ADVANCE
CAPITAL I

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Prospectus

Retail Shares and Institutional Shares

	Retail Shares Ticker Symbols	Institutional Shares Ticker Symbols
Retirement Income Fund	ADRIX	ADRNX
Balanced Fund	ADBAX	ADBNX
Equity Growth Fund	ADEGX	ADENX
Core Equity Fund	ADCEX	ADCNX

The Securities and Exchange Commission has not approved or disapproved of these securities. Further, it has not determined that this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

April 30, 2011

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FUND SUMMARIES

RETIREMENT INCOME FUND

Investment Objective: Current income at a moderate level of risk.

Fees and Expenses of the Fund

The table below describes the fees and expenses that you may pay if you buy and hold shares of the Retirement Income Fund. You pay no sales charges or transaction fees for buying or selling shares of the Fund.

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

	Retail Shares	Institutional Shares
Management fees	0.50%	0.50%
Distribution (12b-1) fees	0.25%	0.00%
Other expenses	0.10%	0.10%
Total annual fund operating expenses	0.85%	0.60%

Example

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

	1 Year	3 Years	5 Years	10 Years
Retirement Income Fund				
Retail Shares	$87	$271	$471	$1,049
Institutional Shares	$61	$192	$335	$ 750

Portfolio Turnover

The Fund pays transaction costs, such as commissions, when it buys and sells securities (or "turns over" its portfolio). A higher portfolio turnover rate may indicate higher transaction costs and may result in higher taxes when Fund shares are held in a taxable account. These costs, which are not reflected in annual fund operating expenses or in the examples, affect the Fund's performance. During the most recent fiscal year, the Fund's portfolio turnover rate was 73% of the average value of its portfolio.

Principal Investment Strategies of the Fund

The Retirement Income Fund invests in a broad range of fixed income investments, with at least 65% of its total assets invested in corporate or U.S. Government fixed income securities. Corporate fixed income securities may be investment grade or higher-yielding, below investment grade securities (so-called "junk bonds"). The adviser utilizes a comprehensive investment process prior to purchasing a security for the fund. Once a security passes the financial screening process, further due diligence is conducted by the portfolio managers. If an investment passes both the financial screens and fundamental research, it is a candidate for purchase. Regular reviews are conducted by the adviser of each security in the portfolio to determine financial strength, bond rating, marketability and other relevant financial due diligence items. In general, if an investment in the portfolio fails to meet minimum financial expectations or for strategic reasons, it may be sold.

The adviser may adjust the average maturity of the Fund's portfolio as well as the quality of bonds held, based on the interest rate outlook and current economic conditions. When interest rates are expected to rise and bond prices fall, the Fund may hold bonds with a shorter average maturity. When rates are expected to fall and bond prices rise, the Fund may hold bonds with a longer average maturity. Any adjustment in the maturity or quality of the holdings may cause an increase in portfolio turnover resulting in an increase in expenses.

Principal Risks of Investing in the Fund

Interest Rate Risk — Bond prices fluctuate due to changing interest rates. When interest rates rise, bond prices fall, and bond prices go up when interest rates fall. Bonds with longer maturities have greater interest rate risk than do bonds with shorter maturities.

High Yield Securities Risk — Issuers of high yield fixed-income securities (commonly referred to as "junk bonds") are not as strong financially as those companies issuing investment grade bonds. Junk bonds are subject to greater credit quality risk than higher rated fixed-income securities and should be considered speculative. The value of debt securities may be affected by changing credit ratings.

Credit Risk — There is the chance that the issuer of a bond will default on its promise to pay interest and/or principal at maturity. Credit ratings are an attempt to assess this risk. All things being equal, the lower a bond's credit rating, the higher the interest the bond must pay in order to attract investors and compensate them for taking additional risk.

U.S. Government Agency Risk — Some U.S. Government agency securities, such as those of the Federal National Mortgage Association ("Fannie Mae") and the Federal Home Loan Mortgage Corporation ("Freddie Mac") have only limited support from the agency's authority to borrow from the U.S. Government or the discretionary authority of the Treasury to purchase obligations of the issuing agency. Agencies with this limited credit support or no legally required support from the U.S. Government could default on their obligations or suffer reductions in their credit ratings.

Call and Prepayment Risk — Investment grade and high-yield bonds may contain prepayment or redemption (call) provisions which, if exercised during a period of declining interest rates, may require the Fund to reinvest in a lower-yielding security, resulting in a decreased return for investors. Also, mortgage-backed securities issued by U.S. Government agencies are subject to prepayment risk because the underlying mortgages are being repaid on a regular basis.

Who Should Invest?

The **Retirement Income Fund** may be suitable for you if:

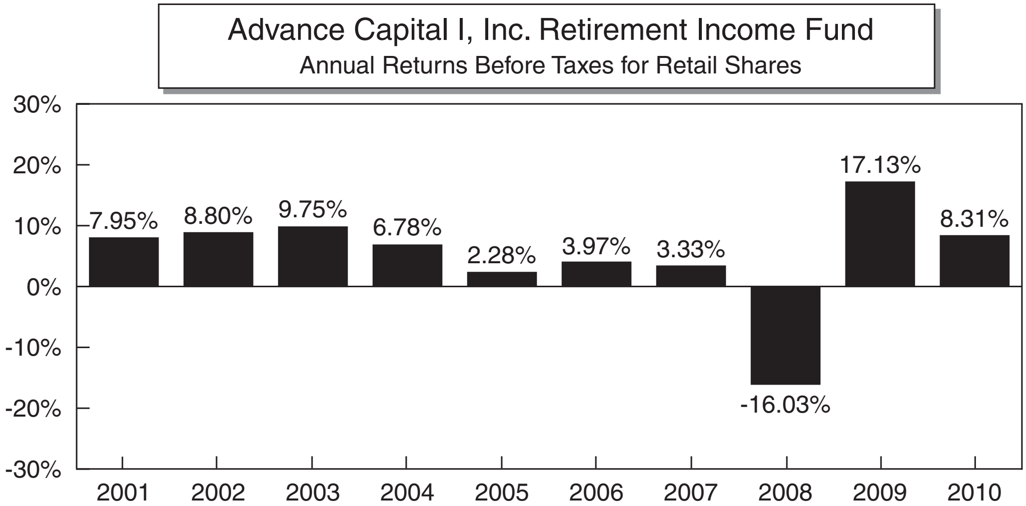
- You want to add a high risk fixed income fund to your current portfolio
- You have a long-term time horizon (at least five years)
- You are seeking current income rather than growth
- You have a high risk tolerance and can accept large price swings

Because of the several types of risks described in this prospectus, you could lose money!

Performance

The following information illustrates how the Retirement Income Fund's results may vary and provides some indication of the risks of investing in the Fund by showing changes in the Fund's performance from year to year and by showing how the average annual returns for one, five, and ten years for Retail Shares of the Fund compare with those of an appropriate broad-based securities market index. The Barclays Capital U.S. Corporate Index is a broad-based benchmark that measures the investment grade, fixed-rate, taxable, corporate bond market. It consists primarily of publicly-issued fixed-income investment grade securities issued by U.S. corporations in the industrial, utility and financial services sectors; you cannot invest directly in an index. **Past performance (before and after taxes) should not be used to attempt to predict future performance.** You may get updated performance information online at *www.acfunds.com* or by calling 800-345-4783.

