributed within 5 years of the date of death.

If a lump sum payment is requested, the amount will be paid within 7 days, unless the suspension of payments provision is in effect.

Payment to the beneficiary, in any form other than a lump sum, may only be elected during the sixty-day period beginning with the date of receipt by us of proof of death.

Death of Contract Owner During the Income Phase

If you or a joint owner, who is not the annuitant, dies during the income phase, any remaining payments under the annuity option elected will continue to be made at least as rapidly as under the method of distribution in effect at the time of your death. Upon your death during the income phase, the beneficiary becomes the owner. The annuitant is the person whose life we look to when we make annuity payments.

Death of Annuitant

Upon the death of the annuitant, who is not an owner, during the accumulation phase, you automatically become the annuitant. You may designate a new annuitant subject to our underwriting rules then in effect. If the owner is a non-natural person, the death of the annuitant will be treated as the death of the owner and a new annuitant may not be designated.

Upon the death of the annuitant during the income phase, the death benefit, if any, will be as specified in the annuity option elected. Death benefits will be paid at least as rapidly as under the method of distribution in effect at the annuitant's death.

ANNUITY PAYMENTS (THE INCOME PHASE)

Under the contract you can receive regular income payments. You can choose the month and year in which those payments begin. We call that date the *annuity date.* Your annuity date must be the first or fifteenth day of a calendar month. You can also choose among income plans. We call those a*nnuity options.*

Your annuity date must be at least 1 month after you buy the contract. Annuity payments must begin by the annuitant's 85th birthday or the 85th birthday of the oldest joint annuitant. The *annuitant* is the person whose life we look to when we make annuity payments.

If you do not choose an annuity option at the time you purchase the contract, we will assume that you selected Option 2 with 10 years of guaranteed payments.

During the income phase, you have the same investment choices you had just before the start of the income phase. If you do not tell us otherwise, your annuity payments will be based on the investment allocations that were in place on the annuity date.

The dollar amount of your payment from the investment option(s) will depend upon four things:

- the value of your contract in the investment option(s) on the annuity date;
- the 3% assumed investment rate used in the annuity table for the contract;
- the performance of the investment options you selected; and
- if permitted in your state and under the type of contract you have purchased, the age and sex of the annuitant(s).

If the actual performance exceeds the 3% assumed rate plus the deductions for expenses, your annuity payments will increase. Similarly, if the actual performance is less than 3% plus the amount of the deductions for expenses, your annuity payments will decrease.

We will determine the amount of your variable annuity payments, including the first, no more than 10 business days prior to the payment date. The payment dates must be the same day each month as the date you selected for the annuity date, i.e., the first or the fifteenth. The day we determine the variable annuity payment is called the annuity calculation date.

You can choose one of the following annuity options. After annuity payments begin, you cannot change the annuity option. All annuity payments are made to you unless you direct us otherwise.

Option 1 – Life Annuity. Under this option we make monthly income payments during the lifetime of the annuitant and terminating with the last payment preceding his/her death.

Option 2 – Life Income with a Guaranteed Period. Under this option we make monthly income payments during the lifetime of the annuitant. We guarantee that if, at the death of the annuitant, payments have been made for less than a stated period, which may be five, ten, fifteen or twenty years, as elected, the monthly income will continue during the remainder of the stated period. However, the owner may elect to receive a single sum payment. A single sum payment will be equal to the present value of remaining payments as of the date of receipt of due proof of death commuted at the assumed investment rate.

Option 3 – Survivorship Annuity. Under this option we make monthly income payments during the joint lifetime of the annuitant and another named individual and thereafter during the lifetime of the survivor. Payments cease with the last income payment due prior to the death of the survivor.

Option 4 – Other Options. Under this option we provide you with any payout plan that is mutually agreed upon between you and us.

OTHER BENEFITS

Disability Benefit

This benefit is only available with respect to Easy Pay payments during the accumulation phase. Under this benefit, so long as you are totally and permanently disabled and can provide us with evidence of that fact, we will pay you a life annuity with fixed payments at your normal retirement date (which is defined in your endorsement) or make a death benefit payment to your beneficiary if you die prior to that date. You should refer to the endorsement in your contract for additional details.

Accidental Death Benefit

During the accumulation phase, in the event that you die due to an accidental injury prior to age 70, we will pay your beneficiary an accidental death benefit equal to the contract value (less any outstanding loan balance if your contract was issued as a 403(b) contract and you took out a loan) on the date of death. This benefit is in addition to the death benefit contained in the contract. The maximum amount of the accidental death benefit is $500,000.

TAXES

Note: *We have prepared the following information on taxes as a general discussion of the subject. It is not intended as tax advice to any individual. You should consult your own tax adviser about your own circumstances. We have included a more comprehensive discussion regarding taxes in the Statement of Additional Information.*

Annuity Contracts in General

Annuity contracts are a means of setting aside money for future needs – usually retirement. Congress recognized how important saving for retirement was and provided special rules in the Internal Revenue Code (Code) for annuities.

Simply stated, these rules provide that you will not be taxed on the earnings on the money held in your annuity contract until you take the money out. This is referred to as tax deferral. There are different rules as to how you are taxed depending on how you take the money out and the type of contract – qualified or non-qualified (see following sections).

Under non-qualified contracts, you as the owner, are not taxed on increases in the value of your contract until a distribution occurs – either as a withdrawal or as annuity payments. When you make a withdrawal, you are taxed on the amount of the withdrawal that is earnings. For annuity payments, different rules apply. A portion of each annuity payment is treated as a partial return of your purchase payments and is not taxed. The remaining portion of the annuity payment is treated as ordinary income. How the annuity payment is divided between taxable and non-taxable portions depends upon the period over which the annuity payments are expected to be made. Annuity payments received after you have received all of your purchase payments are fully includable in income.

When a non-qualified contract is owned by a non-natural person (e.g., corporation or certain other entities other than a trust holding the contract as an agent for a natural person), the contract will generally not be treated as an annuity for tax purposes.

Qualified and Non-Qualified Contracts

If you purchase the contract as an individual and not under any pension plan, specially sponsored program or an individual retirement annuity, your contract is referred to as a *non-qualified* contract.

If you purchase the contract under a pension plan, specially sponsored program, or an individual retirement annuity, your contract is referred to as a qualified contract. Examples of qualified plans are: Individual Retirement Annuities (IRAs), Tax-Sheltered Annuities (sometimes referred to as 403(b) contracts), and pension and profit-sharing plans, which include 401(k) plans and H.R.10 Plans.

A qualified contract will not provide any necessary or additional tax deferral if it is used to fund a *qualified* plan that is tax deferred. However, the contract has features and benefits other than tax deferral that may make it an appropriate investment for a qualified plan. You should consult your tax adviser regarding these features and benefits prior to purchasing a qualified contract.

Withdrawals – Non-Qualified Contracts

If you make a withdrawal from your contract, the Code treats such a withdrawal as first coming from earnings and then from your purchase payments. Such withdrawn earnings are includable in income.

The Code also provides that any amount received under an annuity contract which is included in income may be subject to a penalty. The amount of the penalty is equal to 10% of the amount that is includable in income.

Some withdrawals will be exempt from the penalty. They include any amounts:

1. paid on or after the taxpayer reaches age 59-1/2;
2. paid after you die;
3. paid if the taxpayer becomes totally disabled (as that term is defined in the Code);
4. paid in a series of substantially equal payments made annually (or more frequently) for life or a period not exceeding life expectancy;
5. paid under an immediate annuity; or
6. which come from purchase payments made prior to August 14, 1982.

Withdrawals – Qualified Contracts

If you make a withdrawal from your qualified contract, a portion of the withdrawal is treated as taxable income. This portion depends on the ratio of the pre-tax purchase payments to the after-tax purchase payments in your contract. If all of your purchase payments were made with pre-tax money then the full amount of any withdrawal is includable in taxable income. Special rules may apply to withdrawals from certain types of qualified contracts.

The Code also provides that any amount received under a qualified contract which is included in income may be subject to a penalty. The amount of the penalty is equal to 10% of the amount that is includable in income. Some withdrawals will be exempt from the penalty. They include any amounts:

1. paid on or after you reach age 59-1/2;
2. paid after you die;
3. paid if you become totally disabled (as that term is defined in the Code);
4. paid to you after leaving your employment in a series of substantially equal payments made annually (or more frequently) under a lifetime annuity;
5. paid to you after you have left your employment, after attaining age 55;
6. paid for certain allowable medical expenses (as defined in the Code);
7. paid pursuant to a qualified domestic relations order;
8. paid on account of an IRS levy upon the qualified contract;
9. paid from an IRA for medical insurance (as defined in the Code);
10. paid from an IRA for qualified higher education expenses; or
11. paid from an IRA up to $10,000 for qualified first time homebuyer expenses (as defined in the Code).

The exceptions in (5) and (7) above do not apply to IRAs. The exception in (4) above applies to IRAs but without the requirement of leaving employment.

The 10% penalty also applies to a distribution from a Code Section 457 governmental plan if the distribution is attributable to an amount transferred to the Code Section 457 plan from an IRA, 403(b), pension or profit sharing plan unless one of the exceptions above applies.

We have provided a more complete discussion in the Statement of Additional Information.

Withdrawals – Tax-Sheltered Annuities

The Code limits the withdrawal of amounts attributable to purchase payments made under a salary reduction agreement by owners from Tax-Sheltered Annuities.

Withdrawals can only be made when an owner:

1. reaches age 59-1/2;
2. has a severance from employment;
3. dies;
4. becomes disabled (as that term is defined in the Code);
5. in the case of hardship; or
6. has account balances as of December 31, 1988.

However, in the case of hardship, the owner can only withdraw the purchase payments and not any earnings.

Taxation of Death Benefits

Any death benefits paid under the contract are taxable to the beneficiary. The rules governing the taxation of payments from an annuity contract, as discussed above, generally apply to the payment of death benefits and depend on whether the death benefits are paid as a lump sum or annuity payments. Estate taxes may also apply.

Certain death benefits available for use with a Qualified Contract may be considered by the Internal Revenue Service as "incidental death benefits." The Code imposes limits on the amount of incidental death benefits allowable for qualified contracts, and if the death benefits selected by you are considered to exceed such limits, the provision of such death benefits could result in currently taxable income to the owners of the Qualified Contracts. Furthermore, the Code provides that the assets of an IRA (including Roth IRAs) may not be invested in life insurance, but may provide in the case of death during the accumulation phase for a death benefit payment equal to the greater of purchase payments or account value. The contract offers death benefits which may exceed the greater of purchase payments or account (contract) value. The IRS is currently examining whether these death benefits are appropriate for use with IRAs (including Roth IRAs). If these death benefits are determined by the Internal Revenue Service as providing life insurance, the contract may not qualify as an IRA (including Roth IRAs), which may result in the immediate taxation of amounts held in the contract and the imposition of penalty taxes.

You should consult your tax adviser regarding these features and benefits prior to purchasing a contract.

Diversification and Owner Control

The Code provides that the underlying investments for a variable annuity must satisfy certain diversification requirements in order to be treated as an annuity contract. We believe that the investment options are managed so as to comply with the requirements.

Neither the Code nor the Internal Revenue Service Regulations issued to date provide guidance as to the circumstances under which you, because of the degree of control you exercise over the underlying investments, are considered the owner of the shares of the investment options. If you are considered owner of the shares, it will result in the loss of the favorable tax treatment for the contract. It is unknown to what extent owners are permitted to select investment options, to make transfers among the investment options or the number and type of investment options owners may select from without being considered owner of the shares. If any guidance is provided which is considered a new position, then the guidance is generally applied prospectively. However, if such guidance is considered not to be a new position, it may be applied retroactively. This would mean that you, as the owner of the contract, could be treated as the owner of the investment options.

Due to the uncertainty in this area, we reserve the right to modify the contract in an attempt to maintain favorable tax treatment.

PERFORMANCE

We may periodically advertise performance of the various investment options. We will calculate performance by determining the percentage change in the value of an accumulation unit by dividing the increase (decrease) for that unit by the value of the accumulation unit at the beginning of the period. This performance number reflects the deduction of the insurance charges. It does not reflect the deduction of any surrender charge. The deduction of any surrender charges would reduce the percentage increase or make greater any percentage decrease. Any advertisement will also include total return figures which reflect the deduction of the product expense charges and surrender charges.

The performance will be based on the historical performance of the corresponding investment options for the periods commencing from the date on which the particular investment option was made available through the contracts. In addition, for certain investment options performance may be shown for the period commencing from the inception date of the investment option. These figures should not be interpreted to reflect actual historical performance of the separate account.

We may, from time to time, include in our advertising and sales materials, tax deferred compounding charts and other hypothetical illustrations, which may include comparisons of currently taxable and tax deferred investment programs, based on selected tax brackets.

OTHER INFORMATION

The Separate Account

We established a separate account, FSL Separate Account M (Separate Account), to hold the assets that underlie the contracts. Our Board of Directors adopted a resolution to establish the Separate Account under Missouri insurance law on August 25, 1998. We have registered the Separate Account with the Securities and Exchange Commission as a unit investment trust under the Investment Company Act of 1940.

The assets of the Separate Account are held in our name on behalf of the Separate Account and legally belong to us. However, those assets that underlie the contracts, are not chargeable with liabilities arising out of any other business we may conduct. All the income, gains and losses (realized or unrealized) resulting from these assets are credited to or charged against the contracts and not against any other contracts we may issue.

