PROFUNDS

STATEMENT OF ADDITIONAL INFORMATION

May 1, 2020

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This Statement of Additional Information ("SAI") describes the following funds:

ProFund VP Asia 30	ProFund VP Pharmaceuticals
ProFund VP Banks	ProFund VP Precious Metals
ProFund VP Basic Materials	ProFund VP Real Estate
ProFund VP Bear	ProFund VP Rising Rates Opportunity
ProFund VP Biotechnology	ProFund VP Semiconductor
ProFund VP Bull	ProFund VP Short Dow 30
ProFund VP Consumer Goods	ProFund VP Short Emerging Markets
ProFund VP Consumer Services	ProFund VP Short International
ProFund VP Dow 30	ProFund VP Short Mid-Cap
ProFund VP Emerging Markets	ProFund VP Short Nasdaq-100
ProFund VP Europe 30	ProFund VP Short Small-Cap
ProFund VP Falling U.S. Dollar	ProFund VP Small-Cap
ProFund VP Financials	ProFund VP Small-Cap Growth
ProFund VP Health Care	ProFund VP Small-Cap Value
ProFund VP International	ProFund VP Technology
ProFund VP Industrials	ProFund VP Telecommunications
ProFund VP Internet	ProFund VP UltraBull
ProFund VP Japan	ProFund VP UltraMid-Cap
ProFund VP Large-Cap Growth	ProFund VP UltraNasdaq-100
ProFund VP Large-Cap Value	ProFund VP UltraShort Dow 30
ProFund VP Mid-Cap	ProFund VP UltraShort Nasdaq-100
ProFund VP Mid-Cap Growth	ProFund VP UltraSmall-Cap
ProFund VP Mid-Cap Value	ProFund VP U.S. Government Plus
ProFund VP Nasdaq-100	ProFund VP Utilities
ProFund VP Oil & Gas	ProFund VP Government Money Market

The Funds listed above are each referred to as a "Fund" and collectively as the "Funds". The Funds may be used by professional money managers and investors as part of an asset-allocation or market-timing investment strategy, to create specified investment exposure to a particular segment of the financial market or to attempt to hedge an existing investment portfolio. Certain Funds seeks daily investment results that, before fees and expenses, correspond to the performance of a daily benchmark. The Funds may be used independently or in combination with each other as part of an overall investment strategy. None of the Funds alone constitutes a balanced investment plan. Additional Funds may be created from time to time.

Investment in the Funds involves special risks, some of which are not traditionally associated with mutual funds. Investors should carefully review and evaluate these risks in considering an investment in the Funds to determine whether an investment in a particular Fund is appropriate. The Funds are not intended for investors whose principal objective is current income or preservation of capital. Because of the risks inherent in any investment, there can be no assurance that the Funds' investment objectives will be achieved.

This SAI is not a prospectus. It should be read in conjunction with the Funds' Prospectus, dated May 1, 2020 (the "Prospectus"), which incorporates this SAI by reference. The financial statements and notes thereto are included in the annual report to shareholders for the fiscal year ended December 31, 2019, which have been filed with the U.S. Securities and Exchange Commission, and are incorporated by reference into this SAI. A copy of the Prospectus and a copy of the annual report to shareholders for the Funds are available, without charge, upon request to the address above or by telephone at the numbers above, or at the Funds' website at ProFunds.com.

This SAI should be read in conjunction with the offering documents of the separate account or insurance contract through which you invest in the Funds. This SAI may include information that is not available through the separate account or insurance contract that you have chosen. Please refer to your variable life insurance or variable annuity prospectus or offering documents and read and retain these documents for future reference.

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GLOSSARY OF TERMS

For ease of use, certain terms or names that are used in this SAI have been shortened or abbreviated. A list of many of these terms and their corresponding full names or definitions can be found below. An investor may find it helpful to review the terms and names before reading the SAI.

Term	Definition
1933 Act	Securities Act of 1933, as amended
1934 Act	Securities and Exchange Act of 1934, as amended
1940 Act	Investment Company Act of 1940, as amended
Advisor	ProFund Advisors LLC
Affilitated Trust	Access One Trust, a separate open-end registered investment company.
Board	Board of Trustees of the Trust
CCO	Chief Compliance Officer
CFTC	U.S. Commodity Futures Trading Commission
Classic ProFunds VP	ProFund VP Asia 30, ProFund VP Bull, ProFund VP Dow 30, ProFund VP Emerging Markets, ProFund VP Europe 30, ProFund VP International, ProFund VP Japan, ProFund VP Large-Cap Growth, ProFund VP Large-Cap Value, ProFund VP Mid-Cap, ProFund VP Mid-Cap Growth, ProFund VP Mid-Cap Value, ProFund VP Nasdaq-100, ProFund VP Small-Cap, ProFund VP Small-Cap Growth and ProFund VP Small-Cap Value
Code	Internal Revenue Code of 1986, as amended
Commodity Pools	ProFund VP UltraShort Dow 30 and ProFund VP UltraShort Nasdaq-100
CPO	Commodity Pool Operator
Distributor	ProFunds Distributor, Inc.
Diversified Funds	ProFund VP Consumer Services, ProFund VP Europe 30, ProFund VP Industrials, ProFund VP Government Money Market, ProFund VP Large Cap-Growth, ProFund VP Large-Cap Value, ProFund VP Mid-Cap Growth, ProFund VP Mid-Cap Value, ProFund VP Real Estate, ProFund VP Small-Cap Growth, ProFund VP Small-Cap Value, and ProFund VP Utilities
ETF	Exchange traded fund
Fund(s)	One or more of the series of the Trust identified on the front cover of this SAI
Fund Complex	All operational registered investment companies that are advised by the Advisor or its affiliates
Independent Trustee(s)	Trustees who are not "Interested Persons" of the Trust as defined under Section 2(a)(19) of the 1940 Act
Inverse ProFunds VP	ProFund VP Bear, ProFund VP Short Dow 30, ProFund VP Short Emerging Markets, ProFund VP Short International, ProFund VP Short Mid-Cap, ProFund VP Short Nasdaq 100, ProFund VP Short Small-Cap, ProFund VP UltraShort Dow 30 and ProFund VP UltraShort Nasdaq-100
NAV	Net asset value
Non-Equity ProFunds VP	ProFund VP Falling U.S. Dollar, ProFund VP Rising Rates Opportunity and ProFunds VP U.S. Government Plus
SAI	This Statement of Additional Information dated May 1, 2020, as may be amended or supplemented
SEC	U.S. Securities and Exchange Commission

Term	Definition
Sector ProFunds VP	ProFund VP Banks, ProFund VP Basic Materials, ProFund VP Biotechnology, ProFund VP Consumer Goods, ProFund VP Consumer Services, ProFund VP Financials, ProFund VP Health Care, ProFund VP Industrials, ProFund VP Internet, ProFund VP Oil & Gas, ProFund VP Pharmaceuticals, ProFund VP Precious Metals, ProFund VP Real Estate, ProFund VP Semiconductor, ProFund VP Technology, ProFund VP Telecommunications and ProFund VP Utilities
Shares	The shares of a Fund
Trust	ProFunds
Trustee(s)	One or more of the trustees of the Trust
Ultra ProFunds VP	ProFund VP UltraBull, ProFund VP UltraMid-Cap, ProFund VP UltraNasdaq-100 and ProFund VP UltraSmall-Cap

GENERAL INFORMATION ABOUT THE TRUST

The Trust is an open-end management investment company organized as a Delaware statutory trust on April 17, 1997. The Trust is composed of multiple separate series. Fifty series are discussed herein and other series may be added in the future.

Each Fund, other than the Diversified Funds, is classified as non-diversified. Portfolio management is provided to the Funds by the Advisor. The investments made by a Fund and the results achieved by a Fund at any given time are not expected to be the same as those of other mutual funds for which the Advisor acts as investment adviser, including mutual funds with names, investment objectives and policies similar to those of the Funds.

Reference is made to the Prospectus for a discussion of the investment objectives and policies of the Funds. Set forth below is further information relating to the Funds, which supplements and should be read in conjunction with the Prospectus. "Shareholders" as used in this SAI refers generally to the participating insurance companies and their separate accounts and to the qualified pension or retirement plans that invest in a Fund, but can also refer to owners of variable contracts funded by such separate accounts, or to participants in such plans, depending on context.

The investment restrictions of a Fund specifically identified as fundamental policies may not be changed without the affirmative vote of at least a majority of the outstanding voting securities of that Fund, as defined in the 1940 Act. The investment objectives and all other investment policies of the Funds not specified as fundamental (including the benchmarks of the Funds) may be changed by the Board without the approval of shareholders.

It is the policy of the Funds to pursue their investment objectives of correlating with their benchmarks regardless of market conditions, to attempt to remain nearly fully invested and not to take defensive positions.

The investment techniques and strategies of the Funds discussed below may be used by a Fund if, in the opinion of the Advisor, the techniques or strategies may be advantageous to the Fund. A Fund may reduce or eliminate its use of any of these techniques or strategies without changing the Fund's fundamental policies. There is no assurance that any of the techniques or strategies listed below, or any of the other methods of investment available to a Fund, will result in the achievement of the Fund's objectives. Also, there can be no assurance that any Fund will grow to, or maintain, an economically viable size, and management may determine to liquidate the Fund at any time, which time may not be an opportune one for shareholders.

The terms "favorable market conditions" and "adverse market conditions," as used in this SAI, are Fund-specific. Market conditions should be considered favorable to a Fund when such conditions make it more likely that the value of an investment in that Fund will increase. Market conditions should be considered adverse to a Fund when such conditions make it more likely that the value of an investment in that Fund will decrease.

INVESTMENT POLICIES AND TECHNIQUES AND RELATED RISKS

GENERAL

A Fund may consider changing its benchmark at any time, including if, for example: the current benchmark becomes unavailable, the Board believes that the current benchmark no longer serves the investment needs of a majority of shareholders or that another benchmark may better serve their needs, or the financial or economic environment makes it difficult for such Fund's investment results to correspond sufficiently to its current benchmark. If believed appropriate, a Fund may specify a benchmark for itself that is "leveraged" or proprietary. There can be no assurance that any Fund will achieve its investment objective.

The Advisor primarily uses a passive or mathematical approach to determine the investments a Fund makes and techniques it employs. While the Advisor attempts to minimize any "tracking error," certain factors tend to cause a Fund's investment results to vary from a perfect correlation to its benchmark. See "Special Considerations" below for additional details.

For purposes of this SAI, the word "invest" refers to a Fund directly and indirectly investing in securities or other instruments. Similarly, when used in this SAI, the word "investment" refers to a Fund's direct and indirect investments in securities and other instruments. For example, Funds may often invest indirectly in securities or instruments by using financial instruments with economic exposure similar to those securities or instruments.

Additional information concerning the Funds, their investment policies and techniques, and the securities and financial instruments in which they may invest is set forth below.

NAME POLICIES

The Funds subject to the SEC "names rule" (Rule 35d-1 under the 1940 Act) have adopted non-fundamental investment policies obligating them to commit, under normal market conditions, at least 80% of their assets (*i.e.*, net assets plus borrowings for investment purposes), under normal circumstances in the types of securities suggested by their name and/or investments with similar economic characteristics. Such direct or inverse exposure may be obtained through direct investments/short positions in the securities and/or through investments with similar economic characteristics. For purposes of each such investment policy, "assets" includes a Fund's net assets, as well as amounts borrowed for investment purposes, if any. In addition, for purposes of such an investment policy, "assets" includes not only the amount of a Fund's net assets attributable to investments providing direct investment exposure to the type of investments suggested by its name (*e.g.*, the value of stocks, or the value of derivative instruments such as futures, options or options on futures), but also cash and cash equivalents that are segregated on the Fund's books and records or being used as collateral, as required by applicable regulatory guidance, or otherwise available to cover such investment exposure. The Board has adopted a non-fundamental policy to provide investors with at least 60 days' notice prior to changes in a Fund's name policy.

EQUITY SECURITIES (not applicable to the Non-Equity ProFunds VP and ProFund VP Government Money Market)

The Funds may invest in equity securities. The market price of securities owned by a Fund may go up or down, sometimes rapidly or unpredictably. Securities may decline in value due to factors affecting securities markets generally or particular industries represented in the securities markets. The value of a security may decline due to general market conditions not specifically related to a particular company, such as real or perceived adverse economic conditions, changes in the general outlook for corporate earnings, changes in interest or currency rates, or adverse investor sentiment generally. A security's value may also decline due to factors that affect a particular industry or industries, such as labor shortages or increased production costs and competitive conditions within an industry. The value of a security may also decline for a number of reasons that directly relate to the issuer, such as management performance, financial leverage and reduced demand for the issuer's goods or services. Equity securities generally have greater price volatility than fixed-income securities, and the Funds are particularly sensitive to these market risks. The Inverse ProFunds VP respond differently to these factors than Funds positively correlated to their indexes.

FOREIGN SECURITIES (not applicable to the Non-Equity ProFunds VP and ProFund VP Government Money Market)

The Funds may invest in foreign issuers, securities traded principally in securities markets outside the United States, U.S.-traded securities of foreign issuers and/or securities denominated in foreign currencies (together, "foreign securities"). Also, each Fund may seek exposure to foreign securities by investing in Depositary Receipts (discussed below). Foreign securities may involve special risks due to foreign economic, political and legal developments, including unfavorable changes in currency exchange rates, exchange control regulation (including currency blockage), expropriation or nationalization of assets, confiscatory taxation, taxation of income earned in foreign nations, withholding of portions of interest and dividends in certain countries and the possible difficulty of obtaining and enforcing judgments against foreign entities. Default in foreign government securities, political or social instability or diplomatic developments could affect investments in securities of issuers in foreign nations. In addition, in many countries there is less publicly available information about issuers than is available in reports about issuers in the United States. Foreign companies are not generally subject to uniform accounting, auditing and financial reporting standards, and auditing practices and requirements may differ from those applicable to U.S. companies. Further, the growing interconnectivity of global economies and financial markets has increased the possibilities that conditions in any one country or region could have an adverse impact on issuers of securities in a different country or region.

In addition, the securities of some foreign governments, companies and markets are less liquid, and may be more volatile, than comparable securities of domestic governments, companies and markets. A Fund also may be subject to brokerage commissions and fees that are higher than those applicable to U.S. investments. Foreign securities may be affected by different settlement practices or delayed settlements in some foreign markets. Moreover, some foreign jurisdictions regulate and limit U.S. investments in the securities of certain issuers. Additionally, U.S. investors may be prohibited from investing in securities issued by companies in certain foreign countries. This could negatively impact a Fund's ability to sell securities or other financial instruments as needed. Such action may impair the value or liquidity of securities and negatively impact the Fund.

A Fund's foreign investments that are related to developing (or "emerging market") countries may be particularly volatile due to the aforementioned factors.

A Fund may value its financial instruments based upon foreign securities by using the market prices of domestically-traded financial instruments with comparable foreign securities market exposure.

Exposure to Securities or Issuers in Specific Foreign Countries or Regions

Some Funds focus their investments in particular foreign geographical regions or countries. In addition to the risks of investing in foreign securities discussed above, the investments of such Funds may be exposed to special risks that are specific to the country or region in which the investments are focused. Furthermore, Funds with such a focus may be subject to additional risks associated with events in nearby countries or regions or those of a country's principal trading partners. Additionally, some Funds have an investment focus in a foreign country or region that is an emerging market and, therefore, are subject to heightened risks relative to Funds that focus their investments in more developed countries or regions.

Exposure to Foreign Currencies

Each Fund may invest directly in foreign currencies or hold financial instruments that provide exposure to foreign currencies, including "hard currencies," or may invest in securities that trade in, or receive revenues in, foreign currencies. "Hard currencies" are currencies in which investors have confidence and are typically currencies of economically and politically stable industrialized nations. To the extent that a Fund invests in such currencies, that Fund will be subject to the risk that those currencies will decline in value relative to the U.S. dollar. Currency rates in foreign countries may fluctuate significantly over short periods of time. Fund assets that are denominated in foreign currencies may be devalued against the U.S. dollar, resulting in a loss. Additionally, recent issues associated with the euro may have adverse effects on non-U.S. investments generally and on currency markets. A U.S. dollar investment in Depositary Receipts or ordinary shares of foreign issuers traded on U.S. exchanges may be affected differently by currency fluctuations than would an investment made in a foreign currency on a foreign exchange in shares of the same issuer. Foreign currencies are also subject to risks caused by inflation, interest rates, budget deficits and low savings rates, political factors and government control.

Depositary Receipts

The Funds may invest in depositary receipts. Depositary receipts are receipts, typically issued by a financial institution, which evidence ownership of underlying securities issued by a non-U.S. issuer. Types of depositary receipts include American Depositary Receipts ("ADRs"), Global Depositary Receipts ("GDRs") and New York Shares ("NYSs").

ADRs represent the right to receive securities of foreign issuers deposited in a domestic bank or a correspondent bank. ADRs are an alternative to purchasing the underlying securities in their national markets and currencies. For many foreign securities, U.S. dollar-denominated ADRs, which are traded in the United States on exchanges or over-the-counter ("OTC"), are issued by domestic banks. In general, there is a large, liquid market in the United States for many ADRs. Investments in ADRs have certain advantages over direct investment in the underlying foreign securities because: (i) ADRs are U.S. dollar-denominated investments that are easily transferable and for which market quotations are readily available and (ii) issuers whose securities are represented by ADRs are generally subject to auditing, accounting and financial reporting standards similar to those applied to domestic issuers. ADRs do not eliminate all risk inherent in investing in the securities of foreign issuers. By investing in ADRs rather than directly in the stock of foreign issuers outside the U.S., however, the Funds may avoid certain risks related to investing in foreign securities on non-U.S. markets.

GDRs are receipts for shares in a foreign-based corporation traded in capital markets around the world. While ADRs permit foreign corporations to offer shares to American citizens, GDRs allow companies in Europe, Asia, the United States and Latin America to offer shares in many markets around the world. NYSs (or "direct shares") are foreign stocks denominated in U.S. dollars and traded on American exchanges without being converted into ADRs. These stocks come from countries that do not restrict the trading of their stocks on other nations' exchanges. Each Fund may also invest in ordinary shares of foreign issuers traded directly on U.S. exchanges.

The Funds may invest in both sponsored or unsponsored depositary receipts. Certain depositary receipts, typically those designated as "unsponsored," require the holders thereof to bear most of the costs of such facilities, while issuers of "sponsored" facilities normally pay more of the costs thereof. The depository of an unsponsored facility frequently is under no obligation to distribute shareholder communications received from the issuer of the deposited securities or to pass through the voting rights to facility holders with respect to the deposited securities, whereas the depository of a sponsored facility typically distributes shareholder communications and passes through the voting rights.

Unsponsored ADR programs generally expose investors to greater risks than sponsored ADR programs and do not provide holders with many of the shareholder benefits that come from investing in a sponsored ADR. Unsponsored ADR programs are organized independently and without the cooperation of the issuer of the underlying securities. As a result, available information concerning the issuers may not be as current for unsponsored ADRs, and the price of unsponsored depositary receipts may be more volatile than if such instruments were sponsored by the issuer and/or there may be no correlation between available information and the market value.

REAL ESTATE INVESTMENT TRUSTS (not applicable to the Non-Equity ProFund VP and ProFund VP Government Money Market)

The Funds may invest in real estate investment trusts ("REITs"). Equity REITs invest primarily in real property while mortgage REITs invest in construction, development and long-term mortgage loans. Their value may be affected by changes in the value of the underlying property of the REIT, the creditworthiness of the issuer, property taxes, interest rates, and tax and regulatory requirements, such as those relating to the environment. REITs are dependent upon management skill, are not diversified and are subject to heavy cash flow dependency, default by borrowers, self liquidation and the possibility of failing to qualify for tax-free pass-through of income under the Code and failing to maintain exempt status under the 1940 Act.

FUTURES CONTRACTS AND RELATED OPTIONS (not applicable to ProFund VP Government Money Market)

Futures in General

Each Fund may purchase or sell futures contracts and options thereon as a substitute for a comparable market position in the underlying securities or to satisfy regulatory requirements. A cash-settled futures contract obligates the seller to deliver (and the purchaser to accept) an amount of cash equal to a specific dollar amount multiplied by the difference between the final settlement price of a specific futures contract and the price at which the agreement is made. No physical delivery of the underlying asset is made.

Each Fund generally engages in closing or offsetting transactions before final settlement of a futures contract wherein a second identical futures contract is sold to offset a long position (or bought to offset a short position). In such cases, the obligation is to deliver (or take delivery of) cash equal to a specific dollar amount multiplied by the difference between the price of the offsetting transaction and the price at which the original contract was entered into. If the original position entered into is a long position (futures contract purchased), there will be a gain (loss) if the offsetting sell transaction is carried out at a higher (lower) price, inclusive of commissions. If the original position entered into is a short position (futures contract sold) there will be a gain (loss) if the offsetting buy transaction is carried out at a lower (higher) price, inclusive of commissions.

Whether a Fund realizes a gain or loss from futures activities depends generally upon movements in the underlying currency, commodity, security or index. The extent of a Fund's loss from an unhedged short position in futures contracts or from writing options on futures contracts is potentially unlimited, and investors may lose the amount that they invest plus any profits recognized on their investment. The Funds may engage in related closing transactions with respect to options on futures contracts. The Funds will engage in transactions in futures contracts and related options that are traded on a U.S. exchange or board of trade or that have been approved for sale in the U.S. by the Commodity Futures Trading Commission ("CFTC").

All of the Funds' transactions in futures and options on futures will be entered into through a futures commission merchant (or "FCM") regulated by the CFTC or under a foreign regulatory regime that has been recognized as equivalent by the CFTC. Under U.S. law, an FCM is the sole type of entity that may hold collateral in respect of cleared futures (and options thereon) and cleared swaps. All futures (and options thereon) entered into by the Funds will be cleared by a clearing house that is regulated by the CFTC or under a foreign regulatory regime that has been recognized as equivalent by the CFTC.

Options on Futures

When a Fund purchases a put or call option on a futures contract, the Fund pays a "premium" (*i.e.*, an amount in addition to the value of the underlying contract in relation to the exercise price of the option) for the right to sell (in the case of a put) or purchase (in the case of a call) the underlying futures contract for a specified price upon exercise at any time during the option period. When a Fund sells (or "writes") a put or call option on a futures contract, the Fund receives a premium in return for granting to the purchaser of the option the right to sell to or buy from the Fund the underlying futures contract for a specified price upon exercise at any time during the option period.

Futures Margin Requirements

Upon entering into a futures contract, each Fund will be required to deposit with its FCM an amount of cash or cash equivalents equal to a small percentage of the contract's value (these amounts are subject to change by the FCM or clearing house through which the trade is cleared). This amount, known as "initial margin," is in the nature of a performance bond or good faith deposit on the contract and is returned to the Fund upon termination of the futures contract, assuming all contractual obligations have been satisfied. Subsequent payments, known as "variation margin," to and from the broker will be made daily as the price of the index underlying the futures contract fluctuates, making the long and short positions in the futures contract more or less valuable, a process known as "marking-to-market." At any time prior to expiration of a futures contract, a Fund may elect to close its position by taking an opposite position, which will operate to terminate the Fund's existing position in the contract. A party to a futures contract is subject to the credit risk of the clearing house and the FCM through which it holds its position. Credit risk of market participants with respect to futures is concentrated in a few clearing houses, and it is not clear how an insolvency proceeding of a clearing house would be conducted and what impact an insolvency of a clearing house would have on the financial system. An FCM is generally obligated to segregate all funds received from customers with respect to customer futures positions from the FCM's proprietary assets. However, all funds and other property received by an FCM from its customers are generally held by the FCM on a commingled basis in an omnibus account, and the FCM may invest those funds in certain instruments permitted under the applicable regulations. The assets of a Fund might not be fully protected in the event of the bankruptcy of the Fund's FCM, because the Fund would be limited to recovering only a pro rata share of all available funds segregated on behalf of the FCM's customers for a relevant account class. Also, the FCM is required to transfer to the clearing house the amount of margin required by the clearing house for futures positions, which amounts are generally held in an omnibus account at the clearing house for all customers of the FCM. If an FCM does not comply with the applicable regulations or its agreement with a Fund, or in the event of fraud or misappropriation of customer assets by a FCM, the Fund could have only an unsecured creditor claim in an insolvency of the FCM with respect to the margin held by the FCM.

Covered Positions

When a Fund purchases or sells a futures contract, or buys or sells an option thereon, the Fund "covers" its position. To cover its position, a Fund may enter into an offsetting position, earmark or segregate with its custodian bank or on the official books and records of the Fund cash or liquid instruments (marked-to-market on a daily basis) that, when added to any amounts deposited with a futures commission merchant as margin, are equal to the market value of the futures contract or otherwise "cover" its position. When required by law, a Fund will segregate liquid assets in an amount equal to the value of the Fund's total assets committed to the consummation of such futures contracts. Obligations under futures contracts so covered will not be considered senior securities for purposes of a Fund's investment restriction concerning senior securities.

Speculative Position Limits. The CFTC and domestic exchanges have established speculative position limits ("position limits") on the maximum speculative position which any person, or group of persons acting in concert, may hold or control in particular contracts. In addition, the CFTC and the exchanges are authorized to take extraordinary actions in the event of a market emergency, including, for example, the implementation or reduction of position limits, the implementation of higher margin requirements, the establishment of daily price limits and the suspension of trading.

Correlation Risk

The primary risks associated with the use of futures contracts are imperfect correlation between movements in the price of the futures and the market value of the underlying assets, and the possibility of an illiquid market for a futures contract. Although each Fund intends to sell futures contracts only if there is an active market for such contracts, no assurance can be given that a liquid market will exist for any particular contract at any particular time. Many futures exchanges and boards of trade limit the amount of fluctuation permitted in futures contract prices during a single trading day. Once the daily limit has been reached in a particular contract, no trades may be made that day at a price beyond that limit or trading may be suspended for specified periods during the day. Futures contract prices could move to the limit for several consecutive trading days with little or no trading, thereby preventing prompt liquidation of futures positions and potentially subjecting a Fund to substantial losses. If trading is not possible, or if a Fund determines not to close a futures position in anticipation of adverse price movements, the Fund will be required to make daily cash payments of variation margin. The risk that the Fund will be unable to close out a futures position will be minimized by entering into such transactions on a national exchange with an active and liquid secondary market. In addition, although the counterparty to a futures contract is often a clearing organization, backed by a group of financial institutions, there may be instances in which the counterparty could fail to perform its obligations, causing significant losses to a Fund.

FORWARD CONTRACTS (not applicable to ProFund VP Government Money Market)

The Funds may enter into forward contracts to attempt to gain exposure to an index or asset, or to hedge a position. Forward contracts are two-party contracts pursuant to which one party agrees to pay the other party a fixed price for an agreed-upon amount of an underlying asset or the cash value of the underlying asset at an agreed-upon date. When required by law, a Fund will segregate liquid assets in an amount equal to the value of the Fund’s total assets committed to the consummation of such forward contracts. Obligations under forward contracts so covered will not be considered senior securities for purposes of a Fund’s investment restriction concerning senior securities. Forward contracts that cannot be terminated in the ordinary course of business within seven days at approximately the amount at which a Fund has valued the asset may be considered to be illiquid for purposes of the Fund’s illiquid investment limitations. A Fund will not enter into a forward contract unless the Advisor believes that the other party to the transaction is creditworthy. The counterparty to any forward contract will typically be a major, global financial institution. A Fund bears the risk of loss of the amount expected to be received under a forward contract in the event of the default or bankruptcy of a counterparty. If such a default occurs, a Fund will have contractual remedies pursuant to the forward contract, but such remedies may be subject to bankruptcy and insolvency laws and proceedings in the event of the counterparty’s bankruptcy or insolvency, which could affect the Fund’s rights as a creditor and ability to enforce the remedies provided in the applicable contract.

Depending on the structure of the contract and the underlying assets, forward contracts may be unregulated, regulated as securities transactions under the securities laws, or regulated as “swaps” under Title VII of the Dodd-Frank Wall Street Reform and Consumer Protection Act (“Dodd-Frank Act”) and related SEC and CFTC rules thereunder.

SECURITIES AND INDEX OPTIONS (not applicable to ProFund VP Government Money Market)

Each Fund may buy and write (sell) options on securities, indexes and other assets for the purpose of realizing its investment objective. Options may settle in cash or settle by a delivery of securities or other assets underlying the options.

Physically Settled Options

By buying a call option, a Fund has the right, in return for a premium paid during the term of the option, to buy the asset underlying the option at the exercise price. By writing (selling) a call option a Fund becomes obligated during the term of the option to sell the asset underlying the option at the exercise price if the option is exercised; conversely, by buying a put option a Fund has the right, in return for a premium paid during the term of the option, to sell the asset underlying the option at the exercise price. By writing a put option, a Fund becomes obligated during the term of the option to purchase the asset underlying the option at the exercise price if the option is exercised.

Cash-Settled Options

Cash-settled options give the holder (purchaser) of an option the right to receive an amount of cash upon exercise of the option. Receipt of this cash amount will depend upon the value of the underlying asset (or closing level of the index, as the case may be) upon which the option is based being greater than (in the case of a call) or less than (in the case of a put) the level at which the exercise price of the option is set. The amount of cash received, if any, will be the difference between the value of the underlying asset (or closing price level of the index, as the case may be) and the exercise price of the option, multiplied by a specified dollar multiple. The writer (seller) of the option is obligated, in return for the premiums received from the purchaser of the option, to make delivery of this amount to the purchaser. All settlements of index option transactions are in cash.

Exercise of Options

During the term of an option on securities, the writer may be assigned an exercise notice by the broker-dealer through whom the option was sold. The exercise notice would require the writer to deliver, in the case of a call, or take delivery of, in the case of a put, the underlying asset against payment of the exercise price (or, in certain types of options, make a cash equivalent payment). This obligation terminates upon expiration of the option, or at such earlier time that the writer effects a closing purchase transaction by purchasing an option covering the same underlying asset and having the same exercise price and expiration date as the one previously sold. Once an option has been exercised, the writer may not execute a closing purchase transaction.

Cleared Options

In the case of cleared options, in order to secure the obligation to deliver the underlying asset in the case of a call option, the writer of a call option is required to deposit in escrow the underlying asset or other assets in accordance with the rules of the Options Clearing Corporation (the "OCC"), a clearing agency created to interpose itself between buyers and sellers of options. The OCC assumes the other side of every purchase and sale transaction on an exchange and, by doing so, guarantees performance by the other side of the transaction. Pursuant to relevant regulatory requirements, the Funds are required to agree in writing to be bound by the rules of the OCC. When writing call options on an asset, a Fund may cover its position by owning the underlying asset on which the option is written. Alternatively, the Fund may cover its position by owning a call option on the underlying asset, on a share-for-share basis, which is deliverable under the option contract at a price no higher than the exercise price of the call option written by the Fund or, if higher, by owning such call option and depositing and segregating cash or liquid instruments equal in value to the difference between the two exercise prices. In addition, a Fund may cover its position by segregating cash or liquid instruments equal in value to the exercise price of the call option written by the Fund. When a Fund writes a put option, the Fund will segregate with its custodian bank cash or liquid instruments having a value equal to the exercise value of the option. The principal reason for a Fund to write call options on assets held by the Fund is to attempt to realize, through the receipt of premiums, a greater return than would be realized on the underlying assets alone.

If a Fund that writes an option wishes to terminate the Fund's obligation, the Fund may effect a "closing purchase transaction." The Fund accomplishes this by buying an option of the same series as the option previously written by the Fund. The effect of the purchase is that the writer's position will be canceled by the OCC. However, a writer may not effect a closing purchase transaction after the writer has been notified of the exercise of an option. Likewise, a Fund which is the holder of an option may liquidate its position by effecting a "closing sale transaction." The Fund accomplishes this by selling an option of the same series as the option previously purchased by the Fund. There is no guarantee that either a closing purchase or a closing sale transaction can be effected. If any call or put option is not exercised or sold, the option will become worthless on its expiration date. A Fund will realize a gain (or a loss) on a closing purchase transaction with respect to a call or a put option previously written by the Fund if the premium, plus commission costs, paid by the Fund to purchase the call or put option to close the transaction is less (or greater) than the premium, less commission costs, received by the Fund on the sale of the call or the put option. The Fund also will realize a gain if a call or put option which the Fund has written lapses unexercised, because the Fund would retain the premium.

Although certain securities exchanges attempt to provide continuously liquid markets in which holders and writers of options can close out their positions at any time prior to the expiration of the option, no assurance can be given that a market will exist at all times for all outstanding options purchased or sold by a Fund. If an options market were to become unavailable, the Fund would be unable to realize its profits or limit its losses until the Fund could exercise options it holds, and the Fund would remain obligated until options it wrote were exercised or expired. Reasons for the absence of liquid secondary market on an exchange include the following: (i) there may be insufficient trading interest in certain options; (ii) restrictions may be imposed by an exchange on opening or closing transactions or both; (iii) trading halts, suspensions or other restrictions may be imposed with respect to particular classes or series of options; (iv) unusual or unforeseen circumstances may interrupt normal operations on an exchange; (v) the facilities of an exchange or the OCC may not at all times be adequate to handle current trading volume; or (vi) one or more exchanges could, for economic or other reasons, decide or be compelled at some future date to discontinue the trading of options (or a particular class or series of options) and those options would cease to exist, although outstanding options on that exchange that had been issued by the OCC as a result of trades on that exchange would continue to be exercisable in accordance with their terms.

Options Position Limits

Securities self-regulatory organizations (in general, the exchanges and FINRA) have established limitations governing the maximum number of call or put options of certain types that may be bought or written (sold) by a single investor, whether acting alone or in concert with others. These position limits may restrict the number of listed options which a Fund may buy or sell. While the Funds are not directly subject to these rules, as a result of rules applicable to broker-dealers with whom the Funds transact in options, they are required to agree in writing to be bound by relevant position limits.

Index Options

Index options are subject to substantial risks, including the risk of imperfect correlation between the option price and the value of the underlying assets composing the index selected, the possibility of an illiquid market for the option or the inability of counterparties to perform. Because the value of an index option depends upon movements in the level of the index rather than the price of a particular asset, whether a

Fund will realize a gain or loss from the purchase or writing (sale) of options on an index depends upon movements in the level of prices for specific underlying assets generally or, in the case of certain indexes, in an industry or market segment. A Fund will not enter into an option position that exposes the Fund to an obligation to another party, unless the Fund either (i) owns an offsetting position in the underlying securities or other options and/or (ii) earmarks or segregates with the Fund's custodian bank cash or liquid instruments that, when added to the premiums deposited with respect to the option, are equal to the market value of the underlying assets not otherwise covered.

FOREIGN CURRENCY OPTIONS (only applicable to Falling U.S. Dollar ProFund VP)

A Fund may buy or sell put and call options on foreign currencies, either on exchanges or in the OTC market. A put option on a foreign currency gives the purchaser of the option the right to sell a foreign currency at the exercise price until the option expires. A call option on a foreign currency gives the purchaser of the option the right to purchase the currency at the exercise price until the option expires. Currency options traded on U.S. or other exchanges may be subject to position limits that may limit the ability of the Funds to reduce foreign currency risk using such options. OTC options differ from traded options in that they are two-party contracts with price and other terms negotiated between buyer and seller, and generally do not have as much market liquidity as exchange-traded options. A Fund will not enter into an option position that exposes the Fund to an obligation to another party, unless the Fund (i) owns an offsetting position or other options and/or (ii) earmarks or segregates with the Fund's custodian bank cash or liquid instruments that, when added to the premiums deposited with respect to the option, are equal to the market value of the underlying currency not otherwise covered.

FORWARD CURRENCY CONTRACTS (only applicable to Falling U.S. Dollar ProFund VP)

The Funds may invest in forward currency contracts for investment or risk management purposes. A forward currency contract is an obligation to buy or sell a specific currency at a future date, which may be any fixed number of days from the date of the contract agreed upon by the parties, at a price set at the time of the contract. These contracts are entered into on the interbank market conducted directly between currency traders (usually large commercial banks) and their customers. Forward currency contracts are generally structured in one of two ways: (1) on a "non-deliverable" basis in cash settlement (*i.e.*, the parties settle at termination in a single currency based on then-current exchange rates) or (2) by actual delivery of the relevant currency or currencies underlying the forward currency contract.

The Funds may invest in a combination of forward currency contracts and U.S. dollar-denominated market instruments in an attempt to obtain an investment result that is substantially the same as a direct investment in a foreign currency-denominated instrument. This investment technique creates a "synthetic" position in the particular foreign currency instrument whose performance the manager is trying to duplicate. For example, investing in a combination of U.S. dollar-denominated instruments with "long" forward currency exchange contracts creates a position economically equivalent to investing in a money market instrument denominated in the foreign currency itself. Such combined positions are sometimes necessary when the money market in a particular foreign currency is small or relatively illiquid.

For hedging purposes, the Funds may invest in forward currency contracts to hedge either specific transactions (transaction hedging) or portfolio positions (position hedging). Transaction hedging is the purchase or sale of forward currency contracts with respect to specific receivables or payables of the Funds in connection with the purchase and sale of portfolio securities. Position hedging is the sale of a forward currency contract on a particular currency with respect to portfolio positions denominated or quoted in that currency.

The Funds are not required to enter into forward currency contracts for hedging purposes. It is possible, under certain circumstances, that the Fund may have to limit its currency transactions to qualify as a "regulated investment company" ("RIC") under the Internal Revenue Code. Falling U.S. Dollar ProFund and Rising U.S. Dollar ProFund generally do not intend to enter into a forward currency contract with a term of more than one year, or to engage in position hedging with respect to the currency of a particular country to more than the aggregate market value (at the time the hedging transaction is entered into) of their portfolio securities denominated in (or quoted in or currently convertible into or directly related through the use of forward currency contracts in conjunction with money market instruments to) that particular currency.

With respect to forward currency contracts entered into in connection with purchases or sales of securities, at or before the maturity of a forward currency contract, the Funds may either sell a portfolio security and make delivery of the currency, or retain the security and terminate its contractual obligation to deliver the currency by buying an "offsetting" contract obligating them to buy, on the same maturity date, the same amount of the currency. If the Funds engage in an offsetting transaction, the Funds may later enter into a new forward currency contract to sell the currency.

If the Funds engage in offsetting transactions, the Funds will incur a gain or loss, to the extent that there has been movement in forward currency contract prices. If forward prices go down during the period between the date a Fund enters into a forward currency contract for the sale of a currency and the date it enters into an offsetting contract for the purchase of the currency, the Fund will realize a gain to the extent that the price of the currency it has agreed to sell exceeds the price of the currency it has agreed to buy. If forward prices go up, the Fund will suffer a loss to the extent the price of the currency it has agreed to buy exceeds the price of the currency it has agreed to sell.

Because a Fund invests in cash instruments denominated in foreign currencies, it may hold foreign currencies pending investment or conversion into U.S. dollars. Although the Fund values its assets daily in U.S. dollars, it does not convert its holdings of foreign currencies into U.S. dollars on a daily basis. The Fund will convert its holdings from time to time, however, and incur the costs of currency conversion. Foreign exchange dealers may realize a profit based on the difference between the prices at which they buy and sell various currencies. Thus, a dealer may offer to sell a foreign currency to the Fund at one rate, and offer to buy the currency at a lower rate if the Fund tries to resell the currency to the dealer.

Although forward currency contracts may be used by the Funds to try to manage currency exchange risks, unanticipated changes in currency exchange rates could result in poorer performance than if a Fund had not entered into these transactions. Even if the Advisor correctly predicts currency exchange rate movements, a hedge could be unsuccessful if changes in the value of a Fund's position do not correspond to changes in the value of the currency in which its investments are denominated. This lack of correlation between a Fund's forward and currency positions may be caused by differences between the futures and currency markets.

These transactions also involve the risk that a Fund may lose its margin deposits or collateral and may be unable to realize the positive value, if any, of its position if a bank or broker with whom the Fund has an open forward position defaults or becomes bankrupt.

REVERSE REPURCHASE AGREEMENTS (not applicable to ProFund VP Government Money Market)

Each Fund may enter into reverse repurchase agreements as part of its investment strategy, which may be viewed as a form of borrowing. Reverse repurchase agreements involve sales by a Fund of portfolio assets for cash concurrently with an agreement by the Fund to repurchase those same assets at a later date at a fixed price. Generally, the effect of such a transaction is that a Fund can recover all or most of the cash invested in the portfolio securities involved during the term of the reverse repurchase agreement, while a Fund will be able to keep the interest income associated with those portfolio securities. Such transactions are advantageous only if the interest cost to a Fund of the reverse repurchase transaction is less than the cost of obtaining the cash otherwise. Opportunities to achieve this advantage may not always be available, and a Fund intends to use the reverse repurchase technique only when it will be to the Fund's advantage to do so. A Fund will segregate with its custodian bank cash or liquid instruments equal in value to the Fund's obligations with respect to reverse repurchase agreements.

SHORT SALES (not applicable to ProFund VP Government Money Market)

A short sale is a transaction in which a fund sells a security it does not own in anticipation that the market price of that security will decline. To complete such a transaction, a Fund must borrow the security to make delivery to the buyer. The Fund is then obligated to replace the security borrowed by borrowing the same security from another lender, purchasing it at the market price at the time of replacement, or paying the lender an amount equal to the cost of purchasing the security. The price at such time may be more or less than the price at which the security was sold by the Fund. Until the security is replaced, the Fund is required to repay the lender any dividends it receives or interest that accrues during the period of the loan. To borrow the security, a Fund also may be required to pay a premium, which would increase the cost of the security sold. The net proceeds of the short sale will be retained by the broker, to the extent necessary to meet margin requirements, until the short position is closed out. A Fund also will incur transaction costs in effecting short sales.

A Fund may make short sales "against the box," *i.e.*, when a security identical to or convertible or exchangeable into one owned by a Fund is borrowed and sold short. Whenever a Fund engages in short sales, it earmarks or segregates liquid securities or cash in an amount that, when combined with the amount of collateral deposited with the broker in connection with the short sale, equals the current market value of the security sold short. The earmarked or segregated assets are marked to market daily.

A Fund will incur a loss as a result of a short sale if the price of the security increases between the date of the short sale and the date on which the Fund replaces the borrowed security. A Fund will realize a gain if the price of the security declines in price between those dates. The amount of any gain will be decreased, and the amount of any loss increased, by the amount of the premium, dividends or interest a Fund may be required to pay, if any, in connection with a short sale.