Calendar Year Total Returns (%) as of 12/31 each year (Retail Shares)



The Retirement Income Fund's highest/lowest quarterly results for Retail Shares during this time period were:

Highest: +7.94% 3rd quarter 2009

Lowest: −7.39% 3rd quarter 2008

Average Annual Total Returns (%)
For the Periods Ended December 31, 2010

	1 Year	5 Years	10 Years
Retirement Income Fund — Retail Shares			
Before taxes	8.31%	2.73%	4.89%
After taxes on distributions	6.51%	0.73%	2.80%
After taxes on distributions and sale of fund shares	5.41%	1.14%	2.97%
Retirement Income Fund — Institutional Shares			
Before taxes	8.45%	N/A	N/A
Index (reflects no deductions for fees, expenses or taxes)			
Barclays Capital U.S. Corporate Index	8.99%	6.05%	6.57%

After-tax returns are calculated using the highest historical individual federal income tax rates and do not reflect the impact of state and local taxes. After tax returns are shown only for Retail Shares, and will vary for Institutional Shares. Your actual after-tax returns depend on your individual tax situation and likely will differ from the results shown. In addition, after-tax returns are not relevant if you hold your Fund shares through tax-deferred arrangements, such as a 401(k) plan or an individual retirement account (IRA). Total returns shown "after taxes on distributions and sale of fund shares" assume that you sold your shares at the end of the particular time period, and as a result, reflect the effect of both taxable distributions by the Fund and any taxable gain or loss realized upon the sale of the shares.

Management
Investment Adviser: Advance Capital Management, Inc.

Portfolio Managers:
- ***Christopher M. Kostiz***, senior portfolio manager since 1995.
- ***Gregory O. MacKenzie***, CFA, portfolio manager since 2004.

Purchase and Sale of Fund Shares
Only banks, savings institutions, credit unions and other financial institutions, corporations, foundations, retirement plans, endowments or other accredited institutions and certain high net worth individuals who are approved for investment by the Adviser or a Subadviser may purchase Institutional Shares. The minimum investment for Institutional Shares is $250,000, but exceptions can be made based on an aggregate investment over time. All other investors may purchase Retail Shares. The minimum initial investment for Retail Shares is $10,000 (or $2,000 for an IRA account), and this minimum may be made in any combination of Advance Capital I Funds so long as a $1,000 minimum is maintained in each Fund selected. Subsequent investments in either Retail or Institutional Shares may be made in any amounts. To purchase shares in the Fund, you must complete an Application to Purchase Shares and mail it with a check to: Advance Capital I, Inc., P.O. Box 3144, Southfield, Michigan 48037 (by regular mail) or to: Advance Capital I, Inc., One Towne Square, Suite 444, Southfield, Michigan 48076 (by overnight mail or delivery service). Shares of the Fund held in a non-IRA account are redeemable on any business day, by telephone or in writing. Shares held in an IRA account must be redeemed by submitting an IRA Distribution Form.

Tax Information
The Fund intends to make distributions that may be taxed as ordinary income or capital gains.

Financial Intermediary Compensation
If you purchase shares of the Fund through a broker-dealer or other financial intermediary (such as a bank or a financial advisor), the Fund and its related companies may pay the financial intermediary for the sale of Fund shares and related services. These payments may create a conflict of interest by influencing the broker-dealer or other financial intermediary and your salesperson to recommend the Fund over another investment. Ask your salesperson or visit your financial intermediary's Web site for more information.

BALANCED FUND
Investment Objective: Capital growth, current income and preservation of capital.

Fees and Expenses of the Fund
The table below describes the fees and expenses that you may pay if you buy and hold shares of the Balanced Fund. You pay no sales charges or transaction fees for buying or selling shares of the Fund.

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

	Retail Shares	Institutional Shares
Management fees	0.70%	0.70%
Distribution (12b-1) fees	0.25%	0.00%
Other expenses	0.11%	0.11%
Total annual fund operating expenses	1.06%	0.81%

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

	1 Year	3 Years	5 Years	10 Years
Balanced Fund				
Retail Shares	$108	$337	$585	$1,294
Institutional Shares	$ 83	$259	$450	$1,002

Portfolio Turnover
The Fund pays transaction costs, such as commissions, when it buys and sells securities (or "turns over" its portfolio). A higher portfolio turnover rate may indicate higher transaction costs and may result in higher taxes when Fund shares are held in a taxable account. These costs, which are not reflected in annual fund operating expenses or in the examples, affect the Fund's performance. During the most recent fiscal year, the Fund's portfolio turnover rate was 39% of the average value of its portfolio.

Principal Investment Strategies of the Fund
The Balanced Fund invests in a mixed portfolio of common stocks and investment grade bonds, and normally invests approximately 60% of its total assets in common stocks and 40% in fixed income securities. The Fund may hold a limited amount of cash to be used for redemptions. Under normal circumstances, equity securities will represent at least 25% of total assets. Fixed income securities may represent as much as 75%, but not less than 25% of total assets. The Fund invests in stocks of companies that are considered to have good growth potential, regardless of the size of the company. If a bond held in the Fund is downgraded to below investment grade, the Fund may continue to hold it until the adviser deems it advantageous to sell.

The Subadviser for the equity portion of the Balanced Fund employs a "bottom-up" fundamental research process for stock selection. The portfolio manager evaluates a company's business strategy, competitive advantage and financial factors. The investment process utilizes quantitative screens which focus on valuation metrics to help control risk. Those investments that pass the screens are candidates for investment. The Balanced Fund may sell securities for a variety of reasons, such as to effect a change in asset allocation, secure gains, limit losses, or redeploy assets into more promising opportunities. When considering whether or not to sell investments, for stocks in the Fund the portfolio manager considers the potential impact of management changes, strategic marketing opportunities and competition on both the large-cap value and small-cap growth stocks in the Fund and whether a security's price is overvalued compared to future earnings growth. For bonds, the portfolio managers also consider the likely impact of rising or falling interest rates and whether there have been any other fundamental changes in the current or prospective financial structure or operations of the company.

Principal Risks of Investing in the Fund

Market Risk — Changing stock market conditions will affect the Fund's share price. The Balanced Fund should not be relied on for short-term needs. Returns from stocks held in the Fund will rise and fall with changes in the broad market, a particular industry, or specific holdings. The market as a whole can decline for many reasons, including adverse political or economic developments here or abroad, changes in investor psychology, or heavy institutional selling. The prospects for an industry or company may deteriorate because of a variety of factors, including disappointing earnings or changes in the competitive environment. Investments in small and mid-size companies could be volatile and sensitive to steep share price declines in the event their earnings disappoint investors. Bond prices will fluctuate as interest rates and credit ratings change.

Foreign Market Risk — To the extent the Fund invests in foreign stocks and bonds, it is also subject to the special risks associated with such investments whether denominated in U.S. dollars or foreign currencies. These risks include potentially adverse political and economic developments overseas, greater volatility, less liquidity, and the possibility that foreign currencies will decline against the dollar, lowering the value of securities denominated in those currencies.