Voting Rights

We are the legal owner of the investment option shares. However, we believe that when an investment option solicits proxies in conjunction with a vote of shareholders, we are required to obtain from you and other owners instructions as to how to vote those shares. When we receive those instructions, we will vote all of the shares we own in proportion to those instructions. This will also include any shares that we own on our own behalf. Should we determine that we are no longer required to comply with the above, we will vote the shares in our own right.

Distributor

National Pension & Group Consultants, Inc. (NPGC) serves as the distributor for the contracts. NPGC is located at 3130 Broadway, Kansas City, MO 64111-2406.

Commissions will be paid to agents and broker-dealers who sell the contracts. Such agents and broker-dealers will be paid commissions up to 3% of purchase payments but, under certain circumstances, may be paid an additional .25% of assets as a trail commission.

Commissions are incurred and paid by Fidelity Security Life Insurance Company and are not deducted from contract purchase payments.

Ownership

Owner. You, as the owner of the contract, have all the rights under the contract. Prior to the annuity date, the owner is as designated at the time the contract is issued, unless changed. On and after the annuity date, you continue as the owner.

Joint Owner. The contract can be owned by joint owners. Any joint owner must be the spouse of the other owner (except in Pennsylvania). Upon the death of either joint owner, the surviving joint owner will be the designated beneficiary. Any other beneficiary designation at the time the contract was issued or as may have been later changed will be treated as a contingent beneficiary unless otherwise indicated.

Beneficiary

The *beneficiary* is the person(s) or entity you name to receive any death benefit. The beneficiary is named at the time the contract is issued unless changed at a later date. Unless an irrevocable beneficiary has been named, you can change the beneficiary at any time before you die.

Assignment

You can assign the contract at any time during your lifetime. We will not be bound by the assignment until we receive written notice of the assignment. We will not be liable for any payment or other action we take in accordance with the contract before we receive notice of the assignment. *An assignment may be a taxable event.*

If the contract is issued pursuant to a qualified plan, there may be limitations on your ability to assign the contract.

Suspension of Payments or Transfers

We may be required to suspend or postpone payments for surrenders or transfers for any period when:

1. the New York Stock Exchange is closed (other than customary weekend and holiday closings);
2. trading on the New York Stock Exchange is restricted;
3. an emergency exists as a result of which disposal of shares of the investment options is not reasonably practicable or we cannot reasonably value the shares of the investment options;
4. during any other period when the Securities and Exchange Commission, by order, so permits for the protection of owners.

We have reserved the right to defer payment for a withdrawal or transfer from the fixed account for the period permitted by law but not for more than six months.

Financial Statements

Our statutory basis financial statements have been included in the Statement of Additional Information. The financial statements of the Separate Account are also included in the Statement of Additional Information.

Additional Information

For further information about the contract you may obtain a Statement of Additional Information. You can call the telephone number indicated on the cover page or you can write to us. For your convenience we have included a post card for that purpose.

The Table of Contents of this statement is as follows:

APPENDIX

Condensed Financial Information – Accumulation Unit Value History

The table below provides accumulation unit values for the period from the commencement of operations (5/14/99) to December 31, 2001. This data has been extracted from the Separate Account's financial statements. This information should be read in conjunction with the Separate Account's financial statements and related notes which are included in the Statement of Additional Information.

	For the Period Ended 01/01/01 to 12/31/01		For the Period Ended 01/01/00 to 12/31/00		For the Period Ended 05/14/99 to 12/31/99	
	Lump Sum	Easy Pay	Lump Sum	Easy Pay	Lump Sum	Easy Pay
Money Market						
Beginning of Period	$10.75	$10.65	$10.23	$10.19	$10.00	$10.00
End of Period	$11.04	$10.87	$10.75	$10.65	$10.23	$10.19
Number of Accumulation Units Outstanding	16,200	2,133	16,395	1,329	20,570	157
Growth & Income						
Beginning of Period	$11.83	$11.71	$10.30	$10.27	$10.00	$10.00
End of Period	$10.95	$10.78	$11.83	$11.71	$10.30	$10.27
Number of Accumulation Units Outstanding	75,941	25,964	72,862	12,969	16,745	2,344
Large Cap Growth						
Beginning of Period	$10.74	$10.63	$12.31	$12.27	$10.00	$10.00
End of Period	$ 8.03	$ 7.90	$10.74	$10.63	$12.31	$12.27
Number of Accumulation Units Outstanding	119,634	41,542	129,215	20,506	25,582	3,477
Small Cap Equity						
Beginning of Period	$14.75	$14.61	$15.30	$15.24	$10.00	$10.00
End of Period	$13.20	$12.99	$14.75	$14.61	$15.30	$15.24
Number of Accumulation Units Outstanding	44,640	14,413	46,803	6,847	8,438	971
Berger IPT – International						
Beginning of Period	$11.05	$10.95	$12.39	$12.34	$10.00	$10.00
End of Period	$ 8.74	$ 8.60	$11.05	$10.95	$12.39	$12.34
Number of Accumulation Units Outstanding	46,576	16,849	48,924	8,978	12,371	1,177

INVESTORS MARK SERIES FUND, INC.

Supplement dated May 7, 2002

to

Prospectus dated May 1, 2002

The following information supplements the information contained in the prospectus:

Investors Mark Advisors, LLC, which serves as the investment adviser to Investors Mark Series Fund, Inc. (the "Fund"), is a wholly-owned subsidiary of Jones & Babson, Inc. ("Jones & Babson"). Jones & Babson is a wholly-owned subsidiary of Business Men's Assurance Company of America ("BMA"). On April 30, 2002, RBC Insurance, the insurance operation of Royal Bank of Canada, announced an agreement to acquire BMA, exclusive of its existing reinsurance business. Under the agreement, Jones & Babson will become part of the asset management division of RBC Dain Rauscher Corp.

This transaction, which is subject to Canadian and U.S. regulatory approvals and certain customary closing conditions, is expected to close by the end of August of 2002.

The consummation of this transaction will result in an "assignment," as that term is defined in the Investment Company Act of 1940, as amended (the "1940 Act"), of the Fund's current advisory and sub-advisory agreements (the "Current Agreements"). Under the 1940 Act, the Current Agreements will automatically terminate upon their assignment. As a result, the Board of Directors of the Fund are scheduling a meeting to consider the approval of new advisory and sub-advisory agreements. The new agreements, which would become effective on the date of closing of the transaction, will be subject to shareholder approval. It is currently intended that a Fund shareholder meeting will be held in August for the purpose of obtaining shareholder approval of these agreements and other related items. Proxy materials will be mailed to contract owners in advance of such meeting.

P R O S P E C T U S

May 1, 2002

INVESTORS MARK SERIES FUND, INC.

700 KARNES BOULEVARD·KANSAS CITY, MISSOURI 64108

Investors Mark Series Fund, Inc. is a management investment company, sometimes called a mutual fund. It is divided into the following available series or Portfolios.

Growth & Income Portfolio

Large Cap Growth Portfolio

Money Market Portfolio

Small Cap Equity Portfolio

The Securities and Exchange Commission has not approved or disapproved these securities nor has it determined that this prospectus is accurate or complete. It is a criminal offense to state otherwise.

TABLE OF CONTENTS

SUMMARY

This prospectus provides important information about Investors Mark Series Fund, Inc. (the "Fund") and its Portfolios. Investors Mark Advisors, LLC (the "Adviser") serves as the investment adviser for all Portfolios and employs Sub-Advisers to assist it in managing the Portfolios.

Individuals cannot invest in the shares of the Portfolios directly. Instead they participate through variable annuity contracts and variable life insurance policies (collectively, the "Contracts") issued by an insurance company. You can participate either through a Contract that you purchase yourself or through a Contract purchased by your employer.

Through your participation in the Contract, you indirectly participate in Portfolio earnings or losses, in proportion to the amount of money you invest. Depending on your Contract, if you withdraw your money before retirement, you may incur charges and additional tax liabilities. For further information about your Contract, please refer to your Contract prospectus.

The Contracts may be sold by banks. But an investment in a Portfolio of the Fund through a Contract is not a deposit of a bank and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other Government agency.

The investment objectives of the Portfolios may be changed without shareholder approval.

Some of the Portfolios have names and investment objectives that are very similar to certain publicly available mutual funds that are managed by the same money managers. These Portfolios are not those publicly available mutual funds and will not have the same performance. Different performance will result from such factors as different implementation of investment policies, different cash flows into and out of the Portfolios, different fees, and different sizes in terms of total assets.

A Portfolio's performance may be affected by risks specific to certain types of investments, such as risks associated with foreign securities, derivative investments, non-investment grade debt securities, initial public offerings (IPOs) or companies that have relatively small market capitalization. IPOs and other investment techniques may have a magnified performance impact on a Portfolio with a small asset base. A Portfolio may not experience similar performance as its assets grow.

GROWTH & INCOME PORTFOLIO
FACT SHEET
Sub-Adviser: Lord Abbett & Co.

For more information about each type of investment, please read the section in this prospectus called "More About Portfolio Investments."

Investment Objective

- seeks to provide long-term growth of capital and income without excessive fluctuation in market value.

Principal Investment Strategy

The Portfolio intends to keep its assets invested in those securities which are selling at reasonable prices in relation to value and, to do so, it may have to forego some opportunities for gains when, in the judgment of Portfolio management, they carry excessive risk.

The Portfolio will try to anticipate major changes in the economy and select stocks which it believes will benefit most from these changes.

During normal market conditions the Portfolio will invest in common stocks (including securities convertible into common stocks) of large, seasoned companies, generally exceeding $5 billion in market capitalization at the time of purchase, which the Sub-Adviser believes are undervalued. Although the prices of common stocks fluctuate and their dividends vary, historically, common stocks have appreciated in value and their dividends have increased when the companies they represent have prospered and grown.

The Portfolio constantly seeks to balance the opportunity for profit against the risk of loss. In the past, very few industries have continuously provided the best investment opportunities. The Portfolio will take a flexible approach and adjust the Portfolio to reflect changes in the opportunity for sound investments relative to the risks assumed. Therefore, the Portfolio will sell stocks that are judged to be overpriced and reinvest the proceeds in other securities which are believed to offer better values for the Portfolio.

Principal Risks

The principal risks of investing in the Portfolio are:

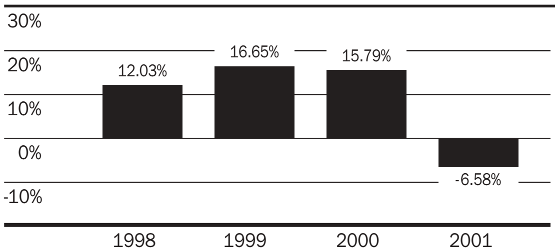
Market Risk: the risk that the value of the securities purchased by the Portfolio will decline as a result of economic, political or market conditions or an issuer's financial circumstances.

Value Investing Risk: the risk that the Portfolio manager's judgment that a particular security is undervalued in relation to the company's fundamental economic values may prove incorrect.

Risk of Investing in Larger Companies: the risk that larger more established companies may be unable to respond quickly to new competitive challenges such as changes in technology and consumer tastes. Many larger companies also may not be able to attain the high growth rates of successful smaller companies, especially during extended periods of economic expansion.

Performance Information

The performance information presented herein is intended to help you evaluate the potential risks and rewards of an investment in the Portfolio by showing changes in the Portfolio's performance and comparing the Portfolio's performance with the performance of a broad based market index. How the Portfolio performed in the past is not necessarily an indication of how the Portfolio will perform in the future. The fees and expenses related to your Contract have not been included in the calculations of performance shown below. Therefore, the actual performance you would have received through your Contract would have been less than the results shown below.



Best Quarter:	Q4-1998	17.09%
Worst Quarter:	Q3-2001	-14.22%

This table compares the Portfolio's average annual returns to the returns of the S&P 500 Index for 1 calendar year and since inception.

Average Annual Total Return as of December 31, 2001

	1 YEAR	SINCE INCEPTION (NOVEMBER 13, 1997)
Portfolio	-6.58%	9.83%
S&P 500 Index	-11.88%	6.97%
S&P 500/Barra Value Index	-11.70%	6.59%

- The S&P 500 Index is an unmanaged index of 500 leading stocks.
- The S&P 500/Barra Value Index is an unmanaged capitalization-weighted index of all the stocks in the S&P 500 that have low price-to-book ratios.

LARGE CAP GROWTH PORTFOLIO
FACT SHEET
Sub-Adviser: Stein Roe & Farnham, Incorporated

For more information about each type of investment, please read the section in this prospectus called "More About Portfolio Investments."

Investment Objective

- seeks long-term capital appreciation.

Principal Investment Strategy

During normal market conditions the Portfolio will invest at least 80% of its total net assets in common stocks and other equity-type securities of companies exceeding $10 billion in market capitalization at the time of purchase. The Sub-Adviser will focus on companies that it believes have long-term appreciation possibilities. Equity-type securities include:

- preferred stocks;
- securities convertible into or exchangeable for common stocks; and,
- warrants or rights to purchase common stocks.

The Portfolio is designed for long-term investors who desire to participate in investments with more investment risk and volatility than the stock market in general, but with less investment risk and volatility than aggressive capital appreciation funds. The Portfolio seeks to reduce risk by investing in a diversified portfolio, but this does not eliminate risk.

The Portfolio may invest in investment grade debt securities of corporate and government issuers. The Portfolio may also invest up to 25% of its total net assets in foreign securities, and the Portfolio may invest in options, futures contracts and futures options.