SWAPS (not applicable to ProFund VP Government Money Market)

General

The Funds may enter into swaps and other derivatives to gain exposure to an underlying asset without actually purchasing such asset, or to hedge a position including in circumstances in which direct investment is restricted for legal reasons or is otherwise impracticable. Swaps are two-party contracts entered into primarily by institutional investors for periods ranging from a day to more than one year. In a standard "swap" transaction, two parties agree to exchange the returns (or differentials in rates of return) earned or realized on a particular pre-determined interest rate, commodity, security, indexes, or other assets or measurable indicators. The gross return to be exchanged or "swapped" between the parties is calculated with respect to a "notional amount," *e.g.*, the return on, or the increase/decrease in, value of a particular dollar amount invested in a "basket" of securities or an exchange-traded fund ("ETF") representing a particular index or group of securities.

Each Fund may enter into swaps to invest in a market without owning or taking physical custody of securities. For example, in one common type of total return swap, the Fund's counterparty will agree to pay the Fund the rate at which the specified asset or indicator (*e.g.*, an ETF, or securities comprising a benchmark index, plus the dividends or interest that would have been received on those assets) increased in value multiplied by the relevant notional amount of the swap. The Fund will agree to pay to the counterparty an interest fee (based on the notional amount) and the rate at which, the specified asset or indicator would decreased in value multiplied by the notional amount of the swap, plus, in certain instances, commissions or trading spreads on the notional amount.

As a result, the swap has a similar economic effect as if the Fund were to invest in the assets underlying the swap in an amount equal to the notional amount of the swap. The return to the Fund on such swap should be the gain or loss on the notional amount plus dividends or interest on the assets less the interest paid by the Fund on the notional amount. However, unlike cash investments in the underlying assets, the Fund will not be an owner of the underlying assets and will not have voting or similar rights in respect of such assets.

As a trading technique, the Advisor may substitute physical securities with a swap having investment characteristics substantially similar to the underlying securities. Some Funds may also enter into swaps that provide the opposite return of their benchmark or a security. Their operations are similar to that of the swaps discussed above except that the counterparty pays interest to each Fund on the notional amount outstanding and that dividends or interest on the underlying instruments reduce the value of the swap, plus, in certain instances, each Fund will agree to pay to the counterparty commissions or trading spreads on the notional amount. These amounts are often netted with any unrealized gain or loss to determine the value of the swap.

The use of swaps is a highly specialized activity which involves investment techniques and risks in addition to, and in some cases different from, those associated with ordinary portfolio securities transactions. The primary risks associated with the use of swaps are mispricing or improper valuation, imperfect correlation between movements in the notional amount and the price of the underlying investments, and the inability of the counterparties or clearing organization to perform. If a counterparty's creditworthiness for an over-the-counter swap declines, the value of the swap would likely decline. Moreover, there is no guarantee that a Fund could eliminate its exposure under an outstanding swap by entering into an offsetting swap with the same or another party. In addition, a Fund may use a combination of swaps on an underlying index and swaps on an ETF that is designed to track the performance of that index. The performance of an ETF may deviate from the performance of its underlying index due to embedded costs and other factors. Thus, to the extent a Fund invests in swaps that use an ETF as the reference asset, that Fund may be subject to greater correlation risk and may not achieve as high a degree of correlation with its index as it would if the Fund used only swaps on the underlying index. The Advisor, under the supervision of the Board of Trustees, is responsible for determining and monitoring the liquidity of the Funds' transactions in swaps.

Common Types of Swaps

The Funds may enter into any of several types of swaps, including:

Total Return Swaps. Total return swaps may be used either as economically similar substitutes for owning the reference asset specified in the swap, such as the securities that comprise a given market index, particular securities or commodities, or other assets or indicators. They also may be used as a means of obtaining exposure in markets where the reference asset is unavailable or it may otherwise be impossible or impracticable for the Fund to own that asset. "Total return" refers to the payment (or receipt) of the total return on the underlying reference asset, which is then exchanged for the receipt (or payment) of an interest rate. Total return swaps provide the Fund with the additional flexibility of gaining exposure to a market or sector index by using the most cost-effective vehicle available.

Equity/Index Swaps. In an equity swap, payments on one or both sides are linked to the performance of equities or an equity index. Equity swaps are normally used to (1) initiate and maintain long or short equity exposures either in an index or a specific stock portfolio; (2) temporarily eliminate exposure to an equity portfolio without disturbing the underlying equity position; or (3) increase, reduce, or eliminate market exposure to a single issue or a narrow stock portfolio or obtain greater diversification for a limited period of time without disturbing an underlying position.

Interest Rate Swaps. Interest rate swaps, in their most basic form, involve the exchange by a Fund with another party of their respective commitments to pay or receive interest. For example, a Fund might exchange its right to receive certain floating rate payments in exchange for another party's right to receive fixed rate payments. Interest rate swaps can take a variety of other forms, such as agreements to pay the net differences between two different interest indexes or rates. Despite their differences in form, the function of interest rate swaps is generally the same: to increase or decrease a Fund's exposure to long- or short-term interest rates. For example, a Fund may enter into an interest rate swap to preserve a return or spread on a particular investment or a portion of its portfolio or to protect against any increase in the price of securities the Fund anticipates purchasing at a later date.

Credit Default Swaps ("CDS"): A CDS generally references one or more debt securities or reference entities. The protection "buyer" in a CDS is generally obligated to pay the protection "seller" an upfront or a periodic stream of payments over the term of the contract until a credit event, such as a default in payments of interest or principal on bonds, has occurred in respect of the reference entity or assets. If a credit event occurs, the seller generally must pay the buyer: (a) the full notional value of the swap; or (b) the difference between the notional value of the defaulted reference entity and the recovery price/rate for the defaulted reference entity. CDS are designed to reflect changes in credit quality, including events of default.

Other Swaps. Other forms of swaps that the Funds may enter into include: interest rate caps, under which, in return for a premium, one party agrees to make payments to the other to the extent that interest rates exceed a specified rate, or "cap"; interest rate floors, under which, in return for a premium, one party agrees to make payments to the other to the extent that interest rates fall below a specified level, or "floor"; and interest rate collars, under which a party sells a cap and purchases a floor or vice versa in an attempt to protect itself against interest rate movements exceeding given minimum or maximum levels.

Mechanics of the Funds' Swaps

Payments. Most swaps entered into by a Fund (but generally not CDS) calculate and settle the obligations of the parties to the agreement on a "net basis" with a single payment. Consequently, a Fund's current obligations (or rights) under a swap will generally be equal only to the net amount to be paid or received under the agreement based on the relative values of the positions held by each party to the agreement (the "net amount"). Other swaps, such as CDS, may require initial premium (discount) payments as well as periodic payments (receipts) related to the interest leg of the swap or to the default of the reference entity.

A Fund's current obligations under most swaps (*e.g.*, total return swaps, equity/index swaps, interest rate swaps) will be accrued daily (offset against any amounts owed to the Fund by the counterparty to the swap) and any accrued but unpaid net amounts owed to a swap counterparty will be covered by segregating or earmarking cash or other assets determined to be liquid. However, typically no payments will be made until the settlement date.

In connection with CDS in which a Fund is a "buyer," the Fund will segregate or earmark cash or assets determined to be liquid by the Advisor, with a value at least equal to the Fund's maximum potential exposure under the swap (*e.g.*, any accrued but unpaid net amounts owed by the Fund to any clearing house counterparty). In connection with CDS in which a Fund is a "seller", however, the Fund will segregate or earmark cash or assets determined to be liquid by the Advisor, with a value at least equal to the full notional amount of the swap (minus any variation margin or amounts owed to the Fund under an offsetting cleared transaction). This segregation or earmarking is intended to ensure that a Fund has assets available to satisfy its potential obligations with respect to the transaction. Each Fund reserves the right to modify its asset segregation policies in the future, including modifications to comply with any changes in the positions articulated by the SEC or its staff regarding asset segregation. Inasmuch as these transactions are entered into for hedging purposes or are offset by earmarked or segregated cash or liquid assets, as permitted by applicable law, the Funds and the Advisor believes that these transactions do not constitute "senior securities" within the meaning of the 1940 Act, and, accordingly, will not treat them as being subject to a Fund's borrowing restrictions. Swaps that cannot be terminated in the ordinary course of business within seven days at approximately the amount a Fund has valued the asset may be considered to be illiquid for purposes of the Fund's illiquid investment limitations.

Counterparty Credit Risk.

A Fund will not enter into any uncleared swap (*i.e.*, not cleared by a central counterparty) unless the Advisor believes that the other party to the transaction is creditworthy. The counterparty to an uncleared swap will typically be a major global financial institution. A Fund will be subject to credit risk with respect to the counterparties with which the Fund enters into derivatives contracts and other transactions such as repurchase agreements or reverse repurchase agreements. A Fund's ability to profit from these types of investments and transactions will depend on the willingness and ability of its counterparty to perform its obligations. If a counterparty fails to meet its contractual obligations, a Fund may be unable to terminate or realize any gain on the investment or transaction, resulting in a loss to the Fund. A Fund may experience significant delays in obtaining any recovery in an insolvency, bankruptcy, or other reorganization proceeding involving its counterparty (including recovery of any collateral posted by it) and may obtain only a limited recovery or may obtain no recovery in such circumstances. If a Fund holds collateral posted by its counterparty, it may be delayed or prevented from realizing on the collateral in the event of a bankruptcy or insolvency proceeding relating to the counterparty. Under applicable law or contractual provisions, including if a Fund enters into an investment or transaction with a financial institution and such financial institution (or an affiliate of the financial institution) experiences financial difficulties, then the Fund may in certain situations be prevented or delayed from exercising its rights to terminate the investment or transaction, or to realize on any collateral, and may result in the suspension of payment and delivery obligations of the parties under such investment or transactions or in another institution being substituted for that financial institution without the consent of the Fund. Further, a Fund may be subject to "bail-in" risk under applicable law whereby, if required by the financial institution's authority, the financial institution's liabilities could be written down, eliminated or converted into equity or an alternative instrument of ownership. A bail-in of a financial institution may result in a reduction in value of some or all of its securities and, if a Fund holds such securities or has entered into a transaction with such a financial security when a bail-in occurs, such Fund may also be similarly impacted.

Upon entering into a cleared swap, a Fund is required to deposit with its FCM an amount of cash or cash equivalents equal to a small percentage of the notional amount (this amount is subject to change by the FCM or clearing house through which the trade is cleared). This amount, known as "initial margin," is in the nature of a performance bond or good faith deposit on the cleared swap and is returned to a Fund upon termination of the swap, assuming all contractual obligations have been satisfied. Subsequent payments, known as "variation margin" to and from the broker will be made daily as the price of the swap fluctuates, making the long and short position in the swap contract more or less valuable, a process known as "marking-to-market." The premium (discount) payments are built into the daily price of the swap and thus are amortized through the variation margin. The variation margin payment also includes the daily portion of the periodic payment stream.

A party to a cleared swap is subject to the credit risk of the clearing house and the FCM through which it holds its position. Credit risk of market participants with respect to cleared swaps is concentrated in a few clearing houses, and it is not clear how an insolvency proceeding of a clearing house would be conducted and what impact an insolvency of a clearing house would have on the financial system. An FCM is generally obligated to segregate all funds received from customers with respect to cleared swap positions from the FCM's proprietary assets. However, all funds and other property received by an FCM from its customers are generally held by the FCM on a commingled basis in an omnibus account, and the FCM may invest those funds in certain instruments permitted under the applicable regulations. The assets of a Fund might not be fully protected in the event of the bankruptcy of the Fund's FCM, because the Fund would be limited to recovering only a pro rata share of all available funds segregated on behalf of the FCM's customers for a relevant account class. Also, the FCM is required to transfer to the clearing house the amount of margin required by the clearing house for cleared swaps positions, which amounts are generally held in an omnibus account at the clearing house for all customers of the FCM. Regulations promulgated by the CFTC require that the FCM notify the clearing house of the amount of initial margin provided by the FCM to the clearing house that is attributable to each customer. However, if the FCM does not provide accurate reporting, a Fund is subject to the risk that a clearing house will use the Fund's assets held in an omnibus account at the clearing house to satisfy payment obligations of a defaulting customer of the clearing member to the clearing house. In addition, if an FCM does not comply with the applicable regulations or its agreement with a Fund, or in the event of fraud or misappropriation of customer assets by an FCM, the Fund could have only an unsecured creditor claim in an insolvency of the FCM with respect to the margin held by the FCM.

Termination and Default Risk. Certain of the Funds' swap agreements contain termination provisions that, among other things, require the Fund to maintain a pre-determined level of net assets, and/or provide limits regarding the decline of the Fund's net asset value over specific periods of time, which may or may not be exclusive of redemptions. If the Fund were to trigger such provisions and have open derivative positions, at that time counterparties to the swaps could elect to terminate such agreements and request immediate payment in an amount equal to the net liability positions, if any, under the relevant agreement.

Regulatory Margin

In recent years, regulators across the globe, including the CFTC and the U.S. banking regulators, have adopted margin requirements applicable to uncleared swaps. While the Funds are not directly subject to these requirements, where a Fund's counterparty is subject to the requirements, uncleared swaps between a Fund and that counterparty are required to be marked-to-market on a daily basis, and collateral is required to be exchanged to account for any changes in the value of such swaps. The rules impose a number of requirements as to these exchanges of margin, including as to the timing of transfers, the type of collateral (and valuations for such collateral) and other matters that may be different than what a Fund would agree with its counterparty in the absence of such regulation. In all events, where a Fund is required to post collateral to its swap counterparty, such collateral will be posted to an independent bank custodian, where access to the collateral by the swap counterparty will generally not be permitted unless the relevant Fund is in default on its obligations to the swap counterparty.

In addition to the variation margin requirements, regulators have adopted "initial" margin requirements applicable to uncleared swaps. Where applicable, these rules require parties to an uncleared swap to post, to a custodian that is independent from the parties to the swap, collateral (in addition to any "variation margin" collateral noted above) in an amount that is either (i) specified in a schedule in the rules or (ii) calculated by the regulated party in accordance with a model that has been approved by that party's regulator(s). At this time, the initial margin rules do not apply to the Funds' swap trading relationships. However, the rules are being implemented on a phased basis, and in the near future, the rules may apply to one or more of the Funds. In the event that the rules apply, they would impose significant costs on such a Fund's ability to engage in uncleared swaps and, as such, could adversely affect the Advisor's ability to manage the Fund, may impair a Fund's ability to achieve its investment objective and/or may result in reduced returns to the Fund's investors.

Risks of Government Regulation of Derivatives

It is possible that government regulation of various types of derivative instruments, including futures and swap agreements, may limit or prevent a Fund from using such instruments as a part of its investment strategy, and could ultimately prevent a Fund from being able to achieve its investment objective. It is impossible to predict fully the effects of legislation and regulation in this area, but the effects could be substantial and adverse.

The regulation of swaps in the U.S., the European Union ("EU") and other jurisdictions is a rapidly changing area of law and is subject to modification by government and judicial action. Recent legislative and regulatory reforms, including the Dodd-Frank Act, have resulted in new regulation of swap agreements, including clearing, margin reporting, recordkeeping and registration requirements for certain types of swaps contracts and other derivatives, including among others interest rate swaps and credit default swaps. Because these requirements are new and evolving, and certain of the rules are not yet final, their ultimate impact remains unclear. New regulations could, among other things, restrict a Fund's ability to engage in swap transactions (for example, by making certain types of swap transactions no longer available to the Fund) and/or increase the costs of such swap transactions (for example, by increasing margin or capital requirements), and the Fund may as a result be unable to execute its investment strategies in a manner the Advisor might otherwise choose. There is a possibility of future regulatory changes altering, perhaps to a material extent, the nature of an investment in a Fund or the ability of a Fund to continue to implement its investment strategies.

Also, as described above, in the event of a counterparty's (or its affiliate's) insolvency, a Fund's ability to exercise remedies could be stayed or eliminated under special resolution regimes adopted in the United States, the EU and various other jurisdictions. Such regimes provide government authorities with broad authority to intervene when a financial institution is experiencing financial difficulty and may prohibit a Fund from exercising termination rights based on the financial institution's insolvency. In particular, in the EU, governmental authorities could reduce, eliminate or convert to equity the liabilities to the Funds of a counterparty experiencing financial difficulties (sometimes referred to as a "bail in").

In addition, the SEC has issued a proposed rule under the 1940 Act providing for the regulation of registered investment companies' use of derivatives and certain related instruments. The ultimate impact, if any, of possible regulation remains unclear, but the proposed rule, if adopted, could, among other things, restrict a Fund's ability to engage in derivatives transactions and/or increase the costs of such derivatives transactions such that a Fund may be unable to implement its investment strategy.

These and other new rules and regulations could, among other things, further restrict a Fund's ability to engage in, or increase the cost to the Fund of, derivatives transactions, for example, by making some types of derivatives no longer available to the Fund, increasing margin or capital requirements, or otherwise limiting liquidity or increasing transaction costs. The implementation of the clearing requirement for certain swaps has increased the costs of derivatives transactions for the Funds, since the Funds have to pay fees to their clearing members and are typically required to post more margin for cleared derivatives than they have historically posted for bilateral derivatives. The costs of derivatives transactions may increase further as clearing members raise their fees to cover the costs of additional capital requirements and other regulatory changes applicable to the clearing members. Certain aspects of these regulations are still being implemented, so their potential impact on the Funds and the financial system are not yet known. While the regulations and central clearing of some derivatives transactions are designed to reduce systemic risk (*i.e.*, the risk that the interdependence of large derivatives dealers could cause them to suffer liquidity, solvency or other challenges simultaneously), there is no assurance that the mechanisms imposed under the regulations will achieve that result, and in the meantime, as noted above, central clearing, minimum margin requirements and related requirements expose the Funds to new kinds of risks and costs.

DEBT INSTRUMENTS

Below is a description of various types of money market instruments and other debt instruments that a Fund may utilize for investment purposes, as "cover" for other investment techniques such Fund employs, or for liquidity purposes. Other types of money market instruments and debt instruments may become available that are similar to those described below and in which the Funds also may invest consistent with their investment goals and policies. Each Fund may also invest in pooled investment vehicles that invest in, and themselves qualify as, money market instruments.

Money Market Instruments

To seek its investment objective, as a cash reserve, for liquidity purposes, or as "cover" for positions it has taken, each Fund may invest all or part of its assets in cash or cash equivalents, which include, but are not limited to, short-term money market instruments, U.S. government securities, floating and variable rate notes, commercial paper, certificates of deposit, time deposits, bankers' acceptances or repurchase agreements and other short-term liquid instruments secured by U.S. government securities. Each Fund (except ProFund VP Government Money Market) may invest in money market instruments issued by foreign and domestic governments, financial institutions, corporations and other entities in the U.S. or in any foreign country. Each Fund (except ProFund VP Government Money Market) may also invest in pooled investment vehicles that invest in, and themselves qualify as, money market instruments.

U.S. Government Securities

The Funds may invest in U.S. government securities in pursuit of their investment objectives, as "cover" for the investment techniques these Funds employ, or for liquidity purposes.

U.S. government securities include U.S. Treasury securities, which are backed by the full faith and credit of the U.S. Treasury and which differ only in their interest rates, maturities, and times of issuance: U.S. Treasury bills, which have initial maturities of one year or less; U.S. Treasury notes, which have initial maturities of one to ten years; and U.S. Treasury bonds, which generally have initial maturities of greater than ten years.

Certain U.S. government securities are issued or guaranteed by agencies or instrumentalities of the U.S. government including, but not limited to, obligations of U.S. government agencies or instrumentalities, such as the Federal National Mortgage Association ("Fannie Mae" or "FNMA"), the Government National Mortgage Association ("Ginnie Mae" or "GNMA"), the Small Business Administration, the Federal Farm Credit Administration, Federal Home Loan Banks, Banks for Cooperatives (including the Central Bank for Cooperatives), Federal Land Banks, Federal Intermediate Credit Banks, the Tennessee Valley Authority, the Export-Import Bank of the United States, the Commodity Credit Corporation, the Federal Financing Bank, the Student Loan Marketing Association, the National Credit Union Administration and the Federal Agricultural Mortgage Corporation. Some obligations issued or guaranteed by U.S. government agencies and instrumentalities, including, for example, GNMA pass-through certificates, are supported by the full faith and credit of the U.S. Treasury. Other obligations issued by or guaranteed by federal agencies, such as those securities issued by FNMA, are supported by the discretionary authority of the U.S. government to purchase certain obligations of the federal agency but are not backed by the full faith and credit of the U.S. government, while other obligations issued by or guaranteed by federal agencies, such as those of the Federal Home Loan Banks, are supported by the right of the issuer to borrow from the U.S. Treasury. While the U.S. government provides financial support to such U.S. government-sponsored federal agencies and instrumentalities described above, no assurance can be given that the U.S. government will always do so, since the U.S. government is not so obligated by law. U.S. Treasury notes and bonds typically pay coupon interest semi-annually and repay the principal at maturity. All U.S. government securities are subject to credit risk.

Yields on U.S. government securities depend on a variety of factors, including the general conditions of the money and bond markets, the size of a particular offering, and the maturity of the obligation. Debt securities with longer maturities tend to produce higher yields and are generally subject to potentially greater capital appreciation and depreciation than obligations with shorter maturities and lower yields. The market value of U.S. government securities generally varies inversely with changes in market interest rates. An increase in interest rates, therefore, would generally reduce the market value of a Fund's portfolio investments in U.S. government securities, while a decline in interest rates would generally increase the market value of a Fund's portfolio investments in these securities.

Floating and Variable Rate Notes

Floating and variable rate notes generally are unsecured obligations issued by financial institutions and other entities. They typically have a stated maturity of more than one year and an interest rate that changes either at specific intervals or whenever a benchmark rate changes. The effective maturity of each floating or variable rate note in a Fund's portfolio will be based on these periodic adjustments. The interest rate adjustments are designed to help stabilize the note's price. While this feature helps protect against a decline in the note's market price when interest rates rise, it lowers a Fund's income when interest rates fall. Of course, a Fund's income from its floating and variable rate investments also may increase if interest rates rise.

Commercial Paper

Commercial paper is a short-term unsecured promissory note issued by businesses such as banks, corporations, finance companies and other issuers generally to finance short-term credit needs. Issuers may use commercial paper to finance accounts receivable or to meet short-term liabilities. Commercial paper generally has a fixed maturity of no more than 270 days and may trade on secondary markets after its issuance.

Financial Services Obligations (not applicable to ProFund VP Government Money Market)

Under normal market conditions, each Fund may invest up to 25% of its net assets in obligations issued by companies in the financial services industry, including U.S. banks, foreign banks, foreign branches of U.S. banks and U.S. branches of foreign banks. These obligations may include:

Certificates of deposit ("CDs") — CDs represent an obligation of a bank or a foreign branch of a bank to repay funds deposited with it for a specified period of time plus interest at a stated rate.

Time deposits — Time deposits are non-negotiable deposits held in a banking institution for a specified time at a stated interest rate.

Convertible Securities (not applicable to ProFund VP Government Money Market)

Convertible securities may be considered high yield securities. Convertible securities include corporate bonds, notes and preferred stock that can be converted into or exchanged for a prescribed amount of common stock of the same or a different issue within a particular period of time at a specified price or formula. A convertible security entitles the holder to receive interest paid or accrued on debt or dividends paid on preferred stock until the convertible stock matures or is redeemed, converted or exchanged. While no securities investment is without some risk, investments in convertible securities generally entail less risk than the issuer's common stock, although the extent to which such risk is reduced depends in large measure upon the degree to which the convertible security sells above its value as a fixed-income security. The market value of convertible securities tends to decline as interest rates increase and, conversely, to increase as interest rates decline. While convertible securities generally offer lower interest or dividend yields than nonconvertible debt securities of similar quality, they do enable the investor to benefit from increases in the market price of the underlying common stock.

Fixed-Income Securities (not applicable to ProFund VP Government Money Market)

Each Fund may invest in a wide range of fixed-income securities, which may include foreign sovereign, sub-sovereign and supranational bonds, as well as any other obligations of any rating or maturity such as foreign and domestic investment grade corporate debt securities and lower-rated corporate debt securities (commonly known as "junk bonds"). Lower-rated or high yield debt securities include corporate high yield debt securities, zero-coupon securities, payment-in-kind securities, and STRIPS. Investment grade corporate bonds are those rated BBB or better by Standard & Poor's Rating Group ("S&P") or Baa or better by Moody's Investor Services ("Moody's"). Securities rated BBB by S&P are considered investment grade, but Moody's considers securities rated Baa to have speculative characteristics. See Appendix A for a description of corporate bond ratings. The Funds may also invest in unrated securities.

CORPORATE DEBT SECURITIES. Corporate debt securities are fixed-income securities issued by businesses to finance their operations, although corporate debt instruments may also include bank loans to companies. Notes, bonds, debentures and commercial paper are the most common types of corporate debt securities, with the primary difference being their maturities and secured or unsecured status. Commercial paper has the shortest term and is usually unsecured. The broad category of corporate debt securities includes debt issued by domestic or foreign companies of all kinds, including those with small-, mid- and large-capitalizations. Corporate debt may be rated investment-grade or below investment-grade and may carry variable or floating rates of interest.

Because of the wide range of types and maturities of corporate debt securities, as well as the range of creditworthiness of its issuers, corporate debt securities have widely varying potentials for return and risk profiles. For example, commercial paper issued by a large established domestic corporation that is rated investment-grade may have a modest return on principal, but carries relatively limited risk. On the other hand, a long-term corporate note issued by a small foreign corporation from an emerging market country that has not been rated may have the potential for relatively large returns on principal, but carries a relatively high degree of risk.

Corporate debt securities carry both credit risk and interest rate risk. Credit risk is the risk that a Fund could lose money if the issuer of a corporate debt security is unable to pay interest or repay principal when it is due. Some corporate debt securities that are rated below investment-grade are generally considered speculative because they present a greater risk of loss, including default, than higher quality debt securities. The credit risk of a particular issuer's debt security may vary based on its priority for repayment. For example, higher ranking (senior) debt securities have a higher priority than lower ranking (subordinated) securities. This means that the issuer might not make payments on subordinated securities while continuing to make payments on senior securities. In addition, in the event of bankruptcy, holders of higher-ranking senior securities may receive amounts otherwise payable to the holders of more junior securities. Interest rate risk is the risk that the value of certain corporate debt securities will tend to fall when interest rates rise. In general, corporate debt securities with longer terms tend to fall more in value when interest rates rise than corporate debt securities with shorter terms.

JUNK BONDS. "Junk Bonds" generally offer a higher current yield than that available for higher-grade issues. However, lower-rated securities involve higher risks, in that they are especially subject to adverse changes in general economic conditions and in the industries in which the issuers are engaged, to changes in the financial condition of the issuers and to price fluctuations in response to changes in interest rates. During periods of economic downturn or rising interest rates, highly leveraged issuers may experience financial stress that could adversely affect their ability to make payments of interest and principal and increase the possibility of default. In addition, the market for lower-rated debt securities has expanded rapidly in recent years, and its growth paralleled a long economic expansion. At times in recent years, the prices of many lower-rated debt securities declined substantially, reflecting an expectation that many issuers of such securities might experience financial difficulties. As a result, the yields on lower-rated debt securities rose dramatically, but the higher yields did not reflect the value of the income stream that holders of such securities expected. Rather, the risk that holders of such securities could lose a substantial portion of their value as a result of the issuers' financial restructuring or default. There can be no assurance that such declines will not recur. The market for lower-rated debt issues generally is thinner and less active than that for higher quality securities, which may limit each Fund's ability to sell such securities at fair value in response to changes in the economy or financial markets. Adverse publicity and investor perceptions, whether or not based on fundamental analysis, may also decrease the values and liquidity of lower-rated securities, especially in a thinly traded market. Changes by recognized rating services in their rating of a fixed-income security may affect the value of these investments. Each Fund will not necessarily dispose of a security when its rating is reduced below the rating it had at the time of purchase. However, the Advisor will monitor the investment to determine whether continued investment in the security will assist in meeting each Fund's investment objective.

UNRATED DEBT SECURITIES. The Funds may also invest in unrated debt securities. Unrated debt, while not necessarily lower in quality than rated securities, may not have as broad a market. Because of the size and perceived demand for the issue, among other factors, certain issuers may decide not to pay the cost of getting a rating for their bonds. The creditworthiness of the issuer, as well as that of any financial institution or other party responsible for payments on the security, will be analyzed to determine whether to purchase unrated bonds.

Mortgage-Backed Securities (not applicable to ProFund VP Government Money Market)

A mortgage-backed security is a type of pass-through security, which is a security representing pooled debt obligations repackaged as interests that pass income through an intermediary to investors. Each Fund may invest in mortgage-backed securities as "cover" for the investment techniques these Funds employ. In the case of mortgage-backed securities, the ownership interest is in a pool of mortgage loans.

Mortgage-backed securities are most commonly issued or guaranteed by GNMA, FNMA or the Federal Home Loan Mortgage Corporation ("FHLMC"), but may also be issued or guaranteed by other private issuers. GNMA is a government-owned corporation that is an agency of the U.S. Department of Housing and Urban Development. It guarantees, with the full faith and credit of the United States, full and timely payment of all monthly principal and interest on its mortgage-backed securities. FNMA is a publicly owned, government-sponsored corporation that mostly packages mortgages backed by the Federal Housing Administration, but also sells some non-governmentally backed mortgages. Pass-through securities issued by FNMA are guaranteed as to timely payment of principal and interest only by FNMA. The FHLMC is a publicly chartered agency that buys qualifying residential mortgages from lenders, re-packages them and provides certain guarantees. The corporation's stock is owned by savings institutions across the United States and is held in trust by the Federal Home Loan Bank System. Pass-through securities issued by the FHLMC are guaranteed as to timely payment of principal and interest only by the FHLMC.

Mortgage-backed securities issued by private issuers, whether or not such obligations are subject to guarantees by the private issuer, may entail greater risk than obligations directly or indirectly guaranteed by the U.S. government. The average life of a mortgage-backed security is likely to be substantially shorter than the original maturity of the mortgage pools underlying the securities. Prepayments of principal by mortgagors and mortgage foreclosures will usually result in the return of the greater part of principal invested far in advance of the maturity of the mortgages in the pool.

Collateralized mortgage obligations ("CMOs") are debt obligations collateralized by mortgage loans or mortgage pass-through securities (collateral collectively hereinafter referred to as "Mortgage Assets"). Multi-class pass-through securities are interests in a trust composed of Mortgage Assets and all references in this section to CMOs include multi-class pass-through securities. Principal prepayments on the Mortgage Assets may cause the CMOs to be retired substantially earlier than their stated maturities or final distribution dates, resulting in a loss of all or part of the premium if any has been paid. Interest is paid or accrues on all classes of the CMOs on a monthly, quarterly or semi-annual basis. The principal and interest payments on the Mortgage Assets may be allocated among the various classes of CMOs in several ways. Typically, payments of principal, including any prepayments, on the underlying mortgages are applied to the classes in the order of their respective stated maturities or final distribution dates, so that no payment of principal is made on CMOs of a class until all CMOs of other classes having earlier stated maturities or final distribution dates have been paid in full.

Stripped mortgage-backed securities ("SMBS") are derivative multi-class mortgage securities. Each Fund will only invest in SMBS that are obligations backed by the full faith and credit of the U.S. government. SMBS are usually structured with two classes that receive different proportions of the interest and principal distributions from a pool of mortgage assets. The Funds will only invest in SMBS whose mortgage assets are U.S. government obligations. A common type of SMBS will be structured so that one class receives some of the interest and most of the principal from the mortgage assets, while the other class receives most of the interest and the remainder of the principal. If the underlying mortgage assets experience greater than anticipated prepayments of principal, each Fund may fail to fully recoup its initial investment in these securities. The market value of any class that consists primarily or entirely of principal payments generally is unusually volatile in response to changes in interest rates.

Investment in mortgage-backed securities poses several risks, including among others, prepayment, market and credit risk. Prepayment risk reflects the risk that borrowers may prepay their mortgages faster than expected, thereby affecting the investment's average life and perhaps its yield. Whether or not a mortgage loan is prepaid is almost entirely controlled by the borrower. Borrowers are most likely to exercise prepayment options at the time when it is least advantageous to investors, generally prepaying mortgages as interest rates fall, and slowing payments as interest rates rise. Besides the effect of prevailing interest rates, the rate of prepayment and refinancing of mortgages may also be affected by appreciation in home values, ease of the refinancing process and local economic conditions. Market risk reflects the risk that the price of a security may fluctuate over time. The price of mortgage-backed securities may be particularly sensitive to prevailing interest rates, the length of time the security is expected to be outstanding, and the liquidity of the issue. In a period of unstable interest rates, there may be decreased demand for certain types of mortgage-backed securities, and each Fund invested in such securities wishing to sell them may find it difficult to find a buyer, which may in turn decrease the price at which they may be sold. Credit risk reflects the risk that a Fund may not receive all or part of its principal because the issuer or credit enhancer has defaulted on its obligations. Obligations issued by U.S. government-related entities are guaranteed as to the payment of principal and interest, but are not backed by the full faith and credit of the U.S. government. The performance of private label mortgage-backed securities, issued by private institutions, is based on the financial health of those institutions. With respect to GNMA certificates, although GNMA guarantees timely payment even if homeowners delay or default, tracking the "pass-through" payments may, at times, be difficult.

REPURCHASE AGREEMENTS

Each of the Funds may enter into repurchase agreements with financial institutions in pursuit of its investment objectives, as "cover" for the investment techniques it employs, or for liquidity purposes. Under a repurchase agreement, a Fund purchases a debt security and simultaneously agrees to sell the security back to the seller at a mutually agreed-upon future price and date, normally one day or a few days later. The resale price is greater than the purchase price, reflecting an agreed-upon market interest rate during the purchaser's holding period. While the maturities of the underlying securities in repurchase transactions may be more than one year, the term of each repurchase agreement will always be less than one year. The Funds follow certain procedures designed to minimize the risks inherent in such agreements. These procedures include effecting repurchase transactions generally with major global financial institutions. The creditworthiness of each of the firms that is a party to a repurchase agreement with the Funds will be monitored by the Advisor. In addition, the value of the collateral underlying the repurchase agreement will always be at least equal to the repurchase price, including any accrued interest earned on the repurchase agreement. In the event of a default or bankruptcy by a selling financial institution, a Fund will seek to liquidate such collateral which could involve certain costs or delays and, to the extent that proceeds from any sale upon a default of the obligation to repurchase were less than the repurchase price, the Fund could suffer a loss. A Fund also may experience difficulties and incur certain costs in exercising its rights to the collateral and may lose the interest the Fund expected to receive under the repurchase agreement. Repurchase agreements usually are for short periods, such as one week or less, but may be longer. It is the current policy of the Funds not to invest in repurchase agreements that do not mature within seven days if any such investment, together with any other illiquid assets held by the Fund, amounts to more than 15% of the Fund's total net assets. The investments of each of the Funds in repurchase agreements at times may be substantial when, in the view of the Advisor, liquidity, investment, regulatory, or other considerations so warrant.

Regulations adopted by global prudential regulators that are now in effect require certain bank-regulated counterparties and certain of their affiliates to include in certain financial contracts, including many repurchase agreements, terms that delay or restrict the rights of counterparties, such as the Funds, to terminate such agreements, take foreclosure action, exercise other default rights or restrict transfers of credit support in the event that the counterparty and/or its affiliates are subject to certain types of resolution or insolvency proceedings. It is possible that these new requirements, as well as potential additional government regulation and other developments in the market, could adversely affect the Funds' ability to terminate existing repurchase agreements and purchase and sale contracts or to realize amounts to be received under such agreements.

CASH RESERVES

In seeking to achieve its investment objective, as a cash reserve, for liquidity purposes, or as cover for positions it has taken, each Fund may invest all or part of its assets in cash or cash equivalents, which include, but are not limited to, short-term money market instruments, U.S. government securities, certificates of deposit, bankers acceptances, or repurchase agreements secured by U.S. government securities.

BORROWING

Each Fund may borrow money for cash management purposes or investment purposes. Borrowing for investment is a form of leverage. Leveraging investments by purchasing securities with borrowed money is a speculative technique which increases investment risk but also increases investment opportunity. Because substantially all of a Fund's assets will fluctuate in value, whereas the interest obligations on borrowings may be fixed, the NAV per share of the Fund will fluctuate more when the Fund is leveraging its investments than would otherwise be the case. Moreover, interest costs on borrowings may fluctuate with changing market rates of interest and may partially offset or exceed the returns on the borrowed funds. Under adverse conditions, a Fund might have to sell portfolio securities to meet interest or principal payments at a time when investment considerations would not favor such sales.

Consistent with the requirements of the 1940 Act, each Fund must maintain continuous asset coverage (total assets, including assets acquired with borrowed funds, less liabilities exclusive of borrowings) of 300% of all amounts borrowed. If at any time the value of a Fund's assets should fail to meet this 300% coverage test, the Fund, within three days (not including weekends and holidays), will reduce the amount of the Fund's borrowings to the extent necessary to meet this 300% coverage requirement. Maintenance of this percentage limitation may result in the sale of portfolio securities at a time when investment considerations would not favor such sale.

In addition to the foregoing, the Funds are authorized to borrow money as a temporary measure for extraordinary or emergency purposes in amounts not in excess of 5% of the value of each Fund's total assets. This borrowing is not subject to the foregoing 300% asset coverage requirement. The Funds are authorized to pledge portfolio securities as the Advisor deems appropriate in connection with any borrowings.

Each Fund (except ProFund VP Government Money Market) may also enter into reverse repurchase agreements, which may be viewed as a form of borrowing, with financial institutions. However, under current pronouncements, to the extent a Fund "covers" its repurchase obligations as described above in "Reverse Repurchase Agreements," such agreement will not be considered to be a "senior security" and, therefore, will not be subject to the 300% asset coverage requirement otherwise applicable to borrowings by that Fund.

Obligations under futures contracts, forward contracts and swap agreements that are similarly covered will not be considered "senior securities" and, therefore, will not be subject to the 300% asset coverage requirement.

WHEN-ISSUED AND DELAYED-DELIVERY SECURITIES

Each Fund, from time to time, in the ordinary course of business, may purchase securities on a when-issued or delayed-delivery basis (*i.e.*, delivery and payment can take place a number of days after the date of the transaction). These securities are subject to market fluctuations and no interest accrues to the purchaser during this period. At the time a Fund makes the commitment to purchase securities on a when-issued or delayed-delivery basis, the Fund will record the transaction and thereafter reflect the value of the securities, each day, in determining the Fund's NAV. Each Fund will not purchase securities on a when-issued or delayed-delivery basis if, as a result, it determines that more than 15% (5% with respect to ProFund VP Government Money Market) of the Fund's net assets would be invested in illiquid securities. At the time of delivery of the securities, the value of the securities may be more or less than the purchase price.

INVESTMENTS IN OTHER INVESTMENT COMPANIES

The Funds may invest in other investment companies, including ETFs and unit investment trusts ("UITs"), to the extent that such an investment would be consistent with the requirements of the 1940 Act or any exemptive order issued by the SEC. If a Fund invests in, and thus, is a shareholder of, another investment company, the Fund's shareholders will indirectly bear the Fund's proportionate share of the fees and expenses paid by such other investment company, including advisory fees, in addition to both the management fees payable directly by the Fund to the Fund's own investment adviser and the other expenses that the Fund bears directly in connection with the Fund's own operations.

Because most ETFs are investment companies, absent exemptive relief or reliance on an applicable exemptive statute or rule, a Fund's investments in such investment companies generally would be limited under applicable federal statutory provisions. Those provisions typically restrict a Fund's investment in the shares of another investment company to up to 5% of its assets (which may represent no more than 3% of the securities of such other investment company) and limit aggregate investments in all investment companies to 10% of assets. A Fund may invest in certain ETFs in excess of the statutory limit in reliance on an exemptive order issued by the SEC to those entities or pursuant to statutory or exemptive relief and pursuant to procedures approved by the Board provided that the Fund complies with the conditions of the exemptive relief, as they may be amended from time to time, and any other applicable investment limitations.

ILLIQUID SECURITIES

Each Fund may purchase illiquid securities, including securities that are not readily marketable and securities that are not registered ("restricted securities") under the 1933 Act, but which can be sold to qualified institutional buyers under Rule 144A under the 1933 Act. A Fund will not invest more than 15% of the Fund's net assets in illiquid securities. Securities generally will be considered "illiquid" if the Fund reasonably expects the security cannot be sold or disposed of in current market conditions in seven calendar days or less without the sale or disposition significantly changing the market value of the security. Under the current guidelines of the staff of the SEC, illiquid securities also are considered to include, among other securities, purchased OTC options, certain cover for OTC options, repurchase agreements with maturities in excess of seven days, and certain securities whose disposition is restricted under the federal securities laws. The Fund may not be able to sell illiquid securities when the Advisor considers it desirable to do so or may have to sell such securities at a price that is lower than the price that could be obtained if the securities were more liquid. In addition, the sale of illiquid securities also may require more time and may result in higher dealer discounts and other selling expenses than the sale of securities that are not illiquid. Illiquid securities may be more difficult to value due to the unavailability of reliable market quotations for such securities, and investments in illiquid securities may have an adverse impact on NAV.

The SEC has adopted Rule 22e-4 under the 1940 Act, which requires each Fund to adopt a liquidity risk management program to assess and manage its liquidity risk. Under its program, a Fund will be required to classify its investments into specific liquidity categories and monitor compliance with limits on investments in illiquid securities. The Funds do not expect Rule 22e-4 to have a significant effect on investment operations. While the liquidity risk management program attempts to assess and manage liquidity risk, there is no guarantee it will be effective in its operations and it may not reduce the liquidity risk inherent in a Fund's investments.