Interest Rate Risk — Bond prices fluctuate due to changing interest rates. When interest rates rise, bond prices fall, and bond prices go up when interest rates fall. Bonds with longer maturities have greater interest rate risk than do bonds with shorter maturities.

Credit Risk — There is the chance that the issuer of a bond will default on its promise to pay interest and/or principal at maturity. Credit ratings are an attempt to assess this risk. All things being equal, the lower a bond's credit rating, the higher the interest the bond must pay in order to attract investors and compensate them for taking additional risk.

Call and Prepayment Risk — Investment grade and high-yield bonds may contain prepayment or redemption (call) provisions which, if exercised during a period of declining interest rates, may require the Fund to reinvest in a lower-yielding security, resulting in a decreased return for investors. Also, mortgage-backed securities issued by U.S. Government agencies are subject to prepayment risk because the underlying mortgages are being repaid on a regular basis.

Who Should Invest?

The **Balanced Fund** may be suitable for you if:

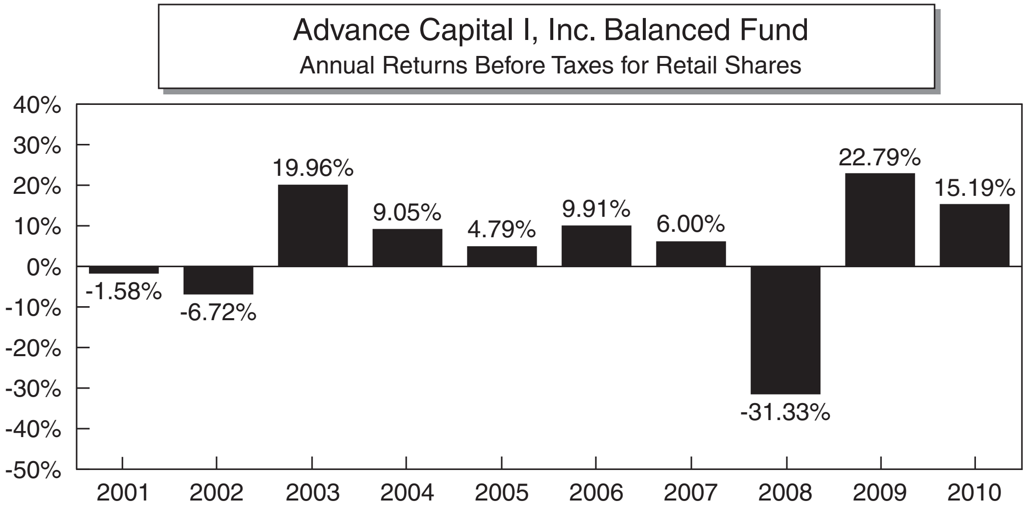
- You want to add a balanced fund to your existing portfolio,
- You are looking for a moderate level of growth and a moderate level of income,
- You have a long-term time horizon (at least 5 years), and
- You can tolerate the ups and downs of movement in the stock and bond markets

Because of the several types of risks described in this prospectus, you could lose money!

Performance

The following information illustrates how the Balanced Fund's results may vary and provides some indication of the risks of investing in the Fund by showing changes in the Fund's performance from year to year and by showing how the average annual returns for one, five, and ten years for Retail Shares of the Fund compare with those of an appropriate broad-based securities market index. The Lipper Balanced Index consists of the 30 largest mutual funds whose primary investment objective is to conserve principal by maintaining at all times a balanced portfolio of stocks and bonds; you cannot invest directly in an index. **Past performance (before and after taxes) should not be used to attempt to predict future performance.** You may get updated performance information online at *www.acfunds.com* or by calling 800-345-4783.

Calendar Year Total Returns (%) as of 12/31 each year (Retail Shares)



The Balanced Fund's highest/lowest quarterly results for Retail Shares during this time period were:

Highest: +11.61% 2nd quarter 2003

Lowest: −14.78% 4th quarter 2008

Average Annual Total Returns (%)
For the Periods Ended December 31, 2010

	1 Year	5 Years	10 Years
Balanced Fund — Retail Shares			
Before taxes	15.19%	2.51%	3.60%
After taxes on distributions	14.51%	1.42%	2.44%
After taxes on distributions and sale of fund shares	10.02%	1.78%	2.64%
Balanced Fund — Institutional Shares			
Before taxes	15.52%	N/A	N/A
Index (reflects no deductions for fees, expenses or taxes)			
Lipper Balanced Index	11.90%	3.91%	3.71%

After-tax returns are calculated using the highest historical individual federal income tax rates and do not reflect the impact of state and local taxes. After tax returns are shown only for Retail Shares, and will vary for

Institutional Shares. Your actual after-tax returns depend on your individual tax situation and likely will differ from the results shown. In addition, after-tax returns are not relevant if you hold your Fund shares through tax-deferred arrangements, such as a 401(k) plan or an individual retirement account (IRA). Total returns shown "after taxes on distributions and sale of fund shares" assume that you sold your shares at the end of the particular time period, and as a result, reflect the effect of both taxable distributions by the Fund and any taxable gain or loss realized upon the sale of the shares.

Management
Investment Adviser: Advance Capital Management, Inc.

Portfolio Managers (Fixed income portion):

- ***Christopher M. Kostiz***, senior portfolio manager since 1995.
- ***Gregory O. MacKenzie***, CFA, portfolio manager since 2004.

Investment Subadviser: T. Rowe Price Associates, Inc.

Portfolio Manager (Equity portion):

- ***Donald J. Peters***, portfolio manager since 1994.
- ***Donald J. Easley***, CFA, portfolio manager since 2009.

Purchase and Sale of Fund Shares
Only banks, savings institutions, credit unions and other financial institutions, corporations, foundations, retirement plans, endowments or other accredited institutions and certain high net worth individuals who are approved for investment by the Adviser or a Subadviser may purchase Institutional Shares. The minimum investment for Institutional Shares is $250,000, but exceptions can be made based on an aggregate investment over time. All other investors may purchase Retail Shares. The minimum initial investment for Retail Shares is $10,000 (or $2,000 for an IRA account), and this minimum may be made in any combination of Advance Capital I Funds so long as a $1,000 minimum is maintained in each Fund selected. Subsequent investments in either Retail or Institutional Shares may be made in any amounts. To purchase shares in the Fund, you must complete an Application to Purchase Shares and mail it with a check to: Advance Capital I, Inc., P.O. Box 3144, Southfield, Michigan 48037 (by regular mail) or to: Advance Capital I, Inc., One Towne Square, Suite 444, Southfield, Michigan 48076 (by overnight mail or delivery service). Shares of the Fund held in a non-IRA account are redeemable on any business day, by telephone or in writing. Shares held in an IRA account must be redeemed by submitting an IRA Distribution Form.

Tax Information
The Fund intends to make distributions that may be taxed as ordinary income or capital gains.