Principal Risks

The principal risks of investing in the Portfolio are:

Market Risk: the risk that the value of the securities purchased by the Portfolio will decline as a result of economic, political or market conditions or an issuer's financial circumstances.

Growth Investing Risk: the risk of the volatility of growth stocks. Growth companies usually invest a high portion of earnings in their businesses, and may lack the dividends of value stocks that can cushion prices in a falling market. Also, earnings disappointments often lead to sharp declines in prices because investors buy growth stocks in anticipation of superior earnings growth.

Risk of Investing in Larger Companies: the risk that larger more established companies may be unable to respond quickly to new competitive challenges such as changes in technology and consumer tastes. Many larger companies also may not be able to attain the high growth rates of successful smaller companies, especially during extended periods of economic expansion.

Foreign Securities Risks

Political Risk: the risk that a change in a foreign government will occur and that the assets of a company in which the Portfolio has invested will be affected.

Currency Risk: the risk that a foreign currency will decline in value. The Portfolio may trade in currencies other than the U.S. dollar. An increase in the value of the U.S. dollar relative to a foreign currency may adversely affect the value of the Portfolio.

Limited Information Risk: the risk that foreign companies may not be subject to accounting standards or governmental supervision comparable to U.S. companies and that less public information about their operations may exist.

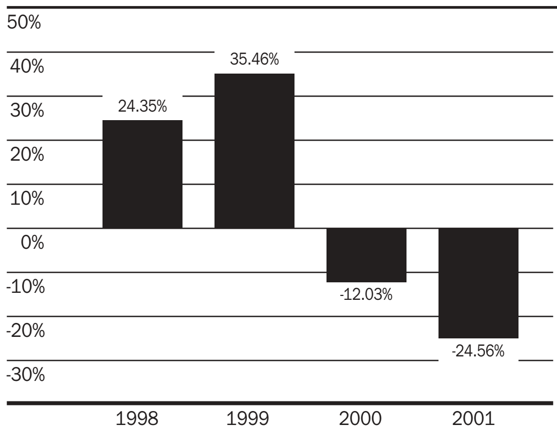
Emerging Market Country Risk: the risks associated with investment in foreign securities are heightened in connection with investments in the securities of issuers in emerging markets, as these markets are generally more volatile than the markets of developed countries.

Settlement and Clearance Risk: the risks associated with the clearance and settlement procedures in non-U.S. markets, which may be unable to keep pace with the volume of securities transactions and may cause delays.

Liquidity Risk: foreign markets may be less liquid and more volatile than U.S. markets and offer less protection to investors.

Performance Information

The performance information presented herein is intended to help you evaluate the potential risks and rewards of an investment in the Portfolio by showing changes in the Portfolio's performance and comparing the Portfolio's performance with the performance of a broad based market index. How the Portfolio performed in the past is not necessarily an indication of how the Portfolio will perform in the future. The fees and expenses related to your Contract have not been included in the calculations of performance shown below. Therefore, the actual performance you would have received through your Contract would have been less than the results shown below.



Best Quarter:	Q4-1999	26.53%
Worst Quarter:	Q4-2000	-18.58%

This table compares the Portfolio's average annual returns to the returns of the S&P 500 Index for 1 calendar year and since inception.

Average Annual Total Return as of December 31, 2001

	1 YEAR	SINCE INCEPTION (NOVEMBER 13, 1997)
Portfolio	-24.56%	4.45%
S&P 500 Index	-11.88%	6.97%

- The S&P 500 Index is an unmanaged index of 500 leading stocks.

MONEY MARKET PORTFOLIO
FACT SHEET
Sub-Adviser: Standish Mellon Asset Management Company LLC

For more information about each type of investment, please read the section in this prospectus called "More About Portfolio Investments."

Investment Objective

- seeks to obtain the highest level of current income which is consistent with the preservation of capital and maintenance of liquidity.

Principal Investment Strategy

The Portfolio invests only in:

- obligations of the United States Government;
- obligations issued by agencies or instrumentalities of the United States Government;
- instruments that are secured or collateralized by obligations of the United States Government, its agencies or its instrumentalities;
- short-term obligations of United States banks and savings and loan associations and companies having assets of more than $1 billion;
- instruments fully secured or collateralized by such bank and savings and loan obligations;
- dollar-denominated short-term obligations of foreign banks, foreign branches of foreign or U.S. banks (referred to as "Eurodollars"), and short-term obligations of U.S. branches and agencies of foreign banks (referred to as "Yankee dollars");
- commercial paper and short-term corporate debt securities rated in one of the two highest categories for short-term debt securities by at least two nationally recognized statistical rating organizations (NRSROs) or one such NRSRO if only one has rated the security;
- corporate or other notes guaranteed by letters of credit from banks in the United States having assets of more than $1 billion or collateralized by United States Government obligations; and/or
- obligations of (i) consumer and commercial finance companies, (ii) securities brokerage companies, (iii) leasing companies and (iv) insurance companies.

Certain of these obligations may be variable or floating rate instruments.

The Portfolio may only invest in high quality U.S. dollar-denominated instruments that are determined to present minimal credit risks.

The Portfolio will enter into repurchase agreements under which it purchases securities, subject to agreement by the seller to repurchase the securities at a higher price on a specified date, with the gain establishing the yield during the Portfolio's holding period. The Sub-Adviser, under general policies established by the Fund's Directors, reviews the creditworthiness of the other party to any repurchase agreement, and will only enter into repurchase agreements with parties whose credit is deemed satisfactory.

Principal Risks

The principal risks of investing in the Portfolio are:

Risk of Money Market funds: Although the Portfolio seeks to preserve the value of your investment at $1.00 per share, it is possible to lose money by investing in the Portfolio. An investment in the Portfolio is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency.

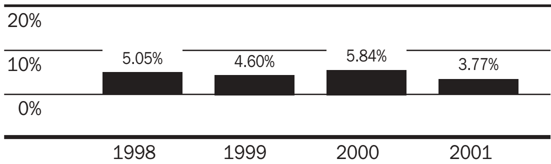
Credit Risk: the risk that an issuer of a fixed income security owned by the Portfolio may be unable to make interest or principal payments.

Interest Rate Risk: the risk that fluctuations in interest rates may affect the value of the Portfolio's interest-paying fixed income securities.

Repurchase Agreement Risk: the risk that if the seller becomes bankrupt, the Portfolio may experience delays in recovering its money, fail to recover part or all of its investment, and incur costs in disposing of the securities used as collateral for the seller's repurchase obligation.

Performance Information

The performance information presented herein is intended to help you evaluate the potential risks and rewards of an investment in the Portfolio by showing changes in the Portfolio's performance. How the Portfolio performed in the past is not necessarily an indication of how the Portfolio will perform in the future. The fees and expenses related to your Contract have not been included in the calculations of performance shown below. Therefore, the actual performance you would have received through your Contract would have been less than the results shown below.



Best Quarter:	Q4-2000	1.51%
Worst Quarter:	Q4-2001	0.59%

Average Annual Total Return as of December 31, 2001

	1 YEAR	SINCE INCEPTION (NOVEMBER 13, 1997)
Portfolio	3.77%	4.83%

7 day yield as of December 31, 2001 was 1.85%

SMALL CAP EQUITY PORTFOLIO FACT SHEET
Sub-Adviser: Stein Roe & Farnham, Incorporated

For more information about each type of investment, please read the section in this prospectus called "More About Portfolio Investments."

Investment Objective

- seeks long-term capital appreciation.

Principal Investment Strategy

During normal market conditions the Portfolio will invest at least 80% of its total net assets in a diversified portfolio of common stocks and equity-type securities of companies with market capitalization, at the time of purchase, equal to or less than the capitalization of the largest stock in the Standard & Poor's Small Cap Index ($3.8 billion as of December 31, 2001). The Sub-Adviser seeks to invest in entrepreneurially managed companies that serve large and growing markets and have the ability to grow their market share. Equity-type securities include:

- preferred stocks;
- securities convertible or exchangeable for common stocks; and,
- warrants or rights to purchase common stocks.

The Portfolio emphasizes investments in financially strong smaller companies, based principally on an assessment of the company's growth opportunity, the company's ability to achieve its financial objectives, and the company's stock valuation.

Attractive company characteristics include:

- unit growth;
- favorable cost structures or competitive positions; and/or
- financial strength that enables management to execute business strategies under difficult conditions.

The Sub-Adviser believes a company is attractively valued when its stock can be purchased at a meaningful discount to the value of other comparable businesses.

The Portfolio is designed for long-term investors who want greater return potential than is available from the stock market in general, and who are willing to tolerate the greater investment risk and market volatility associated with investments in smaller companies. The Sub-Adviser does attempt to limit risk through wide sector and industry diversification of investment.

The Portfolio may invest up to 35% of its total net assets in debt securities of corporate and governmental issuers, primarily investment grade. The Portfolio may also invest up to 25% of its total net assets in foreign securities, and the Portfolio may invest in options, futures contracts and futures options.

Principal Risks

The principal risks of investing in the Portfolio are:

Market Risk: the risk that the value of the securities purchased by the Portfolio will decline as a result of economic, political or market conditions or an issuer's financial circumstances.

Small Capitalization Company Risk: the risk that small companies may be generally subject to more abrupt or erratic market movements than securities of larger, more established companies.

Liquidity Risk: the risk that the degree of market liquidity of some stocks in which the Portfolio invests may be relatively limited in that the Portfolio invests in over-the-counter stocks.

Credit Risk: the risk that an issuer of a fixed income security owned by the Portfolio may be unable to make interest or principal payments.

Interest Rate Risk: the risk that fluctuations in interest rates may affect the value of the Portfolio's interest-paying fixed income securities.

Foreign Securities Risks

Political Risk: the risk that a change in a foreign government will occur and that the assets of a company in which the Portfolio has invested will be affected.

Currency Risk: the risk that a foreign currency will decline in value. The Portfolio may trade in currencies other than the U.S. dollar. An increase in the value of the U.S. dollar relative to a foreign currency may adversely affect the value of the Portfolio.

Limited Information Risk: the risk that foreign companies may not be subject to accounting standards or governmental supervision comparable to U.S. companies and that less public information about their operations may exist.

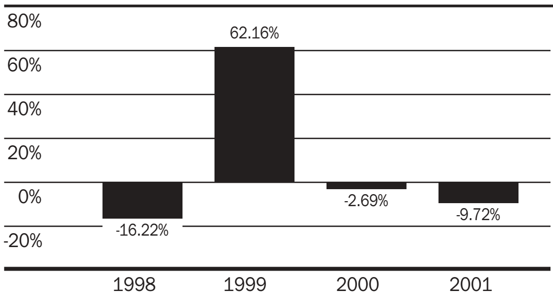
Emerging Market Country Risk: the risks associated with investment in foreign securities are heightened in connection with investments in the securities of issuers in emerging markets, as these markets are generally more volatile than the markets of developed countries.

Settlement and Clearance Risk: the risks associated with the clearance and settlement procedures in non-U.S. markets, which may be unable to keep pace with the volume of securities transactions and may cause delays.

Liquidity Risk: foreign markets may be less liquid and more volatile than U.S. markets and offer less protection to investors; over-the-counter securities may also be less liquid than exchange-traded securities.

Performance Information

The performance information presented herein is intended to help you evaluate the potential risks and rewards of an investment in the Portfolio by showing changes in the Portfolio's performance and comparing the Portfolio's performance with the performance of a broad based market index. How the Portfolio performed in the past is not necessarily an indication of how the Portfolio will perform in the future. The fees and expenses related to your Contract have not been included in the calculations of performance shown below. Therefore, the actual performance you would have received through your Contract would have been less than the results shown below.



Best Quarter:	Q4-1999	39.39%
Worst Quarter:	Q3-2001	-23.52%

This table compares the Portfolio's average annual returns to the returns of the Standard & Poor's Small Cap 600 Index ("S&P Small Cap 600 Index") for 1 calendar year and since inception.

Average Annual Total Return as of December 31, 2001

	1 YEAR	SINCE INCEPTION (NOVEMBER 13, 1997)
Portfolio	-9.72%	3.66%
S&P Small Cap 600 Index	6.51%	7.75%

- The Standard & Poor's Small Cap 600 Index is a capitalization-weighted index of 600 domestic stocks chosen for market size, liquidity and industry group representation.

MORE ABOUT PORTFOLIO INVESTMENTS

Certain of the investment techniques, instruments and risks associated with each Portfolio are referred to in the discussion that follows.

Equity Securities

Equity securities represent an ownership position in a company. The prices of equity securities fluctuate based on changes in the financial condition of the issuing company and on market and economic conditions. Companies sell equity securities to get the money they need to grow.

Stocks are one type of equity security. Generally, there are two types of stocks:

Common stock — Each share of common stock represents a part of the ownership of a company. The holder of common stock participates in the growth of a company through increasing stock price and dividends. If a company experiences difficulty, a stock price can decline and dividends may not be paid.

Preferred stock — Each share of preferred stock allows the holder to receive a dividend before the common stock shareholders receive dividends on their shares.

Other types of equity securities include, but are not limited to, convertible securities, warrants, rights and foreign equity securities such as American Depository Receipts (ADRs), European Depository Receipts (EDRs), and Global Depository Receipts (GDRs).

Fixed Income Securities

Fixed income securities include a broad array of short, medium and long term obligations, including notes and bonds. Fixed income securities may have fixed, variable or floating rates of interest, including rates of interest that vary inversely at a multiple of a designated or floating rate, or that vary according to changes in relative values of currencies. Fixed income securities generally involve an obligation of the issuer to pay interest on either a current basis or at the maturity of the security and to repay the principal amount of the security at maturity.