Institutional markets for restricted securities have developed as a result of the promulgation of Rule 144A under the 1933 Act, which provides a safe harbor from 1933 Act registration requirements for qualifying sales to institutional investors. When Rule 144A securities present an attractive investment opportunity and otherwise meet selection criteria, a Fund may make such investments. Whether or not such securities are illiquid depends on the market that exists for the particular security. The staff of the SEC has taken the position that the liquidity of Rule 144A restricted securities is a question of fact for a board of trustees to determine, such determination to be based on a consideration of the readily-available trading markets and the review of any contractual restrictions. The SEC staff also has acknowledged that, while a board of trustees retains ultimate responsibility, trustees may delegate this function to an investment adviser. The Board of Trustees has delegated this responsibility for determining the liquidity of Rule 144A restricted securities that may be invested in by a Fund to the Advisor. It is not possible to predict with assurance exactly how the market for Rule 144A restricted securities or any other security will develop. A security that when purchased enjoyed a fair degree of marketability may subsequently become illiquid and, accordingly, a security that was deemed to be liquid at the time of acquisition may subsequently become illiquid. In such an event, appropriate remedies will be considered in order to minimize the effect on the Fund's liquidity.

SECURITIES LENDING

Each Fund may lend securities to brokers, dealers and financial organizations in exchange for collateral in the amount of at least 102% of the value of U.S. dollar-denominated securities loaned or at least 105% of the value of non-U.S. dollar-denominated securities loaned, marked to market daily. Each loan will be secured continuously by collateral in the form of cash, Money Market Instruments or U.S. Government securities. When a Fund lends its securities, it continues to receive payments equal to the dividends and interest paid on the securities loaned and simultaneously may earn interest on the reinvestment of the cash collateral. Any cash collateral received by the Fund in connection with these loans may be reinvested in a variety of short-term investments. The Funds may incur fees and expenses in connection with the reinvestment of cash collateral. For loans collateralized by cash, borrowers may be entitled to receive a fee based on the amount of collateral. The Funds are typically compensated by the difference between the amount earned on the reinvestment of cash collateral and any fees paid to the borrower. Although voting and other rights attendant to securities on loan pass to the borrower, such loans may be recalled so that the securities may be voted by the Fund if a material event affecting the Fund's investment in the securities on loan is to occur. Loans are subject to termination by the Fund or the borrower at any time. Not all Funds may participate in securities lending at any given time. No securities loan shall be made on behalf of a Fund if, as a result, the aggregate value of all securities loaned by the particular Fund exceeds one-third of the value of such Fund's total assets (including the value of the collateral received).

Securities lending involves exposure to certain risks, including "gap" risk (*i.e.*, the risk of a mismatch between the return on cash collateral reinvestments and any fees a Fund has agreed to pay a borrower), operational risk (*i.e.*, the risk of losses resulting from problems in the settlement and the accounting process), legal, counterparty and credit risk. If a securities lending counterparty were to default, a Fund would be subject to the risk of a possible delay in receiving collateral or in recovering the loaned securities, or to a possible loss of rights in the collateral. In the event a borrower does not return a Fund's securities as agreed, the Fund may experience losses if the proceeds received from liquidating the collateral do not at least equal the value of the loaned security at the time the collateral is liquidated, plus the transaction costs incurred in purchasing replacement securities. This event could trigger adverse tax consequences for a Fund. The investment of cash collateral deposited by the borrower is subject to inherent market risks such as interest rate risk, credit risk, liquidity risk, and other risks that are present in the market. A Fund could lose money if its short-term reinvestment of the collateral declines in value over the period of the loan.

PORTFOLIO QUALITY AND MATURITY (ProFund VP Government Money Market)

The ProFund VP Government Money Market will maintain a dollar-weighted average maturity of 60 days or less and a dollar-weighted average life of 120 days or less. All securities in which the ProFund VP Government Money Market invests will have or be deemed to have remaining maturities of 397 days or less on the date of their purchase, will be denominated in U.S. dollars and will be believed by the Advisor, acting under the supervision of and procedures adopted by the Board of Trustees, to be of high quality. The Advisor, under the supervision of and procedures adopted by the Board of Trustees, will also determine that all securities purchased by ProFund VP Government Money Market present minimal credit risks.

MARKET DISRUPTION AND GEOPOLITICAL RISK

War, terrorism, economic uncertainty, and related geopolitical events, such as sanctions, tariffs, the imposition of exchange controls or other cross-border trade barriers, have led, and in the future may lead, to increased short-term market volatility and may have adverse long-term effects on U.S. and world economies and markets generally. For example, the U.S. has imposed economic sanctions, which consist of asset freezes, restrictions on dealings in debt and equity, and certain industry-specific restrictions. These sanctions, any additional sanctions or intergovernmental actions, or even the threat of further sanctions, may result in a decline of the value and liquidity of securities in affected countries, a weakening of the affected countries' currencies or other adverse consequences to their respective economies. Sanctions impair the ability of the Funds to buy, sell, receive or deliver those securities and/or assets that are within the scope of the sanctions.

PORTFOLIO TURNOVER

Each Fund's portfolio turnover rate, to a great extent, will depend on the purchase, redemption and exchange activity of the Fund's investors. A Fund's portfolio turnover may vary from year to year, as well as within a year. The nature of the Funds may cause the Funds to experience substantial differences in brokerage commissions from year to year. The overall reasonableness of brokerage commissions is evaluated by the Advisor based upon its knowledge of available information as to the general level of commissions paid by other institutional investors for comparable services. High portfolio turnover and correspondingly greater brokerage commissions depend, to a great extent, on the purchase, redemption, and exchange activity of a Fund's investors, as well as each Fund's investment objective and strategies. Consequently, it is difficult to estimate what each Fund's actual portfolio turnover rate will be in the future. However, it is expected that the portfolio turnover experienced by the Funds from year to year, as well as within a year, may be substantial. A higher portfolio turnover rate would likely involve correspondingly greater brokerage commissions and transaction and other expenses that would be borne by the Funds. The nature of the Funds may cause the Funds to experience substantial differences in brokerage commissions from year to year. The overall reasonableness of brokerage commissions is evaluated by the Advisor based upon its knowledge of available information as to the general level of commissions paid by other institutional investors for comparable services. In addition, a Fund's portfolio turnover level may adversely affect the ability of the Fund to achieve its investment objective. "Portfolio Turnover Rate" is defined under the rules of the SEC as the value of the securities purchased or securities sold, excluding all securities whose maturities at time of acquisition were one year or less, divided by the average monthly value of such securities owned during the year. Based on this definition, instruments with remaining maturities of less than one year, including swap agreements, options and futures contracts in which the Funds invest, are excluded from the calculation of Portfolio Turnover Rate for each Fund. Annual portfolio turnover rates are shown in each Fund's summary prospectus.

For the fiscal year ended December 31, 2019, the increase in portfolio turnover rate for ProFund VP Consumer Services, ProFund VP Mid-Cap Value, ProFund VP Semiconductor, and ProFund VP Utilities was the result of significant purchases and redemptions activity during the year.

DISCLOSURE OF PORTFOLIO HOLDINGS

The Trust has adopted a policy regarding the disclosure of information about each Fund's portfolio holdings, which is reviewed on an annual basis. The Board must approve all material amendments to this policy. Disclosure of the complete holdings of each Fund is required to be made quarterly within 60 days of the end of the Fund's fiscal quarter in the Annual Report and Semi-Annual Report to Fund shareholders and in the monthly holdings report on Form N-PORT, with every third month made available to the public by the SEC 60 days after the end of the Funds' fiscal quarter. You can find SEC filings on the SEC's website, www.sec.gov. Portfolio holdings information may be made available prior to its public availability ("Non-Standard Disclosure") as frequently as daily to the Advisor, Citi Fund Services, UMB Bank, N.A., and ProFunds Distributors, Inc. (collectively, the "Service Providers"), and as frequently as weekly to certain non-service providers (including rating agencies, consultants and other qualified financial professionals for such purposes as analyzing and ranking the Funds or performing due diligence and asset allocation). A recipient of Non-Standard Disclosure must sign a confidentiality agreement, as required by applicable law, in which the recipient agrees that the information will be kept confidential, be used only for a legitimate business purpose and will not be used for trading. Recipients are required to have systems and procedures in place to ensure that the confidentiality agreement will be honored. Neither the Funds nor the Advisor may receive compensation or other consideration in connection with the disclosure of information about portfolio securities.

Non-Standard Disclosure may be authorized by the CCO or, in his absence, any other authorized officer of the Trust, if he determines that such disclosure is in the best interests of shareholders, no conflict exists between the interests of shareholders and those of the Advisor or Distributor, such disclosure serves a legitimate business purpose, and measures discussed in the previous paragraph regarding confidentiality are satisfied. The lag time between the date of the information and the date on which the information is disclosed shall be determined by the officer authorizing the disclosure. The CCO is responsible for ensuring that portfolio holdings disclosures are made in accordance with this Policy. As of the date of this SAI, no parties other than the Trust's Service Providers and any other persons identified above receive Non-Standard Disclosure.

SPECIAL CONSIDERATIONS

To the extent discussed herein and in the Prospectus, the Funds present certain risks, some of which are further described below.

TRACKING AND CORRELATION (not applicable to ProFund VP Government Money Market)

Several factors may affect a Fund's ability to achieve a high degree of correlation with its benchmark. Among these factors are: (1) a Fund's fees and expenses, including brokerage (which may be increased by high portfolio turnover) and the costs associated with the use of derivatives; (2) less than all of the securities underlying a Fund's benchmark being held by the Fund and/or securities not included in its benchmark being held by the Fund; (3) an imperfect correlation between the performance of instruments held by a Fund, such as futures contracts, and the performance of the underlying securities in a benchmark; (4) bid-ask spreads (the effect of which may be increased by portfolio turnover); (5) holding instruments traded in a market that has become illiquid or disrupted; (6) a Fund's share prices being rounded to the nearest cent; (7) changes to the benchmark that are not disseminated in advance; (8) the need to conform a Fund's portfolio holdings to comply with investment restrictions or policies or regulatory or tax law requirements; (9) limit up or limit down trading halts on options or futures contracts which may prevent a Fund from purchasing or selling options or futures contracts; (10) early and unanticipated closings of the markets on which the holdings of a Fund trade, resulting in the inability of the Fund to execute intended portfolio transactions; and (11) fluctuations in currency exchange rates.

Also, because each Fund engages in daily rebalancing to position its portfolio so that its exposure to its index is consistent with the Fund's daily investment objective, disparities between estimated and actual purchases and redemptions of the Fund may cause the Fund to be under- or overexposed to its benchmark. This may result in greater tracking and correlation error.

Furthermore, each of the Ultra, Inverse and Non-Equity ProFunds VP, except ProFund VP Falling U.S. Dollar, has an investment objective to seek daily investment results, before fees and expenses, that correspond to the performance of a multiple (1.25x or 2x), the inverse (-1x) or inverse multiple (-1.25x, -2x) of the daily performance of an index for a single day, not for any other period. A "single day" is measured from the time the Fund calculates its NAV to the time of the Fund's next NAV calculation. These Funds are subject to the correlation risks described above. In addition, while a close correlation of a Fund to its benchmark may be achieved on any single day, the Fund's performance for any other period is the result of its return for each day compounded over the period. This usually will differ in amount and possibly even direction from the multiple (1.25x or 2x), the inverse (-1x) or inverse multiple (-1.25x, -2x) of the daily return of the Fund's index for the same period, before accounting for fees and expenses, as further described in the Prospectus and below.

LEVERAGE (not applicable to Classic ProFunds VP, Sector ProFunds VP, Pro Fund VP Bear, ProFund VP Short Mid-Cap, ProFund VP Short Small-Cap, ProFund VP Short Dow 30, ProFund VP Short Nasdaq-100, ProFund VP Short International, ProFund VP Short Emerging Markets and ProFund VP Government Money Market)

Certain Funds intend to use, on a regular basis, leveraged investment techniques in pursuing its investment objective. Leverage exists when a Fund achieves the right to a return on a capital base that exceeds the Fund's assets. Utilization of leverage involves special risks and should be considered to be speculative. Specifically, leverage creates the potential for greater gains to Fund shareholders during favorable market conditions and the risk of magnified losses during adverse market conditions. Leverage is likely to cause higher volatility of the NAVs of these Funds' Shares. Leverage may also involve the creation of a liability that does not entail any interest costs or the creation of a liability that requires the Fund to pay interest which would decrease the Fund's total return to shareholders. If these Funds achieve their investment objectives, during adverse market conditions, shareholders should experience a loss greater than they would have incurred had these Funds not been leveraged.

SPECIAL NOTE REGARDING THE CORRELATION RISKS OF GEARED FUNDS (not applicable to Classic ProFund VP, Sector ProFunds VP, ProFund VP Falling U.S. Dollar, and ProFund VP Government Money Market)

As a result of compounding, for periods greater than one day, the use of leverage tends to cause the performance of a Fund to vary from its benchmark performance times the stated multiple or inverse multiple in the Fund's investment objective, before accounting for fees and fund expenses. Compounding affects all investments, but has a more significant impact on geared funds. Four factors significantly affect how close daily compounded returns are to longer-term benchmark returns times the fund's multiple: the length of the holding period, benchmark volatility, whether the multiple is positive or inverse, and its leverage level. Longer holding periods, higher benchmark volatility, inverse exposure and greater leverage each can lead to returns that differ in amount, and possibly even direction, from a Fund's stated multiple times its benchmark return. As the tables below show, particularly during periods of higher benchmark volatility, compounding will cause longer term results to vary from the benchmark performance times the stated multiple in the Fund's investment objective. This effect becomes more pronounced as volatility increases.

A geared Fund's return for periods longer than one day is primarily a function of the following:

a) benchmark performance;

b) benchmark volatility;

c) period of time;

d) financing rates associated with leverage or inverse exposure;

e) other Fund expenses;

f) dividends or interest paid with respect to securities included in the benchmark; and

g) daily rebalancing of the underlying portfolio.

The fund performance for a geared Fund can be estimated given any set of assumptions for the factors described above. The tables on the next five pages illustrate the impact of two factors, benchmark volatility and benchmark performance, on a geared fund. Benchmark volatility is a statistical measure of the magnitude of fluctuations in the returns of a benchmark and is calculated as the standard deviation of the natural logarithms of one plus the benchmark return (calculated daily), multiplied by the square root of the number of trading days per year (assumed to be 252). The tables show estimated Fund returns for a number of combinations of benchmark performance and benchmark volatility over a one-year period. Assumptions used in the tables include: a) no dividends paid with respect to securities included in the underlying benchmark; b) no Fund expenses; and c) borrowing/lending rates (to obtain leverage or inverse exposure) of zero percent. If Fund expenses and/or actual borrowing/lending rates were reflected, the Fund's performance would be different than shown.

The first table below shows a performance example for an Ultra ProFund VP that has an investment objective to correspond to two times (2x) the daily performance of a benchmark. The Ultra ProFund VP could be expected to achieve a 20% return on a yearly basis if the benchmark performance was 10%, absent any costs, the correlation risk or other factors described above and in the Prospectus under "Correlation Risk" and "Compounding Risk." However, as the table shows, with benchmark volatility of 20%, such a Fund would return 16.3%, again absent any costs or other factors described above and in the Prospectus under "Correlation Risk" and "Compounding Risk." In the charts below, areas shaded lighter represent those scenarios where a leveraged Fund with the investment objective described will return the same as or outperform (*i.e.*, return more than) the benchmark performance times the stated multiple in the Fund's investment objective; conversely areas shaded darker represent those scenarios where the Fund will underperform (*i.e.*, return less than) the benchmark performance times the stated multiple in the Fund's investment objective.

Estimated Fund Return Over One Year When the Fund's Investment Objective is to Seek Daily Investment Results, Before Fund Fees and Expenses and Leverage Costs, that Correspond to Two Times (2x) the Daily Performance of a Benchmark.

		Benchmark Volatility												
One Year Benchmark Performance	**Two Times (2x) One Year Benchmark Performance**	**0%**	**5%**	**10%**	**15%**	**20%**	**25%**	**30%**	**35%**	**40%**	**45%**	**50%**	**55%**	**60%**
-60%	-120%	-84.0%	-84.0%	-84.2%	-84.4%	-84.6%	-85.0%	-85.4%	-85.8%	-86.4%	-86.9%	-87.5%	-88.2%	-88.8%
-55%	-110%	-79.8%	-79.8%	-80.0%	-80.2%	-80.5%	-81.0%	-81.5%	-82.1%	-82.7%	-83.5%	-84.2%	-85.0%	-85.9%
-50%	-100%	-75.0%	-75.1%	-75.2%	-75.6%	-76.0%	-76.5%	-77.2%	-77.9%	-78.7%	-79.6%	-80.5%	-81.5%	-82.6%
-45%	-90%	-69.8%	-69.8%	-70.1%	-70.4%	-70.9%	-71.6%	-72.4%	-73.2%	-74.2%	-75.3%	-76.4%	-77.6%	-78.9%
-40%	-80%	-64.0%	-64.1%	-64.4%	-64.8%	-65.4%	-66.2%	-67.1%	-68.2%	-69.3%	-70.6%	-72.0%	-73.4%	-74.9%
-35%	-70%	-57.8%	-57.9%	-58.2%	-58.7%	-59.4%	-60.3%	-61.4%	-62.6%	-64.0%	-65.5%	-67.1%	-68.8%	-70.5%
-30%	-60%	-51.0%	-51.1%	-51.5%	-52.1%	-52.9%	-54.0%	-55.2%	-56.6%	-58.2%	-60.0%	-61.8%	-63.8%	-65.8%
-25%	-50%	-43.8%	-43.9%	-44.3%	-45.0%	-46.0%	-47.2%	-48.6%	-50.2%	-52.1%	-54.1%	-56.2%	-58.4%	-60.8%
-20%	-40%	-36.0%	-36.2%	-36.6%	-37.4%	-38.5%	-39.9%	-41.5%	-43.4%	-45.5%	-47.7%	-50.2%	-52.7%	-55.3%
-15%	-30%	-27.8%	-27.9%	-28.5%	-29.4%	-30.6%	-32.1%	-34.0%	-36.1%	-38.4%	-41.0%	-43.7%	-46.6%	-49.6%
-10%	-20%	-19.0%	-19.2%	-19.8%	-20.8%	-22.2%	-23.9%	-26.0%	-28.3%	-31.0%	-33.8%	-36.9%	-40.1%	-43.5%
-5%	-10%	-9.8%	-10.0%	-10.6%	-11.8%	-13.3%	-15.2%	-17.5%	-20.2%	-23.1%	-26.3%	-29.7%	-33.3%	-37.0%
0%	0%	0.0%	-0.2%	-1.0%	-2.2%	-3.9%	-6.1%	-8.6%	-11.5%	-14.8%	-18.3%	-22.1%	-26.1%	-30.2%
5%	10%	10.3%	10.0%	9.2%	7.8%	5.9%	3.6%	0.8%	-2.5%	-6.1%	-10.0%	-14.1%	-18.5%	-23.1%
10%	20%	21.0%	20.7%	19.8%	18.3%	16.3%	13.7%	10.6%	7.0%	3.1%	-1.2%	-5.8%	-10.6%	-15.6%
15%	30%	32.3%	31.9%	30.9%	29.3%	27.1%	24.2%	20.9%	17.0%	12.7%	8.0%	3.0%	-2.3%	-7.7%
20%	40%	44.0%	43.6%	42.6%	40.8%	38.4%	35.3%	31.6%	27.4%	22.7%	17.6%	12.1%	6.4%	0.5%
25%	50%	56.3%	55.9%	54.7%	52.8%	50.1%	46.8%	42.8%	38.2%	33.1%	27.6%	21.7%	15.5%	9.0%
30%	60%	69.0%	68.6%	67.3%	65.2%	62.4%	58.8%	54.5%	49.5%	44.0%	38.0%	31.6%	24.9%	17.9%
35%	70%	82.3%	81.8%	80.4%	78.2%	75.1%	71.2%	66.6%	61.2%	55.3%	48.8%	41.9%	34.7%	27.2%
40%	80%	96.0%	95.5%	94.0%	91.6%	88.3%	84.1%	79.1%	73.4%	67.0%	60.1%	52.6%	44.8%	36.7%
45%	90%	110.3%	109.7%	108.2%	105.6%	102.0%	97.5%	92.2%	86.0%	79.2%	71.7%	63.7%	55.4%	46.7%
50%	100%	125.0%	124.4%	122.8%	120.0%	116.2%	111.4%	105.6%	99.1%	91.7%	83.8%	75.2%	66.3%	57.0%
55%	110%	140.3%	139.7%	137.9%	134.9%	130.8%	125.7%	119.6%	112.6%	104.7%	96.2%	87.1%	77.5%	67.6%
60%	120%	156.0%	155.4%	153.5%	150.3%	146.0%	140.5%	134.0%	126.5%	118.1%	109.1%	99.4%	89.2%	78.6%

The table below shows a performance example for a Fund that has an investment objective to correspond to one and one-half times (1.5x) the daily performance of its benchmark. In the chart below, areas shaded lighter represent those scenarios where such Fund will return the same or outperform (*i.e.*, return more than) the benchmark performance; conversely areas shaded darker represent those scenarios where the Fund will underperform (*i.e.*, return less than) the benchmark performance.

Estimated Fund Return Over One Year When the Fund's Investment Objective is to Seek Daily Investment Results, Before Fund Fees and Expenses and Leverage Costs, that Correspond to One and One-Half (1.5x) the Daily Performance of a Benchmark.

		Benchmark Volatility												
One Year Benchmark Performance	One and One-Half (1.5x) One Year Benchmark Performance	0%	5%	10%	15%	20%	25%	30%	35%	40%	45%	50%	55%	60%
-60%	-90.0%	-74.7%	-74.7%	-74.8%	-74.9%	-75.1%	-75.3%	-75.5%	-75.8%	-76.2%	-76.6%	-77.0%	-77.4%	-77.9%
-55%	-82.5%	-69.8%	-69.8%	-69.9%	-70.1%	-70.3%	-70.5%	-70.8%	-71.2%	-71.6%	-72.0%	-72.5%	-73.1%	-73.6%
-50%	-75.0%	-64.6%	-64.7%	-64.8%	-64.9%	-65.2%	-65.5%	-65.8%	-66.2%	-66.7%	-67.2%	-67.8%	-68.4%	-69.1%
-45%	-67.5%	-59.2%	-59.2%	-59.4%	-59.6%	-59.8%	-60.2%	-60.6%	-61.0%	-61.6%	-62.2%	-62.9%	-63.6%	-64.4%
-40%	-60.0%	-53.5%	-53.6%	-53.7%	-53.9%	-54.2%	-54.6%	-55.1%	-55.6%	-56.2%	-56.9%	-57.7%	-58.5%	-59.4%
-35%	-52.5%	-47.6%	-47.6%	-47.8%	-48.0%	-48.4%	-48.8%	-49.3%	-49.9%	-50.6%	-51.4%	-52.3%	-53.2%	-54.2%
-30%	-45.0%	-41.4%	-41.5%	-41.7%	-41.9%	-42.3%	-42.8%	-43.4%	-44.1%	-44.8%	-45.7%	-46.7%	-47.7%	-48.8%
-25%	-37.5%	-35.0%	-35.1%	-35.3%	-35.6%	-36.0%	-36.6%	-37.2%	-38.0%	-38.8%	-39.8%	-40.9%	-42.0%	-43.3%
-20%	-30.0%	-28.4%	-28.5%	-28.7%	-29.0%	-29.5%	-30.1%	-30.8%	-31.7%	-32.6%	-33.7%	-34.8%	-36.1%	-37.5%
-15%	-22.5%	-21.6%	-21.7%	-21.9%	-22.3%	-22.8%	-23.4%	-24.2%	-25.2%	-26.2%	-27.4%	-28.6%	-30.0%	-31.5%
-10%	-15.0%	-14.6%	-14.7%	-14.9%	-15.3%	-15.9%	-16.6%	-17.5%	-18.5%	-19.6%	-20.9%	-22.3%	-23.8%	-25.4%
-5%	-7.5%	-7.4%	-7.5%	-7.8%	-8.2%	-8.8%	-9.6%	-10.5%	-11.6%	-12.8%	-14.2%	-15.7%	-17.3%	-19.1%
0%	0.0%	0.0%	-0.1%	-0.4%	-0.8%	-1.5%	-2.3%	-3.3%	-4.5%	-5.8%	-7.3%	-8.9%	-10.7%	-12.6%
5%	7.5%	7.6%	7.5%	7.2%	6.7%	6.0%	5.1%	4.0%	2.8%	1.3%	-0.3%	-2.0%	-3.9%	-6.0%
10%	15.0%	15.4%	15.3%	14.9%	14.4%	13.7%	12.7%	11.5%	10.2%	8.7%	6.9%	5.0%	3.0%	0.8%
15%	22.5%	23.3%	23.2%	22.9%	22.3%	21.5%	20.5%	19.2%	17.8%	16.1%	14.3%	12.3%	10.1%	7.7%
20%	30.0%	31.5%	31.3%	31.0%	30.3%	29.5%	28.4%	27.1%	25.6%	23.8%	21.8%	19.7%	17.4%	14.9%
25%	37.5%	39.8%	39.6%	39.2%	38.6%	37.7%	36.5%	35.1%	33.5%	31.6%	29.5%	27.2%	24.8%	22.1%
30%	45.0%	48.2%	48.1%	47.7%	47.0%	46.0%	44.8%	43.3%	41.6%	39.6%	37.4%	35.0%	32.3%	29.5%
35%	52.5%	56.9%	56.7%	56.3%	55.5%	54.5%	53.2%	51.7%	49.8%	47.7%	45.4%	42.8%	40.0%	37.0%
40%	60.0%	65.7%	65.5%	65.0%	64.3%	63.2%	61.8%	60.2%	58.2%	56.0%	53.5%	50.8%	47.9%	44.7%
45%	67.5%	74.6%	74.4%	73.9%	73.1%	72.0%	70.6%	68.8%	66.8%	64.4%	61.8%	59.0%	55.9%	52.6%
50%	75.0%	83.7%	83.5%	83.0%	82.2%	81.0%	79.5%	77.6%	75.5%	73.0%	70.3%	67.3%	64.0%	60.5%
55%	82.5%	93.0%	92.8%	92.3%	91.4%	90.1%	88.5%	86.6%	84.3%	81.7%	78.9%	75.7%	72.3%	68.6%
60%	90.0%	102.4%	102.2%	101.6%	100.7%	99.4%	97.7%	95.7%	93.3%	90.6%	87.6%	84.3%	80.7%	76.8%

The table below shows a performance example for a Fund that has an investment objective to correspond to one and one-quarter times (1.25x) the daily performance of its benchmark. In the chart below, areas shaded lighter represent those scenarios where such Fund will return the same or outperform (*i.e.*, return more than) the benchmark performance; conversely areas shaded darker represent those scenarios where the Fund will underperform (*i.e.*, return less than) the benchmark performance.

Estimated Fund Return Over One Year When the Fund's Investment Objective is to Seek Daily Investment Results, Before Fund Fees and Expenses and Leverage Costs, that Correspond to One and One-Quarter (1.25x) the Daily Performance of a Benchmark.

	One and One-Quarter (1.25x)	Benchmark Volatility												
One Year Benchmark Performance	**One Year Benchmark Performance**	**0%**	**5%**	**10%**	**15%**	**20%**	**25%**	**30%**	**35%**	**40%**	**45%**	**50%**	**55%**	**60%**
-60%	-75.00%	-68.2%	-68.2%	-68.2%	-68.3%	-68.4%	-68.5%	-68.6%	-68.8%	-69.0%	-69.2%	-69.4%	-69.7%	-69.9%
-55%	-68.75%	-63.1%	-63.2%	-63.2%	-63.3%	-63.4%	-63.5%	-63.7%	-63.8%	-64.1%	-64.3%	-64.6%	-64.8%	-65.2%
-50%	-62.50%	-58.0%	-58.0%	-58.0%	-58.1%	-58.2%	-58.4%	-58.5%	-58.8%	-59.0%	-59.3%	-59.6%	-59.9%	-60.3%
-45%	-56.25%	-52.6%	-52.7%	-52.7%	-52.8%	-52.9%	-53.1%	-53.3%	-53.5%	-53.8%	-54.1%	-54.4%	-54.8%	-55.2%
-40%	-50.00%	-47.2%	-47.2%	-47.3%	-47.4%	-47.5%	-47.7%	-47.9%	-48.2%	-48.5%	-48.8%	-49.2%	-49.6%	-50.1%
-35%	-43.75%	-41.6%	-41.7%	-41.7%	-41.8%	-42.0%	-42.2%	-42.5%	-42.7%	-43.1%	-43.5%	-43.9%	-44.3%	-44.8%
-30%	-37.50%	-36.0%	-36.0%	-36.1%	-36.2%	-36.4%	-36.6%	-36.9%	-37.2%	-37.6%	-38.0%	-38.4%	-38.9%	-39.5%
-25%	-31.25%	-30.2%	-30.2%	-30.3%	-30.4%	-30.6%	-30.9%	-31.2%	-31.5%	-31.9%	-32.4%	-32.9%	-33.4%	-34.0%
-20%	-25.00%	-24.3%	-24.4%	-24.5%	-24.6%	-24.8%	-25.1%	-25.4%	-25.8%	-26.2%	-26.7%	-27.2%	-27.8%	-28.5%
-15%	-18.75%	-18.4%	-18.4%	-18.5%	-18.7%	-18.9%	-19.2%	-19.5%	-19.9%	-20.4%	-20.9%	-21.5%	-22.2%	-22.8%
-10%	-12.50%	-12.3%	-12.4%	-12.5%	-12.6%	-12.9%	-13.2%	-13.6%	-14.0%	-14.5%	-15.1%	-15.7%	-16.4%	-17.1%
-5%	-6.25%	-6.2%	-6.2%	-6.4%	-6.5%	-6.8%	-7.1%	-7.5%	-8.0%	-8.5%	-9.1%	-9.8%	-10.5%	-11.3%
0%	0.00%	0.0%	0.0%	-0.2%	-0.4%	-0.6%	-1.0%	-1.4%	-1.9%	-2.5%	-3.1%	-3.8%	-4.6%	-5.5%
5%	6.25%	6.3%	6.2%	6.1%	5.9%	5.6%	5.3%	4.8%	4.3%	3.7%	3.0%	2.2%	1.4%	0.5%
10%	12.50%	12.7%	12.6%	12.5%	12.3%	12.0%	11.6%	11.1%	10.5%	9.9%	9.1%	8.3%	7.5%	6.5%
15%	18.75%	19.1%	19.0%	18.9%	18.7%	18.3%	17.9%	17.4%	16.8%	16.1%	15.4%	14.5%	13.6%	12.6%
20%	25.00%	25.6%	25.5%	25.4%	25.2%	24.8%	24.4%	23.8%	23.2%	22.5%	21.7%	20.8%	19.8%	18.7%
25%	31.25%	32.2%	32.1%	32.0%	31.7%	31.3%	30.9%	30.3%	29.7%	28.9%	28.1%	27.1%	26.1%	24.9%
30%	37.50%	38.8%	38.8%	38.6%	38.3%	37.9%	37.5%	36.9%	36.2%	35.4%	34.5%	33.5%	32.4%	31.2%
35%	43.75%	45.5%	45.5%	45.3%	45.0%	44.6%	44.1%	43.5%	42.8%	41.9%	41.0%	39.9%	38.8%	37.6%
40%	50.00%	52.3%	52.2%	52.0%	51.8%	51.3%	50.8%	50.2%	49.4%	48.5%	47.5%	46.5%	45.3%	44.0%
45%	56.25%	59.1%	59.1%	58.9%	58.6%	58.1%	57.6%	56.9%	56.1%	55.2%	54.2%	53.0%	51.8%	50.4%
50%	62.50%	66.0%	65.9%	65.7%	65.4%	65.0%	64.4%	63.7%	62.9%	61.9%	60.8%	59.6%	58.3%	56.9%
55%	68.75%	72.9%	72.9%	72.7%	72.3%	71.9%	71.3%	70.5%	69.7%	68.7%	67.6%	66.3%	65.0%	63.5%
60%	75.00%	79.9%	79.9%	79.7%	79.3%	78.8%	78.2%	77.4%	76.5%	75.5%	74.3%	73.1%	71.6%	70.1%

The table below shows a performance example for a Fund that has an investment objective to correspond to the inverse (-1x) of the daily performance of a benchmark. In the chart below, areas shaded lighter represent those scenarios where a Fund will return the same or outperform (*i.e.*, return more than) the benchmark performance; conversely areas shaded darker represent those scenarios where a Fund will underperform (*i.e.*, return less than) the benchmark performance.

Estimated Fund Return Over One Year When the Fund's Investment Objective is to Seek Daily Investment Results, Before Fees and Expenses, that Correspond to the Inverse (-1x) of the Daily Performance of a Benchmark.

One Year Benchmark Performance	Inverse (-1x) of One Year Benchmark Performance	Benchmark Volatility 0%	5%	10%	15%	20%	25%	30%	35%	40%	45%	50%	55%	60%
-60%	60%	150.0%	149.4%	147.5%	144.4%	140.2%	134.9%	128.5%	121.2%	113.0%	104.2%	94.7%	84.7%	74.4%
-55%	55%	122.2%	121.7%	120.0%	117.3%	113.5%	108.8%	103.1%	96.6%	89.4%	81.5%	73.1%	64.2%	55.0%
-50%	50%	100.0%	99.5%	98.0%	95.6%	92.2%	87.9%	82.8%	76.9%	70.4%	63.3%	55.8%	47.8%	39.5%
-45%	45%	81.8%	81.4%	80.0%	77.8%	74.7%	70.8%	66.2%	60.9%	54.9%	48.5%	41.6%	34.4%	26.9%
-40%	40%	66.7%	66.3%	65.0%	63.0%	60.1%	56.6%	52.3%	47.5%	42.0%	36.1%	29.8%	23.2%	16.3%
-35%	35%	53.8%	53.5%	52.3%	50.4%	47.8%	44.5%	40.6%	36.1%	31.1%	25.6%	19.8%	13.7%	7.3%
-30%	30%	42.9%	42.5%	41.4%	39.7%	37.3%	34.2%	30.6%	26.4%	21.7%	16.7%	11.3%	5.6%	-0.3%
-25%	25%	33.3%	33.0%	32.0%	30.4%	28.1%	25.3%	21.9%	18.0%	13.6%	8.9%	3.8%	-1.5%	-7.0%
-20%	20%	25.0%	24.7%	23.8%	22.2%	20.1%	17.4%	14.2%	10.6%	6.5%	2.1%	-2.6%	-7.6%	-12.8%
-15%	15%	17.6%	17.4%	16.5%	15.0%	13.0%	10.5%	7.5%	4.1%	0.3%	-3.9%	-8.4%	-13.1%	-17.9%
-10%	10%	11.1%	10.8%	10.0%	8.6%	6.8%	4.4%	1.5%	-1.7%	-5.3%	-9.3%	-13.5%	-17.9%	-22.5%
-5%	5%	5.3%	5.0%	4.2%	2.9%	1.1%	-1.1%	-3.8%	-6.9%	-10.3%	-14.0%	-18.0%	-22.2%	-26.6%
0%	0%	0.0%	-0.2%	-1.0%	-2.2%	-3.9%	-6.1%	-8.6%	-11.5%	-14.8%	-18.3%	-22.1%	-26.1%	-30.2%
5%	-5%	-4.8%	-5.0%	-5.7%	-6.9%	-8.5%	-10.5%	-13.0%	-15.7%	-18.8%	-22.2%	-25.8%	-29.6%	-33.6%
10%	-10%	-9.1%	-9.3%	-10.0%	-11.1%	-12.7%	-14.6%	-16.9%	-19.6%	-22.5%	-25.8%	-29.2%	-32.8%	-36.6%
15%	-15%	-13.0%	-13.3%	-13.9%	-15.0%	-16.5%	-18.3%	-20.5%	-23.1%	-25.9%	-29.0%	-32.3%	-35.7%	-39.3%
20%	-20%	-16.7%	-16.9%	-17.5%	-18.5%	-19.9%	-21.7%	-23.8%	-26.3%	-29.0%	-31.9%	-35.1%	-38.4%	-41.9%
25%	-25%	-20.0%	-20.2%	-20.8%	-21.8%	-23.1%	-24.8%	-26.9%	-29.2%	-31.8%	-34.7%	-37.7%	-40.9%	-44.2%
30%	-30%	-23.1%	-23.3%	-23.8%	-24.8%	-26.1%	-27.7%	-29.7%	-31.9%	-34.5%	-37.2%	-40.1%	-43.2%	-46.3%
35%	-35%	-25.9%	-26.1%	-26.7%	-27.6%	-28.8%	-30.4%	-32.3%	-34.5%	-36.9%	-39.5%	-42.3%	-45.3%	-48.3%
40%	-40%	-28.6%	-28.7%	-29.3%	-30.2%	-31.4%	-32.9%	-34.7%	-36.8%	-39.1%	-41.7%	-44.4%	-47.2%	-50.2%
45%	-45%	-31.0%	-31.2%	-31.7%	-32.6%	-33.7%	-35.2%	-37.0%	-39.0%	-41.2%	-43.7%	-46.3%	-49.0%	-51.9%
50%	-50%	-33.3%	-33.5%	-34.0%	-34.8%	-35.9%	-37.4%	-39.1%	-41.0%	-43.2%	-45.6%	-48.1%	-50.7%	-53.5%
55%	-55%	-35.5%	-35.6%	-36.1%	-36.9%	-38.0%	-39.4%	-41.0%	-42.9%	-45.0%	-47.3%	-49.8%	-52.3%	-55.0%
60%	-60%	-37.5%	-37.7%	-38.1%	-38.9%	-40.0%	-41.3%	-42.9%	-44.7%	-46.7%	-49.0%	-51.3%	-53.8%	-56.4%

The table below shows a performance example for a Fund that has an investment objective to correspond to one and one-quarter times the inverse (-1.25x) of the daily performance of a benchmark. In the chart below, areas shaded lighter represent those scenarios where such Fund will return the same or outperform (*i.e.*, return more than) the benchmark performance; conversely areas shaded darker represent those scenarios where the Fund will underperform (*i.e.*, return less than) the benchmark performance.

Estimated Fund Return Over One Year When the Fund's Investment Objective is to Seek Daily Investment Results, Before Fees and Expenses, that Correspond to One and One-Quarter the Inverse (-1.25x) of the Daily Performance of a Benchmark.

One Year Benchmark	One and One-Quarter the Inverse (-1.25x) One Year Benchmark Performance	Benchmark Volatility												
		0%	5%	10%	15%	20%	25%	30%	35%	40%	45%	50%	55%	60%
-60%	75.00%	214.4%	213.3%	210.0%	204.6%	197.2%	187.9%	177.0%	164.6%	151.0%	136.5%	121.2%	105.4%	89.5%
-55%	68.75%	171.3%	170.4%	167.5%	162.9%	156.5%	148.5%	139.1%	128.4%	116.7%	104.1%	90.9%	77.3%	63.5%
-50%	62.50%	137.8%	137.0%	134.5%	130.4%	124.8%	117.8%	109.6%	100.2%	89.9%	78.9%	67.3%	55.4%	43.4%
-45%	56.25%	111.1%	110.4%	108.2%	104.6%	99.6%	93.4%	86.0%	77.7%	68.6%	58.8%	48.5%	38.0%	27.3%
-40%	50.00%	89.4%	88.7%	86.7%	83.5%	79.0%	73.4%	66.9%	59.4%	51.2%	42.4%	33.2%	23.8%	14.1%
-35%	43.75%	71.3%	70.7%	68.9%	66.0%	62.0%	56.9%	51.0%	44.2%	36.8%	28.9%	20.6%	12.0%	3.3%
-30%	37.50%	56.2%	55.6%	54.0%	51.3%	47.6%	43.0%	37.6%	31.5%	24.7%	17.5%	9.9%	2.1%	-5.9%
-25%	31.25%	43.3%	42.8%	41.3%	38.8%	35.4%	31.2%	26.2%	20.6%	14.4%	7.8%	0.8%	-6.4%	-13.6%
-20%	25.00%	32.2%	31.7%	30.3%	28.1%	24.9%	21.1%	16.5%	11.3%	5.5%	-0.6%	-7.0%	-13.6%	-20.3%
-15%	18.75%	22.5%	22.1%	20.8%	18.7%	15.8%	12.2%	8.0%	3.1%	-2.2%	-7.8%	-13.8%	-19.9%	-26.1%
-10%	12.50%	14.1%	13.7%	12.5%	10.5%	7.8%	4.5%	0.5%	-4.0%	-8.9%	-14.2%	-19.7%	-25.4%	-31.2%
-5%	6.25%	6.6%	6.2%	5.1%	3.3%	0.8%	-2.3%	-6.1%	-10.3%	-14.9%	-19.8%	-25.0%	-30.3%	-35.7%
0%	0.00%	0.0%	-0.4%	-1.4%	-3.1%	-5.5%	-8.4%	-11.9%	-15.8%	-20.1%	-24.8%	-29.6%	-34.6%	-39.7%
5%	-6.25%	-5.9%	-6.2%	-7.2%	-8.8%	-11.1%	-13.8%	-17.1%	-20.8%	-24.9%	-29.2%	-33.8%	-38.5%	-43.3%
10%	-12.50%	-11.2%	-11.5%	-12.5%	-14.0%	-16.1%	-18.7%	-21.8%	-25.3%	-29.1%	-33.2%	-37.5%	-42.0%	-46.5%
15%	-18.75%	-16.0%	-16.3%	-17.2%	-18.6%	-20.6%	-23.1%	-26.0%	-29.3%	-32.9%	-36.8%	-40.9%	-45.1%	-49.4%
20%	-25.00%	-20.4%	-20.7%	-21.5%	-22.9%	-24.7%	-27.1%	-29.8%	-33.0%	-36.4%	-40.1%	-44.0%	-48.0%	-52.0%
25%	-31.25%	-24.3%	-24.6%	-25.4%	-26.7%	-28.5%	-30.7%	-33.3%	-36.3%	-39.6%	-43.1%	-46.8%	-50.6%	-54.4%
30%	-37.50%	-28.0%	-28.2%	-29.0%	-30.2%	-31.9%	-34.0%	-36.5%	-39.4%	-42.5%	-45.8%	-49.3%	-52.9%	-56.6%
35%	-43.75%	-31.3%	-31.5%	-32.2%	-33.4%	-35.0%	-37.1%	-39.4%	-42.2%	-45.1%	-48.3%	-51.6%	-55.1%	-58.6%
40%	-50.00%	-34.3%	-34.6%	-35.3%	-36.4%	-37.9%	-39.9%	-42.1%	-44.7%	-47.6%	-50.6%	-53.8%	-57.1%	-60.4%
45%	-56.25%	-37.2%	-37.4%	-38.0%	-39.1%	-40.6%	-42.4%	-44.6%	-47.1%	-49.8%	-52.7%	-55.8%	-58.9%	-62.1%
50%	-62.50%	-39.8%	-40.0%	-40.6%	-41.6%	-43.1%	-44.8%	-46.9%	-49.3%	-51.9%	-54.7%	-57.6%	-60.6%	-63.7%
55%	-68.75%	-42.2%	-42.4%	-43.0%	-44.0%	-45.3%	-47.0%	-49.1%	-51.3%	-53.8%	-56.5%	-59.3%	-62.2%	-65.1%
60%	-75.00%	-44.4%	-44.6%	-45.2%	-46.2%	-47.5%	-49.1%	-51.0%	-53.2%	-55.6%	-58.2%	-60.9%	-63.7%	-66.5%

The table below shows a performance example for an Inverse ProFund that has an investment objective to correspond to two times the inverse (-2x) of the daily performance of a benchmark. In the chart below, areas shaded lighter represent those scenarios where an Inverse ProFund will return the same or outperform (*i.e.*, return more than) the benchmark performance; conversely areas shaded darker represent those scenarios where an Inverse ProFund will underperform (*i.e.*, return less than) the benchmark performance.