Financial Intermediary Compensation
If you purchase shares of the Fund through a broker-dealer or other financial intermediary (such as a bank or a financial advisor), the Fund and its related companies may pay the financial intermediary for the sale of Fund shares and related services. These payments may create a conflict of interest by influencing the broker-dealer or other financial intermediary and your salesperson to recommend the Fund over another investment. Ask your salesperson or visit your financial intermediary's Web site for more information.

EQUITY GROWTH FUND

Investment Objective: Long-term growth of capital.

Fees and Expenses of the Fund

The table below describes the fees and expenses that you may pay if you buy and hold shares of the Equity Growth Fund. You pay no sales charges or transaction fees for buying or selling shares of the Fund.

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

	Retail Shares	Institutional Shares
Management fees	0.70%	0.70%
Distribution (12b-1) fees	0.25%	0.00%
Other expenses	0.12%	0.12%
Total annual fund operating expenses	1.07%	0.82%

Example

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

	1 Year	3 Years	5 Years	10 Years
Equity Growth Fund				
Retail Shares	$109	$340	$590	$1,306
Institutional Shares	$ 84	$262	$455	$1,014

Portfolio Turnover

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

Principal Investment Strategies of the Fund

The Equity Growth Fund invests at least 80% of its assets in a diversified group of small and medium-sized growth companies. Medium-sized companies are considered to have market capitalization between about $460 million and $21.8 billion. Small companies are considered to be those that have market capitalizations of less than the lower end of this range. The Fund has the flexibility to purchase some larger companies. The portfolio manager looks for medium-sized companies with above-average earnings growth rates. The Fund seeks to lower its risk profile by investing in a broadly diversified portfolio of companies with proven business models at reasonable valuations. The Fund may also invest in other types of securities if they offer better returns with less risk than common stocks alone. These securities include foreign securities, preferred stocks, obligations issued and guaranteed by the U.S. Government, stock index futures, money market instruments, repurchase agreements and convertible debt securities.

The Subadviser employs a "bottom-up" fundamental research process for stock selection. The portfolio manager evaluates a company's business strategy, competitive advantage and financial factors. The investment process utilizes quantitative screens which focus on valuation metrics to help control risk. Those investments that pass the screens are candidates for investment. The portfolio manager may sell a stock for various reasons, including deterioration in valuation, a change in fundamental assessment or weakened financial strength.

Principal Risks of Investing in the Fund

Market Risk — Changing stock market conditions will affect the Fund's share price. Returns from stocks held in the Fund will rise and fall with changes in the broad market, a particular industry, or specific holdings. The market as a whole can decline for many reasons, including adverse political or economic developments here or abroad, changes in investor psychology, or heavy institutional selling. The prospects for an industry or company may deteriorate because of a variety of factors, including disappointing earnings or changes in the competitive environment.

Foreign Market Risk — To the extent the Fund invests in foreign stocks, it is also subject to the special risks associated with such investments whether denominated in U.S. dollars or foreign currencies. These risks include potentially adverse political and economic developments overseas, greater volatility, less liquidity, and the possibility that foreign currencies will decline against the dollar, lowering the value of securities denominated in those currencies.

Small and Medium-sized Companies — Small and medium-sized companies involve greater risks and may lack depth of management, may be unable to generate funds necessary for growth or potential development, or may be developing or marketing new products or services for which markets are not yet established and may never become established. Small and medium-sized companies tend to trade less frequently and are more sensitive to market changes than the market in general. In addition, these companies may become subject to intense competition from larger or more established companies. Finally, smaller growth stocks can have steep price declines if their earnings disappoint investors. Since the Fund will be significantly invested in this market sector, investors will be exposed to its volatility.

Growth Stocks — Growth stocks can be volatile for several reasons. Since growth stocks usually reinvest a high proportion of earnings in their own businesses, they may lack the dividends associated with value stocks that can cushion their decline in a falling market. Also, since investors buy these stocks because of their expected superior earnings growth, earnings disappointments often result in sharp price declines. In general, stocks with growth characteristics can have relatively wide price swings as a result of the high valuations they may carry.

Who Should Invest?

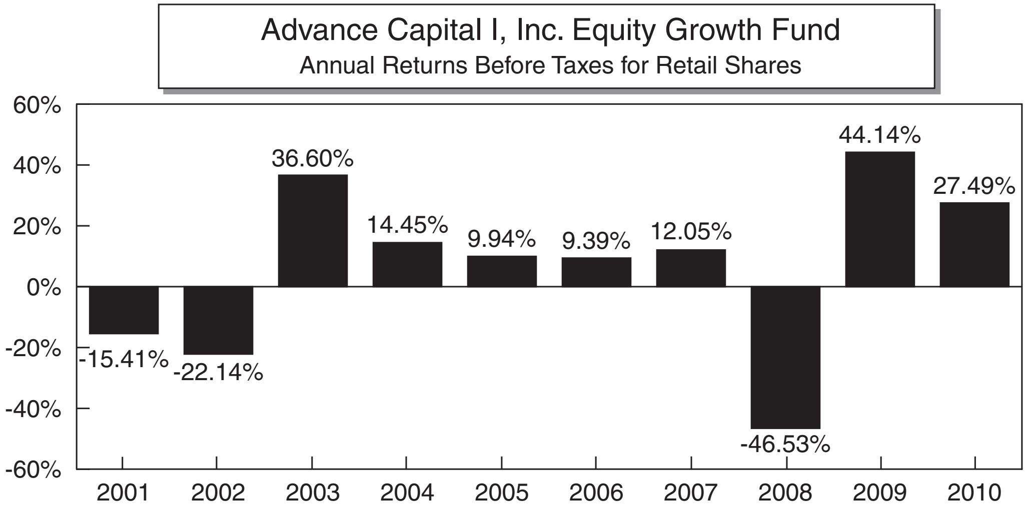
The **Equity Growth Fund** may be suitable for you if:

- You want to add a growth fund to your existing portfolio
- You have a long-term time horizon (at least 5 years)
- You want to focus on smaller-company stocks
- You do not need, or are not concerned with, dividend income
- You have a high tolerance for risk and can handle large price swings

Because of the several types of risk described in this prospectus, you could lose money!

Performance
The following information illustrates how the Equity Growth Fund's results may vary and provides some indication of the risks of investing in the Fund by showing changes in the Fund's performance from year to year and by showing how the average annual returns for one, five, and ten years for Retail Shares of the Fund compare with those of an appropriate broad-based securities market index. The Russell Midcap Growth Index measures the performance of those Russell Midcap companies with higher price-to-book ratios and higher forecasted growth values; you cannot invest directly in an index. **Past performance (before and after taxes) should not be used to attempt to predict future performance.** You may get updated performance information online at *www.acfunds.com* or by calling 800-345-4783.