Bonds are one type of fixed income security and are sold by governments on the local, state and federal levels and by companies. Investing in a bond is like making a loan for a fixed period of time at a fixed interest rate. During the fixed period, the bond pays interest on a regular basis. At the end of the fixed period, the bond matures and the investor usually gets back the principal amount of the bond.

Fixed periods to maturity are categorized as:

- Short-term (generally less than 12 months)
- Intermediate- or Medium-term (one to ten years)
- Long-term (10 years or more)

Commercial paper – is a specific type of corporate or short-term note. In fact, it is very short-term, being paid in less than 270 days. Most commercial paper matures in 50 days or less.

Mortgage-backed securities — are securities representing interests in "pools" of mortgage loans securitized by residential or commercial property. Payments of interest and principal on these securities are generally made monthly, in effect, "passing through" monthly payments made by individual borrowers on the mortgage loans which underlie the securities.

U.S. Government securities — are obligations of, or guaranteed by the U.S. Government or its agents or instrumentalities. Some U.S. Government securities, such as Treasury bills, notes, bonds and securities issued by GNMA, are supported by the full faith and credit of the U.S.; others such as securities issued by the Federal Home Loan Banks, are supported by the right of the issuer to borrow from the U.S. Treasury; others such as those of FNMA, and FHLMC are supported by the discretionary authority of the U.S. Government to purchase the agency's obligations, while still others such as those of the Student Loan Marketing Association, the Tennessee Valley Authority and the Small Business Authority are supported only by the credit of the instrumentality. High quality money market instruments may include:

- Cash and cash equivalents
- U.S. Government securities
- Certificates of deposit or other obligations of U.S. banks with total assets in excess of $1 billion
- Corporate debt obligations with remaining maturities of 12 months or less
- Commercial paper sold by corporations and finance companies
- Repurchase agreements, money market securities of foreign issuers payable in U.S. dollars, asset-backed securities, loan participations and adjustable rate securities
- Bankers' acceptances
- Time deposits

Bonds, commercial paper and mortgage-backed securities are not the only types of fixed income securities. Other fixed income securities and instruments include, but are not limited to:

- convertible bonds, debentures and notes
- asset-backed securities
- certificates of deposit
- fixed time deposits
- bankers' acceptances
- repurchase agreements
- reverse repurchase agreements

Money Market Instruments

All of the Portfolios may invest in high quality money market instruments. A money market instrument is high quality when it is rated in one of the two highest rating categories by S&P or Moody's or another nationally recognized service, or if unrated, deemed high quality by the Adviser or a Sub-Adviser.

Foreign Securities

Foreign securities are the equity, fixed income or money market securities of foreign issuers. Securities of foreign issuers include obligations of foreign branches of U.S. banks and of foreign banks, common and preferred stocks, and fixed income securities issued by foreign governments, corporations and supranational organizations. They also include ADRs, GDRs, IDRs and EDRs.

ADRs are certificates issued by a U.S. bank or trust company and represent the right to receive securities of a foreign issuer deposited in a domestic bank or foreign branch of a U.S. Bank. GDRs, IDRs and EDRs are receipts evidencing an arrangement with a non-U.S. bank.

Portfolio Turnover

Portfolio turnover occurs when a Portfolio sells its investments and buys new ones. In some Portfolios, high portfolio turnover occurs when they engage in frequent trading as part of their investment strategy.

High portfolio turnover may cause a Portfolio's expenses to increase. For example, a Portfolio may have to pay brokerage fees and other related expenses. A portfolio turnover rate of 100% or more a year is considered high. A high rate increases a Portfolio's transaction costs and expenses.

Portfolio turnover rates for each Portfolio are found in the Financial Highlights section of this Prospectus.

A Word About Risk

As described in the fact sheet for each Portfolio, participation in a Portfolio involves risk — even the risk that you will receive a minimal return on your investment or the value of your investment will decline. It is important for you to consider carefully the following risks when you allocate purchase payments or premiums to the Portfolios.

Market Risk

Market risk refers to the loss of capital resulting from changes in the price of investments. Generally, equity securities are considered to be subject to market risk. For example, market risk occurs when the expectations of lower corporate profits in general cause the broad market of stocks to fall in price. When this happens, even though a company may be experiencing a growth in profits, the price of its stock could fall.

Growth Investing Risk

This investment approach has additional risk associated with it due to the volatility of growth stocks. Growth companies usually invest a high portion of earnings in their businesses, and may lack the dividends of value stocks that can cushion prices in a falling market. Also, earnings disappointments often lead to sharply falling prices because investors buy growth stocks in anticipation of superior earnings growth.

Value Investing Risk

This investment approach has additional risk associated with it because the Portfolio manager's judgment that a particular security is undervalued in relation to the company's fundamental economic values may prove incorrect.

Credit Risk

Credit risk refers to the risk that an issuer of a fixed income security may be unable to pay principal or interest payments due on the securities. To help the Portfolios' Sub-Advisers decide which corporate and foreign fixed income securities to buy, they rely on Moody's and S&P (two nationally recognized bond rating services), and on their own research, to lower the risk of buying a fixed income security of a company that may not pay the interest or principal on the fixed income security.

The credit risk of a portfolio depends on the quality of its investments. Fixed income securities that are rated as investment grade have ratings ranging from AAA to BBB. These fixed income securities are considered to have adequate ability to make interest and principal payments.

Interest Rate Risk

Interest rate risk refers to the risk that fluctuations in interest rates may affect the value of interest paying securities in a Portfolio. Fixed income securities such as U.S. Government bonds are subject to interest rate risk. If a Portfolio sells a bond before it matures, it may lose money, even if the bond is guaranteed by the U.S. Government. Say, for example, a Portfolio bought an intermediate government bond last year that was paying interest at a fixed rate of 6%, it will have to sell it at a discount (and realize a loss) to attract buyers if they can buy new bonds paying an interest rate of 7%.

Risks of Investing in Below Investment Grade Bonds or Junk Bonds

Investing in below investment grade bonds, such as the lower quality, higher yielding bonds called junk bonds, can increase the risks of loss for a Portfolio. Junk bonds are bonds that are issued by small companies or companies with limited assets or short operating histories. These companies are more likely than more established or larger companies to default on the bonds and not pay interest or pay back the full principal amount. Third parties may not be willing to purchase the bonds from the Portfolios, which means they may be difficult to sell and some may be considered illiquid. Because of these risks, the companies issuing the junk bonds pay higher interest rates than companies issuing higher grade bonds. The higher interest rates can give investors a higher return on their investment.

Prepayment Risk

Prepayment risk is the risk that the holder of a mortgage underlying a mortgage-backed security owned by the Portfolio will prepay principal, particularly during periods of declining interest rates. This will reduce the stream of cash payments that flow through to the Portfolio. Securities subject to prepayment risk also pose a potential for loss when interest rates rise. Rising interest rates may cause prepayments to occur at a slower rate than expected thereby lengthening the maturity of the security and making it more sensitive to interest rate changes.

Risks Associated with Foreign Securities

A foreign security is a security issued by an entity domiciled or incorporated outside of the U.S. Among the principal risks of owning foreign securities are:

Political Risk: the risk that a change in a foreign government will occur and that the assets of a company in which the Portfolio has invested will be affected. In some countries there is the risk that the government may take over the assets or operations of a company and/or that the government may impose taxes or limits on the removal of a Portfolio's assets from that country.

Currency Risk: the risk that a foreign currency will decline in value. As long as a Portfolio holds a security denominated in a foreign currency, its value will be affected by the value of that currency relative to the U.S. dollar. An increase in the value of the U.S. dollar relative to a foreign currency may adversely affect the value of the Portfolio.

Liquidity Risk: foreign markets may be less liquid and more volatile than U.S. markets and offer less protection to investors. Certain markets may require payment for securities before delivery and delays may be encountered in settling securities transactions. In some foreign markets there may not be protection against failure by other parties to complete transactions.

Limited Information Risk: the risk that less government supervision of foreign markets may occur. Foreign issuers may not be subject to the uniform accounting, auditing and financial reporting standards and practices that apply to U.S. issuers. In addition, less public information about their operations may exist.

Emerging Market Country Risk: the risks associated with investment in foreign securities are heightened in connection with investments in the securities of issuers in emerging markets countries. Such countries are generally defined as countries in the initial stages of their industrialization cycles with low per capita income. Although the markets of these developing countries offer higher rates of return, they also pose additional risks to investors, including immature economic structures, national policies restricting investments by foreigners and different legal systems.

Settlement and Clearance Risk: the risks associated with the different clearance and settlement procedures that are utilized in certain foreign markets. In certain foreign markets, settlements may be unable to keep pace with the volume of securities transactions, which may cause delays. If there is a settlement delay, a Portfolio's assets may be uninvested and not earning returns. A Portfolio also may miss investment opportunities or be unable to dispose of a security because of these delays.

Managing Investment Risks

In pursuing its investment objective, each Portfolio assumes investment risk. The Portfolios try to limit their investment risk by diversifying their investment portfolios across different industry sectors.

Defensive Investment Strategy

Under normal market conditions, none of the Portfolios intends to have a substantial portion of its assets invested in cash or money market instruments, except the Money Market Portfolio. When a Sub-Adviser determines that adverse market conditions exist, a Portfolio may adopt a temporary defensive position and invest entirely in cash and money market instruments. When a Portfolio is invested in this manner, it may not be able to achieve its investment objective.

Derivatives

Certain Portfolios may use various investment strategies:

- to hedge market risks;
- to manage the effective maturity or duration of fixed income securities; and/or
- to enhance potential gain.

The strategies which may be used by all the Portfolios include, but are not limited to, financial futures contracts, options on financial futures, options on broad market indices and options on securities.

Certain Portfolios may purchase and sell foreign currencies on a spot basis in connection with the settlement of transactions traded in such foreign currencies. These Portfolios may also hedge the risks associated with their investments by entering into forward foreign currency contracts and foreign currency futures and options contracts, generally in anticipation of making investments in companies whose securities are denominated in those currencies. These investments are often referred to as derivatives.

MANAGEMENT OF THE FUND

The management and affairs of the Fund are supervised by the Board of Directors under the laws of the State of Maryland. The Directors have approved agreements under which, as described below, certain companies provide essential management services to the Fund.

INVESTMENT ADVISER

Investors Mark Advisors, LLC (the "Adviser"), 700 Karnes Boulevard, Kansas City, Missouri 64108, serves as the investment adviser of each Portfolio and, as such, provides each Portfolio with professional investment supervision and management. The Adviser, a Delaware limited liability company, is a wholly-owned subsidiary of Jones & Babson, Inc. ("Jones & Babson"). Jones & Babson is a wholly-owned subsidiary of Business Men's Assurance Company of America ("BMA"). Assicurazioni Generali S.p.A., an insurance organization founded in 1831 based in Trieste, Italy, is the ultimate parent of BMA.

The Adviser, formed in 1997, has been the investment adviser for each Portfolio since its inception.

The Adviser oversees each Portfolio's day-to-day operations and supervises the purchase and sale of Portfolio investments. The Adviser employs Sub-Advisers to make investment decisions for each of the Portfolios.

The Adviser serves in its capacity as investment adviser through an investment advisory agreement it enters into with the Fund. The Investment Advisory Agreement provides for the Fund to pay all expenses not specifically assumed by the Adviser. Examples of expenses paid by the Fund include custodial fees, and the fees of outside legal and auditing firms. The Fund allocates these expenses to each Portfolio in a manner approved by the Directors. The Investment Advisory Agreement is renewed each year by the Directors.

Personnel of Jones & Babson provide the Adviser with experienced professional fund administration and portfolio accounting under a services agreement between the Adviser and Jones & Babson. As compensation, Jones & Babson receives an annual fee equal to 0.06% of the average daily net assets of the Fund. Jones & Babson, founded in 1960, serves as the investment manager of numerous other mutual funds.

Advisory Fees

Each Portfolio pays the Adviser a fee based on its average daily net asset value. A Portfolio's net asset value is the total value of the Portfolio's assets minus any money it owes for operating expenses plus any other liabilities, such as the fee paid to its Custodian to safeguard the Portfolio's investments.

During 2001, each of the Portfolios paid the Adviser the following percentage of its average daily net assets as compensation for its services as investment adviser to the Portfolios:

PORTFOLIO	ADVISORY FEE PAID
Money Market	.40%
Small Cap Equity	.95%
Large Cap Growth	.80%
Growth & Income	.80%

As full compensation for its services under the Investment Advisory Agreement, the Fund pays the Adviser a monthly fee at the annual rates shown in the table below based on the average daily net assets of each Portfolio.

PORTFOLIO	ADVISORY FEE (ANNUAL RATE BASED ON AVERAGE DAILY NET ASSETS OF EACH PORTFOLIO)
Money Market	.40%
Small Cap Equity	.95%
Large Cap Growth	.80%
Growth & Income	.80%

The Adviser may enter into administrative services agreements with insurance companies pursuant to which the Adviser will compensate such companies for administrative responsibilities relating to the Fund which are performed by such insurance companies.

The Adviser has agreed that it will, if necessary, pay the expenses of each Portfolio of the Fund until April 30, 2003 to the extent that expenses of a Portfolio exceed the following percentages:

PORTFOLIO	EXPENSE CAP
Large Cap Growth	.90%
Growth & Income	.90%
Money Market	.50%
Small Cap Equity	1.05%

This expense limitation may be modified or terminated in the discretion of the Adviser at any time without notice to shareholders after April 30, 2002. The Adviser may be reimbursed by the Portfolios for such expenses at a later date. This may be done only if such reimbursement does not cause a Portfolio's expenses to exceed the expense cap percentage shown above.