Estimated Fund Return Over One Year When the Fund's Investment Objective is to Seek Daily Investment Results, Before Fees and Expenses, that Correspond to Two Times the Inverse (-2x) of the Daily Performance of a Benchmark.

One Year Benchmark Performance	Two Times the Inverse (-2x) of One Year Benchmark Performance	Benchmark Volatility												
		0%	5%	10%	15%	20%	25%	30%	35%	40%	45%	50%	55%	60%
-60%	120%	525.0%	520.3%	506.5%	484.2%	454.3%	418.1%	377.1%	332.8%	286.7%	240.4%	195.2%	152.2%	112.2%
-55%	110%	393.8%	390.1%	379.2%	361.6%	338.0%	309.4%	277.0%	242.0%	205.6%	169.0%	133.3%	99.3%	67.7%
-50%	100%	300.0%	297.0%	288.2%	273.9%	254.8%	231.6%	205.4%	177.0%	147.5%	117.9%	88.9%	61.4%	35.8%
-45%	90%	230.6%	228.1%	220.8%	209.0%	193.2%	174.1%	152.4%	128.9%	104.6%	80.1%	56.2%	33.4%	12.3%
-40%	80%	177.8%	175.7%	169.6%	159.6%	146.4%	130.3%	112.0%	92.4%	71.9%	51.3%	31.2%	12.1%	-5.7%
-35%	70%	136.7%	134.9%	129.7%	121.2%	109.9%	96.2%	80.7%	63.9%	46.5%	28.9%	11.8%	-4.5%	-19.6%
-30%	60%	104.1%	102.6%	98.1%	90.8%	81.0%	69.2%	55.8%	41.3%	26.3%	11.2%	-3.6%	-17.6%	-30.7%
-25%	50%	77.8%	76.4%	72.5%	66.2%	57.7%	47.4%	35.7%	23.1%	10.0%	-3.2%	-16.0%	-28.3%	-39.6%
-20%	40%	56.3%	55.1%	51.6%	46.1%	38.6%	29.5%	19.3%	8.2%	-3.3%	-14.9%	-26.2%	-36.9%	-46.9%
-15%	30%	38.4%	37.4%	34.3%	29.4%	22.8%	14.7%	5.7%	-4.2%	-14.4%	-24.6%	-34.6%	-44.1%	-53.0%
-10%	20%	23.5%	22.5%	19.8%	15.4%	9.5%	2.3%	-5.8%	-14.5%	-23.6%	-32.8%	-41.7%	-50.2%	-58.1%
-5%	10%	10.8%	10.0%	7.5%	3.6%	-1.7%	-8.1%	-15.4%	-23.3%	-31.4%	-39.6%	-47.7%	-55.3%	-62.4%
0%	0%	0.0%	-0.7%	-3.0%	-6.5%	-11.3%	-17.1%	-23.7%	-30.8%	-38.1%	-45.5%	-52.8%	-59.6%	-66.0%
5%	-10%	-9.3%	-10.0%	-12.0%	-15.2%	-19.6%	-24.8%	-30.8%	-37.2%	-43.9%	-50.6%	-57.2%	-63.4%	-69.2%
10%	-20%	-17.4%	-18.0%	-19.8%	-22.7%	-26.7%	-31.5%	-36.9%	-42.8%	-48.9%	-55.0%	-61.0%	-66.7%	-71.9%
15%	-30%	-24.4%	-25.0%	-26.6%	-29.3%	-32.9%	-37.3%	-42.3%	-47.6%	-53.2%	-58.8%	-64.3%	-69.5%	-74.3%
20%	-40%	-30.6%	-31.1%	-32.6%	-35.1%	-38.4%	-42.4%	-47.0%	-51.9%	-57.0%	-62.2%	-67.2%	-72.0%	-76.4%
25%	-50%	-36.0%	-36.5%	-37.9%	-40.2%	-43.2%	-46.9%	-51.1%	-55.7%	-60.4%	-65.1%	-69.8%	-74.2%	-78.3%
30%	-60%	-40.8%	-41.3%	-42.6%	-44.7%	-47.5%	-50.9%	-54.8%	-59.0%	-63.4%	-67.8%	-72.0%	-76.1%	-79.9%
35%	-70%	-45.1%	-45.5%	-46.8%	-48.7%	-51.3%	-54.5%	-58.1%	-62.0%	-66.0%	-70.1%	-74.1%	-77.9%	-81.4%
40%	-80%	-49.0%	-49.4%	-50.5%	-52.3%	-54.7%	-57.7%	-61.1%	-64.7%	-68.4%	-72.2%	-75.9%	-79.4%	-82.7%
45%	-90%	-52.4%	-52.8%	-53.8%	-55.5%	-57.8%	-60.6%	-63.7%	-67.1%	-70.6%	-74.1%	-77.5%	-80.8%	-83.8%
50%	-100%	-55.6%	-55.9%	-56.9%	-58.5%	-60.6%	-63.2%	-66.1%	-69.2%	-72.5%	-75.8%	-79.0%	-82.1%	-84.9%
55%	-110%	-58.4%	-58.7%	-59.6%	-61.1%	-63.1%	-65.5%	-68.2%	-71.2%	-74.2%	-77.3%	-80.3%	-83.2%	-85.9%
60%	-120%	-60.9%	-61.2%	-62.1%	-63.5%	-65.4%	-67.6%	-70.2%	-73.0%	-75.8%	-78.7%	-81.5%	-84.2%	-86.7%

The foregoing tables are intended to isolate the effect of benchmark volatility and benchmark performance on the return of a geared Fund. A Fund's actual returns may be significantly greater or less than the returns shown above as a result of any of the factors discussed above or under "Correlation Risk" and "Compounding Risk" in the Prospectus.

NON-DIVERSIFIED STATUS *(All Funds, except the Diversified Funds)*

Each Fund is a "non-diversified" series of the Trust. A Fund's classification as a "non-diversified" investment company means that the proportion of the Fund's assets that may be invested in the securities of a single issuer is not limited by the 1940 Act. Notwithstanding each Fund's status as a "non-diversified" investment company under the 1940 Act, each Fund intends to qualify as a RIC accorded special tax treatment under the Code, which imposes its own diversification requirements on these Funds that are less restrictive than the requirements applicable to the "diversified" investment companies under the 1940 Act. A Fund's ability to pursue its investment strategy may be limited by that Fund's intention to qualify as a RIC and its strategy may bear adversely on its ability to so qualify. For more details, see "Taxation" below. With respect to a "non-diversified" Fund, a relatively high percentage of such a Fund's assets may be invested in the securities of a limited number of issuers, primarily within the same economic sector. That Fund's portfolio securities, therefore, may be more susceptible to any single economic, political, or regulatory occurrence than the portfolio securities of a more diversified investment company.

RISKS TO MANAGEMENT

There may be circumstances outside the control of the Advisor, the Trust, the Administrator (as defined below), the transfer agent, the Custodian (as defined below), any sub-custodian, the Distributor (as defined below), and/or a Fund that make it, for all practical purposes, impossible to re-position such Fund and/or to process a purchase or redemption order. Examples of such circumstances include: natural disasters; public service disruptions or utility problems such as those caused by fires, floods, extreme weather conditions, and power outages resulting in telephone, telecopy, and computer failures; market conditions or activities causing trading halts; systems failures involving computer or other information systems affecting the aforementioned parties, as well as the DTC, the NSCC, or any other participant in the purchase process; and similar extraordinary events. Accordingly, while the Advisor has implemented and tested a business continuity plan that transfers functions of any disrupted facility to another location and has effected a disaster recovery plan, circumstances, such as those above, may prevent a Fund from being operated in a manner consistent with its investment objective and/or principal investment strategies.

RISKS TO CYBERSECURITY

With the increased use of technologies such as the Internet and the dependence on computer systems to perform necessary business functions, each Fund is susceptible to operational and information security risks. In general, cyber incidents can result from deliberate attacks or unintentional events. Cyber attacks include, but are not limited to gaining unauthorized access to digital systems for purposes of misappropriating assets or sensitive information, corrupting data, or causing operational disruption. Cyber attacks may also be carried out in a manner that does not require gaining unauthorized access, such as causing denial-of-service attacks on websites. Cyber security failures or breaches of a Fund's third -party service provider (including, but not limited to, index providers, the administrator and transfer agent) or the issuers of securities in which the Funds invest, have the ability to cause disruptions and impact business operations, potentially resulting in financial losses, the inability of Fund shareholders to transact business, violations of applicable privacy and other laws, regulatory fines, penalties, reputational damage, reimbursement or other compensation costs, and/or additional compliance costs. In addition, substantial costs may be incurred in order to prevent any cyber incidents in the future. The Funds and their shareholders could be negatively impacted as a result. While the Funds have established business continuity plans and systems to prevent such cyber attacks, there are inherent limitations in such plans and systems including the possibility that certain risks have not been identified. Furthermore, the Funds cannot control the cyber security plans and systems put in place by issuers in which the Funds invest.

RISKS OF INDEX FUNDS

Each Fund seeks performance that corresponds to the performance of an index. There is no guarantee or assurance that the methodology used to create any index will result in a Fund achieving high, or even positive, returns. Any index may underperform more traditional indices. In turn, the Fund could lose value while other indices or measures of market performance increase in level or performance. In addition, each Fund may be subject to the risk that an index provider may not follow its stated methodology for determining the level of the index and/or achieve the index provider's intended performance objective.

INVESTMENT RESTRICTIONS

Each Fund has adopted certain investment restrictions as fundamental policies that cannot be changed without a "vote of a majority of the outstanding voting securities" of the Fund. The phrase "majority of outstanding voting securities" is defined in the 1940 Act as the lesser of: (i) 67% or more of the shares of the Fund present at a duly-called meeting of shareholders, if the holders of more than 50% of the outstanding shares of the Fund are present or represented by proxy; or (ii) more than 50% of the outstanding shares of the Fund. (All policies of each Fund not specifically identified in this SAI or its Prospectus as fundamental may be changed without a vote of the shareholders of the Fund.) For purposes of the following limitations, all percentage limitations apply immediately after a purchase or initial investment.

(i) (a) Each of ProFund VP Bear, ProFund VP Bull, ProFund VP Europe 30, ProFund VP UltraBull, ProFund VP UltraNasdaq-100, ProFund VP UltraShort Nasdaq-100 and ProFund VP UltraSmall-Cap may not invest more than 25% of its total assets, taken at market value at the time of each investment, in the securities of issuers in any particular industry (excluding the U.S. government and its agencies and instrumentalities or repurchase agreements with respect thereto);

(b) ProFund VP Government Money Market may invest more than 25% of its total assets, taken at market value at the time of each investment, in the obligations of U.S. and foreign banks and other financial institutions;

(c) Each other ProFund VP not subject to Investment Restriction (i) above may concentrate its investment in the securities of companies engaged in a single industry or group of industries in accordance with its investment objective and policies as disclosed in the Prospectus and SAI to approximately the same extent as its benchmark index; and

(d) Each non-money market ProFund VP may invest more than 25% of its total assets in the securities of issuers in a group of industries to approximately the same extent as its benchmark index.

A ProFund VP may not:

(ii) Make investments for the purpose of exercising control or management.

(iii) Purchase or sell real estate.

(iv) Make loans to other persons, except that the acquisition of bonds, debentures or other corporate debt securities and investment in government obligations, commercial paper, pass-through instruments, certificates of deposit, bankers' acceptances and repurchase agreements and purchase and sale contracts and any similar instruments shall not be deemed to be the making of a loan, and except further that the ProFund VP may lend its portfolio securities, provided that the lending of portfolio securities may be made only in accordance with applicable law and the guidelines set forth in the Prospectus and this SAI, as they may be amended from time to time.

(v) Issue senior securities to the extent such issuance would violate applicable law.

(vi) Borrow money, except that the ProFund VP (i) may borrow from banks (as defined in the 1940 Act) in amounts up to 33 1/3% of its total assets (including the amount borrowed), (ii) may, to the extent permitted by applicable law, borrow up to an additional 5% of its total assets for temporary purposes, (iii) may obtain such short-term credit as may be necessary for the clearance of purchases and sales of portfolio securities, (iv) may purchase securities on margin to the extent permitted by applicable law and (v) may enter into reverse repurchase agreements. The ProFund VP may not pledge its assets other than to secure such borrowings or, to the extent permitted by the ProFund VP's investment policies as set forth in the Prospectus and this SAI, as they may be amended from time to time, in connection with hedging transactions, short sales, when-issued and forward commitment transactions and similar investment strategies.

(vii) Underwrite securities of other issuers, except insofar as the ProFund VP technically may be deemed an underwriter under the 1933 Act, as amended, in selling portfolio securities.

(viii) Purchase or sell commodities or contracts on commodities, except to the extent the ProFund VP may do so in accordance with applicable law and the ProFund VP's Prospectus and SAI, as they may be amended from time to time.

ProFund VP Government Money Market has also adopted the following non-fundamental investment restriction, which may be changed by the Board of Trustees without the approval of Fund shareholders:

(i) ProFund VP Government Money Market will invest substantially all, but at least 99.5% of its total assets in cash, U.S. government securities, and/or repurchase agreements that are fully collateralized by these instruments.

Obligations under futures contracts, forward contracts and swap agreements that are "covered" consistent with any SEC guidance, including any SEC Staff no-action or interpretive positions, will not be considered senior securities for purposes of any investment restriction concerning senior securities.

MANAGEMENT OF THE TRUST

THE BOARD OF TRUSTEES AND ITS LEADERSHIP STRUCTURE

The Board has general oversight responsibility with respect to the operation of the Trust and the Funds. The Board has engaged the Advisor to manage the Funds and is responsible for overseeing the Advisor and other service providers to the Trust and the Funds in accordance with the provisions of the federal securities laws.

The Board is currently composed of four Trustees, including three Independent Trustees who are not "interested persons" of the Funds, as that term is defined in the 1940 Act (each an "Independent Trustee"). In addition to four regularly scheduled meetings per year, the Board periodically meets in executive session (with and without employees of the Advisor), and holds special meetings, and/or informal conference calls relating to specific matters that may require discussion or action prior to its next regular meeting. The Independent Trustees have retained "independent legal counsel" as the term is defined in the 1940 Act.

The Board has appointed Michael L. Sapir to serve as Chairman of the Board. Mr. Sapir is also the Co-Founder and Chief Executive Officer of the Advisor and, as such, is not an Independent Trustee. The Chairman's primary role is to participate in the preparation of the agenda for Board meetings, determine (with the advice of counsel) which matters need to be acted upon by the Board, and to ensure that the Board obtains all the information necessary to perform its functions and take action. The Chairman also presides at all meetings of the Board and acts, with the assistance of staff, as a liaison with service providers, officers, attorneys and the Independent Trustees between meetings. The Chairman performs such other functions as requested by the Board from time to time. The Board does not have a lead Independent Trustee.

The Board has determined that its leadership structure is appropriate in light of the characteristics of the Trust and each of the Funds. These characteristics include, among other things, the fact that all Funds are organized under one Trust; all Funds have common service providers; and that the majority of Funds are geared funds, with similar principal investment strategies. As a result, the Board addresses governance and management issues that are often common to all or most of the Funds. In light of these characteristics, the Board has determined that a four-member Board, including three Independent Trustees, is of an adequate size to oversee the operations of the Trust, and that, in light of the small size of the Board, a complex Board leadership structure is not necessary or desirable. The relatively small size of the Board facilitates ready communication among the Board members, and between the Board and management, both at Board meetings and between meetings, further leading to the determination that a complex board structure is unnecessary. In view of the small size of the Board, the Board has concluded that designating one of the three Independent Trustees as the "lead Independent Trustee" would not be likely to meaningfully enhance the effectiveness of the Board. The Board reviews its leadership structure at least annually and believes that its structure is appropriate to enable the Board to exercise its oversight of the Funds.

The Board oversight of the Trust and the Funds extends to the Trust's risk management processes. The Board and its Audit Committee consider risk management issues as part of their responsibilities throughout the year at regular and special meetings. The Advisor and other service providers prepare regular reports for Board and Audit Committee meetings that address a variety of risk-related matters, and the Board as a whole or the Audit Committee may also receive special written reports or presentations on a variety of risk issues at the request of the Board or the Audit Committee. For example, the portfolio managers of the Funds meet regularly with the Board to discuss portfolio performance, including investment risk, counterparty risk and the impact on the Funds of investments in particular securities or derivatives. As noted above, given the relatively small size of the Board, the Board determined it is not necessary to adopt a complex leadership structure in order for the Board to effectively exercise its risk oversight function.

The Board has appointed a chief compliance officer ("CCO") for the Trust (who is also the CCO for the Advisor). The CCO reports directly to the Board and participates in the Board's meetings. The Independent Trustees meet at least annually in executive session with the CCO, and the Funds' CCO prepares and presents an annual written compliance report to the Board. The CCO also provides updates to the Board on the operation of the Trust's compliance policies and procedures and on how these procedures are designed to mitigate risk. Finally, the CCO and/or other officers or employees of the Advisor report to the Board in the event that any material risk issues arise.

In addition, the Audit Committee of the Board meets regularly with the Trust's independent public accounting firm to review reports on, among other things, the Funds' controls over financial reporting. The Trustees, their birth date, term of office and length of time served, principal business occupations during the past five years and the number of portfolios in the Fund Complex overseen and other directorships, if any, held by each Trustee, are shown below. Unless noted otherwise, the address of each Trustee is: c/o ProFunds Trust, 7501 Wisconsin Avenue, Suite 1000E, Bethesda, MD 20814.

Name and Birth Date	Term of Office and Length of Time Served	Principal Occupation(s) During Past 5 Years and Other Relevant Experience	Number of Operational Portfolios in Fund Complex* Overseen by Trustee	Other Directorships Held by Trustee
Independent Trustees				
William D. Fertig Birth Date: 9/56	Indefinite; June 2011 to present	Context Capital Management (Alternative Asset Management): Chief Investment Officer (September 2002 to present).	ProFunds (112); ProShares Trust (122); Access One Trust (3)	Context Capital
Russell S. Reynolds, III Birth Date: 7/57	Indefinite; October 1997 to present	RSR Partners, Inc. (Executive Recruitment and Corporate Governance Consulting): Managing Director (February 1993 to present).	ProFunds (112); ProShares Trust (122); Access One Trust (3)	RSR Partners, Inc.
Michael C. Wachs Birth Date: 10/61	Indefinite; October 1997 to present	Linden Lane Capital Partners LLC (Real Estate Investment and Development): Managing Principal (2010 to present).	ProFunds (112); ProShares Trust (122); Access One Trust (3)	NAIOP (the Commercial Real Estate Development Association)
Interested Trustee				
Michael L. Sapir** Birth Date: 5/58	Indefinite; April 1997 to present	Chairman and Chief Executive Officer of the Advisor (April 1997 to present); ProShare Advisors LLC (November 2005 to present); and ProShare Capital Management LLC (June 2008 to present).	ProFunds (112); ProShares Trust (122); Access One Trust (3)	

* Investment companies that are non-operational (and therefore, not publicly offered) as of the date of this SAI are excluded from these figures.

** Mr. Sapir is an "interested person," as defined by the 1940 Act, because of his ownership interest in the Advisor.

The Board was formed in 1997 prior to the inception of the Trust's operations. Messrs. Reynolds, Wachs and Sapir were appointed to serve as the Board's initial trustees prior to the Trust's operations. Mr. Fertig was added in June 2011. Each Trustee was and is currently believed to possess the specific experience, qualifications, attributes, and skills necessary to serve as a Trustee of the Trust. In addition to their years of service as Trustees to Trust and the Affiliated Trust, and gathering experience with funds with investment objectives and principal investment strategies similar to the Funds, each individual brings experience and qualifications from other areas. In particular, Mr. Reynolds has significant senior executive experience in the areas of human resources and recruitment and executive organization; Mr. Wachs has significant experience in the areas of investment and real estate development; Mr. Sapir has significant experience in the field of investment management, both as an executive and as an attorney; and Mr. Fertig has significant experience in the areas of investment and asset management.

COMMITTEES

The Board has established an Audit Committee to assist the Board in performing oversight responsibilities. The Audit Committee is composed exclusively of Independent Trustees. Currently, the Audit Committee is composed of Messrs. Reynolds, Wachs and Fertig. Among other things, the Audit Committee makes recommendations to the full Board of Trustees with respect to the engagement of an independent registered public accounting firm and reviews with the independent registered public accounting firm the plan and results of the internal controls, audit engagement and matters having a material effect on the Trust's financial operations. During the past fiscal year, the Audit Committee met six times, and the Board of Trustees met four times.

TRUSTEE OWNERSHIP

Listed below for each Trustee is a dollar range of securities beneficially owned in the Trust, together with the aggregate dollar range of equity securities in all registered investment companies overseen by each Trustee that are in the same family of investment companies as the Trust, as of December 31, 2019.

Name of Trustee	Dollar Range of Equity Securities in the Trust	Aggregate Dollar Range of Equity Securities in All Registered Investment Companies Overseen by Trustee in Family of Investment Companies
Independent Trustees		
William D. Fertig, Trustee	None	Over $100,000
Russell S. Reynolds, III, Trustee	None	$10,001-$50,000
Michael C. Wachs, Trustee	$10,001-$50,000	$10,001-$50,000
Interested Trustee		
Michael L. Sapir, Trustee and Chairman	None	Over $100,000

As of April 3, 2020, the Trustees and officers of the Trust, as a group, owned outstanding shares that entitled them to give voting instructions with respect to less than one percent of the shares of any class of any Fund.

No Independent Trustee (or an immediate family member thereof) has any share ownership in securities of the Advisor, the principal underwriter of the Trust, or any entity controlling, controlled by or under common control with the Advisor or principal underwriter of the Trust (not including registered investment companies) as of December 31, 2019.

COMPENSATION OF TRUSTEES

Each Independent Trustee is paid a $185,000 annual retainer for service as Trustee on the Board and for service as Trustee for other funds in the Fund Complex, $10,000 for attendance at each quarterly in-person meeting of the Board of Trustees, $3,000 for attendance at each special meeting of the Board of Trustees, and $3,000 for attendance at telephonic meetings. Trustees who are also Officers or affiliated persons receive no remuneration from the Trust for their services as Trustees. The Officers, other than the CCO, receive no compensation directly from the Trust for performing the duties of their offices.

The Trust does not accrue pension or retirement benefits as part of each Fund's expenses, and Trustees are not entitled to benefits upon retirement from the Board of Trustees.

The following table shows aggregate compensation paid to the Trustees their service on the Board for the fiscal year ended December 31, 2019.

Name	Aggregate Compensation From the Funds	Pension or Retirement Benefits Accrued as Part of Trust Expenses	Estimated Annual Benefits Upon Retirement	Total Compensation From Trust and Fund Complex Paid to Trustees
Independent Trustees				
William D. Fertig, Trustee	$9,060	$—	$—	$231,000
Russell S. Reynolds, III, Trustee	$9,060	$—	$—	$231,000
Michael C. Wachs, Trustee	$9,060	$—	$—	$231,000
Interested Trustee				
Michael L. Sapir, Trustee and Chairman	$ —	$—	$—	$ —

OFFICERS

The Trust's executive officers (the "Officers"), their dates of birth, term of office and length of time served and their principal business occupations during the past five years, are shown below. Unless noted otherwise, the address of each Officer is: c/o ProFunds, 7501 Wisconsin Avenue, Suite 1000E, Bethesda, MD 20814.

Name, Address and Age	Position(s) Held with Trust	Term of Office and Length of Time Served	Principal Occupation(s) During Past 5 Years
Todd B. Johnson Birth Date: 1/64	President	Indefinite; January 2014 to present	Chief Investment Officer of the Advisor (December 2008 to present); ProShare Advisors LLC (December 2008 to present); and ProShare Capital Management LLC (February 2009 to present).
Christopher E. Sabato Birth Date: 12/68	Treasurer	Indefinite; September 2009 to present	Senior Vice President, Fund Administration, Citi Fund Services Ohio, Inc. (2007 to present).
Victor M. Frye, Esq. Birth Date: 10/58	Chief Compliance Officer and Anti-Money Laundering Officer	Indefinite; September 2004 to present	Counsel and Chief Compliance Officer of the Advisor (October 2002 to present) and ProShare Advisors (December 2004 to present); Secretary of ProFunds Distributors, Inc. (April 2008 to present) ; Chief Compliance Officer of ProFunds Distributors, Inc. (July 2015 to present).

Name, Address and Age	Position(s) Held with Trust	Term of Office and Length of Time Served	Principal Occupation(s) During Past 5 Years
Richard F. Morris Birth Date: 8/67	Chief Legal Officer and Secretary	Indefinite; December 2015 to present	General Counsel of ProShare Advisors, ProFund Advisors LLC, and ProShare Capital Management LLC (December 2015 to present); Chief Legal Officer of ProFunds Distributors, Inc. (December 2015 to present); Partner at Morgan Lewis & Bockius, LLP (October 2012 to November 2015).

The Officers, under the supervision of the Board, manage the day-to-day operations of the Trust. One Trustee and all of the Officers of the Trust are directors, officers or employees of the Advisor or Citi Fund Services Ohio, Inc. The other Trustees are Independent Trustees. The Trustees and some Officers are also directors and officers of some or all of the other funds in the Fund Complex. The Fund Complex includes all funds advised by the Advisor and any funds that have an investment adviser that is an affiliate of the Advisor.

COMPENSATION OF OFFICERS

The Officers, other than the CCO, receive no compensation directly from the Trust for performing the duties of their offices.

CODE OF ETHICS

The Trust, the Advisor, and the Distributor have each adopted a consolidated code of ethics (the "COE") under Rule 17j-1 under the 1940 Act, which is reasonably designed to ensure that all acts, practices and courses of business engaged in by personnel of the Trust, the Advisor, and the Distributor reflect high standards of conduct and comply with the requirements of the federal securities laws. There can be no assurance that the COE will be effective in preventing deceptive, manipulative or fraudulent activities. The COE permits personnel subject to it to invest in securities, including securities that may be held or purchased by a Fund, however, such transactions are reported on a regular basis. The Advisor's personnel that are Access Persons, as the term is defined in the COE, subject to the COE are also required to report such transactions in registered open-end investment companies advised or sub-advised by the Advisor. The COE is on file with the SEC and is available to the public.

PROXY VOTING POLICY AND PROCEDURES

The Board has adopted policies and procedures with respect to voting proxies relating to portfolio securities, pursuant to which the Board has delegated responsibility for voting such proxies to the Advisor subject to the Board's continuing oversight. The Advisor's proxy voting policies and procedures (the "Guidelines") are reasonably designed to maximize shareholder value and protect shareholder interests when voting proxies. The Advisor's Brokerage Allocation and Proxy Voting Committee (the "Proxy Committee") exercises and documents the Advisor's responsibilities with regard to voting of client proxies. The Proxy Committee is composed of employees of the Advisor. The Proxy Committee reviews and monitors the effectiveness of the Guidelines. To assist the Advisor in its responsibility for voting proxies and the overall proxy voting process, the Advisor has retained Institutional Shareholder Services ("ISS") as an expert in the proxy voting and corporate governance area. The Proxy Committee reviews and, as necessary, may amend periodically the Guidelines to address new or revised proxy voting policies or procedures. Information on how proxies were voted for portfolio securities for the 12-month (or shorter) period ended June 30 is available without charge, upon request, by calling the Advisor at 888-776-3637 or on the Trust's website at www.ProFunds.com, or on the SEC's website at http://www.sec.gov. See Appendix E for a copy of the proxy voting policy and procedures.

CONTROL PERSONS AND PRINCIPAL HOLDERS OF SECURITIES

As of April 3, 2020, the Trustees and officers of the Trust, as a group, owned outstanding shares that entitled them to give voting instructions with respect to less than one percent of the shares of any class of any Fund.

See Appendix D to this SAI for a list of the principal holders of any Fund.

INVESTMENT ADVISOR

The Advisor, located at 7501 Wisconsin Avenue, Suite 1000E, Bethesda, Maryland 20814, serves as the investment advisor to all of the Funds and provides investment advice and management services to the Funds. The Advisor is a limited liability company whose Chief Executive Officer is Michael L. Sapir, and whose Principals are Louis M. Mayberg and William E. Seale. Mr. Sapir and Mr. Mayberg may be deemed to control the Advisor.

INVESTMENT ADVISORY AGREEMENT

Under an investment advisory agreement between the Advisor and the Trust dated October 28, 1997 and most recently amended and restated as of March 10, 2005 (the "Advisory Agreement"), the Advisor manages the investment and reinvestment of each Fund's assets in accordance with its investment objective(s), policies, and restrictions, subject to the general supervision and control of the Board and the Trust's Officers. The Advisor bears all costs associated with providing these services. The Advisory Agreement may be terminated with respect to a series of the Trust at any time, by a vote of the Trustees, by a vote of a majority of the outstanding voting securities (as defined in the 1940 Act) of that series, or by the Advisor in each case upon sixty days' prior written notice. A discussion regarding the basis for the Board's approval of the Advisory Agreement is available in the annual report to shareholders dated December 31, 2019.

Pursuant to the Advisory Agreement, each Fund, except ProFund VP U.S. Government Plus, pays the Advisor a fee at an annualized rate, based on its average daily net assets of 0.75%. ProFund VP U.S. Government Plus pays the Advisor a fee at an annualized rate, based on its average daily net assets of 0.50%. In addition, subject to the condition that the aggregate daily net assets of the Trust and the Affiliated Trust be equal to or greater than $10 billion. The Advisor has agreed to the following fee reductions with respect to each individual Fund: 0.025% of the Fund's daily net assets in excess of $500 million to $1 billion, 0.05% of the Fund's daily net assets in excess of $1 billion to $2 billion, and 0.075% of the Fund's net assets in excess of $2 billion. During the fiscal year ended December 31, 2019, no Fund's annual investment advisory fee was subject to such reductions.

Investment Advisory Fees Paid

For the fiscal years ended December 31, 2017, December 31, 2018, and December 31, 2019, the Advisor was entitled to, and waived, advisory fees in the following amounts:

	ADVISORY FEES					
	2017		2018		2019	
	Earned	Waived	Earned	Waived	Earned	Waived
ProFund VP Asia 30	$ 226,115	$ 5,502	$ 213,697	$ 0	$ 182,368	$ 9,636
ProFund VP Banks	94,060	675	88,591	3,517	56,205	1,485
ProFund VP Basic Materials	185,495	1,765	144,601	0	89,667	2,895
ProFund VP Bear	40,230	0	31,128	0	32,713	1,341
ProFund VP Biotechnology	512,030	0	493,545	0	417,371	0
ProFund VP Bull	617,863	0	546,857	0	463,883	0
ProFund VP Consumer Goods	135,396	0	97,704	4,652	82,658	5,289
ProFund VP Consumer Services	185,183	9,706	226,434	0	212,300	3,753
ProFund VP Dow 30	8,235	0	3,836	0	2,890	0
ProFund VP Emerging Markets	212,338	5,006	185,671	0	151,204	10,520
ProFund VP Europe 30	243,096	17,379	191,918	0	150,387	19,381
ProFund VP Falling U.S. Dollar	7,098	7,098	5,234	5,234	3,312	3,312
ProFund VP Financials	351,560	1,765	319,280	0	253,285	0
ProFund VP Government Money Market	1,432,627	535,452	1,365,087	0	1,236,644	0
ProFund VP Health Care	409,335	0	398,566	1,766	361,370	16,797
ProFund VP Industrials	221,835	0	175,679	2,456	119,694	3,653
ProFund VP International	92,418	0	61,326	0	45,747	0
ProFund VP Internet	116,936	0	180,433	0	145,226	247
ProFund VP Japan	84,714	3,088	80,243	0	61,781	0
ProFund VP Large-Cap Growth	231,872	0	248,260	4,113	198,515	11,426
ProFund VP Large-Cap Value	148,508	562	134,604	2,692	132,478	10,117
ProFund VP Mid-Cap	215,533	0	154,485	0	105,623	0
ProFund VP Mid-Cap Growth	170,275	2,037	180,221	4,479	140,276	12,277
ProFund VP Mid-Cap Value	148,793	2,726	114,923	3,894	110,299	9,471
ProFund VP Nasdaq-100	518,672	20,294	588,118	0	647,603	21,647
ProFund VP Oil & Gas	328,298	5,356	282,940	0	194,224	0
ProFund VP Pharmaceuticals	144,043	2,869	122,137	0	96,924	5,603
ProFund VP Precious Metals	204,108	4,933	151,946	0	182,481	9,596
ProFund VP Real Estate	101,871	0	75,908	842	128,671	5,391
ProFund VP Rising Rates Opportunity	85,113	1,458	85,358	0	56,619	1,445
ProFund VP Semiconductor	72,936	0	68,892	0	62,112	0
ProFund VP Short Dow 30	127	127	114	11	95	0
ProFund VP Short Emerging Markets	6,782	99	12,162	0	8,098	0
ProFund VP Short International	4,702	45	6,836	0	5,927	118
ProFund VP Short Mid-Cap	4,081	0	1,864	0	1,644	0
ProFund VP Short Nasdaq-100	28,176	1,154	21,581	0	26,591	1,273
ProFund VP Short Small-Cap	19,498	487	15,194	0	16,195	1,726
ProFund VP Small-Cap	114,827	5,360	109,913	0	86,546	5,867
ProFund VP Small-Cap Growth	204,868	0	202,953	1,151	142,465	8,880
ProFund VP Small-Cap Value	225,375	13,610	194,864	0	137,529	11,074
ProFund VP Technology	220,855	0	240,990	0	225,107	0

	ADVISORY FEES					
	2017		2018		2019	
	Earned	Waived	Earned	Waived	Earned	Waived
ProFund VP Telecommunications	$ 82,294	$ 3,971	$ 50,668	$ 0	$ 51,195	$ 4,741
ProFund VP U.S. Government Plus	124,998	10,516	89,582	0	104,376	11,195
ProFund VP UltraBull	204,421	0	228,164	0	202,020	0
ProFund VP UltraMid-Cap	187,157	0	183,336	0	138,856	5,419
ProFund VP UltraNasdaq-100	690,179	7,203	875,043	0	804,491	76,454
ProFund VP UltraShort Dow 30	623	0	176	68	168	0
ProFund VP UltraShort Nasdaq-100	4,396	0	5,163	0	9,633	110
ProFund VP UltraSmall-Cap	200,324	9,266	202,356	0	163,980	15,371
ProFund VP Utilities	305,021	14,146	251,492	0	306,266	21,457

The "Earned" columns in the table above include amounts due for investment advisory services provided during the specified fiscal year.

The amounts of advisory fees waived in the chart above do not reflect amounts reimbursed by the Advisor to a Fund. For the fiscal years ended December 31, 2017, December 31, 2018, and December 31, 2019, as applicable, the Advisor reimbursed the Funds in the following amounts:

	REIMBURSEMENTS		
	2017	2018	2019
ProFund VP Asia 30	$ 0	$ 0	$ 0
ProFund VP Banks	0	0	0
ProFund VP Basic Materials	0	0	0
ProFund VP Bear	0	0	0
ProFund VP Biotechnology	0	0	0
ProFund VP Bull	0	0	0
ProFund VP Consumer Goods	0	0	0
ProFund VP Consumer Services	0	0	0
ProFund VP Dow 30	0	0	0
ProFund VP Emerging Markets	0	0	0
ProFund VP Europe 30	0	0	0
ProFund VP Falling U.S. Dollar	5,270	13,410	13,063
ProFund VP Financials	0	0	0
ProFund VP Government Money Market	0	0	0
ProFund VP Health Care	0	0	0
ProFund VP Industrials	0	0	0
ProFund VP International	0	0	0
ProFund VP Internet	0	0	0
ProFund VP Japan	0	0	0
ProFund VP Large-Cap Growth	0	0	0
ProFund VP Large-Cap Value	0	0	0
ProFund VP Mid-Cap	0	0	0
ProFund VP Mid-Cap Growth	0	0	0
ProFund VP Mid-Cap Value	0	0	0
ProFund VP Nasdaq-100	0	0	0
ProFund VP Oil & Gas	0	0	0
ProFund VP Pharmaceuticals	0	0	0
ProFund VP Precious Metals	0	0	0
ProFund VP Real Estate	0	0	0
ProFund VP Rising Rates Opportunity	0	0	0
ProFund VP Semiconductor	0	0	0
ProFund VP Short Dow 30	56	0	0
ProFund VP Short Emerging Markets	0	0	0
ProFund VP Short International	0	0	0
ProFund VP Short Mid-Cap	0	0	0
ProFund VP Short Nasdaq-100	0	0	0
ProFund VP Short Small-Cap	0	0	0
ProFund VP Small-Cap	0	0	0
ProFund VP Small-Cap Growth	0	0	0
ProFund VP Small-Cap Value	0	0	0
ProFund VP Technology	0	0	0
ProFund VP Telecommunications	0	0	0

	REIMBURSEMENTS		
	2017	2018	2019
ProFund VP U.S. Government Plus	$ 0	$ 0	$ 0
ProFund VP UltraBull	0	0	0
ProFund VP UltraMid-Cap	0	0	0
ProFund VP UltraNasdaq-100	0	0	0
ProFund VP UltraShort Dow 30	0	0	0
ProFund VP UltraShort Nasdaq-100	0	0	0
ProFund VP UltraSmall-Cap	0	0	0
ProFund VP Utilities	0	0	0

MANAGEMENT SERVICES AGREEMENT

Under a separate Amended and Restated Management Services Agreement dated October 28, 1997 (the "Management Agreement"), the Advisor performs certain client support and other administrative services on behalf of the Trust. These services include, in general, assisting the Board in all aspects of the administration and operation of the Trust. Other duties and services performed by the Advisor under the Management Agreement include, but are not limited to, negotiating contractual agreements, recommending and monitoring service providers, preparing reports for the Board regarding service providers and other matters requested by the Board, providing information to financial intermediaries, and making available employees of the Advisor to serve as officers and Trustees. The Advisor bears all costs associated with providing these services. The Management Agreement may be terminated with respect to any series of the Trust at any time, by a vote of the Trustees, by a vote of a majority of the outstanding voting securities (as defined by the 1940 Act of that series, or by the Advisor in each case upon sixty days' prior written notice.

Management Services Fees Paid

For the fiscal years ended December 31, 2017, December 31, 2018, and December 31, 2019, the Advisor was entitled to, and waived, management services fees in the following amounts:

	MANAGEMENT SERVICES FEES					
	2017		2018		2019	
	Earned	Waived	Earned	Waived	Earned	Waived
ProFund VP Asia 30	$ 30,148	$ 734	$ 28,493	$ 0	$ 24,316	$ 1,285
ProFund VP Banks	12,541	90	11,812	469	7,494	198
ProFund VP Basic Materials	24,732	235	19,280	0	11,955	386
ProFund VP Bear	5,364	0	4,150	0	4,362	179
ProFund VP Biotechnology	68,270	0	65,805	0	55,649	0
ProFund VP Bull	82,381	0	72,914	0	61,851	0
ProFund VP Consumer Goods	18,053	0	13,027	620	11,021	705
ProFund VP Consumer Services	24,691	1,294	30,191	0	28,306	500
ProFund VP Dow 30	1,098	0	512	0	386	0
ProFund VP Emerging Markets	28,312	667	24,756	0	20,160	1,403
ProFund VP Europe 30	32,413	2,317	25,589	0	20,051	2,584
ProFund VP Falling U.S. Dollar	946	946	698	698	442	442
ProFund VP Financials	46,874	235	42,570	0	33,771	0
ProFund VP Government Money Market	191,016	71,393	182,010	0	164,885	0
ProFund VP Health Care	54,578	0	53,141	236	48,182	2,240
ProFund VP Industrials	29,578	0	23,424	328	15,959	487
ProFund VP International	12,322	0	8,177	0	6,099	0
ProFund VP Internet	15,591	0	24,058	0	19,363	33
ProFund VP Japan	11,295	412	10,699	0	8,237	0
ProFund VP Large-Cap Growth	30,916	0	33,101	548	26,468	1,523
ProFund VP Large-Cap Value	19,801	75	17,947	359	17,664	1,349
ProFund VP Mid-Cap	28,738	0	20,598	0	14,083	0
ProFund VP Mid-Cap Growth	22,703	272	24,029	597	18,703	1,637
ProFund VP Mid-Cap Value	19,839	364	15,323	519	14,706	1,263
ProFund VP Nasdaq-100	69,156	2,706	78,415	0	86,346	2,886
ProFund VP Oil & Gas	43,773	714	37,725	0	25,896	0
ProFund VP Pharmaceuticals	19,206	383	16,285	0	12,923	747
ProFund VP Precious Metals	27,214	658	20,259	0	24,331	1,280
ProFund VP Real Estate	13,583	0	10,121	112	17,156	719
ProFund VP Rising Rates Opportunity	11,348	194	11,381	0	7,549	193

	MANAGEMENT SERVICES FEES					
	2017		2018		2019	
	Earned	Waived	Earned	Waived	Earned	Waived
ProFund VP Semiconductor	$ 9,725	$ 0	$ 9,186	$ 0	$ 8,282	$ 0
ProFund VP Short Dow 30	17	17	16	2	13	1
ProFund VP Short Emerging Markets	904	13	1,622	0	1,080	0
ProFund VP Short International	627	6	911	0	790	16
ProFund VP Short Mid-Cap	544	0	248	0	219	0
ProFund VP Short Nasdaq-100	3,757	154	2,878	0	3,545	170
ProFund VP Short Small-Cap	2,600	65	2,026	0	2,159	230
ProFund VP Small-Cap	15,310	715	14,655	0	11,539	782
ProFund VP Small-Cap Growth	27,316	0	27,060	154	18,995	1,184
ProFund VP Small-Cap Value	30,050	1,815	25,982	0	18,337	1,477
ProFund VP Technology	29,447	0	32,132	0	30,014	0
ProFund VP Telecommunications	10,973	529	6,756	0	6,826	632
ProFund VP U.S. Government Plus	24,999	2,103	17,916	0	20,875	2,239
ProFund VP UltraBull	27,256	0	30,422	0	26,936	0
ProFund VP UltraMid-Cap	24,954	0	24,445	0	18,514	722
ProFund VP UltraNasdaq-100	92,023	960	116,672	0	107,265	10,194
ProFund VP UltraShort Dow 30	83	0	24	9	22	0
ProFund VP UltraShort Nasdaq-100	586	0	688	0	1,284	15
ProFund VP UltraSmall-Cap	26,710	1,235	26,980	0	21,864	2,050
ProFund VP Utilities	40,669	1,886	33,532	0	40,835	2,861

EXPENSE LIMITATION AGREEMENT

The Advisor has contractually agreed to waive investment advisory and management services fees and/or to reimburse certain other Fund expenses through at least April 30, 2021 (unless the Board consents to an earlier revision or termination of this arrangement). After such date, the expense limitation may be terminated or revised by the Advisor. This expense limitation excludes brokerage costs, interest, taxes, dividends (including dividend expenses on securities sold short), litigation, indemnification, and extraordinary expenses. Additionally, the expense limitation does not include any expenses incurred by those underlying investment companies. Amounts waived or reimbursed in a particular contractual period may be recouped by the Advisor within five years of the end of that contract period, however, such recoupment will be limited to the lesser of any expense limitation in place at the time of recoupment or the expense limitation in place at the time of the waiver or reimbursement.