Calendar Year Total Returns (%) as of 12/31 each year (Retail Shares)



The Equity Growth Fund's highest/lowest quarterly results for Retail Shares during this time were:

Highest: +34.09% 4th quarter 1999

Lowest: −25.95% 4th quarter 2008

Average Annual Total Returns (%)
For the Periods Ended December 31, 2010

	1 Year	5 Years	10 Years
Equity Growth Fund — Retail Shares			
Before taxes	27.49%	3.79%	3.15%
After taxes on distributions	27.48%	2.91%	2.43%
After taxes on distributions and sale of fund shares	17.88%	3.12%	2.61%
Equity Growth Fund — Institutional Shares			
Before taxes	27.86%	N/A	N/A
Index (reflects no deductions for fees, expenses or taxes)			
Russell Midcap Growth Index	26.38%	4.88%	3.11%

After-tax returns are calculated using the highest historical individual federal income tax rates and do not reflect the impact of state and local taxes. After tax returns are shown only for Retail Shares, and will vary for Institutional Shares. Your actual after-tax returns depend on your individual tax situation and likely will differ from the results shown. In addition, after-tax returns are not relevant if you hold your Fund shares through tax-deferred arrangements, such as a 401(k) plan or an individual retirement account (IRA). Total returns shown "after taxes on distributions and sale of fund shares" assume that you sold your shares at the end of the particular time period, and as a result, reflect the effect of both taxable distributions by the Fund and any taxable gain or loss realized upon the sale of the shares.

Management

Investment Adviser: Advance Capital Management, Inc.

Subadviser: T. Rowe Price Associates, Inc.

Portfolio Manager:

- ***Donald J. Peters***, portfolio manager since 1994.
- ***Donald J. Easley***, CFA, portfolio manager since 2009.

Purchase and Sale of Fund Shares

Only banks, savings institutions, credit unions and other financial institutions, corporations, foundations, retirement plans, endowments or other accredited institutions and certain high net worth individuals who are approved for investment by the Adviser or a Subadviser may purchase Institutional Shares. The minimum investment for Institutional Shares is $250,000, but exceptions can be made based on an aggregate investment over time. All other investors may purchase Retail Shares. The minimum initial investment for Retail Shares is $10,000 (or $2,000 for an IRA account), and this minimum may be made in any combination of Advance Capital I Funds so long as a $1,000 minimum is maintained in each Fund selected. Subsequent investments in either Retail or Institutional Shares may be made in any amounts. To purchase shares in the Fund, you must complete an Application to Purchase Shares and mail it with a check to: Advance Capital I, Inc., P.O. Box 3144, Southfield, Michigan 48037 (by regular mail) or to: Advance Capital I, Inc., One Towne Square, Suite 444, Southfield, Michigan 48076 (by overnight mail or delivery service). Shares of the Fund held in a non-IRA account are redeemable on any business day, by telephone or in writing. Shares held in an IRA account must be redeemed by submitting an IRA Distribution Form.

Tax Information

The Fund intends to make distributions that may be taxed as ordinary income or capital gains.

Financial Intermediary Compensation

If you purchase shares of the Fund through a broker-dealer or other financial intermediary (such as a bank or a financial advisor), the Fund and its related companies may pay the financial intermediary for the sale of Fund shares and related services. These payments may create a conflict of interest by influencing the broker-dealer or other financial intermediary and your salesperson to recommend the Fund over another investment. Ask your salesperson or visit your financial intermediary's Web site for more information.

CORE EQUITY FUND

Investment Objective: Long-term growth of capital.

Fees and Expenses of the Fund

The table below describes the fees and expenses that you may pay if you buy and hold shares of the Core Equity Fund. You pay no sales charges or transaction fees for buying or selling shares of the Fund.

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

	Retail Shares	Institutional Shares
Management fees	0.80%	0.80%
Distribution (12b-1) fees	0.25%	0.00%
Other expenses	0.23%	0.23%
Total annual fund operating expenses	1.28%	1.03%

Example

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

	1 Year	3 Years	5 Years	10 Years
Core Equity Fund				
Retail Shares	$130	$406	$702	$1,545
Institutional Shares	$105	$328	$569	$1,259

Portfolio Turnover

The Fund pays transaction costs, such as commissions, when it buys and sells securities (or "turns over" its portfolio). A higher portfolio turnover rate may indicate higher transaction costs and may result in higher taxes when Fund shares are held in a taxable account. These costs, which are not reflected in annual fund operating expenses or in the examples, affect the Fund's performance. During the most recent fiscal year, the Fund's portfolio turnover rate was 36% of the average value of its portfolio.

Principal Investment Strategies of the Fund

The Core Equity Fund strives to reach its investment objective under normal market and economic conditions by investing primarily (at least 80% of net assets) in a diversified group of companies whose stocks or depositary receipts are listed for trading on the New York Stock Exchange or the NASDAQ Global Select Market or the NASDAQ Global Market and which have a market capitalization of more than $1 billion. These companies may be headquartered in the U.S. or in foreign countries. Generally, the Fund will be invested in between 45 and 65 companies at any given time.

The portfolio managers select the individual stocks that comprise the portfolio for the Core Equity Fund. The Fund's benchmark is the Standard & Poor's 500 Stock Index. The Fund will normally have about a 10% exposure to any particular market sector and individual stock positions are normally limited to 5% of total assets at purchase and 7% of total assets at any other time.

The Subadviser follows a “bottom-up” investment analysis process where it first screens attractive stock candidates using a quantitative multi-factor model analyzing a universe of domestic companies with a market capitalization over $1 billion. These factors include an emphasis on low valuation, market reaction, capital deployment and earnings quality on both an absolute and relative basis. Stocks that meet these quantitative model requirements are then analyzed on a rigorous fundamental basis. This qualitative analysis involves a review of a company’s profitability, cash flow, capital spending and balance sheet trends as well as their products, competitive position, business practices and management. At this time price targets are established for both an initial purchase and ultimate sale of each security. These targets are periodically adjusted based on changes within the company and overall market. The last piece of the selection process is portfolio construction. The portfolio managers determine the weight of each security in the portfolio the relative sector weight compared to the benchmark.

As a security nears its price target, the Subadviser generally scales out of a holding by reducing the size of the position on a gradual basis. The most common reason for a sale is that our process has identified a superior risk/reward opportunity for the portfolio. If a security has deteriorating fundamentals, or has rapidly reached our price target the entire position is usually sold immediately. The portfolio managers do not employ strategies that limit losses or cap potential gains but any significant price movement will prompt a review of the security and the rationale for owning it.