During fiscal 2001, total expenses, including investment advisory fees, of each of the Portfolios amounted to the following percentages of average net assets, reflecting the expense limitation in effect during the period:

Large Cap Growth	.90%
Growth & Income	.90%
Money Market	.50%
Small Cap Equity	1.05%

The expense limitation currently in effect is described above.

SUB-ADVISERS

For all of the Portfolios, the Adviser works with Sub-Advisers, financial service companies that specialize in certain types of investing. However, the Adviser still retains ultimate responsibility for managing the Portfolios. Each Sub-Adviser's role is to make investment decisions for the Portfolios according to each Portfolio's investment objectives and restrictions.

The following organizations act as Sub-Advisers to the Portfolios:

Standish Mellon Asset Management Company LLC ("Standish"), One Financial Center, Boston, Massachusetts 02111, is the Sub-Adviser for the Money Market Portfolio of the Fund. Standish is a Massachusetts corporation incorporated in 1933 and is a registered investment adviser under the Investment Advisers Act of 1940. Standish provides fully discretionary management services and counseling and advisory services to a broad range of clients throughout the United States and abroad. As of December 31, 2001, Standish managed approximately $47 billion of assets.

The Money Market Portfolio manager is Jennifer A. Pline. Ms. Pline also manages the Standish Short-Term Asset Reserve Fund. During the past nine years, Ms. Pline has served as a Vice President and Associate Director (since 1998) of Standish.

Stein Roe & Farnham Incorporated ("Stein Roe"), One South Wacker Drive, Chicago, Illinois 60606, is the Sub-Adviser for the Large Cap Growth and Small Cap Equity Portfolios of the Fund. Stein Roe is registered as an investment adviser under the Investment Advisers Act of 1940. Stein Roe was organized in 1986 to succeed to the business of Stein Roe & Farnham, a partnership that had advised and managed mutual funds since 1949. Stein Roe is part of a larger business unit known as Liberty Funds Group ("LFG"), which includes several separate legal entities. Stein Roe and the other entities that make up LFG are indirect, wholly owned subsidiaries of FleetBoston Financial Corporation. As of December 31, 2001, Stein Roe had approximately $16 billion under its management.

The Large Cap Growth Portfolio manager is Erik P. Gustafson. Mr. Gustafson also manages the Growth Stock Portfolio of SR&F Base Trust and had managed Stein Roe Growth Stock Fund since 1994. Mr. Gustafson is a senior vice president and senior portfolio manager with Stein Roe, which he joined in 1992. He holds a B.A. from the University of Virginia (1985) and M.B.A. and J.D. degrees from Florida State University (1989). Mr. Gustafson was responsible for managing $2 billion in mutual fund net assets as of December 31, 2001. David P. Brady is associate portfolio manager. Mr. Brady is a senior vice president of Stein Roe, which he joined in 1993.

The Small Cap Equity Portfolio manager is William M. Garrison. Mr. Garrison has had full responsibility for the management of the Portfolio since June, 1999. Mr. Garrison had, prior to July 1999, co-managed the Portfolio.

Lord Abbett & Co. ("Lord Abbett"), 90 Hudson Street, Jersey City, NJ 07302, is the Sub-Adviser for the Growth & Income Portfolio of the Fund. Lord Abbett, a registered investment adviser under the Investment Advisers Act of 1940, has been an investment manager for 70 years. As of December 31, 2001, Lord Abbett managed approximately $42 billion in a family of mutual funds and other advisory accounts.

The Growth & Income Portfolio's investments are managed by a team of investment managers and analysts. The senior members of the team are: Sholom Dinsky, Thomas Hudson Jr., Robert Morris and Eli Salzmann. Messrs. Hudson, Morris and Salzmann are Partners of Lord Abbett. Messrs. Hudson and Morris have been with Lord Abbett since 1982 and 1991, respectively. Mr. Dinsky, Investment Manager, joined Lord Abbett in 2000 from Prudential Investments where he served as Managing Director of Prudential Asset Management from 1997 to 2000. Mr. Salzmann joined Lord Abbett in 1997 and previously was a Vice President with Mutual of America Capital Corp.

Sub-Advisory Fees

Under the Sub-Advisory Agreements, the Adviser has agreed to pay each Sub-Adviser a fee for its services out of the fees the Adviser receives from the Portfolios. During 2001, the Adviser paid the Sub-Advisers fees based on the following percentages of each Portfolio's average daily net assets:

PORTFOLIO	SUB-ADVISORY FEE PAID
Money Market	.15%
Small Cap Equity	.55%
Large Cap Growth	.45%
Growth & Income	.45%

Under the terms of each Sub-Advisory Agreement, the Adviser is obligated to pay each Sub-Adviser, as full compensation for services rendered under the Sub-Advisory Agreement with respect to each Portfolio, monthly fees at the following annual rates based on the average daily net assets of each Portfolio:

PORTFOLIO	SUB-ADVISORY FEE PAID
Money Market	.15%
Small Cap Equity	.55%
Large Cap Growth	.45%
Growth & Income	.45% of first $40 million .40% of average daily net assets over and above $40 million

Placing Orders for Shares

The prospectus for your Contract describes the procedures for investing your purchase payments or premiums in shares of the Portfolios. You may obtain a copy of that prospectus, free of charge, from the life insurance company or from the person who sold you the Contract. The Portfolios do not charge any fees for selling (redeeming) shares.

Payment for Redemptions

Payment for orders to sell (redeem) shares will be made within seven days after the Fund receives the order.

Suspension or Rejection of Purchases and Redemptions

The Portfolios may suspend the offer of shares, or reject any specific request to purchase shares from a Portfolio at any time. The Portfolios may suspend their obligation to redeem shares or postpone payment for redemptions when the New York Stock Exchange is closed or when trading is restricted on the Exchange for any reason, including emergency circumstances established by the Securities and Exchange Commission.

Right to Restrict Transfers

Neither the Fund nor the insurance company separate accounts ("Separate Accounts") are designed for professional market timing organizations, other entities, or individuals using programmed, large and/or frequent transfers. The Separate Accounts, in coordination with the Fund, reserve the right to temporarily or permanently refuse exchange requests if, in the Adviser's judgment, a Portfolio would be unable to invest effectively in accordance with its investment objectives and policies, or would otherwise potentially be adversely affected. In particular, a pattern of exchanges that coincides with a "market timing" strategy may be disruptive to a Portfolio and therefore may be refused. Investors should consult the Separate Account prospectus that accompanies this Fund Prospectus for information on other specific limitations on the transfer privilege.

Net Asset Value

The value or price of each share of each Portfolio (net asset value per share) is calculated at the close of business, usually 4:00 p.m., of the New York Stock Exchange, every day that the New York Stock Exchange is open for business. The value of all assets held by each Portfolio at the end of the day, is determined by subtracting all liabilities and dividing the total by the total number of shares outstanding. This value is provided to the life insurance company, which uses it to calculate the value of your interest in your Contract. It is also the price at which shares will be bought or sold in the Portfolios for orders they received that day.

The value of the net assets of a Portfolio is determined by obtaining market quotations, where available, usually from pricing services. Short-term debt instruments maturing in less than 60 days are valued at amortized cost. Securities for which market quotations are not available are valued at their fair value as determined, in good faith, by the Adviser based on policies adopted by the Board of Directors.

Some of the Portfolios trade securities on foreign markets or in foreign currencies. Those markets are open at different times and occasionally on different days than securities traded on the New York Stock Exchange. Exchange rates for foreign currencies are usually determined at 1:00 p.m. rather than 4:00 p.m. These factors may mean that the value of the securities held by these Portfolios may change after the close of business of the New York Stock Exchange.

Dividends and Distributions

Each Portfolio will declare and distribute dividends from net ordinary income and will distribute its net realized capital gains, if any, at least annually. The life insurance companies generally direct that all dividends and distributions of the Portfolios be reinvested in the Portfolios under the terms of the Contracts.

Tax Matters

The Fund intends to qualify as a regulated investment company under the tax law and, as such distributes substantially all of each Portfolio's ordinary net income and capital gains each calendar year as a dividend to the Separate Accounts funding the Contracts to avoid an excise tax on certain undistributed amounts. The Fund expects to pay no income tax. Dividends are reinvested in additional full and partial shares of the Portfolios as of the dividend payment date.

The Fund and its Portfolios intend to comply with special diversification and other tax law requirements that apply to investments under the Contracts. Under these rules, shares of the Fund will generally only be available through the purchase of a variable life insurance or annuity contract. Income tax consequences to Contract owners who allocate purchase payments or premiums to Fund shares are discussed in the Separate Account prospectus for the Contracts that accompanies this Prospectus.

Additional Information

This Prospectus sets forth concisely the information about the Fund and each Portfolio that you should know before you invest money in a Portfolio. Please read this Prospectus carefully and keep it for future reference. The Fund has prepared and filed with the Securities and Exchange Commission a Statement of

Additional Information that contains more information about the Fund and the Portfolios. You may obtain a free copy of the Statement of Additional Information from your registered representative who offers you the Contract. You may also obtain copies by calling the Fund at 1-888-262-8131 or by writing to the Fund at the following address: BMA Variable Products, P.O. Box 419458, 700 Karnes Blvd., Kansas City, Missouri 64141-6458.

Mixed and Shared Funding

The Portfolios may sell their shares to insurance companies as investments under both variable annuity contracts and variable life insurance policies. We call this mixed funding. The Portfolios may also sell shares to more than one insurance company. We call this shared funding. Under certain circumstances, there could be conflicts between the interests of the different insurance companies, or conflicts between the different kinds of insurance products using the Portfolios. If conflicts arise, the insurance company with the conflict might be forced to redeem all of its interest in the Portfolio. If the Portfolio is required to sell a large percentage of its assets to pay for the redemption, it may be forced to sell the assets at a discounted price. The Board of Directors will monitor the interests of the insurance company shareholders for conflicts to attempt to avoid problems.

Legal Proceedings

Neither the Fund nor any Portfolio is involved in any material legal proceedings. Neither the Adviser nor any Sub-Adviser is involved in any legal proceedings that if decided against any such party would materially affect the ability of the party to carry out its duties to the Portfolios. None of such persons is aware of any litigation that has been threatened.

PERFORMANCE OF THE PORTFOLIOS

Performance information for the Portfolios of the Fund, including a bar chart and average annual total return information since the inception of the Portfolios, is contained in this Prospectus under the heading "Performance Information."

COMPARABLE PERFORMANCE

Public Fund Performance

Certain Portfolios of the Fund have the same investment objectives and follow substantially the same investment strategies as certain mutual funds whose shares are sold to the public and managed by the Sub-Advisers.

The historical performance of each of these public mutual funds is shown below. This performance data should not be considered as an indication of future performance of the Portfolios. The public mutual fund performance figures shown below:

- reflect the deduction of the historical fees and expenses (including any applicable sales loads) paid by the public mutual funds and not those to be paid by the Portfolios.
- do not reflect Contract fees or charges imposed by the insurance companies. Investors should refer to the Separate Account prospectus for information describing the Contract fees and charges. These fees and charges will have a detrimental effect on Portfolio performance.

The Portfolios and their corresponding public mutual fund series are expected to hold similar securities. The Portfolios have substantially similar investment objectives, policies and strategies as their corresponding public mutual fund series. However, their investment results are expected to differ for the following reasons:

- differences in asset size and cash flow resulting from purchases and redemptions of Portfolio shares may result in different security selections
- differences in the relative weightings of securities
- differences in the price paid for particular portfolio holdings
- differences relating to certain tax matters

The following table shows average annualized total returns for each comparable public mutual fund for their fiscal 2001 years (ended December 31, 2001).

LARGE CAP GROWTH PORTFOLIO	1 YEAR*	5 YEARS*	10 YEARS OR SINCE INCEPTION*
Corresponding Series of the Public Fund Stein Roe Investment Trust — Stein Roe Growth Stock Fund	-23.94	8.77%	10.34%

MONEY MARKET PORTFOLIO	1 YEAR*	5 YEARS*	10 YEARS OR SINCE INCEPTION*
Corresponding Series of the Public Fund Standish, Ayer & Wood Investment Trust — Standish Short-Term Asset Reserve Fund	6.14%	5.87%	5.44%

GROWTH & INCOME PORTFOLIO	1 YEAR*	5 YEARS*	10 YEARS OR SINCE INCEPTION*
Corresponding Public Fund Lord Abbett Affiliated Fund (Class A Shares)	-7.21%	12.98%	14.80%

**Results shown are through the year ended December 31, 2001 for each public fund shown.*

FINANCIAL HIGHLIGHTS

The Financial Highlights table is intended to help you understand each Portfolio's financial performance for the period shown. Certain information reflects financial results for a single Portfolio share. The total return figures in the table represent the rate that an investor would have earned on an investment in the Fund (assuming reinvestment of all dividends and distributions). Your total return would be less due to the fees and charges under your variable annuity contract or variable life insurance policy. Ernst & Young LLP has audited the financial statements from which this information has been derived and its report and the Fund's financial statements, which are incorporated by reference into the Statement of Additional Information, are available upon request.