Expense Limits

Each Fund's annual operating expenses are limited as follows:

	EXPENSE LIMIT
ProFund VP Asia 30	1.68%
ProFund VP Banks	1.68%
ProFund VP Basic Materials	1.68%
ProFund VP Bear	1.68%
ProFund VP Biotechnology	1.68%
ProFund VP Bull	1.68%
ProFund VP Consumer Goods	1.68%
ProFund VP Consumer Services	1.68%
ProFund VP Dow 30	1.68%
ProFund VP Emerging Markets	1.68%
ProFund VP Europe 30	1.68%
ProFund VP Falling U.S. Dollar	1.68%
ProFund VP Financials	1.68%
ProFund VP Government Money Market	1.35%
ProFund VP Health Care	1.68%
ProFund VP Industrials	1.68%
ProFund VP International	1.68%
ProFund VP Internet	1.68%
ProFund VP Japan	1.68%
ProFund VP Large-Cap Growth	1.68%
ProFund VP Large-Cap Value	1.68%

	EXPENSE LIMIT
ProFund VP Mid-Cap	1.68%
ProFund VP Mid-Cap Growth	1.68%
ProFund VP Mid-Cap Value	1.68%
ProFund VP Nasdaq-100	1.68%
ProFund VP Oil & Gas	1.68%
ProFund VP Pharmaceuticals	1.68%
ProFund VP Precious Metals	1.68%
ProFund VP Real Estate	1.68%
ProFund VP Rising Rates Opportunity	1.68%
ProFund VP Semiconductor	1.68%
ProFund VP Short Dow 30	1.68%
ProFund VP Short Emerging Markets	1.68%
ProFund VP Short International	1.68%
ProFund VP Short Mid-Cap	1.68%
ProFund VP Short Nasdaq-100	1.68%
ProFund VP Short Small-Cap	1.68%
ProFund VP Small-Cap	1.68%
ProFund VP Small-Cap Growth	1.68%
ProFund VP Small-Cap Value	1.68%
ProFund VP Technology	1.68%
ProFund VP Telecommunications	1.68%
ProFund VP U.S. Government Plus	1.38%
ProFund VP UltraBull	1.68%
ProFund VP UltraMid-Cap	1.68%
ProFund VP UltraNasdaq-100	1.68%
ProFund VP UltraShort Dow 30	1.68%
ProFund VP UltraShort Nasdaq-100	1.68%
ProFund VP UltraSmall-Cap	1.68%
ProFund VP Utilities	1.68%

Recoupment

For the fiscal years ended December 31, 2017, December 31, 2018, and December 31, 2019, the Advisor recouped fee waivers/reimbursement from the prior years in the following amounts:

	FEE WAIVERS/REIMBURSEMENTS RECOUPED		
	2017	**2018**	**2019**
ProFund VP Asia 30	$ 0	$ 47,542	$ 4,089
ProFund VP Banks	5,500	5,765	0
ProFund VP Basic Materials	0	27,460	0
ProFund VP Bear	1,000	0	0
ProFund VP Biotechnology	0	0	0
ProFund VP Bull	19,000	73,854	0
ProFund VP Consumer Goods	2,500	4,102	0
ProFund VP Consumer Services	0	35,995	0
ProFund VP Dow 30	0	0	0
ProFund VP Emerging Markets	0	25,042	0
ProFund VP Europe 30	0	27,715	0
ProFund VP Falling U.S. Dollar	0	0	0
ProFund VP Financials	0	38,437	0
ProFund VP Government Money Market	0	771,605	346,495
ProFund VP Health Care	6,026	0	0
ProFund VP Industrials	17,500	6,426	0
ProFund VP International	7,500	4,332	0
ProFund VP Internet	524	0	0
ProFund VP Japan	0	4,006	0
ProFund VP Large-Cap Growth	9,000	9,199	0
ProFund VP Large-Cap Value	0	473	0
ProFund VP Mid-Cap	10,694	0	0
ProFund VP Mid-Cap Growth	0	1,295	0
ProFund VP Mid-Cap Value	0	0	0

	FEE WAIVERS/REIMBURSEMENTS RECOUPED		
	2017	2018	2019
ProFund VP Nasdaq-100	$ 0	$ 91,630	$ 0
ProFund VP Oil & Gas	0	39,923	0
ProFund VP Pharmaceuticals	0	27,111	0
ProFund VP Precious Metals	0	33,895	0
ProFund VP Real Estate	2,500	0	0
ProFund VP Rising Rates Opportunity	8,500	1,653	0
ProFund VP Semiconductor	7,286	0	0
ProFund VP Short Dow 30	0	41	24
ProFund VP Short Emerging Markets	0	112	0
ProFund VP Short International	500	51	0
ProFund VP Short Mid-Cap	531	0	0
ProFund VP Short Nasdaq-100	0	4,722	0
ProFund VP Short Small-Cap	0	3,253	100
ProFund VP Small-Cap	0	17,244	0
ProFund VP Small-Cap Growth	6,000	4,000	0
ProFund VP Small-Cap Value	11,000	31,468	0
ProFund VP Technology	0	0	0
ProFund VP Telecommunications	0	10,270	0
ProFund VP U.S. Government Plus	0	30,963	0
ProFund VP UltraBull	15,815	0	0
ProFund VP UltraMid-Cap	8,500	5,252	0
ProFund VP UltraNasdaq-100	13,500	54,557	0
ProFund VP UltraShort Dow 30	0	27	0
ProFund VP UltraShort Nasdaq-100	777	163	0
ProFund VP UltraSmall-Cap	0	25,434	0
ProFund VP Utilities	0	58,338	0

PORTFOLIO MANAGEMENT

Portfolio Manager Compensation

The Advisor believes that its compensation program is competitively positioned to attract and retain high-caliber investment professionals. The compensation package for portfolio managers consists of a fixed-base salary, an annual incentive bonus opportunity and a competitive benefits package. A portfolio manager's salary compensation is designed to be competitive with the marketplace and reflect a portfolio manager's relative experience and contribution to the firm. Fixed-base salary compensation is reviewed and adjusted annually to reflect increases in the cost of living and market rates.

The annual incentive bonus opportunity provides cash bonuses based upon the overall firm's performance and individual contributions. Principal consideration for each portfolio manager is given to appropriate risk management, teamwork and investment support activities in determining the annual bonus amount.

Portfolio managers are eligible to participate in the firm's standard employee benefits programs, which include a competitive 401(k) retirement savings program with employer match, life insurance coverage, and health and welfare programs.

Portfolio Manager Ownership

Listed below for each portfolio manager is a dollar range of securities beneficially owned in the Funds managed by the portfolio manager, together with the aggregate dollar range of equity securities in all registered investment companies in the Fund Complex as of December 31, 2019 or as otherwise noted.

Name of Portfolio Manager	Dollar Range of Equity Securities in the Funds Managed by the Portfolio Manager	Aggregate Dollar Range of Equity Securities in All Registered Investment Companies in the ProFunds Family
Tarak Dave	None	$0-$10,000
Ryan Dofflemeyer	None	None
Scott Hanson	None	None
Alexander Ilyasov	None	None
Michelle Liu	None	None

Name of Portfolio Manager	Dollar Range of Equity Securities in the Funds Managed by the Portfolio Manager	Aggregate Dollar Range of Equity Securities in All Registered Investment Companies in the ProFunds Family
Benjamin McAbee	None	None
Michael Neches	None	None
Devin Sullivan	None	None

Other Accounts Managed by Portfolio Managers

Portfolio managers are generally responsible for multiple investment company accounts. As described below, certain inherent conflicts of interest arise from the fact that a portfolio manager has responsibility for multiple accounts, including conflicts relating to the allocation of investment opportunities. Listed below for each portfolio manager are the number and type of accounts managed or overseen by such portfolio manager acts, as of December 31, 2019 (Money Market funds not included).

Name of Portfolio Manager	Number of All Registered Investment Companies Managed/Total Assets[1]		Number of Other Pooled Investment Vehicles Managed/ Total Assets[2]		Number of Other Accounts Managed/Total Assets[3]	
Michael Neches	166	$33,189,833,935	0	$ —	3	$561,430,967
Benjamin McAbee	11	$ 580,542,499	6	$ 179,397,146	2	$197,355,004
Michelle Liu	13	$ 1,132,024,392	0	$ —	0	$ —
Scott Hanson	41	$ 868,443,380	0	$ —	1	$123,000,000
Devin Sullivan	84	$28,691,197,549	0	$ —	3	$561,430,967
Tarak Dave	82	$ 4,498,636,386	0	$ —	0	$ —
Ryan Dofflemeyer	43	$ 884,092,727	14	$2,173,641,154	1	$123,000,000
Alexander Ilyasov	24	$ 1,712,566,891	6	$ 178,397,146	2	$197,355,004
James Linneman	2	$ 15,649,347	14	$2,173,641,154	0	$ —

1 Includes assets of publicly available Funds, publicly available series of Access One Trust, and series of ProShares Trust.

2 Includes assets of series of ProShares Trust II.

3 Includes sub-advised registered investment companies and exchange-traded funds.

Conflicts of Interest

In the course of providing advisory services, the Advisor may simultaneously recommend the sale of a particular security for one account while recommending the purchase of the same security for another account if such recommendations are consistent with each client's investment strategies. The Advisor also may recommend the purchase or sale of securities that may also be recommended by ProShare Advisors LLC, an affiliate of the Advisor.

The Advisor, its principals, officers and employees (and members of their families) and affiliates may participate directly or indirectly as investors in the Advisor's clients, such as the Funds. Thus, the Advisor may recommend to clients the purchase or sale of securities in which it, or its officers, employees or related persons have a financial interest. The Advisor may give advice and take actions in the performance of its duties to its clients that differ from the advice given or the timing and nature of actions taken, with respect to other clients' accounts and/or employees' accounts that may invest in some of the same securities recommended to clients.

In addition, the Advisor, its affiliates and principals may trade for their own accounts. Consequently, non-customer and proprietary trades may be executed and cleared through any prime broker or other broker utilized by clients. It is possible that officers or employees of the Advisor may buy or sell securities or other instruments that the Advisor has recommended to, or purchased for, its clients and may engage in transactions for their own accounts in a manner that is inconsistent with the Advisor's recommendations to a client. Personal securities transactions by employees may raise potential conflicts of interest when such persons trade in a security that is owned by, or considered for purchase or sale for, a client. The Advisor has adopted policies and procedures designed to detect and prevent such conflicts of interest and, when they do arise, to ensure that it effects transactions for clients in a manner that is consistent with its fiduciary duty to its clients and in accordance with applicable law.

Any "access person" of the Advisor (as defined under the 1940 Act and the Investment Advisers Act of 1940, as amended (the "Advisers Act")) may make security purchases, subject to the terms of the Advisor's Code of Ethics, that are consistent with the requirements of Rule 17j-1 under the 1940 Act and Rule 204A-1 under the Advisers Act.

The Advisor and its affiliated persons may come into possession from time to time of material nonpublic and other confidential information about companies which, if disclosed, might affect an investor's decision to buy, sell, or hold a security. Under applicable law, the Advisor and its affiliated persons would be prohibited from improperly disclosing or using this information for their personal benefit or for the benefit of any person, regardless of whether the person is a client of the Advisor. Accordingly, should the Advisor or any affiliated person come into possession of material nonpublic or other confidential information with respect to any company, the Advisor and its affiliated persons will have no responsibility or liability for failing to disclose the information to clients as a result of following its policies and procedures designed to comply with applicable law.

REGISTRATION AS A COMMODITY POOL OPERATOR

In connection with its management of Commodity Pools, the Advisor has registered as a commodity pool operator (a "CPO") and the Commodity Pools are commodity pools under the Commodity Exchange Act (the "CEA"). Accordingly, with respect to the Commodity Pools, the Advisor is subject to registration and regulation as a CPO under the CEA, and must comply with various regulatory requirements under the CEA and the rules and regulations of the CFTC and the National Futures Association ("NFA"), including disclosure requirements and reporting and recordkeeping requirements. The Advisor is also subject to periodic inspections and audits by the NFA. Compliance with these regulatory requirements could adversely affect the Commodity Pools' total return. In this regard, any further amendment to the CEA or its related regulations that subject the Advisor or the Commodity Pools to additional regulation may have adverse impacts on the Commodity Pools' operations and expenses.

While the Advisor is registered as a CPO, with respect to all funds other than the Commodity Pools (the "Excluded Pools") the Advisor has filed a claim of exclusion from the definition of the term "commodity pool operator" under the CEA, pursuant to CFTC Rule 4.5 (the "Exclusion") and therefore, the Advisor is not subject to registration or regulation as a CPO under the CEA with respect to the Excluded Pools. In order to remain eligible for the Exclusion, then each of the Excluded Pools will be limited in its ability use certain financial instruments including futures, options on futures and certain swaps and the manner in which it holds out its use of such instruments.

OTHER SERVICE PROVIDERS

ADMINISTRATOR, TRANSFER AGENT AND FUND ACCOUNTING AGENT

Citi Fund Services Ohio, Inc. ("Citi" or the "Administrator"), 4400 Easton Commons, Suite 200, Columbus, Ohio 43219, is an indirect wholly owned subsidiary of Citibank, N.A. and acts as the administrator to the Trust. The Administrator provides the Trust with all required general administrative services, including, but not limited to, office space, equipment, and personnel; clerical and general back office services; bookkeeping, internal accounting, and secretarial services; the determination of NAVs; and the preparation and filing of reports, registration statements, proxy statements, and all other materials required to be filed or furnished by the Trust under federal and state securities laws. The Administrator also maintains the shareholder account records for the Funds, distributes dividends and distributions payable by each series of the Trust, and produces statements with respect to account activity for each series of the Trust and their shareholders. The Administrator pays all fees and expenses that are directly related to the services provided by the Administrator; each series reimburses the Administrator for all fees and expenses incurred by the Administrator that are not directly related to the services the Administrator provides to each series under the service agreement. Each series may also reimburse the Administrator for such out-of-pocket expenses as incurred by the Administrator in the performance of its duties.

The Trust pays Citi an annual fee for its services as Administrator based on the aggregate average net assets of all series of the Trust and the Affiliated Trust. This fee ranges from 0.05% of the Trust's average monthly net assets up to $2 billion to 0.00375% of the Trust's average monthly net assets in excess of $10 billion on an annual basis and a base fee for certain filings. Administration fees include additional fees paid to Citi by the Trust for support of the Compliance Service Program.

For the fiscal years ended December 31, 2017, December 31, 2018, and December 31, 2019, Citi, as Administrator, was entitled to administration fees in the following amounts:

	ADMINISTRATION FEES		
	2017	2018	2019
ProFund VP Asia 30	$11,234	$14,160	$20,525
ProFund VP Banks	4,662	6,011	6,401
ProFund VP Basic Materials	9,165	9,856	10,125
ProFund VP Bear	1,987	2,257	3,701
ProFund VP Biotechnology	25,341	35,775	47,186
ProFund VP Bull	30,564	39,473	52,444
ProFund VP Consumer Goods	6,732	6,746	9,424
ProFund VP Consumer Services	9,046	16,792	24,276
ProFund VP Dow 30	399	258	313
ProFund VP Emerging Markets	10,478	12,325	17,056
ProFund VP Europe 30	11,821	13,186	17,056
ProFund VP Falling U.S. Dollar	342	361	379
ProFund VP Financials	17,457	22,577	28,775
ProFund VP Government Money Market	71,041	66,517	65,329
ProFund VP Health Care	20,289	29,466	40,941

	ADMINISTRATION FEES		
	2017	2018	2019
ProFund VP Industrials	$10,953	$11,513	$13,610
ProFund VP International	4,602	4,341	4,974
ProFund VP Internet	5,763	13,518	16,657
ProFund VP Japan	4,282	5,707	6,982
ProFund VP Large-Cap Growth	11,622	17,777	22,598
ProFund VP Large-Cap Value	7,453	9,655	14,957
ProFund VP Mid-Cap	10,722	9,257	12,068
ProFund VP Mid-Cap Growth	8,452	12,628	15,837
ProFund VP Mid-Cap Value	7,390	8,329	12,417
ProFund VP Nasdaq-100	25,669	43,439	73,884
ProFund VP Oil & Gas	16,290	20,059	21,954
ProFund VP Pharmaceuticals	7,146	8,133	10,994
ProFund VP Precious Metals	10,158	10,572	19,684
ProFund VP Real Estate	5,097	5,588	14,724
ProFund VP Rising Rates Opportunity	4,287	6,371	6,407
ProFund VP Semiconductor	3,587	4,818	6,887
ProFund VP Short Dow 30	4	9	10
ProFund VP Short Emerging Markets	329	976	882
ProFund VP Short International	225	519	646
ProFund VP Short Mid-Cap	211	151	172
ProFund VP Short Nasdaq-100	1,395	1,610	3,114
ProFund VP Short Small-Cap	970	1,163	1,851
ProFund VP Small-Cap	5,726	8,480	9,801
ProFund VP Small-Cap Growth	10,287	14,953	16,156
ProFund VP Small-Cap Value	11,399	14,100	15,615
ProFund VP Technology	10,966	17,804	25,627
ProFund VP Telecommunications	4,062	3,286	5,820
ProFund VP U.S. Government Plus	9,438	9,597	17,985
ProFund VP UltraBull	10,010	15,999	23,533
ProFund VP UltraMid-Cap	9,450	13,159	15,850
ProFund VP UltraNasdaq-100	34,069	63,071	92,069
ProFund VP UltraShort Dow 30	30	11	15
ProFund VP UltraShort Nasdaq-100	208	438	1,139
ProFund VP UltraSmall-Cap	9,916	14,861	18,618
ProFund VP Utilities	15,113	18,875	34,847

Until March 31, 2015, Citi also acted as transfer agent for each series of the Trust, for which Citi received additional fees. As transfer agent, Citi maintained the shareholder account records for the Funds, distributed distributions payable by each series, and produced statements with respect to account activity for each series and their shareholders.

Pursuant to a Transfer Agreement between affiliates of FIS Investment Systems LLC and Citi, dated December 19, 2014, FIS Investor Services LLC ("FIS") acts as transfer agent for each series of the Trust in exchange for fees. The principal business address of FIS is 4249 Easton Way, Suite 400, Columbus, OH 43219. Since April 1, 2015, FIS has acted as transfer agent for each series of the Trust in exchange for fees. As transfer agent, FIS maintains the shareholder account records, distributes distributions payable by each series, and produces statements with respect to account activity for each series and their shareholders.

Citi also acts as fund accounting agent for each series of the Trust. The Trust pays Citi an annual base fee, plus asset based fees and reimbursement of certain expenses, for its services as fund accounting agent. The asset based fees range from 0.03% of the Trust's average monthly net assets up to $1 billion to 0.00375% of the Trust's average monthly net assets in excess of $10 billion, on an annual basis.

For the fiscal years ended December 31, 2017, December 31, 2018, and December 31, 2019, Citi, as fund accounting agent, was paid fees in the following amounts:

	FUND ACCOUNTING FEES		
	2017	2018	2019
ProFund VP Asia 30	$12,887	$11,523	$11,809
ProFund VP Banks	5,683	5,243	3,893
ProFund VP Basic Materials	10,708	8,259	5,960
ProFund VP Bear	2,232	1,704	2,124
ProFund VP Biotechnology	28,850	27,690	27,124
ProFund VP Bull	37,979	33,532	31,633
ProFund VP Consumer Goods	8,381	6,012	5,732

	FUND ACCOUNTING FEES		
	2017	2018	2019
ProFund VP Consumer Services	$11,433	$13,655	$14,314
ProFund VP Dow 30	451	210	185
ProFund VP Emerging Markets	12,167	10,427	9,921
ProFund VP Europe 30	13,557	10,579	9,868
ProFund VP Falling U.S. Dollar	386	292	213
ProFund VP Financials	21,698	19,441	17,335
ProFund VP Government Money Market	80,154	76,257	80,202
ProFund VP Health Care	23,694	22,914	23,782
ProFund VP Industrials	13,800	10,818	8,448
ProFund VP International	5,204	3,430	2,993
ProFund VP Internet	6,788	10,276	9,534
ProFund VP Japan	4,836	4,436	4,058
ProFund VP Large-Cap Growth	15,406	15,473	13,810
ProFund VP Large-Cap Value	10,859	9,777	9,878
ProFund VP Mid-Cap	12,138	8,347	6,798
ProFund VP Mid-Cap Growth	11,212	11,360	9,809
ProFund VP Mid-Cap Value	10,296	8,138	8,061
ProFund VP Nasdaq-100	29,722	33,538	42,411
ProFund VP Oil & Gas	18,847	15,951	12,736
ProFund VP Pharmaceuticals	8,193	6,259	6,410
ProFund VP Precious Metals	11,447	8,315	11,870
ProFund VP Real Estate	6,613	4,952	8,716
ProFund VP Rising Rates Opportunity	4,836	4,873	3,660
ProFund VP Semiconductor	4,262	3,988	4,042
ProFund VP Short Dow 30	5	7	6
ProFund VP Short Emerging Markets	370	669	531
ProFund VP Short International	251	359	385
ProFund VP Short Mid-Cap	237	108	103
ProFund VP Short Nasdaq-100	1,569	1,210	1,754
ProFund VP Short Small-Cap	1,090	862	1,060
ProFund VP Small-Cap	14,802	13,496	9,480
ProFund VP Small-Cap Growth	14,054	13,239	10,306
ProFund VP Small-Cap Value	15,919	13,343	10,401
ProFund VP Technology	13,328	14,221	15,068
ProFund VP Telecommunications	4,631	2,583	3,433
ProFund VP U.S. Government Plus	10,623	7,419	10,178
ProFund VP UltraBull	14,739	15,408	14,901
ProFund VP UltraMid-Cap	13,469	12,625	10,355
ProFund VP UltraNasdaq-100	39,236	48,317	52,362
ProFund VP UltraShort Dow 30	37	9	11
ProFund VP UltraShort Nasdaq-100	234	290	617
ProFund VP UltraSmall-Cap	19,519	18,606	14,480
ProFund VP Utilities	17,405	14,419	20,004

CUSTODIAN

UMB Bank, N.A. acts as Custodian to the Trust. UMB Bank, N.A.'s address is 928 Grand Avenue, Kansas City, Missouri, 64106.

For each series of the Trust, the Custodian, among other things, maintains a custody account or accounts in the name of each series; receives and delivers all assets for each series upon purchase and upon sale or maturity; collects and receives all income and other payments and distributions on account of the assets of each series and pays all expenses of each series. For its services, the Custodian receives an asset-based fee and reimbursement of certain expenses.

INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

PricewaterhouseCoopers LLP serves as the Fund's independent registered public accounting firm and provides audit services, tax return preparation and assistance, and audit-related services in connection with certain SEC filings. PricewaterhouseCoopers LLP's address is 100 East Pratt Street, Suite 2600, Baltimore, MD 21202.

LEGAL COUNSEL

Ropes & Gray LLP serves as counsel to the Fund. The firm's address is Prudential Tower, 800 Boylston Street, Boston, Massachusetts 02199.

DISTRIBUTOR

The Distributor, a wholly-owned subsidiary of the Advisor, serves as the distributor and principal underwriter in all fifty states, the District of Columbia and Puerto Rico and offers shares of the Funds on a continuous basis. Its address is 7501 Wisconsin Avenue, Suite 1000E, Bethesda, Maryland 20814. The Distributor has no role in determining the investment policies of the Trust or which securities are to be purchased or sold by the Trust.

SECURITIES LENDING AGENT

BMO Harris Bank N.A. serves as the securities lending agent to the Trust. For fiscal year ended December 31, 2019, the income, fees and compensation related to the Trust's securities lending activities of the Funds are set forth below.

Fund Name	Gross Income from Securities Lending Activity	Securities Lending Revenue Paid to Agent	Rebate (Paid to Borrower)	Aggregate Fees/ Compensation for Securities Lending Activity	Net Income From Securities Lending Activity
ProFund VP Asia 30	$27,530	$3,464	$10,208	$13,672	$13,858
ProFund VP Banks	11	0	11	11	0
ProFund VP Basic Materials	325	20	223	243	82
ProFund VP Biotechnology	2,470	360	671	1,031	1,439
ProFund VP Bull	1,265	251	0	251	1,014
ProFund VP Consumer Goods	1,933	170	1,083	1,253	680
ProFund VP Consumer Services	1,124	225	0	225	899
ProFund VP Emerging Markets	714	78	325	403	311
ProFund VP Europe 30	11,098	1,150	5,345	6,495	4,603
ProFund VP Financials	1,074	74	702	776	298
ProFund VP Health Care	9,748	1,937	0	1,937	7,811
ProFund VP Industrials	1,071	133	404	537	534
ProFund VP Internet	504	17	421	438	66
ProFund VP Large-Cap Growth	1,448	288	0	288	1,160
ProFund VP Large-Cap Value	330	31	174	205	125
ProFund VP Mid-Cap Growth	1,524	99	1,031	1,130	394
ProFund VP Mid-Cap Value	1,978	396	0	396	1,582
ProFund VP Nasdaq-100	2,777	183	1,863	2,046	731
ProFund VP Oil & Gas	638	39	446	485	153
ProFund VP Pharmaceuticals	8,989	1,798	0	1,798	7,191
ProFund VP Real Estate	334	9	287	296	38
ProFund VP Semiconductor	9	0	8	8	1
ProFund VP Small-Cap	2,343	469	0	469	1,874
ProFund VP Small-Cap Growth	4,677	884	253	1,137	3,540
ProFund VP Small-Cap Value	6,120	1,223	0	1,223	4,897
ProFund VP Technology	473	95	0	95	378
ProFund VP Telecommunications	957	175	85	260	697
ProFund VP U.S. Government Plus	6,484	335	4,808	5,143	1,341
ProFund VP UltraBull	329	26	200	226	103
ProFund VP UltraMid-Cap	1,034	163	219	382	652
ProFund VP UltraNasdaq-100	3,682	212	2,624	2,836	846
ProFund VP UltraSmall-Cap	6,076	1,211	0	1,211	4,865
ProFund VP Utilities	1,418	0	1,418	1,418	0

ADMINISTRATIVE SERVICES

The Trust, on behalf of the Funds, may enter into administrative services agreements with insurance companies pursuant to which the insurance companies will provide administrative services with respect to the Funds. These services may include, but are not limited to: coordinating matters relating to the operation of an insurer's separate account with the Funds, including necessary coordination with other service providers; coordinating the preparation of necessary documents to be submitted to regulatory authorities; providing assistance to variable contract owners who use or intend to use the Funds as funding vehicles for their variable contracts; coordinating with the Advisor regarding investment limitations and parameters to which the Funds are subject; generally assisting with compliance with applicable regulatory requirements, responding to ministerial inquiries concerning the Fund's investment objectives, investment programs, policies and performance; transmitting, on behalf of the Funds, proxy statements, annual reports, updated prospectuses, and other communications regarding the Funds; and providing any related services as the Funds or their investors may reasonably request. Because of the relatively higher volume of transactions in Funds, generally, Funds are authorized to pay higher administrative service fees than might be the case for more traditional mutual funds. To the extent any of these fees are paid by the Funds, they are included in the amount appearing opposite the caption "Other Expenses" under "Annual Fund Operating Expenses" in the expense tables contained in the Prospectus. In addition, the Advisor or Distributor may compensate such financial intermediaries or their agents directly or indirectly for such services.

Compensation paid by the Advisor or Distributor out of their own resources for such services is not reflected in the fees and expenses outlined in the fee table for each Fund.

For these services, the Trust may pay each insurer a quarterly fee equal on an annual basis to up to 0.35% of the average daily net assets of each Fund that are invested in such Fund through the insurer's separate account, or an annual fee that may vary depending upon the number of investors that utilize the Funds as the funding medium for their contracts. The insurance company may impose other account or service charges. See the Prospectus for the separate account of the insurance company for additional information regarding such charges.

For the fiscal years ended December 31, 2017, December 31, 2018, and December 31, 2019, the following administrative services fees were paid:

	ADMINISTRATIVE SERVICES FEES		
	2017	2018	2019
ProFund VP Asia 30	$ 67,361	$ 62,245	$ 52,426
ProFund VP Banks	35,676	33,084	21,100
ProFund VP Basic Materials	65,745	52,968	33,686
ProFund VP Bear	15,191	11,821	12,479
ProFund VP Biotechnology	130,161	123,607	102,338
ProFund VP Bull	211,658	187,532	162,114
ProFund VP Consumer Goods	53,303	39,298	33,502
ProFund VP Consumer Services	68,813	81,732	78,282
ProFund VP Dow 30	416	387	332
ProFund VP Emerging Markets	65,005	58,043	47,754
ProFund VP Europe 30	82,160	63,228	49,575
ProFund VP Falling U.S. Dollar	2,229	1,735	1,069
ProFund VP Financials	124,803	113,405	90,092
ProFund VP Government Money Market	0	0	0
ProFund VP Health Care	145,493	142,564	131,441
ProFund VP Industrials	77,980	63,432	45,667
ProFund VP International	27,795	18,837	14,400
ProFund VP Internet	42,532	61,814	50,257
ProFund VP Japan	31,777	30,229	24,362
ProFund VP Large-Cap Growth	89,784	94,384	78,412
ProFund VP Large-Cap Value	62,936	55,871	53,540
ProFund VP Mid-Cap	63,293	45,827	32,292
ProFund VP Mid-Cap Growth	77,370	78,317	62,593
ProFund VP Mid-Cap Value	66,319	51,048	46,904
ProFund VP Nasdaq-100	182,987	206,057	221,577
ProFund VP Oil & Gas	116,367	100,922	69,856
ProFund VP Pharmaceuticals	50,952	42,839	33,979
ProFund VP Precious Metals	78,220	57,572	69,077
ProFund VP Real Estate	40,119	30,910	47,518
ProFund VP Rising Rates Opportunity	28,286	26,689	17,107
ProFund VP Semiconductor	24,264	23,698	20,912
ProFund VP Short Dow 30	11	12	8
ProFund VP Short Emerging Markets	2,013	3,538	2,507
ProFund VP Short International	1,413	1,952	1,735
ProFund VP Short Mid-Cap	1,161	622	510
ProFund VP Short Nasdaq-100	10,224	7,467	8,912
ProFund VP Short Small-Cap	6,506	5,276	5,612
ProFund VP Small-Cap	34,790	32,984	25,475
ProFund VP Small-Cap Growth	82,021	79,824	56,010
ProFund VP Small-Cap Value	83,210	72,230	50,855
ProFund VP Technology	57,574	60,958	56,774

	ADMINISTRATIVE SERVICES FEES		
	2017	2018	2019
ProFund VP Telecommunications	$ 32,363	$ 20,545	$ 20,019
ProFund VP U.S. Government Plus	64,273	45,644	54,376
ProFund VP UltraBull	38,050	45,701	41,090
ProFund VP UltraMid-Cap	66,694	65,972	48,986
ProFund VP UltraNasdaq-100	244,064	318,738	295,914
ProFund VP UltraShort Dow 30	39	18	24
ProFund VP UltraShort Nasdaq-100	1,058	1,343	2,532
ProFund VP UltraSmall-Cap	67,112	69,203	55,998
ProFund VP Utilities	118,023	98,706	115,025

For the fiscal years ended December 31, 2017, December 31, 2018, and December 31, 2019, the Advisor paid, out of its own resources, $7,503, $0, and $5,214, respectively, to administrative service providers.

COSTS AND EXPENSES

Each Fund bears all expenses of its operations other than those assumed by the Advisor or the Administrator. Fund expenses include, but are not limited to: the investment advisory fee; the management services fee; administrative fees, transfer agency fees and shareholder servicing fees; compliance service fees; anti-money laundering administration fees; custodian and accounting fees and expenses; principal financial officer/treasurer services fees; brokerage and transaction fees; legal and auditing fees; securities valuation expenses; fidelity bonds and other insurance premiums; expenses of preparing and printing prospectuses, proxy statements, and shareholder reports and notices; registration fees and expenses; proxy and annual meeting expenses, if any; licensing fees; all federal, state, and local taxes (including, without limitation, stamp, excise, income, and franchise taxes); organizational costs; and Independent Trustees' fees and expenses.

DISTRIBUTION OF FUND SHARES

DISTRIBUTION (12b-1) PLAN

Pursuant to a 12b-1 Plan ("Distribution Plan"), the Funds may compensate financial intermediaries from their assets for services rendered and expenses borne in connection with activities primarily intended to result in the sale of shares of the Funds. It is anticipated that a portion of the amounts paid by the Funds will be used to defray various costs incurred in connection with the printing and mailing of prospectuses, statements of additional information, and any supplements thereto and shareholder reports, and holding seminars and sales meetings with wholesale and retail sales personnel designed to promote the distribution of the shares. The Funds also may reimburse or compensate financial intermediaries and third-party broker-dealers for their services in connection with the distribution of the shares of the Funds.

The Distribution Plan provides that the Trust, on behalf of each Fund, will pay annually 0.25% of the average daily net assets of a Fund in respect of activities primarily intended to result in the sale of its shares. Under the terms of the Distribution Plan and related agreements, each Fund is authorized to make quarterly payments that may be used to compensate entities providing distribution services with respect to the shares of the Fund for such entities' fees or expenses incurred or paid in that regard.

The Distribution Plan is of a type known as a "compensation" plan because payments may be made for services rendered to the Funds regardless of the level of expenditures by the financial intermediaries. The Trustees will, however, take into account such expenditures for purposes of reviewing operations under the Distribution Plan in connection with their annual consideration of the Distribution Plan's renewal. Expenditures under the Distribution Plan may include, without limitation: (a) the printing and mailing of Funds prospectuses, statements of additional information, any supplements thereto and shareholder reports for prospective investors; (b) those relating to the development, preparation, printing and mailing of advertisements, sales literature and other promotional materials describing and/or relating to the Funds; (c) holding seminars and sales meetings designed to promote the distribution of the Funds shares; (d) obtaining information and providing explanations to wholesale and retail distributors of contracts regarding the investment objectives and policies and other information about the Funds, including the performance of the Funds; (e) training sales personnel regarding the Funds; and (f) financing any other activity that is primarily intended to result in the sale of shares of the Funds. In addition, a financial intermediary may enter into an agreement with the Trust under which it would be entitled to receive compensation for, among other things, making the Funds available to its contract owners as a funding vehicle for variable insurance contracts.

The Distribution Plan and any related agreement that is entered into by the Trust in connection with the Distribution Plan will continue from year-to-year only so long as continuance is specifically approved at least annually by a vote of a majority of the Board of Trustees, and of a majority of the Trustees who are not "interested persons" of the Trust and who have no financial interest in the operation of the Distribution Plan or any related agreement (the "Independent Trustees"), cast in person at a meeting called for the purpose of voting on the Distribution Plan or any related agreement, as applicable. In addition, the Distribution Plan and any related agreement may be terminated as to a Fund at any time, without penalty, by vote of a majority of the outstanding shares of the Fund or by vote of a majority of the Independent Trustees. The Distribution Plan also provides that it may not be amended to increase materially the amount (0.25% of average daily net assets annually) that may be spent for distribution of shares of the Fund without the approval of shareholders of the Fund.

For the fiscal year ended December 31, 2019, fees were paid under the Plans to authorized financial intermediaries in the following amounts:

DISTRIBUTION 12B-1 PLAN FEES PAID

	Paid	Waived
ProFund VP Asia 30	$ 60,789	$—
ProFund VP Banks	18,735	—
ProFund VP Basic Materials	29,889	—
ProFund VP Bear	10,904	—
ProFund VP Biotechnology	139,124	—
ProFund VP Bull	154,628	—
ProFund VP Consumer Goods	27,553	—
ProFund VP Consumer Services	70,767	—
ProFund VP Dow 30	963	—
ProFund VP Emerging Markets	50,401	—
ProFund VP Europe 30	50,129	—
ProFund VP Falling U.S. Dollar	1,104	—
ProFund VP Financials	84,428	—
ProFund VP Government Money Market	0	—
ProFund VP Health Care	120,456	—
ProFund VP Industrials	39,898	—
ProFund VP International	15,249	—
ProFund VP Internet	48,409	—
ProFund VP Japan	20,594	—
ProFund VP Large-Cap Growth	66,172	—
ProFund VP Large-Cap Value	44,159	—
ProFund VP Mid-Cap	35,208	—
ProFund VP Mid-Cap Growth	46,759	—
ProFund VP Mid-Cap Value	36,766	—
ProFund VP Nasdaq-100	215,868	—
ProFund VP Oil & Gas	64,741	—
ProFund VP Pharmaceuticals	32,308	—
ProFund VP Precious Metals	60,827	—
ProFund VP Real Estate	42,890	—
ProFund VP Rising Rates Opportunity	18,873	—
ProFund VP Semiconductor	20,704	—
ProFund VP Short Dow 30	32	—
ProFund VP Short Emerging Markets	2,699	—
ProFund VP Short International	1,976	—
ProFund VP Short Mid-Cap	548	—
ProFund VP Short Nasdaq-100	8,864	—
ProFund VP Short Small-Cap	5,398	—
ProFund VP Small-Cap	28,849	—
ProFund VP Small-Cap Growth	47,488	—
ProFund VP Small-Cap Value	45,843	—
ProFund VP Technology	75,036	—
ProFund VP Telecommunications	17,065	—
ProFund VP U.S. Government Plus	52,188	—
ProFund VP UltraBull	67,340	—
ProFund VP UltraMid-Cap	46,285	—
ProFund VP UltraNasdaq-100	268,164	—
ProFund VP UltraShort Dow 30	56	—
ProFund VP UltraShort Nasdaq-100	3,211	—
ProFund VP UltraSmall-Cap	54,660	—
ProFund VP Utilities	102,089	—

PAYMENTS TO THIRD PARTIES FROM THE ADVISOR AND/OR DISTRIBUTOR

As disclosed in the Prospectus, the Advisor and the Distributor may from time to time pay significant amounts to financial firms in connection with the sale or servicing of the Funds and for other services such as those described in the Prospectus. This information is provided in order to assist broker-dealers in satisfying certain requirements of Rule 10b-10 under the Securities Exchange Act of 1934, as amended, which provides that broker-dealers must provide information to customers regarding any remuneration they receive in connection with a sales transaction. **You should consult your financial advisor and review carefully any disclosure by the financial firm as to compensation received by your financial advisor.**

In addition, the Advisor, the Distributor and their affiliates may from time to time make additional payments such as cash bonuses or provide other incentives to selected financial firms as compensation for services (including preferential services) such as, without limitation, paying for active asset allocation services provided to investors in the Funds; providing the Funds with "shelf space" or a higher profile with the financial firms' financial consultants and their customers; placing the Funds on the financial firms' preferred or recommended fund list or otherwise identifying the Funds as being part of a complex to be accorded a higher degree of marketing support than complexes not making such payments; granting the Advisor or Distributor access to the financial firms' financial consultants (including through the firms' intranet websites) in order to promote the Funds; promoting communications with financial firms' customers such as in the firms' internet websites or in customer newsletters; providing assistance in training and educating the financial firms' personnel; and furnishing marketing support for the Funds and other specified services. These payments may be significant to the financial firms and may also take the form of sponsorship of seminars or informational meetings or payment for attendance by persons associated with the financial firms at seminars or informational meetings.

A number of factors will be considered in determining the amount of these additional payments to financial firms. On some occasions, such payments may be conditioned upon levels of sales, including the sale of a specified minimum dollar amount of the shares of a Fund, all other Funds, other funds sponsored by the Advisor and its affiliates together and/or a particular class of shares, during a specified period of time. The Distributor and the Advisor may also make payments to one or more participating financial firms based upon factors such as the amount of assets a financial firm's clients have invested in the Funds and the quality of the financial firm's relationship with the Distributor or the Advisor and their affiliates.