Principal Risks of Investing in the Fund

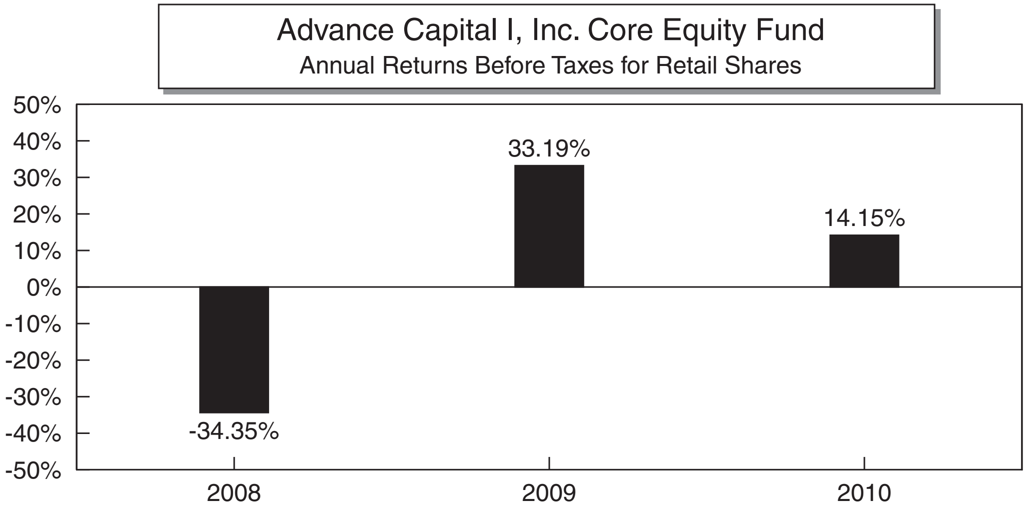
Market Risk — Changing stock market conditions will affect the Fund’s share price. Returns from stocks held in the Fund will rise and fall with changes in the broad market, a particular industry, or specific holdings. The market as a whole can decline for many reasons, including adverse political or economic developments here or abroad, changes in investor psychology, or heavy institutional selling. The prospects for an industry or company may deteriorate because of a variety of factors, including disappointing earnings or changes in the competitive environment.

Because of the several types of risk described in this prospectus, you could lose money!

Performance

The following information illustrates how the Core Equity Fund’s results may vary and provides some indication of the risks of investing in the Fund by showing changes in the Fund’s performance from year to year and by showing how the average annual returns for one year and since inception for Retail Shares of the Fund compare with those of an appropriate broad-based securities market index. The S&P 500 Index is a capitalization-weighted index of 500 stocks representing all major industries that is designed to measure the performance of the broad domestic economy; you cannot invest directly in an index. **Past performance (before and after taxes) should not be used to attempt to predict future performance.** You may get updated performance information online at *www.acfunds.com* or by calling 800-345-4783.

Calendar Year Total Returns (%) as of 12/31 each year (Retail Shares)



The Core Equity Fund's highest/lowest quarterly results for Retail Shares during this time were:

Highest: +15.09% 3rd quarter 2008

Lowest: −24.28% 4th quarter 2008

Average Annual Total Returns (%)
For the Periods Ended December 31, 2010

	1 Year	Since Inception
Core Equity Fund — Retail Shares		
Before taxes	14.15%	−0.06%
After taxes on distributions	14.06%	−0.17%
After taxes on distributions and sale of fund shares	9.31%	−0.08%
Core Equity Fund — Institutional Shares		
Before taxes	14.41%	0.31%
Index (reflects no deductions for fees, expenses or taxes)		
S&P 500 Index	15.06%	−0.06%

After-tax returns are calculated using the highest historical individual federal income tax rates and do not reflect the impact of state and local taxes. After tax returns are shown only for Retail Shares, and will vary for Institutional Shares. Your actual after-tax returns depend on your individual tax situation and likely will differ from the results shown. In addition, after-tax returns are not relevant if you hold your Fund shares through tax-deferred arrangements, such as a 401(k) plan or an individual retirement account (IRA). Total returns shown "after taxes on distributions and sale of fund shares" assume that you sold your shares at the end of the particular time period, and as a result, reflect the effect of both taxable distributions by the Fund and any taxable gain or loss realized upon the sale of the shares.

Management

Investment Adviser: Advance Capital Management, Inc.

Subadviser: Seizert Capital Partners, LLC

Portfolio Managers:

- ***Gerald L. Seizert***, CFA, portfolio manager since 2008.
- ***Edward O. Eberle***, CFA, portfolio manager since 2008.
- ***David Collon***, portfolio manager since 2008.

Purchase and Sale of Fund Shares

Only banks, savings institutions, credit unions and other financial institutions, corporations, foundations, retirement plans, endowments or other accredited institutions and certain high net worth individuals who are approved for investment by the Adviser or a Subadviser may purchase Institutional Shares. The minimum investment for Institutional Shares is $250,000, but exceptions can be made based on an aggregate investment over time. All other investors may purchase Retail Shares. The minimum initial investment for Retail Shares is $10,000 (or $2,000 for an IRA account), and this minimum may be made in any combination of Advance Capital I Funds so long as a $1,000 minimum is maintained in each Fund selected. Subsequent investments in either Retail or Institutional Shares may be made in any amounts. To purchase shares in the Fund, you must complete an Application to Purchase Shares and mail it with a check to: Advance Capital I, Inc., P.O. Box 3144, Southfield, Michigan 48037 (by regular mail) or to: Advance Capital I, Inc., One Towne Square, Suite 444, Southfield, Michigan 48076 (by overnight mail or delivery service). Shares of the Fund held in a non-IRA account are redeemable on any business day, by telephone or in writing. Shares held in an IRA account must be redeemed by submitting an IRA Distribution Form.

Tax Information

The Fund intends to make distributions that may be taxed as ordinary income or capital gains.

Financial Intermediary Compensation

If you purchase shares of the Fund through a broker-dealer or other financial intermediary (such as a bank or a financial advisor), the Fund and its related companies may pay the financial intermediary for the sale of Fund shares and related services. These payments may create a conflict of interest by influencing the broker-dealer or other financial intermediary and your salesperson to recommend the Fund over another investment. Ask your salesperson or visit your financial intermediary's Web site for more information.

INVESTMENT OBJECTIVES, PRINCIPAL INVESTMENT STRATEGIES, RELATED RISKS, AND DISCLOSURE OF PORTFOLIO HOLDINGS

Changing a Fund's Investment Objective

A Fund's investment objective, and certain of its investment policies that are designated as "fundamental policies," cannot be changed without shareholder approval, in accordance with the requirements of the Investment Company Act of 1940, as amended.

Principal Investment Strategies —
Retirement Income Fund

The Retirement Income Fund invests in a broad range of fixed income investments. The Fund invests at least 65% of its total assets in corporate or U.S. Government fixed income securities. Corporate fixed income securities may be investment grade or higher-yielding, below investment grade securities (so-called "junk bonds"). The remaining assets may be invested in preferred stocks, U.S. Government agency securities, U.S. Government obligations, Yankee Bonds, exchange-traded funds ("ETFs"), higher yielding common stocks and money market instruments. When choosing investments, the portfolio manager adheres to the following policies:

1) The Fund may invest as much as 33% of the total assets in junk bonds or higher yielding common stocks. Junk bonds are those rated between Ba1 and B2 by Moody's or between BB+ and B by Standard and Poor's ("S&P"). If the quality rating criteria are met at the time of investment, a later decline in the rating by either or both of the rating agencies is not a violation of the investment policies of the Fund. In the event that a security held by the Fund is downgraded below B3 by Moody's or below B- by S&P, the Fund may continue to hold the security until such time as the investment adviser deems it advantageous to dispose of the security. High yielding common stocks will consist of stocks with a dividend yield, at the time of purchase, higher than the average dividend yield of the stocks comprising the S&P 500 Index.
2) No more than 50% of the Fund's total assets will be invested in obligations issued or guaranteed by the U.S. Government.
3) At least 50% of total assets will be invested in the following securities:
    - obligations of, or guaranteed by the U.S. Government or its agencies; and
    - corporate debt or preferred stocks rated Baa3 or higher by Moody's, or BBB- or higher by S&P.
4) The Fund may hold unrated securities if the portfolio manager believes that the securities are comparable in investment quality to the rated securities. However, the Fund will hold no more than 5% of the total assets in unrated securities.
5) The portfolio manager uses credit analysis, security research and credit ratings when choosing bonds. The portfolio manager takes into consideration such factors as the following:
    - present and potential liquidity,
    - capability to generate funds,
    - profitability, and
    - adequacy of capital

When selling investments, the portfolio manager considers the following:

1) Whether the current market price accurately reflects the credit worthiness of the company.
2) Whether changes in the industry could have a negative impact on the company's business or marketing opportunities.
3) Credit ratings which fall below the Fund's minimum standards.
4) The possible impact of rising or falling interest rates on bonds in the Fund.