Condensed data for a share of capital stock outstanding throughout each period.	LARGE CAP GROWTH YEARS ENDED DECEMBER 31, 2001	2000	1999	1998	FOR THE PERIOD FROM 11/13/97 (COMMENCEMENT) TO 12/31/97
Net asset value, beginning of period	$ 14.94	$ 18.03	$ 13.31	$ 10.71	$ 10.00
Income from investment operations:					
Net investment income (loss)	(0.01)	(0.07)	(0.03)	—	—
Net gains (losses) on securities (both realized and unrealized)	(3.66)	(2.15)	4.75	2.61	0.71
Total income (loss) from investment operations	(3.67)	(2.22)	4.72	2.61	0.71
Less distributions:					
Dividends from net investment income	—	—	—	(0.01)	—
Distributions from realized capital gains	—	(0.79)	—	—	—
Tax return of capital	—	(0.08)	—	—	—
In excess of realized capital gains	—	—	—	—	—
Total distributions	—	(0.87)	—	(0.01)	—
Net asset value, end of period	$ 11.27	$ 14.94	$ 18.03	$ 13.31	$ 10.71
Total return[(a)]	(24.56%)	(12.03%)	35.46%	24.35%	7.10%
Ratios/Supplemental Data					
Net assets, end of period (in thousands)	$ 4,601	$ 5,853	$ 4,608	$ 2,993	$ 2,157
Ratio of expenses to average net assets[(b)]	0.90%	0.90%	0.90%	0.90%	0.90%
Ratio of net investment income (loss) to average net assets[(b)]	(0.07%)	(0.44%)	(0.23%)	(0.02%)	0.33%
Ratio of expenses to average net assets before voluntary expense reimbursement[(b)]	1.23%	1.15%	1.49%	1.66%	3.19%
Ratio of net investment income (loss) to average net assets before voluntary expense reimbursement[(b)]	(0.40%)	(0.69%)	(0.82%)	(0.78%)	(1.96%)
Portfolio turnover rate	54%	78%	72%	49%	—

[(a)] *Total return not annualized for periods less than one full year*

[(b)] *Annualized for periods less than one full year*

[(c)] *Less than $0.01 per share*

Condensed data for a share of capital stock outstanding throughout each period.	SMALL CAP EQUITY — YEARS ENDED DECEMBER 31, 2001	2000	1999	1998	FOR THE PERIOD FROM 11/13/97 (COMMENCEMENT) TO 12/31/97
Net asset value, beginning of period	$ 9.45	$ 13.20	$ 8.14	$ 9.72	$ 10.00
Income from investment operations:					
Net investment income (loss)	(0.05)	(0.05)	(0.05)	(0.05)	—
Net gains (losses) on securities (both realized and unrealized)	(0.87)	(0.65)	5.11	(1.53)	(0.28)
Total income (loss) from investment operations	(0.92)	(0.70)	5.06	(1.58)	(0.28)
Less distributions:					
Dividends from net investment income	—	—	—	—	—
Distributions from realized capital gains	—	(3.05)	—	—	—
Tax return of capital	—	—	—	—	—
In excess of realized capital gains	(0.02)	—	—	—	—
Total distributions	(0.02)	(3.05)	—	—	—
Net asset value, end of period	$ 8.51	$ 9.45	$ 13.20	$ 8.14	$ 9.72
Total return[(a)]	(9.72%)	(2.69%)	62.16%	(16.22%)	(2.80%)
Ratios/Supplemental Data					
Net assets, end of period (in thousands)	$ 3,937	$ 4,085	$ 3,192	$ 1,786	$ 1,960
Ratio of expenses to average net assets[(b)]	1.05%	1.05%	1.05%	1.05%	1.05%
Ratio of net investment income (loss) to average net assets[(b)]	(0.61%)	(0.51%)	(0.61%)	(0.52%)	0.29%
Ratio of expenses to average net assets before voluntary expense reimbursement[(b)]	1.50%	1.45%	2.53%	2.29%	3.49%
Ratio of net investment income (loss) to average net assets before voluntary expense reimbursement[(b)]	(1.06%)	(0.91%)	(2.09%)	(1.76%)	(2.15%)
Portfolio turnover rate	147%	140%	123%	132%	8%

(a) *Total return not annualized for periods less than one full year*

(b) *Annualized for periods less than one full year*

Condensed data for a share of capital stock outstanding throughout each period.	GROWTH & INCOME YEARS ENDED DECEMBER 31, 2001	2000	1999	1998	FOR THE PERIOD FROM 11/13/97 (COMMENCEMENT) TO 12/31/97
Net asset value, beginning of period	$ 14.21	$ 12.67	$ 11.53	$ 10.41	$ 10.00
Income from investment operations:					
Net investment income (loss)	0.09	0.14	0.11	0.13	0.02
Net gains (losses) on securities (both realized and unrealized)	(1.04)	1.84	1.80	1.12	0.40
Total income (loss) from investment operations	(0.95)	1.98	1.91	1.25	0.42
Less distributions:					
Dividends from net investment income	(0.07)	(0.14)	(0.11)	(0.13)	(0.01)
Distributions from realized capital gains	(0.59)	(0.02)	(0.66)	—	—
Tax return of capital	(0.03)	(0.17)	—	—	—
In excess of realized capital gains	(0.07)	(0.11)	—	—	—
Total distributions	(0.76)	(0.44)	(0.77)	(0.13)	(0.01)
Net asset value, end of period	$ 12.50	$ 14.21	$ 12.67	$ 11.53	$ 10.41
Total return[(a)]	(6.58%)	15.79%	16.65%	12.03%	4.25%
Ratios/Supplemental Data					
Net assets, end of period (in thousands)	$ 6,082	$ 5,623	$ 3,634	$ 2,765	$ 2,101
Ratio of expenses to average net assets[(b)]	0.90%	0.90%	0.90%	0.90%	0.90%
Ratio of net investment income (loss) to average net assets[(b)]	0.74%	1.21%	0.92%	1.23%	1.50%
Ratio of expenses to average net assets before voluntary expense reimbursement[(b)]	1.18%	1.28%	1.67%	1.75%	3.19%
Ratio of net investment income (loss) to average net assets before voluntary expense reimbursement[(b)]	0.46%	0.83%	0.15%	0.38%	(0.79%)
Portfolio turnover rate	66%	43%	66%	76%	—

[(a)]*Total return not annualized for periods less than one full year*

[(b)]*Annualized for periods less than one full year*

Condensed data for a share of capital stock outstanding throughout each period.	MONEY MARKET 2001[c]	YEARS ENDED DECEMBER 31, 2000	1999	1998	FOR THE PERIOD FROM 11/13/97 (COMMENCEMENT) TO 12/31/97
Net asset value, beginning of period	$ 1.00	$ 1.00	$ 1.00	$ 1.00	$ 1.00
Income from investment operations:					
Net investment income	0.04	0.06	0.05	0.05	0.01
Net gains (losses) on securities (both realized and unrealized)	—	—	—	—	—
Total income (loss) from investment operations	0.04	0.06	0.05	0.05	0.01
Less distributions:					
Dividends from net investment income	(0.04)	(0.06)	(0.05)	(0.05)	(0.01)
Dividends from realized capital gains	—	—	—	—	—
Tax return of capital	—	—	—	—	—
In excess of realized capital gains	—	—	—	—	—
Total distributions	(0.04)	(0.06)	(0.05)	(0.05)	(0.01)
Net asset value, end of period	$ 1.00	$ 1.00	$ 1.00	$ 1.00	$ 1.00
Total return[a]	3.77%	5.84%	4.60%	5.05%	0.71%
Ratios/Supplemental Data					
Net assets, end of period (in thousands)	$ 2,455	$ 2,000	$ 1,601	$ 1,270	$ 1,019
Ratio of expenses to average net assets[b]	0.50%	0.50%	0.50%	0.50%	0.50%
Ratio of net investment income (loss) to average net assets[b]	3.60%	5.70%	4.52%	4.93%	5.26%
Ratio of expenses to average net assets before voluntary expense reimbursement[b]	1.50%	1.62%	2.72%	2.89%	4.90%
Ratio of net investment income (loss) to average net assets before voluntary expense reimbursement[b]	2.60%	4.58%	2.30%	2.54%	0.86%
Portfolio turnover rate	—	—	—	—	—

[a] *Total return not annualized for periods less than one full year*

[b] *Annualized for periods less than one full year*

INTERESTED IN LEARNING MORE?

The Statement of Additional Information incorporated by reference into this prospectus contains additional information about the Fund's operations.

Further information about the Fund's investments is available in the Fund's annual and semi-annual reports to shareholders. The Fund's annual report discusses market conditions and investment strategies that significantly affected the Fund's performance results during its last fiscal year.

The Fund can provide you with a free copy of these materials or other information about the Fund. You may reach the Fund

By Mail: BMA Variable Products
P.O. Box 419458
700 Karnes Blvd.
Kansas City, Missouri 64141-6458

By Phone: 1-888-262-8131

Or you may view or obtain these documents from the Securities and Exchange Commission:

- Call the Commission at 1-202-942-8090 for information on the operation of the Public Reference Room
- Reports and other information about the Fund are available on the EDGAR Database on the Commission's Internet site at http://www.sec.gov
- Copies of the information may be obtained, after paying a duplicating fee, by electronic request at publicinfo@sec.gov, or by writing the Commission's Public Reference Section, Washington, D.C. 20549-0102

On the Internet: www.sec.gov

The Fund's Investment Company Act filing number is 811-08321.

May 1, 2002

Berger IPT Funds Prospectus

Berger IPT - International Fund

Table of Contents

The Berger IPT - International Fund℠ is a mutual fund. A mutual fund pools money from shareholders and invests in a portfolio of securities. You may not invest in shares of the Fund directly. You may invest in shares of the Fund by purchasing a variable annuity or variable life insurance contract from a participating insurance company. A participating insurance company is one that has arranged to make the Fund available as an investment option under their variable insurance contracts. You may also invest in shares of the Fund if you participate in a qualified retirement plan and your employer has arranged to make the Fund available as an investment option under that plan. The following section introduces the Fund, its goal, principal investment strategies and principal risks. It also contains expense and performance information.

Berger IPT - International Fund

The Fund's Goal and Principal Investment Strategies

The Fund aims for long-term capital appreciation. In pursuing that goal, the Fund primarily invests in common stocks of well-established foreign companies.

The Fund's investment manager first identifies economic and business themes that it believes provide a favorable framework for selecting stocks. Using fundamental analysis, the investment manager then selects individual companies best positioned to take advantage of opportunities presented by these themes.

The Fund's investment manager generally looks for companies with:

- Securities that are fundamentally undervalued relative to their long-term prospective earnings growth rates, their historic valuation levels and their competitors
- Business operations predominantly in well-regulated and more stable foreign markets
- Substantial size and liquidity, strong balance sheets, proven management and diversified earnings.

The Fund invests primarily in common stocks with 65% of its total assets in securities of companies located in at least five different countries outside the United States. In certain unusual circumstances, the Fund may be unable to remain invested in securities of companies at the stated market level. Recently, the Fund has been weighted toward the United Kingdom, Europe and selectively in Japan and the Far East. However, it may also invest in other foreign countries, including developing countries. A majority of the Fund's assets are invested in mid-sized to large capitalization companies. The Fund's investment manager will generally sell a security when it no longer meets the manager's investment criteria or when it has met the manager's expectations for appreciation.

Principal Risks

You may be interested in the Fund if you are comfortable with the risks of international investing and intend to make a long-term investment commitment. Like all managed funds, there is a risk that the investment manager's strategy for managing the Fund may not achieve the desired results. In addition, the price of common stock moves up and down in response to corporate earnings and developments, economic and market conditions and unanticipated events. As a result, the price of the Fund's investments may go down, and you could lose money on your investment. There are additional risks with investing in foreign countries, especially in developing countries—specifically, economic, market, currency, liquidity, information, political and transaction risks. As a result of these additional risks, the Fund may be more volatile than a domestic stock fund. In addition, foreign stocks may not move in concert with the U.S. markets. The Fund's investments are often focused in a small number of business sectors, which may pose greater market and liquidity risks. In addition, the Fund may invest in certain securities with unique risks, such as forward foreign currency contracts, which may present hedging, credit, correlation, opportunity and leverage risks.

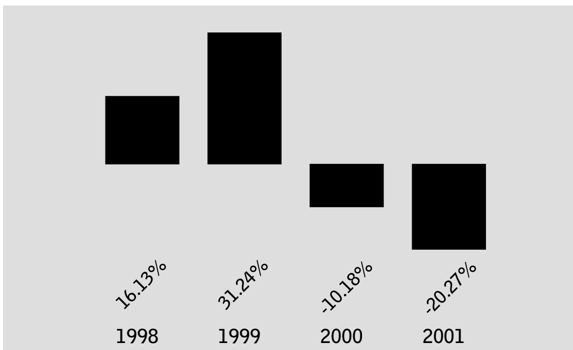
See "Investment Techniques, Securities and Associated Risks" later in this prospectus for more information on principal risks and other risks.

The Fund's Past Performance

The information below shows the Fund's performance through December 31, 2001. These returns include reinvestment of all dividends and capital gains distributions and reflect Fund expenses. They do not, however, reflect charges and expenses deducted by your particular variable insurance contract or retirement plan, which would lower performance. Therefore, they should only be considered along with the total return information provided by your contract or plan that reflects those charges and expenses. As with all mutual funds, past performance does not guarantee future results.

Year-by-year returns show you how the Fund's performance has varied by illustrating the differences for each full calendar year since the Fund began.