The additional payments described above are made out of the Distributor's or the Advisor's (or their affiliates') own assets, as applicable, pursuant to agreements with brokers and do not change the price paid by investors for the purchase of a Fund's shares or the amount a Fund will receive as proceeds from such sales. These payments may be made to financial firms selected by the Distributor or the Advisor or their affiliates to the financial firms that have sold significant amounts of shares of the Funds. Dealers may not use sales of the Funds' shares to qualify for this compensation to the extent prohibited by the laws or rules of any state or any self-regulatory agency, such as FINRA. The level of payment made to financial firm(s) in any future year will vary, may be subject to certain minimum payment levels, and is typically calculated as a percentage of sales made to and/or assets held by customers of the financial firm. In some cases, in addition to the payments described above, the Distributor, the Advisor and/or their affiliates will make payments for special events such as a conferences or seminars sponsored by one of such financial firms.

If investment advisors, distributors or affiliates of mutual funds pay bonuses and incentives in differing amounts, financial firms and their financial consultants may have financial incentives for recommending a particular mutual fund (including Funds) over other mutual funds. In addition, depending on the arrangements in place at any particular time, a financial firm and its financial consultants may also have a financial incentive for recommending a particular share class over other share classes. **You should consult with your financial advisor and review carefully any disclosure by the financial firm as to compensation received by that firm and/or your financial advisor.**

As of the date of this SAI, the Distributor and the Advisor anticipate that Jefferson National may receive additional payment for the distribution services and/or educational support described above at 10% of the total value of a fund shares held in their account. The Distributor and the Advisor expects that additional firms may be added from time to time. Any additions, modifications, or deletions to the firms identified in this paragraph or the terms of the arrangements with those firms that have occurred since the date of this Statement of Additional Information are not reflected.

Representatives of the Distributor, the Advisor and their affiliates visit brokerage firms on a regular basis to educate financial advisors about the Funds and to encourage the sale of Fund shares to their clients. The costs and expenses associated with these efforts may include, but are not limited to, travel, lodging, sponsorship at educational seminars and conferences, entertainment and meals to the extent permitted by law.

Although a Fund may use financial firms that sell Fund shares to effect transactions for the Fund's portfolio, the Fund and the Advisor will not consider the sale of Fund shares as a factor when choosing financial firms to make those transactions.

DISTRIBUTION OF FUND SHARES TO GOVERNMENT SPONSORED RETIREMENT PLANS

The Funds do not accept purchases from any government plan or program as defined under Rule 206(4)-5(f)(8) under the Advisers Act. Specifically, the Funds will not accept, and any broker-dealer should not accept, any order for the purchase of Fund shares on behalf of any participant-directed investment program or plan sponsored or established by a State or political subdivision or any agency, authority or instrumentality thereof, including, but not limited to, a "qualified tuition plan" authorized by Section 529 of the Code, a retirement plan authorized by Section 403(b) or 457 of the Code, or any similar program or plan.

PORTFOLIO TRANSACTIONS AND BROKERAGE

Subject to the general supervision by the Board, the Advisor is responsible for decisions to buy and sell securities and derivatives for each of the Funds and the selection of brokers and dealers to effect transactions. Purchases from dealers serving as market makers may include a dealer's mark-up or reflect a dealer's mark-down. Purchases and sales of U.S. government securities are normally transacted through issuers, underwriters or major dealers in U.S. government securities acting as principals. Such transactions, along with other fixed-income securities transactions, are made on a net basis and do not typically involve payment of brokerage commissions. The cost of securities purchased from an underwriter usually includes a commission paid by the issuer to the underwriters; transactions with dealers normally reflect the spread between bid and asked prices; and transactions involving baskets of equity securities typically include brokerage commissions. As an alternative to directly purchasing securities, the Advisor may find efficiencies and cost savings by purchasing futures or using other derivative instruments like total return swaps or forward contracts. The Advisor may also choose to cross trade securities between clients to save costs where allowed under applicable law.

The policy regarding purchases and sales of securities is that primary consideration will be given to obtaining the most favorable prices and efficient executions of transactions. Consistent with this policy, when securities transactions are effected on a stock exchange, the policy is to pay commissions that are considered fair and reasonable without necessarily determining that the lowest possible commissions are paid in all circumstances. The Advisor believes that a requirement always to seek the lowest possible commission cost could impede effective portfolio management and preclude the Fund and the Advisor from obtaining a high quality of brokerage and execution services. In seeking to determine the reasonableness of brokerage commissions paid in any transaction, the Advisor relies upon its experience and knowledge regarding commissions generally charged by various brokers and on its judgment in evaluating the brokerage and execution services received from the broker. Such determinations are necessarily subjective and imprecise, as in most cases an exact dollar value for those services is not ascertainable. In addition to commission rates, when selecting a broker for a particular transaction, the Advisor considers but is not limited to the following efficiency factors: the broker's availability, willingness to commit capital, reputation and integrity, facilities reliability, access to research, execution capacity, and responsiveness.

The Advisor may give consideration to placing portfolio transactions with those brokers and dealers that also furnish research and other execution related services to the Fund or the Advisor. Such services may include, but are not limited to, any one or more of the following: information as to the availability of securities for purchase or sale; statistical or factual information or opinions pertaining to investment; information about market conditions generally; equipment that facilitates and improves trade execution; and appraisals or evaluations of portfolio securities.

For purchases and sales of derivatives (*i.e.* financial instruments whose value is derived from the value of an underlying asset, interest rate or index) the Advisor evaluates counterparties on the following factors: reputation and financial strength; execution prices; commission costs; ability to handle complex orders; ability to give prompt and full execution, including the ability to handle difficult trades; accuracy of reports and confirmations provided; reliability, type and quality of research provided; financing costs and other associated costs related to the transaction; and whether the total cost or proceeds in each transaction is the most favorable under the circumstances.

Consistent with a client's investment objective, the Advisor may enter into guarantee close agreements with certain brokers. In all such cases, the agreement calls for the execution price at least to match the closing price of the security. In some cases, depending upon the circumstances, the broker may obtain a price that is better than the closing price and which under the agreement provides additional benefits to clients. The Advisor will generally distribute such benefits pro rata to applicable client trades. In addition, the Advisor, any of its affiliates or employees and the Funds have a policy not to enter into any agreement or other understanding- whether written or oral- under which brokerage transactions or remuneration are directed to a broker to pay for distribution of a Fund's shares. The Funds are required to identify securities of its "regular brokers or dealers" or of their parents acquired by a Fund during its most recent fiscal year or during the period of time since the Fund's organization, whichever is shorter. "Regular brokers or dealers" of a Fund are: (i) one of the 10 broker or dealers that received the greatest dollar amount of brokerage commissions from the Trust's portfolio transactions; (ii) one of the 10 broker or dealers that engaged as principal in the largest dollar amount of portfolio transactions of the Fund; or (iii) one of the 10 broker or dealers that sold the largest dollar amounts of the Fund's shares. During the fiscal year ended December 31, 2019, each of the following Funds were operational during that period and held securities of regular brokers or dealers to the Trust:

ProFund VP	Approximate Aggregate Value of Issuer's Securities Owned by the ProFund VP during the fiscal year ended December 31, 2019	Name of Broker or Dealer
ProFund VP Banks	$1,201,671	Bank of America
	735,068	Citigroup, Inc.
	1,842,589	JP Morgan Chase & Co.
	12,561	UMB Financial Corp.
	872,636	Wells Fargo & Co.
ProFund VP Bull	486,494	Bank of America
	297,590	Citigroup, Inc.
	745,929	JP Morgan Chase & Co.
	124,852	The Goldman Sachs Group, Inc.
	353,305	Wells Fargo & Co.
ProFund VP Europe 30	498,001	Barclays PLC
	955,985	HSBC Holdings PLC

ProFund VP	Approximate Aggregate Value of Issuer's Securities Owned by the ProFund VP during the fiscal year ended December 31, 2019	Name of Broker or Dealer
ProFund VP Financials	$1,769,981	Bank of America
	1,082,669	Citigroup, Inc.
	2,714,257	JP Morgan Chase & Co.
	454,802	The Goldman Sachs Group, Inc.
	18,396	UMB Financial Corp.
	1,285,390	Wells Fargo & Co.
ProFund VP Large-Cap Growth	434,370	JP Morgan Chase & Co.
ProFund VP Large-Cap Value	502,942	Bank of America
	307,656	Citigroup, Inc.
	401,054	JP Morgan Chase & Co.
	129,221	The Goldman Sachs Group, Inc.
	365,248	Wells Fargo & Co.
ProFund VP Mid-Cap Value	59,854	UMB Financial Corp.
ProFund VP Small-Cap	8,580	UMB Financial Corp.
ProFund VP UltraBull	218,399	Bank of America
	133,576	Citigroup, Inc.
	334,839	JP Morgan Chase & Co.
	56,333	The Goldman Sachs Group, Inc.
	158,656	Wells Fargo & Co.
ProFund VP UltraMid-Cap	16,062	UMB Financial Corp.
ProFund VP UltraSmall-Cap	17,297	UMB Financial Corp.

BROKERAGE COMMISSIONS

For the fiscal years ended December 31, 2017, December 31, 2018, and December 31, 2019, brokerage commissions were paid in the following amounts:

	BROKERAGE COMMISSIONS PAID		
	2017	2018	2019
ProFund VP Asia 30	$ 7,369	$ 7,224	$ 7,037
ProFund VP Banks	8,950	8,779	4,669
ProFund VP Basic Materials	8,307	4,074	1,952
ProFund VP Bear	176	131	70
ProFund VP Biotechnology	23,133	16,876	10,520
ProFund VP Bull	3,221	1,931	5,839
ProFund VP Consumer Goods	4,630	2,138	1,922
ProFund VP Consumer Services	5,063	6,827	12,515
ProFund VP Dow 30	0	0	0
ProFund VP Emerging Markets	4,538	2,798	4,318
ProFund VP Europe 30	13,848	14,722	4,257
ProFund VP Falling U.S. Dollar	0	0	0
ProFund VP Financials	7,369	4,876	4,308
ProFund VP Government Money Market	0	0	0
ProFund VP Health Care	6,197	8,120	4,999
ProFund VP Industrials	7,813	6,818	2,964
ProFund VP International	0	0	0
ProFund VP Internet	4,353	7,791	7,801
ProFund VP Japan	2,694	2,673	2,408
ProFund VP Large-Cap Growth	10,878	11,899	8,904
ProFund VP Large-Cap Value	3,943	4,876	4,698
ProFund VP Mid-Cap	523	363	273
ProFund VP Mid-Cap Growth	4,600	7,688	8,955
ProFund VP Mid-Cap Value	4,511	4,826	8,732
ProFund VP Nasdaq-100	1,757	2,046	4,421
ProFund VP Oil & Gas	4,888	7,917	2,456
ProFund VP Pharmaceuticals	8,909	9,752	4,029

	BROKERAGE COMMISSIONS PAID		
	2017	2018	2019
ProFund VP Precious Metals	$ 0	$ 0	$ 0
ProFund VP Real Estate	4,692	2,041	5,273
ProFund VP Rising Rates Opportunity	15	97	36
ProFund VP Semiconductor	6,230	5,396	9,580
ProFund VP Short Dow 30	0	0	0
ProFund VP Short Emerging Markets	0	0	0
ProFund VP Short International	0	0	0
ProFund VP Short Mid-Cap	0	0	0
ProFund VP Short Nasdaq-100	189	104	39
ProFund VP Short Small-Cap	83	82	93
ProFund VP Small-Cap	449	483	452
ProFund VP Small-Cap Growth	8,797	8,663	5,424
ProFund VP Small-Cap Value	8,507	8,672	6,627
ProFund VP Technology	6,665	5,200	5,765
ProFund VP Telecommunications	8,639	4,885	2,604
ProFund VP U.S. Government Plus	60	173	172
ProFund VP UltraBull	102,964	163,030	90,265
ProFund VP UltraMid-Cap	26,363	28,583	16,600
ProFund VP UltraNasdaq-100	6,002	14,156	11,984
ProFund VP UltraShort Dow 30	0	0	0
ProFund VP UltraShort Nasdaq-100	21	2	137
ProFund VP UltraSmall-Cap	2,989	3,991	3,798
ProFund VP Utilities	6,451	8,784	20,288

The nature of the Funds may cause the Funds to experience substantial differences in brokerage commissions from year to year. High portfolio turnover and correspondingly greater brokerage commissions, to a great extent, depend on the purchase, redemption, and exchange activity of a Fund's investors, as well as each Funds' investment objective and strategies.

ORGANIZATION AND DESCRIPTION OF SHARES OF BENEFICIAL INTEREST

The Trust is a Delaware statutory trust and registered open-end investment company under the 1940 Act. The Trust was organized on April 17, 1997 and has authorized capital of unlimited shares of beneficial interest of no par value which may be issued in more than one class or series. Currently, the Trust consists of multiple separately managed series. The Board may designate additional series of beneficial interest and classify shares of a particular series into one or more classes of that series.

All shares of the Trust are freely transferable. The shares do not have preemptive rights or cumulative voting rights, and none of the shares have any preference to conversion, exchange, dividends, retirements, liquidation, redemption, or any other feature. The shares have equal voting rights, except that, in a matter affecting a particular series or class of shares, only shares of that series or class may be entitled to vote on the matter.

Under Delaware law, the Trust is not required to hold an annual shareholders meeting if the 1940 Act does not require such a meeting. Generally, there will not be annual meetings of Trust shareholders. Trust shareholders may remove Trustees from office by votes cast at a meeting of Trust shareholders or by written consent. If requested by shareholders of at least 10% of the outstanding shares of the Trust, the Trust will call a meeting of ProFunds' shareholders for the purpose of voting upon the question of removal of a Trustee of the Trust and will assist in communications with other Trust shareholders.

The Declaration of Trust of the Trust disclaims liability of the shareholders or the officers of the Trust for acts or obligations of the Trust which are binding only on the assets and property of the Trust. The Declaration of Trust provides for indemnification of the Trust's property for all loss and expense of any shareholder held personally liable for the obligations of the Trust. The risk of a Trust shareholder incurring financial loss on account of shareholder liability is limited to circumstances where a series would not be able to meet the Trust's obligations and this risk, thus, should be considered remote.

If a Fund does not grow to a size to permit it to be economically viable, the Fund may cease operations. In such an event, investors may be required to liquidate or transfer their investments at an inopportune time.

DETERMINATION OF NET ASSET VALUE

The net asset values (NAV) of the shares of the ProFunds VP (other than ProFund VP U.S. Government Plus and ProFund VP Rising Rates Opportunity) are typically determined as of the close of business of the New York Stock Exchange ("NYSE") (ordinarily, 4:00 p.m. Eastern Time) on each day the NYSE is open for business. ProFund VP U.S. Government Plus and ProFund VP Rising Rates Opportunity typically determine NAV for each class of shares at the close of trading on the NYSE every day the NYSE is open for business.

To the extent that portfolio securities of a ProFund VP are traded in other markets on days when the ProFund VP's principal trading market(s) is closed, the value of a ProFund VP's shares may be affected on days when investors do not have access to the ProFund VP to purchase or redeem shares. This may also be the case for each ProFund VP (other than ProFund VP U.S. Government Plus, ProFund VP Rising Rates Opportunity and ProFund VP Government Money Market) when foreign securities trade while ADRs are not trading due to markets being closed in the United States.

The NAV per share of a ProFund VP serves as the basis for the purchase and redemption price of its shares. The NAV per share of a ProFund VP is calculated by dividing the value of the ProFund VP's assets, less all liabilities attributed to the ProFund VP, by the number of outstanding shares of the ProFund VP. The ProFund VP records its investment transactions no later than the next business day after the transaction order is placed. When a ProFund VP experiences net shareholder inflows, it generally records investment transactions on the next business day after the transaction order is placed. When a ProFund VP experiences net shareholder outflows, it generally records investment transactions on the business day the transaction order is placed. This is intended to deal equitably with related transaction costs by having them borne in part by the investor generating those costs for the ProFund VP. ProFund VP Government Money Market's NAV per share will normally be $1.00. There is no assurance that the $1.00 NAV will be maintained.

The securities in the portfolio of a non-money market ProFund VP, except as otherwise noted, that are listed or traded on a stock exchange or the Nasdaq National Market System, are generally valued at the closing price, if available, on the exchange or market where the security is principally traded (including the Nasdaq Official Closing Price). If there have been no sales for that day on the exchange or system where the security is principally traded, then the value may be determined with reference to the last sale price, or the closing price, if applicable, on any other exchange or system. If there have been no sales for that day on any exchange or system, a security may be valued using fair value procedures. Securities regularly traded in the OTC markets (for example, certain equity securities, fixed-income securities, non-exchange-listed foreign securities and certain derivative instruments), including securities listed on an exchange but that are primarily traded OTC (other than those traded on the Nasdaq) are generally valued on the basis of the mean between the bid and asked quotes based upon quotes furnished by dealers actively trading those instruments. Futures contracts and options on securities, indexes and futures contracts are generally valued at their last sale price prior to the time at which the NAV per share of a class of shares of a ProFund VP is determined. If there is no sale on that day, futures contracts and exchange-traded options will be valued using fair value procedures. Routine valuation of certain derivatives is performed using procedures approved by the Board of Trustees. A ProFund VP may value its financial instruments based upon foreign securities by using market prices of domestically traded financial instruments with comparable foreign securities market exposure. Short-term debt securities maturing in sixty days or less are generally valued at amortized cost, which approximates market value.

Investments initially valued in currencies other than the U.S. dollar are converted to U.S. dollars using exchange rates obtained from pricing services. As a result, the NAV of a ProFund VP's shares may be affected by changes in the value of currencies in relation to the U.S. dollar. The value of securities traded in markets outside the United States or denominated in currencies other than the U.S. dollar (and, therefore, the NAV of ProFunds VP that hold these securities) may be affected significantly on a day that the NYSE is closed and an investor is not able to purchase, redeem or exchange shares. In particular, calculation of the NAV of the ProFunds VP may not take place contemporaneously with the determination of the prices of foreign securities used in NAV calculations.

When the Advisor determines that the market price of a security is not readily available or deems the price unreliable, it may, in good faith, establish a fair value for that security in accordance with procedures established by and under the general supervision and responsibility of the Board of Trustees. The use of a fair valuation method may be appropriate if, for example, market quotations do not accurately reflect fair value for an investment, an investment's value has been materially affected by events occurring after the close of the exchange or market on which the investment is principally traded (for example, a foreign exchange or market), a trading halt closes an exchange or market early, or other events result in an exchange or market delaying its normal close.

AMORTIZED COST VALUATION

ProFund VP Government Money Market will use the amortized cost method in valuing its portfolio securities, which does not take into account unrealized capital gains or losses. This method involves valuing each security held by ProFund VP Government Money Market at its cost at the time of its purchase and thereafter assuming a constant amortization to maturity of any discount or premium. Accordingly, immaterial fluctuations in the market value of the securities held by ProFund VP Government Money Market will not be reflected in ProFund VP Government Money Market's NAV. The Board of Trustees will monitor the valuation of assets using this method and will make such changes as it deems necessary to assure that the assets of ProFund VP Government Money Market are valued fairly in good faith.

ProFund VP Government Money Market's use of the amortized cost method of valuing its securities is permitted by Rule 2a-7 under the 1940 Act. Under this rule, ProFund VP Government Money Market must maintain a dollar-weighted average portfolio maturity of 60 days or less, purchase only instruments having remaining maturities of 397 days or less and invest only in securities determined by or under the supervision of the Board of Trustees to be of high quality with minimal credit risks.

Pursuant to the rule, the Board of Trustees also has established procedures designed to stabilize, to the extent reasonably possible, the investors' price per share as computed for the purpose of sales and redemptions at $1.00. These procedures include the review of ProFund VP Government Money Market's holdings by the Board of Trustees, at such intervals as it deems appropriate, to determine whether the value of ProFund VP Government Money Market's assets calculated by using available market quotations or market equivalents deviates from such valuation based on amortized cost.

The rule also provides that the extent of any deviation between the value of ProFund VP Government Money Market's assets based on available market quotations or market equivalents and such valuation based on amortized cost must be examined by the Board of Trustees. In the event the Board of Trustees determines that a deviation exists that may result in material dilution or other unfair results to investors or existing shareholders, pursuant to the rule, the Board of Trustees must cause ProFund VP Government Money Market to take such corrective action as the Board of Trustees regards as necessary and appropriate, including: selling portfolio instruments prior to maturity to realize capital gains or losses or to shorten average portfolio maturity; withholding dividends or paying distributions from capital or capital gains; redeeming shares in kind; or valuing ProFund VP Government Money Market's assets by using available market quotations. In such event, the Board of Trustees may also suspend redemptions and postpone payment of redemption proceeds after irrevocably determining to liquidate the Fund.

TAXATION

Overview. Set forth below is a general discussion of certain U.S. federal income tax issues concerning the ProFunds VP and the purchase, ownership, and disposition of ProFund VP shares. This discussion does not purport to be complete or to deal with all aspects of federal income taxation that may be relevant to shareholders in light of their particular circumstances. This discussion is based upon present provisions of the Code, the regulations promulgated thereunder, and judicial and administrative ruling authorities, all of which are subject to change, which change may be retroactive. Prospective investors should consult their own tax advisors with regard to the federal tax consequences of the purchase, ownership, or disposition of ProFund VP shares, including in connection with a Variable Contract (as defined below) or a qualified pension or retirement plan, as well as the tax consequences arising under the laws of any state, foreign country, or other taxing jurisdiction.

Taxation of the shareholders. Shares of each ProFund VP will be available only to (i) participating insurance companies and their separate accounts that fund variable annuity contracts, variable life insurance policies or other variable insurance contracts (collectively, Variable Contracts), (ii) qualified pension or retirement plans, and (iii) the Advisor. Under current law, the shareholders that are life insurance company segregated asset accounts generally will not be subject to income tax currently on income from a ProFund VP to the extent such income is applied to increase the values of Variable Contracts. Qualified pension or retirement plans qualify separately for exemption from tax on such income.

The discussion below is generally based on the assumption that the shares of each ProFund VP will be respected as owned for U.S. federal income tax purposes by insurance company separate accounts and qualified pension or retirement plans. If this is not the case, the person or persons determined to own the ProFund VP shares will be currently taxed on ProFund VP distributions, and on the proceeds of any redemption of ProFund VP shares, under applicable federal income tax rules that may not be described herein.

For information concerning the federal income tax consequences to a holder of a Variable Contract or a participant in a qualified pension or retirement plan, refer to the prospectus for the particular contract or to the plan materials. Because insurance companies (and certain other investors) will be the only shareholders of a ProFund VP, no attempt is made here to particularly describe the tax consequences at the shareholder level of an investment in a ProFund VP.

Taxation of the Fund. Each of the ProFunds VP has elected and intends to qualify and to be eligible each year to be treated as a RIC under Subchapter M of the Code. A RIC generally is not subject to federal income tax on income and gains distributed in a timely manner to its shareholders. To qualify for treatment as a RIC, each ProFund VP generally must, among other things:

(a) derive in each taxable year at least 90% of its gross income from (i) dividends, interest, payments with respect to certain securities loans, and gains from the sale or other disposition of stock, securities or foreign currencies, or other income (including, but not limited to, gain from options, futures or forward contracts) derived with respect to its business of investing in such stock, securities or currencies and (ii) net income derived from interests in "qualified publicly traded partnerships" as defined below (the income described in this subparagraph (a), "Qualifying Income");

(b) diversify its holdings so that, at the end of each quarter of the ProFund VP's taxable year, (i) at least 50% of the fair market value of the ProFund VP's assets is represented by cash and cash items (including receivables), U.S. government securities, the securities of other RICs and other securities, with such other securities limited, in respect of any one issuer, to an amount not greater than 5% of the value of the ProFund VP's total assets and not greater than 10% of the outstanding voting securities of such issuer, and (ii) not greater than 25% of the value of its total assets is invested, including through corporations in which the Fund owns a 20% or more voting stock interest, in (x) the securities (other than U.S. government securities and the securities of other RICs) of any one issuer or of two or more issuers that the ProFund VP controls and that are engaged in the same, similar or related trades or businesses, or (y) the securities of one or more qualified publicly traded partnerships (as defined below); and

(c) distribute with respect to each taxable year at least 90% of the sum of its investment company taxable income (as that term is defined in the Code without regard to the deduction for dividends paid — generally, taxable ordinary income and the excess, if any, of net short-term capital gains over net long-term capital losses) and net tax-exempt interest income for such year. Each ProFund VP intends to distribute substantially all of such income.

In general, for purposes of the 90% gross income requirement described in subparagraph (a) above, income derived from a partnership will be treated as Qualifying Income only to the extent such income is attributable to items of income of the partnership which would be Qualifying Income if realized directly by the RIC. However, 100% of the net income of a RIC derived from an interest in a "qualified publicly traded partnership" (a partnership (x) the interests in which are traded on an established securities market or readily tradable on a secondary market or the substantial equivalent thereof, and (y) that derives less than 90% of its income from the Qualifying Income described in clause (i) of subparagraph (a) above) will be treated as Qualifying Income. In general, such entities will be treated as partnerships for federal income tax purposes because they meet the passive income requirement under Code section 7704(c)(2). In addition, although in general the passive loss rules of the Code do not apply to RICs, such rules do apply to a RIC with respect to items attributable to an interest in a qualified publicly traded partnership. Moreover, the amounts derived from investments in foreign currency will be treated as Qualifying Income for purposes of subparagraph (a) above, unless and until the Internal Revenue Service ("IRS") issues guidance contrary to such treatment, including retroactively; any such guidance could affect a Fund's ability to meet the 90% gross income test and adversely affect the manner in which that Fund is managed.

For purposes of the diversification test in subparagraph (b) above, identification of the issuer (or, in some cases, issuers) of a particular ProFund VP investment can depend on the terms and conditions of that investment. In some cases, identification of the issuer (or issuers) is uncertain under current law, and an adverse determination or future guidance by the IRS with respect to the identity of the issuer for a particular type of investment may adversely affect the ProFund VP's ability to meet the diversification test in subparagraph (b) above. Also, for purposes of the diversification test in subparagraph (b) above, the term "outstanding voting securities of such issuer" will include the equity securities of a qualified publicly traded partnership.

A Fund's pursuit of its investment strategies will potentially be limited by the Fund's intention to qualify for the special tax treatment accorded a RIC and its shareholders, and could adversely affect the Fund's ability to so qualify. A Fund can make certain investments, the treatment of which for these purposes is unclear. If, in any taxable year, a ProFund VP were to fail to meet the 90% gross income, diversification, or distribution test described above, the Fund could in some cases cure such failure, including by paying a Fund-level tax, paying interest, making additional distributions, or disposing of certain assets. If a Fund were ineligible to or did not cure such a failure for any taxable year, or otherwise failed to qualify as a RIC that is accorded special tax treatment, (1) the ProFund VP would be subject to tax on its taxable income at corporate rates, and distributions to its shareholders would not be deductible by the Fund in computing its taxable income, and (2) each insurance company separate account invested in the ProFund VP would fail to satisfy the separate diversification requirements described below, with the result that the contracts supported by that account would no longer be eligible for tax deferral. In order to re-qualify for taxation as a RIC, the ProFund VP may be required to recognize unrealized gains, pay substantial taxes and interest, and make certain distributions.

As noted above, if a Fund qualifies as a RIC that is accorded special tax treatment, the Fund will not be subject to federal income tax on income that is distributed in a timely manner to its shareholders in the form of dividends.

See the ProFund VP's most recent annual shareholder report for the ProFund VP's available capital loss carryovers as of the end of its most recently ended fiscal year.

Investments by a ProFund VP in options, futures, forward contracts, swaps (including CDS transactions) and other derivative financial instruments are subject to numerous special and complex tax rules. Because the tax rules applicable to such instruments may be uncertain under current law, an adverse determination or future IRS guidance with respect to these rules may affect whether the Fund has made sufficient distributions, and otherwise satisfied the relevant requirements, to maintain its qualification as a RIC and avoid fund-level tax.

An investment by a ProFund VP in zero coupon bonds, deferred interest bonds or payment-in-kind bonds will, and certain securities purchased at a market discount may, cause the ProFund VP to recognize income prior to the receipt of cash payments with respect to those securities. To distribute this income and avoid a tax on the ProFund VP, the ProFund VP may be required to liquidate portfolio securities that it might otherwise have continued to hold, potentially resulting in additional taxable gain or loss to the ProFund VP.

Some ProFunds VP may invest directly or indirectly in residual interests in real estate mortgage investment conduits ("REMICs") (including by investing in residual interests in CMOs with respect to which an election to be treated as a REMIC is in effect) or equity interests in taxable mortgage pools ("TMPs"). Under a notice issued by the IRS in the fall of 2006 and Treasury regulations that have yet to be issued, but may apply retroactively, a portion of the ProFund VP's income (including income allocated to the Fund from a REIT or other pass-through entity) that is attributable to a residual interest in a REMIC or an equity interest in a TMP (referred to in the Code as an "excess inclusion") will be subject to U.S. federal income tax in all events. The notice specifically provides, and the regulations are expected to provide, that excess inclusion income of a RIC will be allocated to shareholders of the RIC in proportion to the dividends received by such shareholders, with the same consequences as if the shareholders had held the related interest directly. Thus, excess inclusion income will not qualify for an exemption from tax under the provisions generally applicable to life insurance company separate accounts or qualified retirement plans, respectively.

In general, excess inclusion income allocated to shareholders (i) cannot be offset by net operating losses (subject to a limited exception for certain thrift institutions), (ii) will constitute unrelated business taxable income ("UBTI") to entities (including a qualified pension plan, an individual retirement account, a 401(k) plan, a Keogh plan or other tax-exempt entity) subject to tax on UBTI, thereby potentially requiring such an entity that is allocated excess inclusion income, and otherwise might not be required to file a tax return, to file a tax return and pay tax on such income, and (iii) in the case of a life insurance company separate account funding a Variable Contract, cannot be offset by an adjustment to the reserves and thus is currently taxed notwithstanding the more general tax deferral available to insurance company separate accounts funding Variable Contracts.

Amounts not distributed on a timely basis by a RIC in accordance with a calendar year distribution requirement are subject to a nondeductible 4% excise tax at the ProFund VP level. The excise tax generally is inapplicable to any RIC whose sole shareholders are tax-exempt pension trusts, separate accounts of life insurance companies funding Variable Contracts, certain other permitted tax-exempt investors, or other RICs that are also exempt from the excise tax. In determining whether these investors are the sole shareholders of RIC for purposes of this exception to the excise tax, shares attributable to an investment in the RIC (not exceeding $250,000) made in connection with the organization of the RIC are not taken into account.

Each ProFund VP also intends to comply with the separate diversification requirements imposed by Section 817(h) of the Code and the regulations thereunder on certain insurance company separate accounts. These requirements, which are in addition to the diversification requirements imposed on certain ProFunds VP by the 1940 Act and on all ProFunds VP by Subchapter M of the Code, place certain limitations on assets of each insurance company separate account used to fund Variable Contracts. Section 817(h) and those regulations treat the assets of a ProFund VP as assets of the related separate account, provided that all the beneficial interests in a RIC are held by insurance companies and certain other eligible holders. Consequently, each ProFund VP intends to diversify its investments in accordance with the requirements of Section 817(h), which generally require that, after a one year start-up period or except as permitted by the "safe harbor" described below, as of the end of each calendar quarter or within 30 days thereafter, no more than 55% of the total assets of the ProFund VP may be represented by any one investment, no more than 70% by any two investments, no more than 80% by any three investments and no more than 90% by any four investments. For this purpose, all securities of the same issuer are considered a single investment, and each U.S. Government agency and instrumentality is considered a separate issuer. Section 817(h) provides, as a safe harbor, that a separate account will be treated as being adequately diversified if the diversification requirements under Subchapter M are satisfied and no more than 55% of the value of the account's total assets is attributable to cash and cash items (including receivables), U.S. Government securities and securities of other RICs.

If a ProFund VP fails to meet the Section 817(h) diversification requirements, or fails to qualify as a RIC for any taxable year, a separate account investing in that ProFund VP will fail the Section 817(h) requirements, which would generally cause the Variable Contracts invested in such ProFund VP to lose their favorable tax status and require a contract holder to include in ordinary income any income accrued under the contracts for the current and all prior taxable years.

Under certain circumstances described in the applicable Treasury regulations, inadvertent failure to satisfy the applicable diversification requirements may be corrected, but such a correction may require a payment to the IRS. Any such failure may also result in adverse tax consequences for the insurance company issuing the contracts.

The IRS has indicated that a degree of investor control over the investment options underlying variable contracts may interfere with the tax-advantaged treatment described above. In particular, the IRS has taken the view that too wide a range of RIC investment options underlying a variable contract indicates investor control, and thus potentially results in treatment of the underlying RIC shares as owned directly by the contract holder for U.S. federal income tax purposes. The IRS has ruled publicly that a contract holder's ability to select from among as many as 20 sub-accounts (each funded through a single RIC), with each such sub-account focused on investments in one sector or geography (including large company stocks, energy stocks, international stocks, small company stocks, mortgage-backed securities, telecommunications stocks, energy stocks, and financial services stocks), does not by itself constitute sufficient control over individual investment decisions so as to cause ownership of such investments to be attributable to contract owners. The IRS and the Treasury Department may in the future provide further guidance as to what it deems to constitute an impermissible level of "investor control" over a separate account's investments in funds such as the ProFund VPs, and such guidance could affect the tax-advantaged treatment of an investment in a ProFund VP, including retroactively. If the contract owner is considered the owner of the securities underlying the separate account, income and gains produced by those securities would no longer be tax-advantaged and would instead be included currently in the contract owner's gross income. A ProFund VP's pursuit of its investment strategies will potentially be limited by that ProFund VP's intention to permit variable contract owners to qualify for such tax-advantaged treatment.

The above discussion addresses only one of several factors that the IRS considers in determining whether a contract holder has an impermissible level of investor control over a separate account. Contract holders should consult with their insurance companies, their tax advisors, as well as the prospectus relating to their particular contract for more information concerning this investor control issue.

Tax Shelter Disclosure. Under Treasury regulations, if a shareholder recognizes a loss on a disposition of a ProFund VP's shares of $2 million or more for an individual shareholder or $10 million or more for a corporate shareholder (including, for example, an insurance company separate account), the shareholder must file with the IRS a disclosure statement on Form 8886. Direct shareholders of portfolio securities are in many cases excepted from this reporting requirement, but under current guidance, shareholders of a RIC are not excepted. This filing requirement applies even though, as a practical matter, any such loss would not, for example, reduce the taxable income of an insurance company. Future guidance may extend the current exception from this reporting requirement to shareholders of most or all RICs. The fact that a loss is reportable under these regulations does not affect the legal determination of whether the taxpayer's treatment of the loss is proper. Shareholders should consult their tax advisors to determine the applicability of these regulations in light of their individual circumstances.

Other Reporting. Shareholders that are U.S. persons and own, directly or indirectly, more than 50% of the Fund could be required to report annually their "financial interest" in the Fund's "foreign financial accounts," if any, on FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR). Shareholders should consult a tax advisor regarding the applicability to them of this reporting requirement.

Other Taxation. The foregoing discussion is a summary of certain U.S. federal income tax consequences of investing in a ProFund VP based on the law in effect as of the date of this SAI. The discussion does not address in detail special tax rules applicable to certain classes of investors, including insurance companies, owners of Variable Contracts, and participants in qualified pension or retirement plans. You should consult your tax advisor for more information about your own tax situation, including possible other federal, state, local and, where applicable, foreign tax consequences of investing in a ProFund VP.

ADDITIONAL INFORMATION

PERFORMANCE INFORMATION

Total Return Calculations

From time to time, a Fund may advertise its total return for prior periods. Any such advertisement would include at least average annual total return quotations for one, five, and ten-year periods, or for the life of the Fund. Other total return quotations, aggregate or average, over other time periods for the Fund also may be included.

The total return of a Fund for a particular period represents the increase (or decrease) in the value of a hypothetical investment in the Fund from the beginning to the end of the period. Total return is calculated by subtracting the value of the initial investment from the ending value and showing the difference as a percentage of the initial investment; this calculation assumes that the initial investment is made at the current NAV and that all income dividends or capital gains distributions during the period are reinvested in shares of the Fund at NAV. Total return is based on historical earnings and NAV fluctuations and is not intended to indicate future performance. No adjustments are made to reflect any income taxes payable by shareholders on dividends and distributions paid by the Fund.

Average annual total return quotations for periods in excess of one year are computed by finding the average annual compounded rate of return over the period that would equal the initial amount invested to the ending redeemable value.

Performance data represents past performance and is not an indication of future results. Because of ongoing market volatility, the performance of a Fund may be subject to substantial short-term changes.

Yield Calculations

From time to time, ProFund VP Government Money Market may advertise its "yield" and "effective yield." Both yield figures are based on historical earnings and are not intended to indicate future performance. The "yield" of ProFund VP Government Money Market refers to the income generated by an investment in ProFund VP Government Money Market over a seven-day period (which period will be stated in the advertisement). This income is then "annualized." That is, the amount of income generated by the investment during that week is assumed to be generated each week over a 52-week period and is shown as a percentage of the investment. The "effective yield" is calculated similarly, but, when annualized, the income earned by an investment in ProFund VP Government Money Market is assumed to be reinvested. The "effective yield" will be slightly higher than the "yield" because of the compounding effect of this assumed reinvestment.

Since yield fluctuates, yield data cannot necessarily be used to compare an investment in ProFund VP Government Money Market's shares with bank deposits, savings accounts, and similar investment alternatives which often provide an agreed or guaranteed fixed yield for a stated period of time. Shareholders of ProFund VP Government Money Market should remember that yield generally is a function of the kind and quality of the instrument held in portfolio, portfolio maturity, operating expenses, and market conditions.

Comparisons of Investment Performance

Performance of a Fund may be compared in publications to the performance of various unmanaged indexes and investments for which reliable performance data is available and to averages, performance rankings, or other information prepared by recognized mutual fund statistical services. In conjunction with performance reports, promotional literature, and/or analyses of shareholder service for a Fund, comparisons of the performance information of the Fund for a given period to the performance of recognized, unmanaged indexes for the same period may be made, including, but are not limited to, indexes provided by Dow Jones & Company, Standard & Poor's Corporation, Lipper Analytical Services, Inc. ("Lipper"), Lehman Brothers, The Frank Russell Company, Value Line Investment Survey, NYSE MKT U.S., the Philadelphia Stock Exchange, Morgan Stanley Capital International, Wilshire Associates, the Financial Times-Stock Exchange, ICE Futures U.S., Inc., the Nikkei Inc., the Paris CAC 40, Deutsche Aktien Index, Bank of New York Mellon and The Nasdaq Stock Market, all of which are unmanaged market indicators. Such comparisons can be a useful measure of the quality of a Fund's investment performance. In particular, performance information for the Funds may be compared to various unmanaged indexes, including, but not limited to, the S&P 500® Index, the Dow Jones Industrial AverageSM, the Dow Jones U.S.SM Index, the Russell 2000® Index and the Nasdaq-100 Index® , among others.

In addition, rankings, ratings, and comparisons of investment performance and/or assessments of the quality of shareholder service appearing in publications such as Money, Forbes, Kiplinger's Magazine, Personal Investor, Morningstar, Inc., and similar sources that utilize information compiled (i) internally, (ii) by Lipper, or (iii) by other recognized analytical services, may be used in sales literature. The total return of each Fund also may be compared to the performances of broad groups of comparable mutual funds with similar investment goals, as such performance is tracked and published by such independent organizations as Lipper and CDA Investment Technologies, Inc., among others. In addition, the broad-based Lipper groupings may be used for comparison to any of the Funds.

Information about the performance of a Fund will be contained in the Fund's annual and semiannual reports to shareholders, which may be obtained without charge by writing to the Fund at the address or telephoning the Fund at the telephone number set forth on the cover page of this SAI.

RATING SERVICES

The ratings of Moody's Investors Service, Inc., Standard & Poor's Ratings Group, Fitch Investor Services, and DBRS, Inc. represent their opinions as to the quality of the securities that they undertake to rate. It should be emphasized, however, that ratings are relative and subjective and are not absolute standards of quality. A description of the ratings used herein and in the Prospectus is set forth in Appendix C to this SAI.

OTHER INFORMATION

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FINANCIAL STATEMENTS

The Report of Independent Registered Public Accounting Firm and Financial Statements for the fiscal year ended December 31, 2019 are incorporated herein by reference to the Funds' annual report to shareholders, such Financial Statements having been audited by PricewaterhouseCoopers LLP, the independent registered public accounting firm, and are so included and incorporated by reference in reliance upon the report of said firm, which report is given upon their authority as experts in auditing and accounting. Copies of such annual report are available without charge upon request by writing to: ProFunds, 4400 Easton Commons, Suite 200, Columbus, Ohio 43219 or telephoning (888) 776-3637.

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APPENDIX A

PROFUNDS ASIA 30 INDEXZ

As of December 31, 2019

Ticker	Name	Weight	Country
BABA	ALIBABA GROUP HOLDING — SP ADR	8.56%	CHINA
BBL	BHP GROUP PLC — ADR	4.55%	AUSTRALIA
BGNE	BEIGENE LTD — ADR	2.39%	CHINA
BHP	BHP GROUP LTD — SPON ADR	4.54%	AUSTRALIA
BIDU	BAIDU INC — SPON ADR	3.23%	CHINA
CEO	CNOOC LTD — SPON ADR	4.10%	CHINA
CHL	CHINA MOBILE LTD — SPON ADR	6.50%	HONG KONG
EDU	NEW ORIENTAL EDUCATIO — SP ADR	2.03%	CHINA
GDS	GDS HOLDINGS LTD — ADR	2.40%	CHINA
HDB	HDFC BANK LTD — ADR	4.47%	INDIA
HTHT	HUAZHU GROUP LTD — ADR	2.10%	CHINA
IBN	ICICI BANK LTD — SPON ADR	3.39%	INDIA
INFY	INFOSYS LTD — SP ADR	3.29%	INDIA
IQ	IQIYI INC — ADR	2.62%	CHINA
JD	JD.COM INC — ADR	2.47%	CHINA
JOBS	51JOB INC — ADR	2.34%	CHINA
KB	KB FINANCIAL GROUP INC — ADR	2.57%	SOUTH KOREA
KEP	KOREA ELEC POWER CORP — SP ADR	2.54%	SOUTH KOREA
MOMO	MOMO INC — SPON ADR	2.29%	CHINA
NTES	NETEASE INC — ADR	2.41%	CHINA
PDD	PINDUODUO INC — ADR	2.36%	CHINA
PKX	POSCO — SPON ADR	2.56%	SOUTH KOREA
QD	QUDIAN INC — SPON ADR	2.25%	CHINA
SE	SEA LTD — ADR	2.73%	SINGAPORE
SNP	CHINA PETROLEUM & CHEM — ADR	4.36%	CHINA
TAL	TAL EDUCATION GROUP — ADR	2.09%	CHINA
TCOM	TRIP.COM GROUP LTD — ADR	2.65%	CHINA
TSM	TAIWAN SEMICONDUCTOR — SP ADR	7.01%	TAIWAN
WB	WEIBO CORP — SPON ADR	2.46%	CHINA
ZTO	ZTO EXPRESS CAYMAN INC — ADR	2.71%	CHINA

Eligible countries include Australia, New Zealand, Hong Kong, Indonesia, Malaysia, Philippines, Singapore, South Korea, Taiwan, Thailand, India, and China.