The Retirement Income Fund may adjust the average maturity based on the interest rate outlook. When interest rates are expected to rise and bond prices fall, the Fund may hold bonds with a shorter average maturity. When rates are expected to fall and bond prices rise, the Fund may hold bonds with a longer average maturity. The investment adviser may adjust the quality of bonds held based on current economic conditions. Any adjustment in the maturity or quality of the holdings may cause an increase in portfolio turnover resulting in an increase in expenses.

Balanced Fund

The Balanced Fund invests in common stocks of large, established companies as well as small to mid-size companies that are considered to have good growth potential. Bond and fixed income investments include U.S. Government and agency securities, investment grade securities (rated Baa3 or better by Moody's or BBB- or better by S&P) and other debt securities. In the event that a security held by the Balanced Fund is downgraded below investment grade, the Fund may continue to hold the security until such time as the investment adviser deems it advantageous to dispose of the security. The Fund may also invest in other securities including foreign securities, preferred stocks, obligations issued or guaranteed by the U.S. Government, stock index futures, money market instruments, repurchase agreements and convertible debt securities. The Fund may write covered call options and purchase put options on securities and financial indices.

While most assets will be invested in common stocks, the fund may employ other strategies that are not considered part of the fund's principal investment strategies. From time to time, the fund may invest in securities other than common stocks and use derivatives that are consistent with its investment program. For instance, the fund may invest, to a limited extent, in futures. Any investments in futures would typically serve as an efficient means of gaining exposure to certain markets, or as a tool to manage cash flows into and out of the fund and maintain liquidity while being invested in the market. To the extent the fund invests in futures, it could be exposed to potential volatility and losses greater than direct investments in the contract's underlying assets.

The use of futures or other derivatives, if any, exposes the fund to risks that are different from, and potentially greater than, investments in more traditional securities. Changes in the value of a derivative may not properly correlate with changes in the value of the underlying asset, reference rate or index, and may not move in the direction anticipated by the portfolio manager. Derivatives can also be illiquid and difficult to value, the fund could be exposed to significant losses if a counterparty becomes insolvent or is unable to meet its obligations under the contract, and there is the possibility that limitations or trading restrictions may be imposed by an exchange or government regulation.

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

Equity Growth Fund

The Equity Growth Fund invests at least 80% of its total assets in common stocks with a focus on small and medium-sized growth companies. Medium-sized companies are considered to have market capitalization in the range of companies comprising the S&P MidCap 400 Index or the Russell Midcap Growth Index at the time of purchase. As of December 31, 2010, this market capitalization range was between about $460 million and $21.8 billion. Small companies are considered to be those that have market capitalizations of less than the lower end of this range. The Fund may also invest in other types of securities if they offer better returns with less risk than common stocks alone. These securities include foreign securities, preferred stocks, obligations issued and guaranteed by the U.S. Government, stock index futures, money market instruments, repurchase agreements and convertible debt securities.

While most assets will be invested in common stocks, the fund may employ other strategies that are not considered part of the fund's principal investment strategies. From time to time, the fund may invest in securities other than common stocks and use derivatives that are consistent with its investment program. For instance, the fund may invest, to a limited extent, in futures. Any investments in futures would typically serve as an efficient means of gaining exposure to certain markets, or as a tool to manage cash flows into and out of the fund and maintain liquidity while being invested in the market. To the extent the fund invests in futures, it could be exposed to potential volatility and losses greater than direct investments in the contract's underlying assets.

The use of futures or other derivatives, if any, exposes the fund to risks that are different from, and potentially greater than, investments in more traditional securities. Changes in the value of a derivative may not properly correlate with changes in the value of the underlying asset, reference rate or index, and may not move in the direction anticipated by the portfolio manager. Derivatives can also be illiquid and difficult to value, the fund could be exposed to significant losses if a counterparty becomes insolvent or is unable to meet its obligations under the contract, and there is the possibility that limitations or trading restrictions may be imposed by an exchange or government regulation.

When choosing stocks, the portfolio manager uses a combination of top-down quantitative models and fundamental bottom-up research to select companies with the following characteristics:

- A demonstrated ability to consistently increase revenues, earnings, and cash flow;
- Capable management;
- Attractive business niches;
- A sustainable competitive advantage; and
- Valuation measures, such as a company's price/earnings (P/E) ratio relative to the market and its own growth rate are also considered.

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

The Equity Growth Fund may sell securities for a variety of reasons, such as to secure gains, limit losses or redeploy assets into more promising opportunities. When considering whether or not to sell investments, the portfolio manager considers the following as well as other factors:

- The potential impact of management changes, strategic marketing opportunities and competition on the long-term growth prospects for the company.
- Whether a security's price is overvalued compared to future earnings growth.
- How changes in the economy will impact the value of a company's stock.
- Whether there have been any other fundamental changes in the current or prospective financial structure or operations of the company.

Core Equity Fund

The Core Equity Fund strives to reach its investment objective under normal market and economic conditions by investing primarily (at least 80% of net assets) in a diversified group of companies whose stocks or depositary receipts are listed for trading on the New York Stock Exchange or the NASDAQ Global Select Market or the NASDAQ Global Market and which have a market capitalization of more than $1 billion. These companies may be headquartered in the U.S. or in foreign countries. Generally, the Fund will be invested in between 45 and 65 companies at any given time.

The portfolio managers of the Core Equity Fund believe that active portfolio management may be rewarded due to a level of inefficiency in the market. These inefficiencies can be uncovered quantitatively and enhanced by a fundamental review. They are exploited through a rigorous and consistently applied discipline which is focused on valuation characteristics, changing investor expectations, earnings quality and effective capital deployment. The Fund has a core strategy that will tilt toward growth and value type stocks based on opportunities. Changes in the types of stocks that the Fund invests intend to be evolutionary and should be characterized as gradual enhancements to the portfolio at any point in time.

When choosing stocks, the portfolio managers use a combination of top-down quantitative models, and fundamental bottom-up research and personal contacts to select companies with the following characteristics:

- Low price to earnings ratios
- Low price to cash flow ratios
- Positive earnings estimate revisions
- High quality of earnings
- Efficient capital deployment
- Current market trends

Valuation measures, such as a company's price/earnings (P/E) ratio relative to the market and its own growth rate are also considered.