YEAR-BY-YEAR TOTAL RETURN AS OF DECEMBER 31



BEST QUARTER:	12/31/99	21.19%
WORST QUARTER:	9/30/98	-16.53%

Average annual total return is a measure of the Fund's performance over time. The Fund's average annual return is compared with the Morgan Stanley Capital International Europe, Australasia and the Far East Index (EAFE Index), an unmanaged index, with dividends reinvested, which represents major overseas stock markets. While the Fund does not seek to match the returns of the EAFE Index, this index is a good indicator of foreign stock markets. You may not invest in the EAFE Index and, unlike the Fund, it does not incur fees or charges.

AVERAGE ANNUAL RETURNS AS OF DECEMBER 31, 2001

	1 Year	3 Year	Life of the Fund (May 1, 1997)
The Fund	-20.27%	-2.04%	1.43%
EAFE Index	-21.21%	-4.79%	1.46%

Fund Expenses

As a shareholder in the Fund, you do not pay any sales load, redemption or exchange fees, but you do indirectly bear Annual Fund Operating Expenses, which vary from year to year.

ANNUAL FUND OPERATING EXPENSES

(deducted directly from the Fund)	%
Management fee	0.85
Other expenses	0.75
Total Annual Fund Operating Expenses	1.60
Fee Waiver and Reimbursement[1]	(0.40)
Net Expenses	1.20

[1]Under a written contract, the Fund's investment adviser waives its fee and reimburses the Fund to the extent that, at any time during the life of the Fund, the Fund's annual operating expenses exceed 1.20%. The contract may not be terminated or amended except by a vote of the Fund's Board of Trustees.

Understanding Expenses

Annual Fund Operating Expenses are paid by the Fund. As a result, they reduce the Fund's return. Fund expenses include management fees and administrative costs such as shareholder recordkeeping and reports, custodian and pricing services and registration fees. They do not include any charges or expenses deducted by your variable insurance contract or retirement plan, which would increase expenses. Refer to your variable contract prospectus or retirement plan documents for an explanation of those charges and expenses.

Example Costs

The following example helps you compare the cost of investing in the Fund with the cost of investing in other mutual funds by showing what your costs may be over time. It uses the same assumptions that other funds use in their prospectuses:

- $10,000 initial investment
- 5% total return for each year
- Fund operating expenses remain the same for each period
- Redemption after the end of each period
- Reinvestment of all dividends and distributions

Your actual costs may be higher or lower, so this example should be used for comparison only. Based on these assumptions, your costs at the end of each period would be:

YEARS	$
One	122
Three	381
Five	660
Ten	1,455

Investment Techniques, Securities and Associated Risks

Before you invest...

in the Fund, make sure you understand the risks involved. All investments involve risk. Generally, the greater the risk, the greater the potential for return. The reverse is also generally true—the lower the risk, the lower the potential for return.

Like all mutual funds, an investment in the Fund is not a bank deposit and is not insured or guaranteed by the FDIC or any other government agency. The Fund is not a complete investment program, but may serve to diversify other types of investments in your portfolio. There is no guarantee that the Fund will meet its investment goal, and although you have the potential to make money, you could also lose money by investing in the Fund.

The table on the following page will help you further understand the risks the Fund takes by investing in certain securities and the investment techniques used by the Fund. A glossary follows the table. You may get more detailed information about the risks of investing in the Fund in the Statement of Additional Information (SAI), including a discussion of debt security ratings in Appendix A to the SAI.

Key to table

Follow down the column under the name of the Fund. The boxes will tell you:

Y	Yes, the security or technique is permitted by the Fund and is **emphasized** by the Fund.
Y	Yes, the security or technique is **permitted** by the Fund.
N	No, the security or technique is **not permitted** by the Fund.
F	The **restriction is fundamental** to the Fund. (Fundamental restrictions cannot be changed without a shareholder vote.)
25	Use of a security or technique is permitted, but subject to a **restriction of up to 25% of total assets.**
33.3	Use of a security or technique is permitted, but subject to a **restriction of up to 33 1/3% of total assets.**
15	Use of a security or technique is permitted, but subject to a **restriction of up to 15% of net assets.**

Risk and Investment Table

	Berger IPT - International Fund
Diversification	F
Small and mid-sized company securities Market, liquidity and information risk	Y
Foreign securities Market, currency, transaction, liquidity, information and political risk	Y
Sector focus Market and liquidity risk	Y
Convertible securities[1] Market, interest rate, prepayment and credit risk	Y
Investment grade bonds (nonconvertible) Interest rate, market, call and credit risk	Y
Companies with limited operating histories Market, liquidity and information risk	Y
Illiquid and restricted securities Market, liquidity and transaction risk	15
Special situations Market and information risk	Y
Initial Public Offerings (IPOs) Market, liquidity and information risk	Y
Temporary defensive measures Opportunity risk	Y
Lending portfolio securities Credit risk	33.3
Borrowing Leverage risk	25F
Hedging Strategies	
Financial futures Hedging, correlation, opportunity and leverage risk	N
Forward foreign currency contracts[2] Hedging, credit, correlation, opportunity and leverage risk	Y
Options (exchange-traded and over-the-counter) Hedging, credit, correlation and leverage risk	N
Writing (selling) covered call options (exchange-traded and over-the-counter) Opportunity, credit and leverage risk	N

Notes to table:

[1]The Fund has no minimum quality standards for convertible securities, although it will not invest in defaulted securities. It also will not invest 20% or more of its assets in convertible securities rated below investment grade or in unrated convertible securities that the adviser and sub-adviser considers to be below investment grade.

[2]The Fund may use forwards only for hedging. The Fund's aggregate obligations under these contracts may not exceed the total market value of the assets being hedged, such as some or all of the value of the Fund's securities denominated in a particular foreign currency.

Risk and Investment Glossary

Borrowing refers to a loan of money from a bank or other financial institution undertaken by the Fund for temporary or emergency reasons only.

Call risk is the possibility that an issuer may redeem or "call" a fixed-income security before maturity at a price below its current market price. An increased likelihood of a call may reduce the security's price.

Common stock is a share of ownership (equity) interest in a company.

Companies with limited operating histories are securities issued by companies that have been in continuous operation for less than three years. Sometimes called "unseasoned" issuers.

Convertible securities are debt or equity securities that may be converted on specified terms into stock of the issuer.

Correlation risk occurs when the Fund "hedges" ~ uses one investment to offset the Fund's position in another. If the two investments do not behave in relation to each other the way the Fund manager expects them to, then unexpected results may occur.

Credit risk means that the issuer of a security or the counterparty to an investment contract may default, be downgraded or become unable to pay its obligations when due.

Currency risk happens when the Fund buys or sells a security denominated in foreign currency. Foreign currencies "float" in value against the U.S. dollar. Adverse changes in foreign currency values can cause investment losses when the Fund's investments are converted to U.S. dollars.

Diversification means a diversified fund may not, with respect to at least 75% of its assets, invest more than 5% of its assets in the securities of one company. A nondiversified fund may be more volatile than a diversified fund because it invests more of its assets in a smaller number of companies and the gains or losses on a single stock will therefore have a greater impact on the Fund's share price. The Fund is a diversified fund.

Economic risk is the risk associated with the fact that foreign economies are often less diverse than the U.S. economy. This lack of diversity may lead to greater volatility and could negatively affect foreign investment values. In addition, it is often difficult for domestic investors to understand all the economic factors that influence foreign markets, thus making it harder to evaluate the Fund's holdings.

Financial futures are exchange-traded contracts on securities, securities indexes or foreign currencies that obligate the holder to take or make future delivery of a specified quantity of those underlying securities or currencies on a predetermined future date at a predetermined price.

Foreign securities are issued by companies located outside the United States. The Fund considers a company to be located outside the United States if the principal securities trading market for its equity securities is located outside the U.S. or it is organized under the laws of, and has a principal office in, a country other than the U.S.

Forward foreign currency contracts are privately negotiated contracts committing the holder to purchase or sell a specified quantity of a foreign currency on a predetermined future date at a predetermined price.

Hedging risk comes into play when the Fund uses a security whose value is based on an underlying security or index to "offset" the Fund's position in another security or currency. The objective of hedging is to offset potential losses in one security with gains in the hedge. However, a hedge can eliminate or reduce gains as well as offset losses. (Also see "Correlation risk.")

Illiquid and restricted securities are securities that, by rules of their issue or by their nature, cannot be sold readily. These do not include liquid Rule 144A securities.

Information risk means that information about a security or issuer might not be available, complete, accurate or comparable.

Initial public offering (IPO) is the sale of a company's securities to the public for the first time. IPO companies can be small and have limited operating histories. The price of IPO securities can be highly unstable because of prevailing market psychology and the small number of shares available. In addition, the quality and number of IPOs available for purchase may diminish in the future, and their contribution to Fund performance may be less significant as the Fund grows in size.

Interest rate risk is the risk that changes in interest rates will adversely affect the value of an investor's securities. When interest rates rise, the value of fixed-income securities will generally fall. Conversely, a drop in interest rates will generally cause an increase in the value of fixed-income securities. Longer-term securities are subject to greater interest rate risk.

Investment-grade bonds are rated BBB (Standard & Poor's) or Baa (Moody's) or above. Bonds rated below investment grade are subject to greater credit risk than investment-grade bonds.

Lending portfolio securities to qualified financial institutions is undertaken in order to earn income. The Fund lends securities only on a fully collateralized basis.

Leverage risk occurs in some securities or techniques that tend to magnify the effect of small changes in an index or a market. This magnified change can result in a loss that exceeds the amount that was invested in the contract or security.

Liquidity risk occurs when investments cannot be sold readily. The Fund may have to accept a less-than-desirable price to complete the sale of an illiquid security or may not be able to sell it at all.

Market capitalization is the total current market value of a company's outstanding common stock.

Market risk exists in all mutual funds and means the risk that the prices of securities in a market, a sector, or an industry will fluctuate and that such movements might reduce an investment's value.

Opportunity risk means missing out on an investment opportunity because the assets necessary to take advantage of it are committed to less advantageous investments or strategies.

Options are contracts giving the holder the right but not the obligation to purchase or sell a security on or before a predetermined future date at a fixed price. Options on securities indexes are similar but settle in cash.

Political risk comes into play with investments, particularly foreign investments, that may be adversely affected by nationalization, taxation, war, government instability or other economic or political actions or factors.

Prepayment risk is the risk that, as interest rates fall, borrowers are more likely to refinance their debts. As a result, the principal on certain fixed-income securities may be paid earlier than expected, which could cause investment losses and cause prepaid amounts to have to be reinvested at a relatively lower interest rate.

Sector focus occurs when a significant portion of the Fund's assets are invested in a relatively small number of related industries. These related industries, or sectors, are narrowly defined segments of the economy, i.e. utilities, technology, healthcare services, telecommunications, etc. There may be additional risks associated with a Fund whose investments are focused in a small number of sectors. For example, competition among technology companies may result in increasingly aggressive pricing of their products and services, which may affect the profitability of companies in the Fund's portfolio. In addition, because of the rapid pace of technological development, products or services developed by companies in the Fund's portfolio may become rapidly obsolete or have relatively short product cycles. As a result, the Fund's returns may be considerably more volatile than the returns of a Fund that does not invest in similarly related companies. The Fund will not concentrate 25% or more of their total assets in any one industry. Sector focus may increase both market and liquidity risk.

Small and mid-sized company securities are securities issued by small or mid-sized companies, as measured by their market capitalization. The market capitalization range targeted by the Fund appears under the heading "The Fund's Goal and Principal Investment Strategies." In general, the smaller the company, the greater its risks.

Special situations are companies about to undergo a structural, financial or management change that may significantly affect the value of their securities.

Temporary defensive measures Although the Fund reserves the right to take temporary defensive measures, it is the intention of the Fund to remain fully invested at all times. In response to adverse market, economic, political, or other conditions, a Fund's investment manager may believe taking temporary defensive measures is warranted. When this happens, the Fund may increase its investment in government securities and other short-term securities that are inconsistent with the Fund's principal investment strategies. In addition, certain unusual circumstances may force a Fund to temporarily depart from the investment requirement implied by its name.

Transaction risk means that the Fund may be delayed or unable to settle a transaction or that commissions and settlement expenses may be higher than usual. In the case of foreign securities, use of a foreign securities depository to maintain Fund assets may increase this risk. However, custodial risks of using the depository may be minimized through analysis and continuous monitoring by the Fund's primary custodian.

Writing (selling) covered call options is the selling of a contract to another party that gives them the right but not the obligation to buy a particular security from you. The Fund will write call options only if it already owns the security (if it is "covered").

Buying and Selling (Redeeming) Shares

The Fund sells its shares to variable contract accounts of participating insurance companies or to qualified retirement plans. You may invest in shares of the Fund only through this type of variable insurance contract or retirement plan. If you invest through a variable insurance contract, your variable contract account prospectus will explain how you can purchase or surrender a contract, withdraw a portion of your investment, allocate to one or more of the Funds or change existing allocations among investment alternatives. If you invest through a retirement plan, your retirement plan documents will explain this information. The Fund may not be available under a particular contract or plan, and certain contracts or plans may limit your ability to allocate amounts among funds. Purchases must be made in U.S. dollars drawn on U.S. banks.

The Fund does not impose any sales charges, commissions or redemption fees for the sale or redemption of Fund shares. However, your participating insurance company may impose a sales charge or other charge when you purchase a variable insurance contract. If you invest through a retirement plan, your retirement plan administrator may impose charges when you participate in the plan. In addition, variable insurance contracts and retirement plans may involve other charges and expenses not described in this prospectus. These charges and expenses are described in your variable contract account prospectus or plan document.