APPENDIX B

PROFUNDS EUROPE 30 INDEX
As of December 31, 2019

Ticker	Name	Weight	Country
AMRN	AMARIN CORP PLC — ADR	1.89%	IRELAND
ASML	ASML HOLDING NV — NY REG SHS	4.19%	NETHERLANDS
AZN	ASTRAZENECA PLC — SPONS ADR	3.53%	BRITAIN
BCS	BARCLAYS PLC — SPONS ADR	2.55%	BRITAIN
BP	BP PLC — SPONS ADR	4.28%	BRITAIN
BTI	BRITISH AMERICAN TOB — SP ADR	3.65%	BRITAIN
BUD	ANHEUSER-BUSCH INBEV — SPN ADR	5.01%	BELGIUM
DEO	DIAGEO PLC — SPONSORED ADR	3.67%	BRITAIN
EQNR	EQUINOR ASA — SPON ADR	3.10%	NORWAY
ERIC	ERICSSON (LM) TEL — SP ADR	2.31%	SWEDEN
GLPG	GALAPAGOS NV — SPON ADR	2.03%	BELGIUM
GRFS	GRIFOLS SA — ADR	2.18%	SPAIN
GSK	GLAXOSMITHKLINE PLC — SPON ADR	4.04%	BRITAIN
GWPH	GW PHARMACEUTICALS — ADR	1.71%	BRITAIN
HSBC	HSBC HOLDINGS PLC — SPONS ADR	4.90%	BRITAIN
ING	ING GROEP N.V. — SPONSORED ADR	2.67%	NETHERLANDS
MT	ARCELORMITTAL — NY REGISTERED	2.03%	LUXEMBOURG
NGG	NATIONAL GRID PLC — SP ADR	2.59%	BRITAIN
NOK	NOKIA CORP — SPON ADR	2.22%	FINLAND
NVO	NOVO-NORDISK A/S — SPONS ADR	3.59%	DENMARK
RDS/A	ROYAL DUTCH SHELL — SPON ADR-A	6.36%	NETHERLANDS
RIO	RIO TINTO PLC — SPON ADR	3.75%	BRITAIN
RYAAY	RYANAIR HOLDINGS PLC-SP ADR	2.10%	IRELAND
SAN	BANCO SANTANDER SA — SPON ADR	3.09%	SPAIN
SAP	SAP SE — SPONSORED ADR	4.96%	GERMANY
SNY	SANOFI — ADR	3.56%	FRANCE
TOT	TOTAL SA — SPON ADR	4.58%	FRANCE
TS	TENARIS SA — ADR	2.02%	LUXEMBOURG
UN	UNILEVER N V — NY SHARES	4.70%	BRITAIN
VOD	VODAFONE GROUP PLC — SP ADR	2.74%	BRITAIN

Eligible countries include Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, Netherlands,Norway, Portugal, Spain, Sweden, Switzerland, and the United Kingdom.

APPENDIX C

DESCRIPTION OF SECURITIES RATINGS

S&P GLOBAL RATINGS ("S&P")

Long-Term Issue Credit Ratings

AAA — An obligation rated 'AAA' has the highest rating assigned by S&P Global Ratings. The obligor's capacity to meet its financial commitment on the obligation is extremely strong.

AA — An obligation rated 'AA' differs from the highest-rated obligations only to a small degree. The obligor's capacity to meet its financial commitment on the obligation is very strong.

A — An obligation rated 'A' is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligations in higher-rated categories. However, the obligor's capacity to meet its financial commitment on the obligation is still strong.

BBB — An obligation rated 'BBB' exhibits adequate protection parameters. However, adverse economic conditions or changing circumstances are more likely to lead to a weakened capacity of the obligor to meet its financial commitment on the obligation.

BB;B;CCC;CC; and C — Obligations rated 'BB', 'B', 'CCC', 'CC', and 'C' are regarded as having significant speculative characteristics. 'BB' indicates the least degree of speculation and 'C' the highest. While such obligations will likely have some quality and protective characteristics, these may be outweighed by large uncertainties or major exposures to adverse conditions.

BB — An obligation rated 'BB' is less vulnerable to nonpayment than other speculative issues. However, it faces major ongoing uncertainties or exposure to adverse business, financial, or economic conditions which could lead to the obligor's inadequate capacity to meet its financial commitment on the obligation.

B — An obligation rated 'B' is more vulnerable to nonpayment than obligations rated 'BB', but the obligor currently has the capacity to meet its financial commitment on the obligation. Adverse business, financial, or economic conditions will likely impair the obligor's capacity or willingness to meet its financial commitment on the obligation.

CCC — An obligation rated 'CCC' is currently vulnerable to nonpayment, and is dependent upon favorable business, financial, and economic conditions for the obligor to meet its financial commitment on the obligation. In the event of adverse business, financial, or economic conditions, the obligor is not likely to have the capacity to meet its financial commitment on the obligation.

CC — An obligation rated 'CC' is currently highly vulnerable to nonpayment. The 'CC' rating is used when a default has not yet occurred, but S&P Global Ratings expects default to be a virtual certainty, regardless of the anticipated time to default.

C — An obligation rated 'C' is currently highly vulnerable to nonpayment, and the obligation is expected to have lower relative seniority or lower ultimate recovery compared to obligations that are rated higher.

D — An obligation rated 'D' is in default or in breach of an imputed promise. For non-hybrid capital instruments, the 'D' rating category is used when payments on an obligation are not made on the date due, unless S&P Global Ratings believes that such payments will be made within five business days in the absence of a stated grace period or within the earlier of the stated grace period or 30 calendar days. The 'D' rating also will be used upon the filing of a bankruptcy petition or the taking of similar action and where default on an obligation is a virtual certainty, for example due to automatic stay provisions. An obligation's rating is lowered to 'D' if it is subject to a distressed exchange offer.

The ratings from 'AA' to 'CCC' may be modified by the addition of a plus (+) or minus (-) sign to show relative standing within the major rating categories.

NR — This indicates that no rating has been requested, that there is insufficient information on which to base a rating, or that S&P Global Ratings does not rate a particular obligation as a matter of policy.

Municipal Short-Term Note Ratings

SP-1 — Strong capacity to pay principal and interest. An issue determined to possess a very strong capacity to pay debt service is given a plus (+) designation.

SP-2 — Satisfactory capacity to pay principal and interest, with some vulnerability to adverse financial and economic changes over the term of the notes.

SP-3 — Speculative capacity to pay principal and interest.

D — 'D' is assigned upon failure to pay the note when due, completion of a distressed exchange offer, or the filing of a bankruptcy petition or the taking of similar action and where default on an obligation is a virtual certainty, for example due to automatic stay provisions.

Short-Term Issue Credit Ratings

A-1 — A short-term obligation rated 'A-1' is rated in the highest category by S&P Global Ratings. The obligor's capacity to meet its financial commitments on the obligation is strong. Within this category, certain obligations are designated with a plus sign (+). This indicates that the obligor's capacity to meet its financial commitments on these obligations is extremely strong.

A-2 — An obligor rated 'A-2' has satisfactory capacity to meet its financial commitments. However, it is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligors in the highest rating category.

A-3 — An obligor rated 'A-3' has adequate capacity to meet its financial obligations. However, adverse economic conditions or changing circumstances are more likely to weaken the obligor's capacity to meet its financial commitments.

B — An obligor rated 'B' is regarded as vulnerable and has significant speculative characteristics. The obligor currently has the capacity to meet its financial commitments; however, it faces major ongoing uncertainties that could lead to the obligor's inadequate capacity to meet its financial commitments.

C — An obligor rated 'C' is currently vulnerable to nonpayment that would result in an 'SD' or 'D' issuer rating and is dependent upon favorable business, financial, and economic conditions to meet its financial commitments.

R — An obligor rated 'R' is under regulatory supervision owing to its financial condition. During the pendency of the regulatory supervision, the regulators may have the power to favor one class of obligations over others or pay some obligations and not others.

SD and D — An obligor is rated 'SD' (selective default) or 'D' if S&P Global Ratings considers there to be a default on one or more of its financial obligations, whether long- or short-term, including rated and unrated obligations but excluding hybrid instruments classified as regulatory capital or in nonpayment according to terms. A 'D' rating is assigned when S&P Global Ratings believes that the default will be a general default and that the obligor will fail to pay all or substantially all of its obligations as they come due. An 'SD' rating is assigned when S&P Global Ratings believes that the obligor has selectively defaulted on a specific issue or class of obligations but it will continue to meet its payment obligations on other issues or classes of obligations in a timely manner. A rating on an obligor is lowered to 'D' or 'SD' if it is conducting a distressed exchange offer.

MOODY'S INVESTORS SERVICE ("MOODY'S")

Long-Term Rating Scale

Aaa — Obligations rated Aaa are judged to be of the highest quality, subject to the lowest level of credit risk.

Aa — Obligations rated Aa are judged to be of high quality and are subject to very low credit risk.

A — Obligations rated A are judged to be upper-medium grade and are subject to low credit risk.

Baa — Obligations rated Baa are judged to be medium-grade and subject to moderate credit risk and as such may possess certain speculative characteristics.

Ba — Obligations rated Ba are judged to be speculative and are subject to substantial credit risk.

B — Obligations rated B are considered speculative and are subject to high credit risk.

Caa — Obligations rated Caa are judged to be speculative of poor standing and are subject to very high credit risk.

Ca — Obligations rated Ca are highly speculative and are likely in, or very near, default, with some prospect of recovery of principal and interest.

C — Obligations rated C are the lowest rated and are typically in default, with little prospect for recovery of principal or interest.

Moody's appends numerical modifiers 1, 2, and 3 to each generic rating classification from Aa through Caa. The modifier 1 indicates that the obligation ranks in the higher end of its generic rating category; the modifier 2 indicates a mid-range ranking; and the modifier 3 indicates a ranking in the lower end of that generic rating category.

Short-Term Rating Scale

P-1 — Issuers (or supporting institutions) rated Prime-1 have a superior ability to repay short-term debt obligations.

P-2 — Issuers (or supporting institutions) rated Prime-2 have a strong ability to repay short-term debt obligations.

P-3 — Issuers (or supporting institutions) rated Prime-3 have an acceptable ability to repay short-term obligations.

NP — Issuers (or supporting institutions) rated Not Prime do not fall within any of the Prime rating categories.

Municipal Investment Grade Rating Scale

MIG 1 — This designation denotes superior credit quality. Excellent protection is afforded by established cash flows, highly reliable liquidity support, or demonstrated broad-based access to the market for refinancing.

MIG 2 — This designation denotes strong credit quality. Margins of protection are ample, although not as large as in the preceding group.

MIG 3 — This designation denotes acceptable credit quality. Liquidity and cash-flow protection may be narrow, and market access for refinancing is likely to be less well-established.

SG — This designation denotes speculative-grade credit quality. Debt instruments in this category may lack sufficient margins of protection.

Variable Municipal Investment Grade Rating Scale

VMIG 1 — This designation denotes superior credit quality. Excellent protection is afforded by the superior short-term credit strength of the liquidity provider and structural and legal protections that ensure the timely payment of purchase price upon demand.

VMIG 2 — This designation denotes strong credit quality. Good protection is afforded by the strong short-term credit strength of the liquidity provider and structural and legal protections that ensure the timely payment of purchase price upon demand.

VMIG 3 — This designation denotes acceptable credit quality. Adequate protection is afforded by the satisfactory short-term credit strength of the liquidity provider and structural and legal protections that ensure the timely payment of purchase price upon demand.

SG — This designation denotes speculative-grade credit quality. Demand features rated in this category may be supported by a liquidity provider that does not have an investment grade short-term rating or may lack the structural and/or legal protections necessary to ensure the timely payment of purchase price upon demand.

FITCH INVESTOR SERVICES (“FITCH’S”)

Issuer Default Ratings

AAA — Highest credit quality. ‘AAA’ ratings denote the lowest expectation of default risk. They are assigned only in cases of exceptionally strong capacity for payment of financial commitments. This capacity is highly unlikely to be adversely affected by foreseeable events.

AA — Very high credit quality. ‘AA’ ratings denote expectations of very low default risk. They indicate very strong capacity for payment of financial commitments. This capacity is not significantly vulnerable to foreseeable events.

A — High credit quality. ‘A’ ratings denote expectations of low default risk. The capacity for payment of financial commitments is considered strong. This capacity may, nevertheless, be more vulnerable to adverse business or economic conditions than is the case for higher ratings.

BBB — Good credit quality. ‘BBB’ ratings indicate that expectations of default risk are currently low. The capacity for payment of financial commitments is considered adequate but adverse business or economic conditions are more likely to impair this capacity.

BB — Speculative. ‘BB’ ratings indicate an elevated vulnerability to default risk, particularly in the event of adverse changes in business or economic conditions over time; however, business or financial flexibility exists which supports the servicing of financial commitments.

B — Highly speculative. ‘B’ ratings indicate that material default risk is present, but a limited margin of safety remains. Financial commitments are currently being met; however, capacity for continued payment is vulnerable to deterioration in the business and economic environment.

CCC — Substantial credit risk. Default is a real possibility.

CC — Very high levels of credit risk. Default of some kind appears probable.

C — Near Default. A default or default-like process has begun, or the issuer is in standstill, or for a closed funding vehicle, payment capacity is irrevocably impaired. Conditions that are indicative of a ‘C’ category rating for an issuer include:

- the issuer has entered into a grace or cure period following non-payment of a material financial obligation;
- the issuer has entered into a temporary negotiated waiver or standstill agreement following a payment default on a material financial obligation;
- the formal announcement by the issuer or their agent of a distressed debt exchange;
- a closed financing vehicle where payment capacity is irrevocably impaired such that it is not expected to pay interest and/or principal in full during the life of the transaction, but where no payment default is imminent.

RD — Restricted default. 'RD' ratings indicate an issuer that in Fitch's opinion has experienced an uncured payment default or distressed debt exchange on a bond, loan or other material financial obligation, but has not entered into bankruptcy filings, administration, receivership, liquidation, or other formal winding-up procedure, and has not otherwise ceased operating. This would include:

- the selective payment default on a specific class or currency of debt;
- the uncured expiry of any applicable grace period, cure period or default forbearance period following a payment default on a bank loan, capital markets security or other material financial obligation;
- the extension of multiple waivers or forbearance periods upon a payment default on one or more material financial obligations, either in series or in parallel; ordinary execution of a distressed debt exchange on one or more material financial obligations.

D — Default. 'D' ratings indicate an issuer that in Fitch Ratings' opinion has entered into bankruptcy filings, administration, receivership, liquidation or other formal winding-up procedure, or which has otherwise ceased business.

Default ratings are not assigned prospectively to entities or their obligations; within this context, non-payment on an instrument that contains a deferral feature or grace period will generally not be considered a default until after the expiration of the deferral or grace period, unless a default is otherwise driven by bankruptcy or other similar circumstance, or by a distressed debt exchange.

Short-Term Issuer or Obligation Rating

F-1 — Highest Short-Term Credit Quality. Indicates the strongest intrinsic capacity for timely payment of financial commitments; may have an added "+" to denote any exceptionally strong credit feature.

F-2 — Good Short-Term Credit Quality. Good intrinsic capacity for timely payment of financial commitments.

F-3 — Fair Short-Term Credit Quality. The intrinsic capacity for timely payment of financial commitments is adequate.

B — Speculative Short-Term Credit Quality. Minimal capacity for timely payment of financial commitments, plus heightened vulnerability to near term adverse changes in financial and economic conditions.

C — High Short-Term Default Risk. Default is a real possibility.

RD — Restricted Default. Indicates an entity that has defaulted on one or more of its financial commitments, although it continues to meet other financial obligations. Typically applicable to entity ratings only.

D — Default. Indicates a broad-based default event for an entity, or the default of a short-term obligation.

DBRS, Inc.

Long Term Obligations Scale

AAA — Highest credit quality. The capacity for the payment of financial obligations is exceptionally high and unlikely to be adversely affected by future events.

AA — Superior credit quality. The capacity for the payment of financial obligations is considered high. Credit quality differs from AAA only to a small degree. Unlikely to be significantly vulnerable to future events.

A — Good credit quality. The capacity for the payment of financial obligations is substantial, but of lesser credit quality than AA. May be vulnerable to future events, but qualifying negative factors are considered manageable.

BBB — Adequate credit quality. The capacity for the payment of financial obligations is considered acceptable. May be vulnerable to future events.

BB — Speculative, non-investment grade credit quality. The capacity for the payment of financial obligations is uncertain. Vulnerable to future events.

B — Highly speculative credit quality. There is a high level of uncertainty as to the capacity to meet financial obligations.

CCC/CC/C — Very highly speculative credit quality. In danger of defaulting on financial obligations. There is little difference between these three categories, although CC and C ratings are normally applied to obligations that are seen as highly likely to default, or subordinated to obligations rated in the CCC to B range. Obligations in respect of which default has not technically taken place but is considered inevitable may be rated in the C category.

D — When the issuer has filed under any applicable bankruptcy, insolvency or winding up statute or there is a failure to satisfy an obligation after the exhaustion of grace periods, a downgrade to D may occur. DBRS may also use SD (Selective Default) in cases where only some securities are impacted, such as the case of a "distressed exchange."

Commercial Paper and Short-Term Debt Rating Scale

R-1 (high) — Highest credit quality. The capacity for the payment of short-term financial obligations as they fall due is exceptionally high. Unlikely to be adversely affected by future events.

R-1 (middle) — Superior credit quality. The capacity for the payment of short-term financial obligations as they fall due is very high. Differs from R-1 (high) by a relatively modest degree. Unlikely to be significantly vulnerable to future events.

R-1 (low) — Good credit quality. The capacity for the payment of short-term financial obligations as they fall due is substantial. Overall strength is not as favorable as higher rating categories. May be vulnerable to future events, but qualifying negative factors are considered manageable.

R-2 (high) — Upper end of adequate credit quality. The capacity for the payment of short-term financial obligations as they fall due is acceptable. May be vulnerable to future events.

R-2 (middle) — Adequate credit quality. The capacity for the payment of short-term financial obligations as they fall due is acceptable. May be vulnerable to future events or may be exposed to other factors that could reduce credit quality.

R-2 (low) — Lower end of adequate credit quality. The capacity for the payment of short-term financial obligations as they fall due is acceptable. May be vulnerable to future events. A number of challenges are present that could affect the issuer's ability to meet such obligations.

R-3 — Lowest end of adequate credit quality. There is a capacity for the payment of short-term financial obligations as they fall due. May be vulnerable to future events and the certainty of meeting such obligations could be impacted by a variety of developments.

R-4 — Speculative credit quality. The capacity for the payment of short-term financial obligations as they fall due is uncertain.

R-5 — Highly speculative credit quality. There is a high level of uncertainty as to the capacity to meet short-term financial obligations as they fall due.

D — When the issuer has filed under any applicable bankruptcy, insolvency or winding up statute or there is a failure to satisfy an obligation after the exhaustion of grace periods, a downgrade to D may occur. DBRS may also use SD (Selective Default) in cases where only some securities are impacted, such as the case of a "distressed exchange."

APPENDIX D

PRINCIPAL HOLDERS AND CONTROL PERSONS

From time to time, certain shareholders may own, of record or beneficially, a large percentage of the shares of the Fund. Accordingly, those shareholders may be able to greatly affect (if not determine) the outcome of a shareholder vote. As of April 3, 2020, the following persons owned 5% or more of the shares of the Fund. Persons who own more than 25% of the shares of the Fund may be deemed to control that Fund. For each person listed that is a company, the jurisdiction under the laws of which the company is organized (if applicable) and the company's parents are listed.

CONTROLLING PERSON INFORMATION

As of April 3, 2020, the following persons owned 25% or more of the shares of the Fund and may be deemed to control the Fund. For each person listed that is a company, the jurisdiction under the laws of which the company is organized (if applicable) and the company's parents are listed.

Fund/Class	No. of Shares	Percent of the Class Total Assets Held by the Shareholder	State of Incorporation	Parent Company
PROFUND VP ASIA 30				
TRANSAMERICA PREMIER LIFE INSURANCE CO 4333 EDGEWOOD RD NE CEDAR RAPIDS IA 52499	128,294.825	33.49%	DE	Transamerica Corporation
LINCOLN NATIONAL LIFE INS CO 1300 SOUTH CLINTON ST FORT WAYNE IN 46802	115,024.920	30.03%	IN	Lincoln Financial Group
AMERICAN SKANDIA LIFE ASSURANCE CORP 213 WASHINGTON ST 7TH FL SEPARATE ACCTS NEWARK NJ 07102	99,195.698	25.89%	CT	American Skandia Life Assurance Corporation
PROFUND VP BANKS				
AMERICAN SKANDIA LIFE ASSURANCE CORP 213 WASHINGTON ST 7TH FL SEPARATE ACCTS NEWARK NJ 07102	134,946.917	54.81%	CT	American Skandia Life Assurance Corporation
NATIONWIDE INVESTMENT SERVICES CORP ONE NATIONWIDE PLAZA, 02-02-18 COLUMBUS, OH 43215	50,776.629	23.38%	OH	Nationwide Mutual Insurance Company
PROFUND VP BASIC MATERIALS				
AMERICAN SKANDIA LIFE ASSURANCE CORP 213 WASHINGTON ST 7TH FL SEPARATE ACCTS NEWARK NJ 07102	63,206.624	41.31%	CT	American Skandia Life Assurance Corporation
TRANSAMERICA PREMIER LIFE INSURANCE CO 4333 EDGEWOOD RD NE CEDAR RAPIDS IA 52499	67,835.645	44.34%	DE	Transamerica Corporation

Fund/Class	No. of Shares	Percent of the Class Total Assets Held by the Shareholder	State of Incorporation	Parent Company
PROFUND VP BEAR				
AMERICAN SKANDIA LIFE ASSURANCE CORP 213 WASHINGTON ST 7TH FL SEPARATE ACCTS NEWARK NJ 07102	148,870.562	61.26%	CT	American Skandia Life Assurance Corporation
JEFFERSON NATIONAL LIFE INSURANCE CO 10350 ORMSBY PARK PL STE 600 LOUISVILLE KY 402236178	78,361.500	32.24%	KY	N/A
PROFUND VP BIOTECHNOLOGY				
AXA EQUITABLE LIFE INSURANCE CO SA 70 1290 AVENUE OF THE AMERICAS NEW YORK NY 101040101	530,018.830	74.75%	DE	AXA American Holdings, Inc.
PROFUND VP BULL				
AMERICAN SKANDIA LIFE ASSURANCE CORP 213 WASHINGTON ST 7TH FL SEPARATE ACCTS NEWARK NJ 07102	273,691.568	28.73%	CT	American Skandia Life Assurance Corporation
TRANSAMERICA PREMIER LIFE INSURANCE CO 4333 EDGEWOOD RD NE CEDAR RAPIDS IA 52499	260,786.519	27.37%	DE	Transamerica Corporation
PROFUND VP CONSUMER GOODS				
AMERICAN SKANDIA LIFE ASSURANCE CORP 213 WASHINGTON ST 7TH FL SEPARATE ACCTS NEWARK NJ 07102	124,530.033	54.59%	CT	American Skandia Life Assurance Corporation
PROFUND VP CONSUMER SERVICES				
AMERICAN SKANDIA LIFE ASSURANCE CORP 213 WASHINGTON ST 7TH FL SEPARATE ACCTS NEWARK NJ 07102	79,743.786	30.20%	CT	American Skandia Life Assurance Corporation
TRANSAMERICA PREMIER LIFE INSURANCE CO 4333 EDGEWOOD RD NE CEDAR RAPIDS IA 52499	109,420.222	41.44%	DE	Transamerica Corporation
PROFUND VP DOW 30				
MIDLAND NATIONAL LIFE INSURANCE COMPANY 4350 WESTOWN PKWY ATTN VARIABLE ANNUITY DIVISION WEST DES MOINES IA 502661144	8,087.580	56.47%	ND	Sammons Financial Group
PROFUND ADVISORS LLC 7501 WISCONSIN AVE SUITE 1000 BETHESDA MD 20814	3,616.847	25.25%	MD	N/A

Fund/Class	No. of Shares	Percent of the Class Total Assets Held by the Shareholder	State of Incorporation	Parent Company
PROFUND VP EMERGING MARKETS				
TRANSAMERICA PREMIER LIFE INSURANCE CO 4333 EDGEWOOD RD NE CEDAR RAPIDS IA 52499	494,200.112	79.03%	DE	Transamerica Corporation
PROFUND VP EUROPE 30				
AMERICAN SKANDIA LIFE ASSURANCE CORP 213 WASHINGTON ST 7TH FL SEPARATE ACCTS NEWARK NJ 07102 FORT WAYNE IN 46802	302,690.316	42.51%	CT	American Skandia Life Assurance Corporation
PROFUND VP FALLING U.S. DOLLAR				
JEFFERSON NATIONAL LIFE INSURANCE CO 10350 ORMSBY PARK PL STE 600 LOUISVILLE KY 402236178	6,137.132	28.88%	KY	N/A
TRANSAMERICA PREMIER LIFE INSURANCE CO 4333 EDGEWOOD RD NE CEDAR RAPIDS IA 52499	13,281.834	62.50%	DE	Transamerica Corporation
PROFUND VP FINANCIALS				
AMERICAN SKANDIA LIFE ASSURANCE CORP 213 WASHINGTON ST 7TH FL SEPARATE ACCTS NEWARK NJ 07102	231,027.501	37.44%	CT	American Skandia Life Assurance Corporation
TRANSAMERICA PREMIER LIFE INSURANCE CO 4333 EDGEWOOD RD NE CEDAR RAPIDS IA 52499	189,108.990	30.64%	DE	Transamerica Corporation
PROFUND VP HEALTHCARE				
AMERICAN SKANDIA LIFE ASSURANCE CORP 213 WASHINGTON ST 7TH FL SEPARATE ACCTS NEWARK NJ 07102	293,645.161	53.55%	CT	American Skandia Life Assurance Corporation
PROFUND VP INDUSTRIALS				
AMERICAN SKANDIA LIFE ASSURANCE CORP 213 WASHINGTON ST 7TH FL SEPARATE ACCTS NEWARK NJ 07102	75,324.383	51.15%	CT	American Skandia Life Assurance Corporation
NATIONWIDE INVESTMENT SERVICES CORP. ONE NATIONWIDE PLAZA, 02-02-18 COLUMBUS OH 43215	41,282.795	28.03%	OH	Nationwide Mutual Insurance Company

Fund/Class	No. of Shares	Percent of the Class Total Assets Held by the Shareholder	State of Incorporation	Parent Company
PROFUND VP INTERNATIONAL				
TRANSAMERICA PREMIER LIFE INSURANCE CO 4333 EDGEWOOD RD NE CEDAR RAPIDS IA 52499	235,661.927	75.39%	DE	Transamerica Corporation
PROFUND VP INTERNET				
AMERICAN SKANDIA LIFE ASSURANCE CORP 213 WASHINGTON ST 7TH FL SEPARATE ACCTS NEWARK NJ 07102	132,873.161	39.35%	CT	American Skandia Life Assurance Corporation
NATIONWIDE INVESTMENT SERVICES CORP. ONE NATIONWIDE PLAZA, 02-02-18 COLUMBUS OH 43215	121,001.422	35.83%	OH	Nationwide Mutual Insurance Company
PROFUND VP JAPAN				
AMERICAN SKANDIA LIFE ASSURANCE CORP 213 WASHINGTON ST 7TH FL SEPARATE ACCTS NEWARK NJ 07102	72,334.782	53.60%	CT	American Skandia Life Assurance Corporation
TRANSAMERICA PREMIER LIFE INSURANCE CO 4333 EDGEWOOD RD NE CEDAR RAPIDS IA 52499	34,383.869	25.48%	DE	Transamerica Corporation
PROFUND VP LARGE CAP GROWTH				
AMERICAN SKANDIA LIFE ASSURANCE CORP 213 WASHINGTON ST 7TH FL SEPARATE ACCTS NEWARK NJ 07102	219,368.146	61.55%	CT	American Skandia Life Assurance Corporation
PROFUND VP LARGE CAP VALUE				
AMERICAN SKANDIA LIFE ASSURANCE CORP 213 WASHINGTON ST 7TH FL SEPARATE ACCTS NEWARK NJ 07102	222,021.433	74.26%	CT	American Skandia Life Assurance Corporation
PROFUND VP MID-CAP				
TRANSAMERICA PREMIER LIFE INSURANCE CO 4333 EDGEWOOD RD NE CEDAR RAPIDS IA 52499	252,192.546	71.10%	DE	Transamerica Corporation
PROFUND VP MID-CAP GROWTH				
AMERICAN SKANDIA LIFE ASSURANCE CORP 213 WASHINGTON ST 7TH FL SEPARATE ACCTS NEWARK NJ 07102	242,546.233	88.80%	CT	American Skandia Life Assurance Corporation

Fund/Class	No. of Shares	Percent of the Class Total Assets Held by the Shareholder	State of Incorporation	Parent Company
PROFUND VP MID-CAP VALUE				
AMERICAN SKANDIA LIFE ASSURANCE CORP 213 WASHINGTON ST 7TH FL SEPARATE ACCTS NEWARK NJ 07102	211,272.163	86.30%	CT	American Skandia Life Assurance Corporation
PROFUND VP NASDAQ-100				
JEFFERSON NATIONAL LIFE INSURANCE CO 10350 ORMSBY PARK PL STE 600 LOUISVILLE KY 402236178	476,692.114	27.12%	KY	N/A
TRANSAMERICA PREMIER LIFE INSURANCE CO 4333 EDGEWOOD RD NE CEDAR RAPIDS IA 52499	669,735.048	38.11%	DE	Transamerica Corporation
PROFUND VP OIL & GAS				
AMERICAN SKANDIA LIFE ASSURANCE CORP 213 WASHINGTON ST 7TH FL SEPARATE ACCTS NEWARK NJ 07102	257,669.220	26.44%	CT	American Skandia Life Assurance Corporation
TRANSAMERICA PREMIER LIFE INSURANCE CO 4333 EDGEWOOD RD NE CEDAR RAPIDS IA 52499	311,322.382	31.95%	DE	Transamerica Corporation
PROFUND VP PHARMACEUTICALS				
TRANSAMERICA PREMIER LIFE INSURANCE CO 4333 EDGEWOOD RD NE CEDAR RAPIDS IA 52499	232,595.014	63.17%	DE	Transamerica Corporation
PROFUND VP PRECIOUS METALS				
AMERICAN SKANDIA LIFE ASSURANCE CORP 213 WASHINGTON ST 7TH FL SEPARATE ACCTS NEWARK NJ 07102	464,146.688	38.49%	CT	American Skandia Life Assurance Corporation
TRANSAMERICA PREMIER LIFE INSURANCE CO 4333 EDGEWOOD RD NE CEDAR RAPIDS IA 52499	416,001.885	34.50%	DE	Transamerica Corporation
PROFUND VP REAL ESTATE				
AMERICAN SKANDIA LIFE ASSURANCE CORP 213 WASHINGTON ST 7TH FL SEPARATE ACCTS NEWARK NJ 07102	99,019.874	62.28%	CT	American Skandia Life Assurance Corporation

Fund/Class	No. of Shares	Percent of the Class Total Assets Held by the Shareholder	State of Incorporation	Parent Company
PROFUND VP RISING RATES OPPORTUNITY				
AMERICAN SKANDIA LIFE ASSURANCE CORP 213 WASHINGTON ST 7TH FL SEPARATE ACCTS NEWARK NJ 07102	40,341.087	26.23%	CT	American Skandia Life Assurance Corporation
VENERABLE INSURANCE AND ANNUITY 1475 DUNWOODY DR WEST CHESTER PA 19380	40,137.339	26.09%	IA	N/A
PROFUND VP SEMICONDUCTOR				
AMERICAN SKANDIA LIFE ASSURANCE CORP 213 WASHINGTON ST 7TH FL SEPARATE ACCTS NEWARK NJ 07102	52,317.717	46.96%	CT	American Skandia Life Assurance Corporation
NATIONWIDE INVESTMENT SERVICES CORP. ONE NATIONWIDE PLAZA, 02-02-18 COLUMBUS OH 43215	30,672.745	27.53%	OH	Nationwide Mutual Insurance Company
PROFUND VP SHORT DOW 30				
PROFUND ADVISORS LLC 7501 WISCONSIN AVE SUITE 1000 BETHESDA MD 20814	193,569	62.26%	MD	N/A
MIDLAND NATIONAL LIFE INSURANCE COMPANY 4350 WESTOWN PKWY ATTN VARIABLE ANNUITY DIVISION WEST DES MOINES IA 502661144	80,035	25.74%	ND	Sammons Financial Group
PROFUND VP SHORT EMERGING MARKETS				
TRANSAMERICA PREMIER LIFE INSURANCE CO 4333 EDGEWOOD RD NE CEDAR RAPIDS IA 52499	57,333.741	68.70%	DE	Transamerica Corporation
PROFUND VP SHORT INTERNATIONAL				
TRANSAMERICA PREMIER LIFE INSURANCE CO 4333 EDGEWOOD RD NE CEDAR RAPIDS IA 52499	20,145.566	42.47%	DE	Transamerica Corporation
NATIONWIDE INVESTMENT SERVICES CORP. ONE NATIONWIDE PLAZA, 02-02-18 COLUMBUS OH 43215	12,173.367	25.66%	OH	Nationwide Mutual Insurance Company
JEFFERSON NATIONAL LIFE INSURANCE CO 10350 ORMSBY PARK PL STE 600 LOUISVILLE KY 402236178	14,339.868	30.23%	KY	N/A

Fund/Class	No. of Shares	Percent of the Class Total Assets Held by the Shareholder	State of Incorporation	Parent Company
PROFUND VP SHORT MID-CAP				
AMERICAN SKANDIA LIFE ASSURANCE CORP 213 WASHINGTON ST 7TH FL SEPARATE ACCTS NEWARK NJ 07102	16,273.008	44.48%	CT	American Skandia Life Assurance Corporation
JEFFERSON NATIONAL LIFE INSURANCE CO 10350 ORMSBY PARK PL STE 600 LOUISVILLE KY 402236178	20,205.499	55.23%	KY	N/A
PROFUND VP SHORT NASDAQ-100				
TRANSAMERICA PREMIER LIFE INSURANCE CO 4333 EDGEWOOD RD NE CEDAR RAPIDS IA 52499	58,886.632	32.93%	DE	Transamerica Corporation
JEFFERSON NATIONAL LIFE INSURANCE CO 10350 ORMSBY PARK PL STE 600 LOUISVILLE KY 402236178	74,203.471	41.50%	KY	N/A
PROFUND VP SHORT SMALL-CAP				
TRANSAMERICA PREMIER LIFE INSURANCE CO 4333 EDGEWOOD RD NE CEDAR RAPIDS IA 52499	189,381.401	41.89%	DE	Transamerica Corporation
JEFFERSON NATIONAL LIFE INSURANCE CO 10350 ORMSBY PARK PL STE 600 LOUISVILLE KY 402236178	116,534.362	25.77%	KY	N/A
AMERICAN SKANDIA LIFE ASSURANCE CORP 213 WASHINGTON ST 7TH FL SEPARATE ACCTS NEWARK NJ 07102	143,772.834	31.80%	CT	
PROFUND VP SMALL-CAP				
JEFFERSON NATIONAL LIFE INSURANCE CO 10350 ORMSBY PARK PL STE 600 LOUISVILLE KY 402236178	102,899.747	44.55%	KY	N/A
TRANSAMERICA PREMIER LIFE INSURANCE CO 4333 EDGEWOOD RD NE CEDAR RAPIDS IA 52499	115,857.326	50.16%	DE	Transamerica Corporation
PROFUND VP SMALL-CAP GROWTH				
AMERICAN SKANDIA LIFE ASSURANCE CORP 213 WASHINGTON ST 7TH FL SEPARATE ACCTS NEWARK NJ 07102	272,623.834	68.48%	CT	American Skandia Life Assurance Corporation

Fund/Class	No. of Shares	Percent of the Class Total Assets Held by the Shareholder	State of Incorporation	Parent Company
PROFUND VP SMALL-CAP VALUE				
AMERICAN SKANDIA LIFE ASSURANCE CORP 213 WASHINGTON ST 7TH FL SEPARATE ACCTS NEWARK NJ 07102	140,159.212	45.72%	CT	American Skandia Life Assurance Corporation
PROFUND VP TECHNOLOGY				
LINCOLN NATIONAL LIFE INS CO 1300 SOUTH CLINTON ST FORT WAYNE IN 46802	177,724.497	35.55%	IN	Lincoln Financial Group
NATIONWIDE INVESTMENT SERVICES CORP. ONE NATIONWIDE PLAZA, 02-02-18 COLUMBUS OH 43215	144,380.881	28.88%	OH	Nationwide Mutual Insurance Company
AMERICAN SKANDIA LIFE ASSURANCE CORP 213 WASHINGTON ST 7TH FL SEPARATE ACCTS NEWARK NJ 07102	141,639.614	28.34%	CT	American Skandia Life Assurance Corporation
PROFUND VP TELECOMMUNICATIONS				
AMERICAN SKANDIA LIFE ASSURANCE CORP 213 WASHINGTON ST 7TH FL SEPARATE ACCTS NEWARK NJ 07102	77,822.564	47.23%	CT	American Skandia Life Assurance Corporation
TRANSAMERICA PREMIER LIFE INSURANCE CO 4333 EDGEWOOD RD NE CEDAR RAPIDS IA 52499	48,429.957	29.39%	DE	Transamerica Corporation
PROFUND VP U.S. GOVERNMENT PLUS				
AMERICAN SKANDIA LIFE ASSURANCE CORP 213 WASHINGTON ST 7TH FL SEPARATE ACCTS NEWARK NJ 07102	545,767.303	55.29%	CT	American Skandia Life Assurance Corporation
PROFUND VP ULTRABULL				
AMERICAN SKANDIA LIFE ASSURANCE CORP 213 WASHINGTON ST 7TH FL SEPARATE ACCTS NEWARK NJ 07102	543,781.990	53.13%	CT	American Skandia Life Assurance
PROFUND VP ULTRA MID-CAP				
AMERICAN SKANDIA LIFE ASSURANCE CORP 213 WASHINGTON ST 7TH FL SEPARATE ACCTS NEWARK NJ 07102	144,110.170	70.63%	CT	American Skandia Life Assurance Corporation

Fund/Class	No. of Shares	Percent of the Class Total Assets Held by the Shareholder	State of Incorporation	Parent Company
PROFUND VP ULTRANASDAQ-100				
AMERICAN SKANDIA LIFE ASSURANCE CORP 213 WASHINGTON ST 7TH FL SEPARATE ACCTS NEWARK NJ 07102	274,627.881	39.79%	CT	American Skandia Life Assurance Corporation
TRANSAMERICA PREMIER LIFE INSURANCE CO 4333 EDGEWOOD RD NE CEDAR RAPIDS IA 52499	334,995.849	48.53%	DE	Transamerica Corporation
PROFUND VP ULTRASHORT DOW 30				
MIDLAND NATIONAL LIFE INSURANCE COMPANY 4350 WESTOWN PKWY ATTN VARIABLE ANNUITY DIVISION WEST DES MOINES IA 502661144	62,677	55.02%	ND	Sammon Financial Group
PROFUND ADVISORS LLC 7501 WISCONSIN AVE SUITE 1000 BETHESDA MD 20814	51,250	44.98%	MD	N/A
PROFUND VP ULTRASHORT NASDAQ-100				
JEFFERSON NATIONAL LIFE INSURANCE CO 10350 ORMSBY PARK PL STE 600 LOUISVILLE KY 402236178	415,690.477	87.77%	KY	N/A
PROFUND VP ULTRASMALL-CAP				
TRANSAMERICA PREMIER LIFE INSURANCE CO 4333 EDGEWOOD RD NE CEDAR RAPIDS IA 52499	496,245.505	64.36%	DE	Transamerica Corporation
AMERICAN SKANDIA LIFE ASSURANCE CORP 213 WASHINGTON ST 7TH FL SEPARATE ACCTS NEWARK NJ 07102	236,950.377	30.73%	CT	American Skandia Life Assurance Corporation
PROFUND VP UTILITIES				
AMERICAN SKANDIA LIFE ASSURANCE CORP 213 WASHINGTON ST 7TH FL SEPARATE ACCTS NEWARK NJ 07102	330,597.110	45.76%	CT	American Skandia Life Assurance Corporation
TRANSAMERICA PREMIER LIFE INSURANCE CO 4333 EDGEWOOD RD NE CEDAR RAPIDS IA 52499	184,989.731	25.60%	DE	Transamerica Corporation

Fund/Class	No. of Shares	Percent of the Class Total Assets Held by the Shareholder	State of Incorporation	Parent Company
PROFUND VP GOVERNMENT MONEY MARKET				
LOMBARD INTERNATIONAL LIFE ASSURANCE CO ONE LIBERTY PLACE 1650 MARKET ST 54TH FLOOR PHILADELPHIA PA 19103	133,269,286.753	76.37%	PA	N/A

As of April 3, 2020, the following persons owned of record, or to the knowledge of management beneficially owned, 5% or more of the outstanding shares of the Fund:

Name and Address	Shares Owned	Percentage Shares of the Fund
PROFUND VP ASIA 30		
TRANSAMERICA PREMIER LIFE INSURANCE CO 4333 EDGEWOOD RD NE CEDAR RAPIDS IA 52499	128,294.825	33.49%
LINCOLN NATIONAL LIFE INS CO 1300 SOUTH CLINTON ST FORT WAYNE IN 46802	115,024.920	30.03%
AMERICAN SKANDIA LIFE ASSURANCE CORP 213 WASHINGTON ST 7TH FL SEPARATE ACCTS NEWARK NJ 07102	99,195.698	25.89%
PROFUND VP BANKS		
AMERICAN SKANDIA LIFE ASSURANCE CORP 213 WASHINGTON ST 7TH FL SEPARATE ACCTS NEWARK NJ 07102	134,946.917	62.14%
NATIONWIDE INVESTMENT SERVICES CORP. ONE NATIONWIDE PLAZA, 02-02-18 COLUMBUS OH 43215	50,776.629	23.38%
JEFFERSON NATIONAL LIFE INSURANCE CO 10350 ORMSBY PARK PL STE 600 LOUISVILLE KY 402236178	29,539.656	13.60%
PROFUND VP BASIC MATERIALS		
TRANSAMERICA PREMIER LIFE INSURANCE CO 4333 EDGEWOOD RD NE CEDAR RAPIDS IA 52499	67,835.645	44.34%
AMERICAN SKANDIA LIFE ASSURANCE CORP 213 WASHINGTON ST 7TH FL SEPARATE ACCTS NEWARK NJ 07102	63,206.624	41.31%
NATIONWIDE INVESTMENT SERVICES CORP. ONE NATIONWIDE PLAZA, 02-02-18 COLUMBUS OH 43215	14,083.592	9.20%

Name and Address	Shares Owned	Percentage Shares of the Fund
PROFUND VP BEAR		
AMERICAN SKANDIA LIFE ASSURANCE CORP 213 WASHINGTON ST 7TH FL SEPARATE ACCTS NEWARK NJ 07102	148,870.562	61.26%
JEFFERSON NATIONAL LIFE INSURANCE CO 10350 ORMSBY PARK PL STE 600 LOUISVILLE KY 402236178	78,361.500	32.24%
PROFUND VP BIOTECHNOLOGY		
AXA EQUITABLE LIFE INSURANCE CO 1290 AVENUE OF THE AMERICAS NEW YORK NY 101040101	530,018.830	74.75%
AMERICAN SKANDIA LIFE ASSURANCE CORP 213 WASHINGTON ST 7TH FL SEPARATE ACCTS NEWARK NJ 07102	95,492.024	13.47%
NATIONWIDE INVESTMENT SERVICES CORP. ONE NATIONWIDE PLAZA, 02-02-18 COLUMBUS OH 43215	59,407.745	8.38%
PROFUND VP BULL		
AMERICAN SKANDIA LIFE ASSURANCE CORP 213 WASHINGTON ST 7TH FL SEPARATE ACCTS NEWARK NJ 07102	273,691.568	28.73%
TRANSAMERICA PREMIER LIFE INSURANCE CO 4333 EDGEWOOD RD NE CEDAR RAPIDS IA 52499	260,786.519	27.37%
JEFFERSON NATIONAL LIFE INSURANCE CO 10350 ORMSBY PARK PL STE 600 LOUISVILLE KY 402236178	212,022.846	22.25%
VENERABLE INSURANCE AND ANNUITY 1475 DUNWOODY DR WEST CHESTER PA 19380	122,036.200	12.81%
NATIONWIDE INVESTMENT SERVICES CORP. ONE NATIONWIDE PLAZA, 02-02-18 COLUMBUS OH 43215	56,709.786	5.95%
PROFUND VP CONSUMER GOODS		
AMERICAN SKANDIA LIFE ASSURANCE CORP 213 WASHINGTON ST 7TH FL SEPARATE ACCTS NEWARK NJ 07102	124,530.033	54.59%
NATIONWIDE INVESTMENT SERVICES CORP. ONE NATIONWIDE PLAZA, 02-02-18 COLUMBUS OH 43215	48,149.896	21.11%

Name and Address	Shares Owned	Percentage Shares of the Fund
JEFFERSON NATIONAL LIFE INSURANCE CO 10350 ORMSBY PARK PL STE 600 LOUISVILLE KY 402236178	46,295.333	20.30%
PROFUND VP CONSUMER SERVICES		
TRANSAMERICA PREMIER LIFE INSURANCE CO 4333 EDGEWOOD RD NE CEDAR RAPIDS IA 52499	109,420.222	41.44%
AMERICAN SKANDIA LIFE ASSURANCE CORP 213 WASHINGTON ST 7TH FL SEPARATE ACCTS NEWARK NJ 07102	79,743.786	30.20%
NATIONWIDE INVESTMENT SERVICES CORP. ONE NATIONWIDE PLAZA, 02-02-18 COLUMBUS OH 43215	39,029.696	14.78%
JEFFERSON NATIONAL LIFE INSURANCE CO 10350 ORMSBY PARK PL STE 600 LOUISVILLE KY 402236178	20,131.897	7.63%
PROFUND VP DOW 30		
MIDLAND NATIONAL LIFE INSURANCE COMPANY 4350 WESTOWN PKWY ATTN VARIABLE ANNUITY DIVISION WEST DES MOINES IA 502661144	8,087.580	56.47%
PROFUND ADVISORS LLC 7501 WISCONSIN AVE SUITE 1000 BETHESDA MD 20814	3,616.847	25.25%
AMERITAS LIFE INSURANCE COMPANY 5900 'O' STREET LINCOLN NE 68510	2,617.811	18.28%
PROFUND VP EMERGING MARKETS		
TRANSAMERICA PREMIER LIFE INSURANCE CO 4333 EDGEWOOD RD NE CEDAR RAPIDS IA 52499	494,200.112	79.03%
NATIONWIDE INVESTMENT SERVICES CORP. ONE NATIONWIDE PLAZA, 02-02-18 COLUMBUS OH 43215	79,237.121	12.67%
JEFFERSON NATIONAL LIFE INSURANCE CO 10350 ORMSBY PARK PL STE 600 LOUISVILLE KY 402236178	37,909.428	6.06%
PROFUND VP EUROPE 30		
AMERICAN SKANDIA LIFE ASSURANCE CORP 213 WASHINGTON ST 7TH FL SEPARATE ACCTS NEWARK NJ 07102	302,690.316	42.51%

Name and Address	Shares Owned	Percentage Shares of the Fund
LINCOLN NATIONAL LIFE INS CO 1300 SOUTH CLINTON ST FORT WAYNE IN 46802	155,419.812	21.83%
NATIONWIDE INVESTMENT SERVICES CORP. ONE NATIONWIDE PLAZA, 02-02-18 COLUMBUS OH 43215	76,424.653	10.73%
TRANSAMERICA PREMIER LIFE INSURANCE CO 4333 EDGEWOOD RD NE CEDAR RAPIDS IA 52499	75,747.779	10.64%
VENERABLE INSURANCE AND ANNUITY 1475 DUNWOODY DR WEST CHESTER PA 19380	74,506.824	10.46%
PROFUND VP FALLING U.S. DOLLAR		
TRANSAMERICA PREMIER LIFE INSURANCE CO 4333 EDGEWOOD RD NE CEDAR RAPIDS IA 52499	13,281.834	62.50%
JEFFERSON NATIONAL LIFE INSURANCE CO 10350 ORMSBY PARK PL STE 600 LOUISVILLE KY 402236178	6,137.132	28.88%
MIDLAND NATIONAL LIFE INSURANCE COMPANY 4350 WESTOWN PKWY ATTN VARIABLE ANNUITY DIVISION WEST DES MOINES IA 502661144	1,475.443	6.94%
PROFUND VP FINANCIALS		
AMERICAN SKANDIA LIFE ASSURANCE CORP 213 WASHINGTON ST 7TH FL SEPARATE ACCTS NEWARK NJ 07102	231,027.501	37.44%
TRANSAMERICA PREMIER LIFE INSURANCE CO 4333 EDGEWOOD RD NE CEDAR RAPIDS IA 52499	189,108.990	30.64%
NATIONWIDE INVESTMENT SERVICES CORP. ONE NATIONWIDE PLAZA, 02-02-18 COLUMBUS OH 43215	69,185.087	11.21%
LINCOLN NATIONAL LIFE INS CO 1300 SOUTH CLINTON ST FORT WAYNE IN 46802	56,745.650	9.20%
JEFFERSON NATIONAL LIFE INSURANCE CO 10350 ORMSBY PARK PL STE 600 LOUISVILLE KY 402236178	45,216.961	7.33%

Name and Address	Shares Owned	Percentage Shares of the Fund
PROFUND VP HEALTH CARE		
AMERICAN SKANDIA LIFE ASSURANCE CORP 213 WASHINGTON ST 7TH FL SEPARATE ACCTS NEWARK NJ 07102	293,645.161	53.55%
NATIONWIDE INVESTMENT SERVICES CORP. ONE NATIONWIDE PLAZA, 02-02-18 COLUMBUS OH 43215	103,564.706	18.89%
LINCOLN NATIONAL LIFE INS CO 1300 SOUTH CLINTON ST FORT WAYNE IN 46802	83,040.996	15.14%
JEFFERSON NATIONAL LIFE INSURANCE CO 10350 ORMSBY PARK PL STE 600 LOUISVILLE KY 402236178	41,568.525	7.58%
PROFUND VP INDUSTRIALS		
AMERICAN SKANDIA LIFE ASSURANCE CORP 213 WASHINGTON ST 7TH FL SEPARATE ACCTS NEWARK NJ 07102	75,324.383	51.15%
NATIONWIDE INVESTMENT SERVICES CORP. ONE NATIONWIDE PLAZA, 02-02-18 COLUMBUS OH 43215	41,282.795	28.03%
JEFFERSON NATIONAL LIFE INSURANCE CO 10350 ORMSBY PARK PL STE 600 LOUISVILLE KY 402236178	20,121.220	13.66%
PROFUND VP INTERNATIONAL		
TRANSAMERICA PREMIER LIFE INSURANCE CO 4333 EDGEWOOD RD NE CEDAR RAPIDS IA 52499	235,661.927	75.39%
NATIONWIDE INVESTMENT SERVICES CORP. ONE NATIONWIDE PLAZA, 02-02-18 COLUMBUS OH 43215	52,956.466	16.94%
PROFUND VP INTERNET		
AMERICAN SKANDIA LIFE ASSURANCE CORP 213 WASHINGTON ST 7TH FL SEPARATE ACCTS NEWARK NJ 07102	132,873.161	39.35%
NATIONWIDE INVESTMENT SERVICES CORP. ONE NATIONWIDE PLAZA, 02-02-18 COLUMBUS OH 43215	121,001.422	35.83%
JEFFERSON NATIONAL LIFE INSURANCE CO 10350 ORMSBY PARK PL STE 600 LOUISVILLE KY 402236178	74,886.603	22.18%

Name and Address	Shares Owned	Percentage Shares of the Fund
PROFUND VP JAPAN		
AMERICAN SKANDIA LIFE ASSURANCE CORP 213 WASHINGTON ST 7TH FL SEPARATE ACCTS NEWARK NJ 07102	72,334.782	53.60%
TRANSAMERICA PREMIER LIFE INSURANCE CO 4333 EDGEWOOD RD NE CEDAR RAPIDS IA 52499	34,383.869	25.48%
NATIONWIDE INVESTMENT SERVICES CORP. ONE NATIONWIDE PLAZA, 02-02-18 COLUMBUS OH 43215	16,162.068	11.98%
JEFFERSON NATIONAL LIFE INSURANCE CO 10350 ORMSBY PARK PL STE 600 LOUISVILLE KY 402236178	7,139.451	5.29%
PROFUND VP LARGE CAP GROWTH		
AMERICAN SKANDIA LIFE ASSURANCE CORP 213 WASHINGTON ST 7TH FL SEPARATE ACCTS NEWARK NJ 07102	219,368.146	61.55%
JEFFERSON NATIONAL LIFE INSURANCE CO 10350 ORMSBY PARK PL STE 600 LOUISVILLE KY 402236178	81,398.905	22.84%
LINCOLN NATIONAL LIFE INS CO 1300 SOUTH CLINTON ST FORT WAYNE IN 46802	22,853.038	6.41%
PROFUND VP LARGE CAP VALUE		
AMERICAN SKANDIA LIFE ASSURANCE CORP 213 WASHINGTON ST 7TH FL SEPARATE ACCTS NEWARK NJ 07102	222,021.433	74.26%
PRUCO LIFE INSURANCE COMPANY OF ARIZONA 213 WASHINGTON STREET- 7TH FLOOR ATTN SEPARATE ACCOUNTS NEWARK NJ 071022992	23,366.990	7.82%
LINCOLN NATIONAL LIFE INS CO 1300 SOUTH CLINTON ST FORT WAYNE IN 46802	22,598.186	7.56%
JEFFERSON NATIONAL LIFE INSURANCE CO 10350 ORMSBY PARK PL STE 600 LOUISVILLE KY 402236178	15,793.022	5.28%
PROFUND VP MID-CAP		
TRANSAMERICA PREMIER LIFE INSURANCE CO 4333 EDGEWOOD RD NE CEDAR RAPIDS IA 52499	252,192.546	71.10%

Name and Address	Shares Owned	Percentage Shares of the Fund
MIDLAND NATIONAL LIFE INSURANCE COMPANY SEPARATE ACCOUNT C 4350 WESTOWN PKWY ATTN VARIABLE ANNUITY DIVISION WEST DES MOINES IA 502661144	57,225.780	16.13%
JEFFERSON NATIONAL LIFE INSURANCE CO 10350 ORMSBY PARK PL STE 600 LOUISVILLE KY 402236178	38,098.360	10.74%
PROFUND VP MID-CAP GROWTH		
AMERICAN SKANDIA LIFE ASSURANCE CORP 213 WASHINGTON ST 7TH FL SEPARATE ACCTS NEWARK NJ 07102	242,546.233	88.80%
PRUCO LIFE INSURANCE COMPANY OF ARIZONA 213 WASHINGTON STREET- 7TH FLOOR ATTN SEPARATE ACCOUNTS NEWARK NJ 071022992	16,104.430	5.90%
PROFUND VP MID-CAP VALUE		
AMERICAN SKANDIA LIFE ASSURANCE CORP 213 WASHINGTON ST 7TH FL SEPARATE ACCTS NEWARK NJ 07102	211,272.163	86.30%
PROFUND VP NASDAQ-100		
TRANSAMERICA PREMIER LIFE INSURANCE CO 4333 EDGEWOOD RD NE CEDAR RAPIDS IA 52499	669,735.048	38.11%
JEFFERSON NATIONAL LIFE INSURANCE CO 10350 ORMSBY PARK PL STE 600 LOUISVILLE KY 402236178	476,692.114	27.12%
AMERICAN SKANDIA LIFE ASSURANCE CORP 213 WASHINGTON ST 7TH FL SEPARATE ACCTS NEWARK NJ 07102	383,511.671	21.82%
NATIONWIDE INVESTMENT SERVICES CORP. ONE NATIONWIDE PLAZA, 02-02-18 COLUMBUS OH 43215	202,600.524	11.53%
PROFUND VP OIL & GAS		
TRANSAMERICA PREMIER LIFE INSURANCE CO 4333 EDGEWOOD RD NE CEDAR RAPIDS IA 52499	311,322.382	31.95%
AMERICAN SKANDIA LIFE ASSURANCE CORP 213 WASHINGTON ST 7TH FL SEPARATE ACCTS NEWARK NJ 07102	257,669.220	26.44%

Name and Address	Shares Owned	Percentage Shares of the Fund
NATIONWIDE INVESTMENT SERVICES CORP. ONE NATIONWIDE PLAZA, 02-02-18 COLUMBUS OH 43215	212,643.061	21.82%
JEFFERSON NATIONAL LIFE INSURANCE CO 10350 ORMSBY PARK PL STE 600 LOUISVILLE KY 402236178	119,424.085	12.26%
MIDLAND NATIONAL LIFE INSURANCE COMPANY 4350 WESTOWN PKWY ATTN VARIABLE ANNUITY DIVISION WEST DES MOINES IA 502661144	50,775.186	5.21%
PROFUND VP PHARMACEUTICALS		
TRANSAMERICA PREMIER LIFE INSURANCE CO 4333 EDGEWOOD RD NE CEDAR RAPIDS IA 52499	232,595.014	63.17%
AMERICAN SKANDIA LIFE ASSURANCE CORP 213 WASHINGTON ST 7TH FL SEPARATE ACCTS NEWARK NJ 07102	69,712.813	18.93%
NATIONWIDE INVESTMENT SERVICES CORP. ONE NATIONWIDE PLAZA, 02-02-18 COLUMBUS OH 43215	41,446.572	11.26%
PROFUND VP PRECIOUS METALS		
AMERICAN SKANDIA LIFE ASSURANCE CORP 213 WASHINGTON ST 7TH FL SEPARATE ACCTS NEWARK NJ 07102	464,146.688	38.49%
TRANSAMERICA PREMIER LIFE INSURANCE CO 4333 EDGEWOOD RD NE CEDAR RAPIDS IA 52499	416,001.885	34.50%
NATIONWIDE INVESTMENT SERVICES CORP. ONE NATIONWIDE PLAZA, 02-02-18 COLUMBUS OH 43215	148,707.139	12.33%
JEFFERSON NATIONAL LIFE INSURANCE CO 10350 ORMSBY PARK PL STE 600 LOUISVILLE KY 402236178	124,825.386	10.35%
PROFUND VP REAL ESTATE		
AMERICAN SKANDIA LIFE ASSURANCE CORP 213 WASHINGTON ST 7TH FL SEPARATE ACCTS NEWARK NJ 07102	99,019.874	62.28%
NATIONWIDE INVESTMENT SERVICES CORP. ONE NATIONWIDE PLAZA, 02-02-18 COLUMBUS OH 43215	36,865.649	23.19%

Name and Address	Shares Owned	Percentage Shares of the Fund
JEFFERSON NATIONAL LIFE INSURANCE CO 10350 ORMSBY PARK PL STE 600 LOUISVILLE KY 402236178	13,564.049	8.53%
PROFUND VP RISING RATES OPPORTUNITY		
AMERICAN SKANDIA LIFE ASSURANCE CORP 213 WASHINGTON ST 7TH FL SEPARATE ACCTS NEWARK NJ 07102	40,341.087	26.23%
VENERABLE INSURANCE AND ANNUITY 1475 DUNWOODY DR WEST CHESTER PA 19380	40,137.339	26.09%
LINCOLN NATIONAL LIFE INS CO 1300 SOUTH CLINTON ST FORT WAYNE IN 46802	37,590.708	24.44%
JEFFERSON NATIONAL LIFE INSURANCE CO 10350 ORMSBY PARK PL STE 600 LOUISVILLE KY 402236178	23,623.905	15.36%
NATIONWIDE INVESTMENT SERVICES CORP. ONE NATIONWIDE PLAZA, 02-02-18 COLUMBUS OH 43215	8,132.131	5.29%
PROFUND VP SEMICONDUCTOR		
AMERICAN SKANDIA LIFE ASSURANCE CORP 213 WASHINGTON ST 7TH FL SEPARATE ACCTS NEWARK NJ 07102	52,317.717	46.96%
NATIONWIDE INVESTMENT SERVICES CORP. ONE NATIONWIDE PLAZA, 02-02-18 COLUMBUS OH 43215	30,672.745	27.53%
JEFFERSON NATIONAL LIFE INSURANCE CO 10350 ORMSBY PARK PL STE 600 LOUISVILLE KY 402236178	25,240.442	22.66%
PROFUND VP SHORT DOW 30		
PROFUND ADVISORS LLC 7501 WISCONSIN AVE SUITE 1000 BETHESDA MD 20814	193.569	62.26%
MIDLAND NATIONAL LIFE INSURANCE COMPANY 4350 WESTOWN PKWY ATTN VARIABLE ANNUITY DIVISION WEST DES MOINES IA 502661144	80.035	25.74%
AMERITAS LIFE INSURANCE COMPANY 5900 ‘O’ STREET LINCOLN NE 68510	37.321	12.00%

Name and Address	Shares Owned	Percentage Shares of the Fund
PROFUND VP SHORT EMERGING MARKETS		
TRANSAMERICA PREMIER LIFE INSURANCE CO 4333 EDGEWOOD RD NE CEDAR RAPIDS IA 52499	57,333.741	68.70%
JEFFERSON NATIONAL LIFE INSURANCE CO 10350 ORMSBY PARK PL STE 600 LOUISVILLE KY 402236178	15,538.546	18.62%
NATIONWIDE INVESTMENT SERVICES CORP. ONE NATIONWIDE PLAZA, 02-02-18 COLUMBUS OH 43215	9,466.736	11.34%
PROFUND VP SHORT INTERNATIONAL		
TRANSAMERICA PREMIER LIFE INSURANCE CO 4333 EDGEWOOD RD NE CEDAR RAPIDS IA 52499	20,145.566	42.47%
JEFFERSON NATIONAL LIFE INSURANCE CO 10350 ORMSBY PARK PL STE 600 LOUISVILLE KY 402236178	14,339.868	30.23%
NATIONWIDE INVESTMENT SERVICES CORP. ONE NATIONWIDE PLAZA, 02-02-18 COLUMBUS OH 43215	12,173.367	25.66%
PROFUND VP SHORT MID-CAP		
JEFFERSON NATIONAL LIFE INSURANCE CO 10350 ORMSBY PARK PL STE 600 LOUISVILLE KY 402236178	20,205.499	55.23%
AMERICAN SKANDIA LIFE ASSURANCE CORP 213 WASHINGTON ST 7TH FL SEPARATE ACCTS NEWARK NJ 07102	16,273.008	44.48%
PROFUND VP SHORT NASDAQ-100		
JEFFERSON NATIONAL LIFE INSURANCE CO 10350 ORMSBY PARK PL STE 600 LOUISVILLE KY 402236178	74,203.471	41.50%
TRANSAMERICA PREMIER LIFE INSURANCE CO 4333 EDGEWOOD RD NE CEDAR RAPIDS IA 52499	58,886.632	32.93%
AMERICAN SKANDIA LIFE ASSURANCE CORP 213 WASHINGTON ST 7TH FL SEPARATE ACCTS NEWARK NJ 07102	22,387.393	12.52%
NATIONWIDE INVESTMENT SERVICES CORP. ONE NATIONWIDE PLAZA, 02-02-18 COLUMBUS OH 43215	21,922.216	12.26%

Name and Address	Shares Owned	Percentage Shares of the Fund
PROFUND VP SHORT SMALL-CAP		
TRANSAMERICA PREMIER LIFE INSURANCE CO 4333 EDGEWOOD RD NE CEDAR RAPIDS IA 52499	189,381.401	41.89%
AMERICAN SKANDIA LIFE ASSURANCE CORP 213 WASHINGTON ST 7TH FL SEPARATE ACCTS NEWARK NJ 07102	143,772.834	31.80%
JEFFERSON NATIONAL LIFE INSURANCE CO 10350 ORMSBY PARK PL STE 600 LOUISVILLE KY 402236178	116,534.362	25.77%
PROFUND VP SMALL-CAP		
TRANSAMERICA PREMIER LIFE INSURANCE CO 4333 EDGEWOOD RD NE CEDAR RAPIDS IA 52499	115,857.326	50.16%
JEFFERSON NATIONAL LIFE INSURANCE CO 10350 ORMSBY PARK PL STE 600 LOUISVILLE KY 402236178	102,899.747	44.55%
PROFUND VP SMALL-CAP GROWTH		
AMERICAN SKANDIA LIFE ASSURANCE CORP 213 WASHINGTON ST 7TH FL SEPARATE ACCTS NEWARK NJ 07102	272,623.834	68.48%
LINCOLN NATIONAL LIFE INS CO 1300 SOUTH CLINTON ST FORT WAYNE IN 46802	65,431.560	16.43%
JEFFERSON NATIONAL LIFE INSURANCE CO 10350 ORMSBY PARK PL STE 600 LOUISVILLE KY 402236178	30,766.153	7.73%
PROFUND VP SMALL-CAP VALUE		
AMERICAN SKANDIA LIFE ASSURANCE CORP 213 WASHINGTON ST 7TH FL SEPARATE ACCTS NEWARK NJ 07102	140,159.212	45.72%
TRANSAMERICA PREMIER LIFE INSURANCE CO 4333 EDGEWOOD RD NE CEDAR RAPIDS IA 52499	65,203.335	21.27%
JEFFERSON NATIONAL LIFE INSURANCE CO 10350 ORMSBY PARK PL STE 600 LOUISVILLE KY 402236178	43,915.823	14.32%
MIDLAND NATIONAL LIFE INSURANCE COMPANY 4350 WESTOWN PKWY ATTN VARIABLE ANNUITY DIVISION WEST DES MOINES IA 502661144	23,947.856	7.81%

Name and Address	Shares Owned	Percentage Shares of the Fund
LINCOLN NATIONAL LIFE INS CO 1300 SOUTH CLINTON ST FORT WAYNE IN 46802	23,393.475	7.63%
PROFUND VP TECHNOLOGY		
LINCOLN NATIONAL LIFE INS CO 1300 SOUTH CLINTON ST FORT WAYNE IN 46802	177,724.497	35.55%
NATIONWIDE INVESTMENT SERVICES CORP. ONE NATIONWIDE PLAZA, 02-02-18 COLUMBUS OH 43215	144,380.881	28.88%
AMERICAN SKANDIA LIFE ASSURANCE CORP 213 WASHINGTON ST 7TH FL SEPARATE ACCTS NEWARK NJ 07102	141,639.614	28.34%
JEFFERSON NATIONAL LIFE INSURANCE CO 10350 ORMSBY PARK PL STE 600 LOUISVILLE KY 402236178	29,197.080	5.84%
PROFUND VP TELECOMMUNICATIONS		
AMERICAN SKANDIA LIFE ASSURANCE CORP 213 WASHINGTON ST 7TH FL SEPARATE ACCTS NEWARK NJ 07102	77,822.564	47.23%
TRANSAMERICA PREMIER LIFE INSURANCE CO 4333 EDGEWOOD RD NE CEDAR RAPIDS IA 52499	48,429.957	29.39%
NATIONWIDE INVESTMENT SERVICES CORP. ONE NATIONWIDE PLAZA, 02-02-18 COLUMBUS OH 43215	17,184.701	10.43%
JEFFERSON NATIONAL LIFE INSURANCE CO 10350 ORMSBY PARK PL STE 600 LOUISVILLE KY 402236178	17,146.720	10.41%
PROFUND VP U.S. GOVERNMENT PLUS		
AMERICAN SKANDIA LIFE ASSURANCE CORP 213 WASHINGTON ST 7TH FL SEPARATE ACCTS NEWARK NJ 07102	545,767.303	55.29%
TRANSAMERICA PREMIER LIFE INSURANCE CO 4333 EDGEWOOD RD NE CEDAR RAPIDS IA 52499	217,314.648	22.01%
LINCOLN NATIONAL LIFE INS CO 1300 SOUTH CLINTON ST FORT WAYNE IN 46802	88,551.980	8.97%

Name and Address	Shares Owned	Percentage Shares of the Fund
NATIONWIDE INVESTMENT SERVICES CORP. ONE NATIONWIDE PLAZA, 02-02-18 COLUMBUS OH 43215	64,977.672	6.58%
JEFFERSON NATIONAL LIFE INSURANCE CO 10350 ORMSBY PARK PL STE 600 LOUISVILLE KY 402236178	58,633.123	5.94%
PROFUND VP ULTRABULL		
AMERICAN SKANDIA LIFE ASSURANCE CORP 213 WASHINGTON ST 7TH FL SEPARATE ACCTS NEWARK NJ 07102	543,781.990	53.13%
JEFFERSON NATIONAL LIFE INSURANCE CO 10350 ORMSBY PARK PL STE 600 LOUISVILLE KY 402236178	248,729.583	24.30%
MONY LIFE INSURANCE CO OF AMERICA C/O PROTECTIVE LIFE INSURANCE CO 2801 HIGHWAY 280 S ATTN ANNUITY ACCTG FL 2-2 BIRMINGHAM AL 352232479	151,518.478	14.80%
PROFUND VP ULTRA MID-CAP		
AMERICAN SKANDIA LIFE ASSURANCE CORP 213 WASHINGTON ST 7TH FL SEPARATE ACCTS NEWARK NJ 07102	144,110.170	70.63%
MIDLAND NATIONAL LIFE INSURANCE COMPANY 4350 WESTOWN PKWY ATTN VARIABLE ANNUITY DIVISION WEST DES MOINES IA 502661144	49,212.886	24.12%
JEFFERSON NATIONAL LIFE INSURANCE CO 10350 ORMSBY PARK PL STE 600 LOUISVILLE KY 402236178	10,630.813	5.21%
PROFUND VP ULTRANASDAQ-100		
TRANSAMERICA PREMIER LIFE INSURANCE CO 4333 EDGEWOOD RD NE CEDAR RAPIDS IA 52499	334,995.849	48.53%
AMERICAN SKANDIA LIFE ASSURANCE CORP 213 WASHINGTON ST 7TH FL SEPARATE ACCTS NEWARK NJ 07102	274,627.881	39.79%
NATIONWIDE INVESTMENT SERVICES CORP. ONE NATIONWIDE PLAZA, 02-02-18 COLUMBUS OH 43215	38,368.907	5.56%

Name and Address	Shares Owned	Percentage Shares of the Fund
PROFUND VP ULTRASHORT DOW 30		
MIDLAND NATIONAL LIFE INSURANCE COMPANY 4350 WESTOWN PKWY ATTN VARIABLE ANNUITY DIVISION WEST DES MOINES IA 502661144	62.677	55.02%
PROFUND ADVISORS LLC 7501 WISCONSIN AVE SUITE 1000 BETHESDA MD 20814	51.250	44.98%
PROFUND VP ULTRASHORT NASDAQ-100		
JEFFERSON NATIONAL LIFE INSURANCE CO 10350 ORMSBY PARK PL STE 600 LOUISVILLE KY 402236178	415,690.477	87.77%
NATIONWIDE INVESTMENT SERVICES CORP. ONE NATIONWIDE PLAZA, 02-02-18 COLUMBUS OH 43215	57,813.442	12.21%
PROFUND VP ULTRASMALL-CAP		
TRANSAMERICA PREMIER LIFE INSURANCE CO 4333 EDGEWOOD RD NE CEDAR RAPIDS IA 52499	496,245.505	64.36%
AMERICAN SKANDIA LIFE ASSURANCE CORP 213 WASHINGTON ST 7TH FL SEPARATE ACCTS NEWARK NJ 07102	236,950.377	30.73%
PROFUND VP UTILITIES		
AMERICAN SKANDIA LIFE ASSURANCE CORP 213 WASHINGTON ST 7TH FL SEPARATE ACCTS NEWARK NJ 07102	330,597.110	45.76%
TRANSAMERICA PREMIER LIFE INSURANCE CO 4333 EDGEWOOD RD NE CEDAR RAPIDS IA 52499	184,989.731	25.60%
NATIONWIDE INVESTMENT SERVICES CORP. ONE NATIONWIDE PLAZA, 02-02-18 COLUMBUS OH 43215	98,982.641	13.70%
JEFFERSON NATIONAL LIFE INSURANCE CO 10350 ORMSBY PARK PL STE 600 LOUISVILLE KY 402236178	87,752.580	12.15%
PROFUND VP GOVERNMENT MONEY MARKET		
LOMBARD INTERNATIONAL LIFE ASSURANCE CO ONE LIBERTY PLACE 1650 MARKET ST 54TH FLOOR PHILADELPHIA PA 19103	133,269,286.753	76.37%

Name and Address	Shares Owned	Percentage Shares of the Fund
TRANSAMERICA PREMIER LIFE INSURANCE CO 4333 EDGEWOOD RD NE CEDAR RAPIDS IA 52499	24,667,064.810	14.14%

Michael Sapir owns a controlling interest in the Advisor and serves as Chief Executive Officer of the Advisor and Chairman of the Trust. Louis Mayberg owns a controlling interest in the Advisor and serves as President of the Advisor. No other person owns more than 25% of the ownership interests in the Advisor.

APPENDIX E

DOCUMENT	
TITLE:	**Proxy Voting Policies and Procedures**
FOR:	**ProShare Advisors LLC** **ProFund Advisors LLC**
DATED:	**March 1, 2008**
AS REVISED:	**May 1, 2015**

Proxy Voting Policies and Procedures to Maximize Shareholder Value and Protect Shareowner Interests

It is the policy of ProFund Advisors LLC and ProShare Advisors LLC (collectively, the "Advisor") to seek to maximize shareholder value and protect shareholder interests when voting proxies on behalf of clients. The Advisor seeks to achieve this goal by utilizing a set of proxy voting guidelines (the "Guidelines") maintained and implemented by an independent service provider, Institutional Shareholder Services ("ISS"). The Advisor believes that these Policies and Procedures, including the Guidelines, are reasonably designed to ensure that proxy matters are conducted in the best interests of clients and in accordance with the Advisor's fiduciary duties, applicable rules under the Investment Advisers Act of 1940, and, in the case of its registered fund clients, applicable rules under the Investment Company Act of 1940.

Proxy Voting Guidelines

Proxies generally will be voted in accordance with the ISS Guidelines, an extensive list of common proxy voting issues and recommended voting actions for such issues based on the overall goal of achieving maximum shareholder value and protection of shareholder interests. Common issues in the Guidelines, and factors taken into consideration in voting proxies with respect to these issues, include, but are not limited to:

- Election of Directors — considering factors such as director qualifications, term of office, age limits.
- Proxy Contests — considering factors such as voting for nominees in contested elections and reimbursement of expenses.
- Election of Auditors — considering factors such as independence and reputation of the auditing firm.
- Proxy Contest Defenses — considering factors such as board structure and cumulative voting.
- Tender Offer Defenses — considering factors such as poison pills (stock purchase rights plans) and fair price provisions.
- Miscellaneous Governance Issues — considering factors such as confidential voting and equal access.
- Capital Structure — considering factors such as common stock authorization and stock distributions.
- Executive and Director Compensation — considering factors such as performance goals and employee stock purchase plans.
- State of Incorporation — considering factors such as state takeover statutes and voting on reincorporation proposals.
- Mergers and Corporate Restructuring — considering factors such as spinoffs and asset sales.
- Mutual Fund Proxy Voting — considering factors such as election of directors and proxy contests.
- Consumer and Public Safety Issues — considering factors such as social and environmental issues as well as labor issues.

A full description of the Guidelines is maintained by the Advisor and the Advisor has established a committee that monitors the effectiveness of the Guidelines (the "Brokerage Allocation and Proxy Voting Committee" or the "Committee").

The Advisor reserves the right to modify any of the recommendations set forth in the Guidelines with respect to any particular issue in the future, in accordance with the Advisor intent to vote proxies for clients in a manner that the Advisor determines is in the best interests of clients and which seeks to maximize the value of the client's investments. The Advisor is not required to vote every proxy in fulfilling its proxy voting obligations. In some cases, the Advisor may determine that it is in the best interests of a client to refrain from exercising proxy voting rights. For example, the Advisor may determine that the cost of voting certain proxies exceeds the expected benefit to the client (such as where casting a vote on a foreign security would require hiring a translator), and may abstain from voting in such cases.

In cases where the Advisor does not receive a solicitation or enough information with respect to a proxy vote within a sufficient time (as reasonably determined by the Advisor) prior to the proxy-voting deadline, the Advisor may be unable to vote. With respect to non-U.S. companies, it is typically difficult and costly to vote proxies due to local regulations, customs or other requirements or restrictions, and such circumstances may outweigh any anticipated economic benefit of voting. The major difficulties and costs may include: (i) appointing a proxy; (ii) obtaining reliable information about the time and location of a meeting; (iii) obtaining relevant information about voting procedures for foreign shareholders; (iv) restrictions on trading securities that are subject to proxy votes (share-blocking periods); (v) arranging for a proxy to vote locally in person; (vi) fees charged by custody banks for providing certain services with regard to voting proxies; and (vii) foregone income from securities lending programs. The Advisor does not vote proxies of non-U.S. companies if it determines that the expected costs of voting outweigh any anticipated economic benefit to the client of voting.

Overview of the Proxy Voting Process

In relying on ISS to vote client proxies, the Advisor will take reasonable steps and obtain adequate information to verify that ISS has the capacity to provide adequate proxy advice, is independent of the Advisor, has an adequate conflict of interest policy, and does not have the incentive to vote proxies in anyone's interest other than that of the Advisor's client. In addition, the Committee will monitor for conflicts concerning ISS.

As proxy agent, ISS devotes research for proxies based on the level of complexity of the proxy materials to be voted. ISS assigns complex issues such as mergers or restructuring to senior analysts. Recurring issues for which case-by-case analysis is unnecessary are handled by more junior analysts. In every case, an analyst reviews publicly available information such as SEC filings and recent news reports and, if necessary, may contact issuers directly. Such discussions with issuers may be handled by telephone or in a face-to-face meeting. Analysts will seek to speak directly with management when a question is not answered by publicly available information and such information is needed for an informed recommendation.

As part of ISS's quality assurance process, every analysis is reviewed by a director of research or a chief policy advisor. Complex issues such as mergers are assigned to senior staff members. Contested issues are reviewed by research directors. While a senior analyst takes the lead on every proxy contest, a member of management will frequently conduct additional review by participating in calls with principals directly involved with the proxy issue.

Generally, proxies are voted in accordance with the voting recommendations as stated in the Guidelines. ISS will consult the Advisor on non-routine issues. Information about the Guidelines is available on the ISS web site at: http://www.issgovernance.com/file/policy/2015-us-summary-voting-guidelines-updated.pdf.

Oversight of the Proxy Voting Process

The Advisor has established the Brokerage Allocation and Proxy Voting Committee, in part, to oversee the proxy voting process. ISS provides the Advisor quarterly reports, which the Advisor reviews to ensure that client proxies are being voted properly. The Advisor and ISS also perform spot checks on an intra-quarterly basis. ISS's management meets on a regular basis to discuss its approach to new developments and amendments to existing policies. Information on such developments or amendments, in turn, is provided to the Committee.

Conflicts of Interest

From time to time, proxy issues may pose a material conflict of interest between the Advisor and its clients. It shall be the duty of the Committee to monitor for and to identify potential conflicts of interest. The Committee will also determine which conflicts are material (if any). To ensure that proxy voting decisions are based on the best interests of the client in the event a conflict of interest arises, the Advisor will direct ISS to use its independent judgment to vote affected proxies in accordance with the Guidelines.

If a registered investment company managed by the Advisor owns shares of another investment company managed by the Advisor, "echo voting" is employed to avoid certain potential conflicts of interest. Echo voting means that the Advisor votes the shares of each such underlying investment company in the same proportion as the vote of all of the other holders of the underlying investment company's shares.

The Committee will disclose to clients any voting issues that created a conflict of interest and the manner in which ISS, on behalf of the Advisor, voted such proxies.

Securities Lending Program

The Advisor acknowledges that, when a registered fund client (a "Fund") lends its portfolio securities, the Fund's Trustees (who generally have delegated proxy voting responsibility to the Advisor) retain a fiduciary obligation to vote proxies relating to such securities and to recall the securities in the event of a shareholder vote on a material event affecting the security on the loan. Under the Funds' securities lending agreements, a Fund generally retains the right to recall a loaned security and to exercise the security's voting rights. In order to vote the proxies of securities out on loan, the Advisor must recall the securities prior to the established record date. It is the Advisor's general policy to use its best efforts to recall securities on loan and to vote proxies relating to such securities if the Advisor determines that such proxies involve a material event affecting the loaned securities. The Advisor may utilize third party service providers to assist it in identifying and evaluating whether an event is material.

As noted, in certain cases, the Advisor may determine that voting proxies is not in the best interest of a client and may refrain from voting if the costs, including the opportunity costs, of voting would, in the view of the Advisor, exceed the expected benefits of voting to the client. For securities on loan, the Advisor will balance the revenue-producing value of loans against the difficult-to-assess value of casting votes. If the Advisor determines that the expected value of casting a vote will be less than the securities lending income, either because the votes would not have significant economic consequences or because the outcome of the vote would not be affected by the Advisor's recalling the loaned securities in order to ensure they are voted (*e.g.*, for an annual shareholder meeting at which purely routine votes are at issue, or if the relevant Fund owns a de minimus percentage of the outstanding shares at issue). The Advisor intends to recall securities on loan if it determines that voting the securities is likely to affect materially the value of a Fund's investment and that it is in the Fund's best interests to do so.

Availability of Information; Record of Proxy Voting

The Advisor, with the assistance of ISS, shall maintain for a period of at least five years the following records relating to proxy voting on behalf of clients:

(1) proxy voting policies and procedures;

(2) proxy statements received for clients (unless such statements are available on the SEC's Electronic Data Gathering, Analysis, and Retrieval (EDGAR) system);

(3) any documents prepared by the Advisor that were material to making a proxy voting decision or that memorialized the basis for the decision;

(4) records of votes cast on behalf of clients (which may be maintained by a third party service provider if the service provider undertakes to provide copies of those records promptly upon request); and

(5) records of written requests for proxy voting information and written responses from the Advisor to either a written or oral request.

For the first two years, the Advisor will store such records at its principal office. Voting records will also be maintained and will be available free of charge by calling the Advisor at 888-776-1972. The voting record is available on the website of the Securities and Exchange Commission at www.sec.gov.

Disclosure

The Advisor will inform its clients as to how to obtain information regarding the Advisor's voting of the clients' securities. The Advisor will provide its clients with a summary of its proxy voting guidelines, process and policies and will inform its clients as to how they can obtain a copy of the complete Guidelines upon request. The Advisor will include such information described in the preceding two sentences in its Form ADV and will provide its existing clients with the above information. The Advisor shall disclose in the statements of additional information of registered fund clients a summary of procedures which the Advisor uses to determine how to vote proxies relating to portfolio securities of such clients. The disclosure will include a description of the procedures used when a vote presents a conflict of interest between shareholders and the Advisor or an affiliate of the Advisor.

The semi-annual reports of Fund clients shall indicate that a Fund's proxy voting records are available: (i) by calling a toll-free number; or (ii) on the SEC's website. If a request for the records is received, the requested description must be sent within three business days by a prompt method of delivery.

The Advisor, on behalf of each Fund it advises, shall file its proxy voting record with the SEC on Form N-PX no later than August 31 of each year, for the twelve-month period ending June 30 of the current year. Such filings shall contain all information required to be disclosed on Form N-PX.