Fund Share Price

The price at which Fund shares are sold and redeemed is the share price or net asset value (NAV). The share price for the Fund is determined by adding the value of the Fund's investments, cash and other assets, deducting liabilities, and then dividing that value by the total number of the Fund's shares outstanding.

The Fund's share price is calculated at the close of the regular trading session of the New York Stock Exchange (the "Exchange") (normally 4:00 p.m. Eastern time) each day that the Exchange is open. Share price is not calculated on the days that the Exchange is closed.

For a purchase or redemption of Fund shares, the share price is the share price next calculated after a purchase or redemption request is received in good order and accepted by the Fund, or by any participating insurance company or retirement plan administrator who has been authorized by the Fund to accept requests on its behalf. To receive a specific day's share price for your purchase or redemption request, your request must be received before the close of the Exchange on that day.

Generally, payment for redeemed shares will be sent within seven days after receipt of the redemption request in good order. However, payment may be postponed under unusual circumstances, such as when normal trading is not taking place on the Exchange, an emergency as defined by the Securities and Exchange Commission exists, or as permitted by the Securities and Exchange Commission.

When the Fund calculates its share price, it values the securities it holds at market value. Sometimes market quotes for some securities are not available or are not representative of market value. Examples would be when events occur that materially affect the value of a security at a time when the security is not trading or when the securities are illiquid. In that case, securities may be valued in good faith at fair value, using consistently applied procedures decided on by the trustees. Money market instruments maturing within 60 days are valued at amortized cost, which approximates market value. Assets and liabilities expressed in foreign currencies are converted into U.S. dollars at the prevailing market rates quoted by one or more banks or dealers shortly before the close of the Exchange.

The Fund's foreign securities may trade on days that the Exchange is closed and the Fund's daily share price is not calculated. As a result, the Fund's daily share price may be affected and you will not be able to purchase or redeem shares.

Other Information

Excessive Trading

The Fund does not permit excessive, short-term or other abusive trading practices due to the potential negative impact upon portfolio management strategies and overall Fund performance. The Fund reserves the right to reject any purchase or exchange order and to revoke the exchange privilege from any investor that, in the Fund's opinion, engages in trading that may be disruptive to the Fund, or who has a history of excessive trading. Accounts under common ownership or control may be considered together when evaluating the trading history.

Privacy Notice

To service your account, the Fund may collect personal information from you. Personal information includes information you provide when opening an account or when requesting investment literature, such as your name and address. Personal information also includes your account balance and transaction information.

The Fund does not share, distribute or sell this information to any outside company or individual without permission. Your personal information is used only to service or maintain your account, including providing you with information on Berger Funds' products and services. We will not disclose your personal information to third parties, other than to service your account as permitted by law, nor sell your personal information to third parties. Nor do we provide your personal information to third parties for their marketing purposes. We may disclose information as required by the Securities and Exchange Commission and other federal and state regulatory agencies.

The Fund recognizes the importance of protecting your personal and financial information entrusted to us. Thus, we restrict access to your personal and financial data to those authorized to service your account. These personnel, like all personnel, are subject to a strict employment policy regarding confidentiality. To further ensure your privacy, our web site uses 128-bit internet security encryption protocol. As an added measure, we do not include personal or account information in nonsecure e-mails that we send you via the internet. Berger Funds' privacy policy may be changed or modified at any time.

RIGHTS RESERVED BY THE FUND

Berger Funds and their agents reserve certain rights including the following: (1) to waive or reduce investment minimums and fees; (2) to increase investment minimums following notice; (3) to refuse any purchase or exchange order; (4) to terminate or modify the exchange privilege at any time; (5) to not cancel a transaction once it has been submitted; (6) to discontinue offering shares of the Fund; (7) to close any account if it is believed the shareholder is engaging in activities which may be detrimental to the Fund; (8) to reject any trade not in good order; (9) to freeze any account and suspend account services when notice has been received of a dispute between the registered or beneficial account owners, or there is reason to believe a fraudulent transaction may occur, or if ordered to do so by a governmental agency; (10) to act on instructions believed to be genuine; and (11) to suspend temporarily shareholder services and telephone transactions, in case of an emergency.

REDEMPTIONS IN-KIND

The Fund intends to redeem its shares only for cash, although in order to protect the interest of remaining shareholders, it retains the right to redeem its shares in-kind under unusual circumstances. In-kind payment means payment will be made in portfolio securities rather than cash. If this occurs, you will incur transaction costs if the securities are sold for cash. You may have difficulty selling the securities and recovering the amount of the redemption if the securities are illiquid.

Distributions and Taxes

Unless an election is made on behalf of a variable contract account or retirement plan to receive distributions in cash, they will be reinvested automatically in Fund shares.

The Fund generally make two kinds of distributions:

- Capital gains from the sale of portfolio securities held by the Fund.
- Net investment income from interest or dividends received on securities held by the Fund.

Distributions made by the Fund will normally be capital gains. The Fund generally will not distribute net investment income, although any net investment income that is generated as a by-product of managing their portfolios will be distributed.

The Fund intends to declare dividends representing the Fund's net investment income annually, normally in December. It is also the present policy of the Fund to distribute annually all of its net realized capital gains.

As a variable insurance contract owner or retirement plan participant, you typically would not owe taxes on any distributions of income or capital gains made by the Fund that are attributed to your account. You may owe taxes if you make a withdrawal from your account, however, depending on the applicable tax laws. You should refer to the appropriate variable contract account prospectus or plan documents for further information on the Federal income tax treatment of the owners of variable insurance contracts and qualified plan participants.

Whether participating insurance companies are subject to taxes on the Fund's distributions depends on their tax status. Participating insurance companies should consult their own tax advisers concerning whether distributions are subject to federal income taxes if retained as part of contract reserves.

The Fund reserves the right to reinvest into your account undeliverable or uncashed distribution checks that remain outstanding for six months, or dividends or distributions of less than $10. The distribution amount will be reinvested in shares of the Fund at the share price next computed after the check is canceled.

Organization of the Fund

Investment Managers

Berger Financial Group LLC (BFG) (formerly Berger LLC) (210 University Blvd., Suite 800, Denver, CO 80206) serves as investment adviser, sub-adviser or administrator to mutual funds and institutional investors. BFG has been in the investment advisory business since 1974 managing growth and balanced funds. When acting as investment adviser, BFG is responsible for managing the investment operations of the Fund. For the most recent fiscal year, the Fund paid BFG an advisory fee of 0.85% of its average daily net assets. After waivers, the Fund paid BFG an advisory fee of 0.45%. BFG also provides administrative services to the Fund.

Bank of Ireland Asset Management (U.S.) Limited (BIAM) (75 Holly Hill Lane, Greenwich, CT 06830 [representative office]; 26 Fitzwilliam Place, Dublin 2, Ireland [main office]) serves as investment adviser or sub-adviser to pension and profit-sharing plans and other institutional investors and mutual funds. Bank of Ireland's investment management group was founded in 1966. As sub-adviser, BIAM provides day-to-day management of the investment operations of the Berger IPT–International Fund.

Past Performance of Similar Fund

The Fund's investment manager also acts as the investment manager for a corresponding retail Berger Fund, which has the same investment objective and substantially the same investment strategies and policies as the Fund. Set out is performance information for the Fund and its corresponding retail Berger Fund. This information is provided so you can consider the performance history of the Fund's investment manager with a fund substantially similar to this Fund.

You should not consider the performance information for the corresponding retail Berger Fund as a substitute for the Fund's performance, nor as an indication of the past or future performance of the Fund.

Despite their similarity, there are differences between the Fund and its corresponding retail Berger Fund, and performance is expected to differ. The following should be noted in considering the performance information:

- The Fund is smaller than its corresponding retail Berger Fund and cash flows vary significantly. Differences in asset size and in cash flow resulting from purchases and redemption of Fund shares may result in different security selections, differences in the relative weightings of securities or differences in the prices paid for particular portfolio holdings.
- The Fund's performance information reflects fee waivers and expense reimbursements by the Fund's adviser, without which performance would be lower.
- The corresponding retail Berger Fund has a 12b-1 fee that will impact the performance of the Fund.
- The following information does not reflect the deduction of charges or expenses attributable to the variable insurance contract or retirement plan through which you would be purchasing your Fund shares, which would lower your returns.

AVERAGE ANNUAL TOTAL RETURNS OF THE FUND AND SIMILAR FUND (AS OF DECEMBER 31, 2000)

	The Fund	Berger International Fund(1)(2)
1 Year	-20.27%	-22.19%
Since Inception of the Berger IPT-International Fund (5/1/97)	1.43%	1.66%
5 Year	n/a	1.54%
10 Year	n/a	7.73%
Since Inception of the Berger International Fund (7/31/89)	n/a	8.59%

[1]As of December 31, 2001, the retail Berger International Fund had assets of approximately $21,570,000.

[2]Predecessor Performance: Performance figures for the retail Berger International Fund covering periods prior to October 11, 1996, include the performance of a pool of assets advised by that Fund's investment manager for periods before that Fund began operations. This performance was adjusted to reflect the increased expenses expected in operating that Fund, net of fee waivers. The asset pool was not registered with the SEC and was not subject to the investment restrictions imposed on mutual funds. If the pool had been registered, its performance might have been adversely affected.

Portfolio Turnover

Portfolio changes are made whenever the Fund's investment manager believes that the Fund's goal could be better achieved by investment in another security, regardless of portfolio turnover. At times, portfolio turnover may exceed 100% per year. A turnover rate of 100% means the Fund's securities were replaced once during the year. Higher turnover rates may result in higher brokerage costs to the Fund. Portfolio turnover rates can be found under the heading "Financial Highlights."

Financial Highlights

The financial highlights will help you understand the Fund's financial performance for the periods indicated. Certain information reflects financial results for a single Fund share. Total return shows how much your investment in the Fund increased or decreased during each period, assuming you reinvested all dividends and distributions, but does not reflect charges and expenses deducted by your variable insurance contract or retirement plan. PricewaterhouseCoopers LLP, independent accountants, audited this information. Their report is included in the Fund's annual report, which is available without charge upon request.

Berger IPT-International Fund

For a Share Outstanding Throughout the Period

	Year Ended December 31,				
	2001	2000	1999	1998	1997[1]
Net asset value, beginning of period	$13.10	$ 14.63	$ 11.21	$ 9.79	$ 10.00
From investment operations					
Net investment income	0.21	0.10	0.03	0.08	0.05
Net realized and unrealized gains (losses) from investments and foreign currency transactions	(2.89)	(1.59)	3.47	1.50	(0.26)
Total from investment operations	(2.68)	(1.49)	3.50	1.58	(0.21)
Less dividends and distributions					
Dividends (from net investment income)	(0.11)	(0.04)	(0.08)	(0.14)	—
Distributions (from net realized gains on investments)	(0.72)	—	—	(0.02)	—
Total dividends and distributions	(0.83)	(0.04)	(0.08)	(0.16)	—
Net asset value, end of period	$9.59	$ 13.10	$ 14.63	$ 11.21	$ 9.79
Total Return[2]	(20.27)%	(10.18)%	31.24%	16.13%	(2.10)%
Ratios/Supplemental Data:					
Net assets, end of period	$5,510,162	$6,711,147	$6,122,261	$5,430,076	$2,705,831
Net expense ratio to average net assets[3]	1.20%	1.20%	1.20%	1.20%	1.20%[4]
Ratio of net investment income to average net assets	1.80%	0.55%	0.51%	2.85%	0.86%[4]
Gross expense ratio to average net assets	1.60%	2.14%	2.46%	2.85%	3.83%[4]
Portfolio turnover rate[2]	24%	35%	26%	20%	14%

[1]For the period from May 1, 1997 (commencement of investment operations) to December 31, 1997.

[2]Not annualized.

[3]Net expenses represent gross expenses reduced by fees waived and/or reimbursed by the Adviser. Gross and net expenses do not include the deduction of any charges attributable to any particular variable insurance contract.

[4]Annualized.

For More Information:

Additional information about the Fund's investments is available in the Fund's annual and semi-annual reports to shareholders. The Fund's annual report contains a discussion of the market conditions and investment strategies that affected the Fund's performance over the past year.

You may wish to read the Statement of Additional Information (SAI) for more information on the Fund and the securities in which it invests. The SAI is incorporated into this prospectus by reference, which means that it is considered to be part of the prospectus.

You can get free copies of the annual and semi-annual reports and the SAI, request other information or get answers to your questions about the Fund by calling or writing either a participating insurance company or the Fund at:

Berger Funds
P.O. Box 5005
Denver, CO 80217-5005
(800) 259-2820
bergerfunds.com

A downloadable file of the SAI and annual and semi-annual reports may also be obtained at bergerfunds.com.

Text-only versions of Fund documents can be viewed online or downloaded from the EDGAR database on the SEC's web site at http://www.sec.gov.

You can also review and obtain copies of more information about the Fund (including the SAI) by visiting the SEC's Public Reference Room in Washington D.C. For information on the operation of the Public Reference Room, call (202) 942-8090. Copies of documents may also be obtained, after paying a duplicating fee, by sending your request to the following e-mail address: publicinfo@sec.gov, or by writing to the SEC's Public Reference Room, Washington, D.C. 20549-0102.

Investment Company Act File Number:

Berger Institutional Products Trust 811-07367
- Berger IPT ~ International Fund

5/02 IPTINT'LPROS