The portfolio managers screen a universe of stocks with a market capitalization of $1 billion or more for the above characteristics. Each security is evaluated based on its relative historical performance and performance relative to its sector. Stocks are also evaluated using a return on invested cash flow model that provides a theoretical discounted "warranted" price of each security. The combined output of the individual models is aggregated and each security is provided a relative score. Stocks with an attractive score are evaluated further using traditional fundamental techniques for balance sheet strength, earnings sustainability and free cash flow. Stocks with attractive characteristics after this review are deemed potential candidates for inclusion in the fund's portfolio. An additional review is made for technical factors such as current price trends, volume and current stock ownership to help identify appropriate entry and exit points. Finally, the portfolio managers evaluate any insights that they can develop regarding competitors, management or industry trends to verify the information mentioned above. The result is a list of attractive stocks that ultimately are available for investment by the Fund.

The managers select the individual stocks that comprise the portfolio for the Core Equity Fund. The Fund's benchmark is the Standard & Poor's 500 Stock Index. The Fund will normally have about a 10% exposure to any particular market sector and individual stock positions are normally limited to 5% of total assets at purchase and 7% of total assets at any other time.

The Core Equity Fund may sell securities for a variety of reasons, such as to secure gains, limit losses or redeploy assets into more promising opportunities. When considering whether or not to sell investments, the portfolio manager considers the following as well as other factors:

- The potential impact of management changes, strategic marketing opportunities and competition on the long-term growth prospects for the company.
- Whether a security's price is overvalued compared to future earnings growth.
- How changes in the economy will impact the value of a company's stock.
- Whether there have been any other fundamental changes in the current or prospective financial structure or operations of the company.

Investing Defensively

Each Fund may from time to time take temporary defensive investment positions that are inconsistent with its principal investment strategies in attempting to respond to adverse market, economic, political or other conditions including, for example, investing in money market instruments or holdings of cash or cash equivalents. A Fund may not achieve its investment objective while it is investing defensively.

Additional Information on Portfolio Turnover

A mutual fund that replaces, or turns over, more than 100% of its investments in a year is considered to have a high portfolio turnover rate. A high portfolio turnover rate can generate larger distributions of short-term capital gains to shareholders, which for individuals are generally taxable at higher rates than long-term capital gains for federal income tax purposes. A high portfolio turnover rate can also mean higher brokerage and other transaction costs, which could reduce a fund's returns. In general, the greater the volume of buying and selling by a fund, the greater the impact that brokerage commissions will have on its returns. The Funds generally buy securities for capital appreciation, investment income or both. However, a Fund may sell securities regardless of how long they've been held. You can find the portfolio turnover rate for each Fund for the prior year in the *Portfolio Turnover* section of each Fund's Summary in the front part of this prospectus and historical portfolio turnover rates in the *Financial Highlights*.

Principal Investment Risks

Equity Securities Risk in the Balanced Fund, Equity Growth Fund and Core Equity Fund. Common stocks represent an equity interest in a corporation. Although common stocks have a history of long-term growth in value, their prices tend to fluctuate in the short term and there is no guarantee of continued long-term growth. The securities of smaller companies, as a class, have had periods of favorable results and other periods of less favorable results compared to the securities of larger companies as a class. Stocks of small to mid-size companies tend to be more volatile and less liquid than stocks of large companies. Smaller companies, as compared to larger companies, may have a shorter history of operations, may not have as great an ability to raise additional capital, may have a less diversified product line making them susceptible to market pressure and may have a smaller public market for their shares. Equity securities of growth companies may be more volatile and could result in a disproportionate return or loss respective to their benchmarks. Equity securities of technology growth companies are extremely volatile primarily due to market saturation, price competition and rapid product obsolescence.

Debt Securities Risk in the Retirement Income Fund and the Balanced Fund. Bonds and other debt instruments are methods for an issuer to borrow money from investors. Debt securities have varying levels of sensitivity to interest rate changes and varying degrees of quality. A decline in prevailing levels of interest rates generally increases the value of debt securities, while an increase in rates usually reduces the value of those securities. As a result, interest rate fluctuations will affect a fund's net asset value, but not the income received by a fund from its portfolio securities (because yields on debt securities available for purchase by a fund vary over time, no specific yield on shares of a fund can be assured). Also, if the bonds in a fund's portfolio contain call, prepayment or redemption provisions, during a period of declining interest rates, these securities are likely to be redeemed and the fund will probably be unable to replace them with securities having a comparable yield. There can be no assurance that payments of interest and principal on portfolio securities will be made when due. Bonds are also exposed to credit risk, which is the possibility that the issuer will default on its obligation to pay interest and/or principal.

"Investment Grade" Debt Securities Risk in the Retirement Income Fund and the Balanced Fund. These securities are rated within the four highest ratings categories of Moody's or S&P or, if unrated, determined by the Adviser to be of comparable credit quality. Bonds rated Baa or BBB have speculative characteristics and changes in economic conditions or other circumstances are more likely to lead to a weakened capacity of their issuers to make principal and interest payments than is the case with higher grade bonds. Lower-rated debt securities ("junk bonds"), on balance, are considered predominantly speculative with respect to the issuer's capacity to pay interest and repay principal according to the terms of the obligation and, therefore, carry greater investment risk, including the possibility of issuer default and bankruptcy; they are likely to be less marketable and more adversely affected by economic downturns than higher-quality debt securities. Convertible debt securities are frequently unrated or, if rated, are below investment grade.

When-Issued and Delayed-Delivery Securities Risk in the Retirement Income Fund and the Balanced Fund. These funds may invest in securities purchased on a when-issued or delayed-delivery basis. Although the payment and interest terms of these securities are established at the time the purchaser enters into the commitment, the securities may be delivered and paid for a month or more after the date of purchase, when their value may have changed. A Fund makes such commitments only with the intention of actually acquiring the securities, but may sell the securities before settlement date if the Adviser deems it advisable for investment reasons. When a Fund commits to purchase securities on a when-issued or delayed-delivery basis, the Fund segregates assets to secure its ability to perform and to avoid the creation of leverage.

Repurchase Agreements Risk in each Fund. Each Fund may enter into repurchase agreements, In the event of a bankruptcy or other default of a seller of a repurchase agreement, a fund could experience both delays in liquidating the underlying securities and losses, including: (a) possible decline in the value of the collateral during the period while the Fund seeks to enforce it rights thereto; (b) possible subnormal levels of income and lack of access to income during this period; and (c) expenses of enforcing its rights.

Options and Futures Risk in the Balanced Fund, Equity Growth Fund and Core Equity Fund. Consistent with their objectives, these Funds may purchase and write both call options and put options on securities and on indices and enter into interest rate and index futures contracts and options on such futures contracts (such put and call options, futures contracts, and options on futures contracts are referred to as “derivative products”) in order to provide additional revenue or to hedge against changes in security prices or interest rates. The Fund may write a call or put option only if the option is covered. The Fund will limit its use of futures contracts and options on futures contracts to hedging transactions to the extent required to do so by regulatory agencies. There are several risks associated with the use of derivative products. As the writer of a covered call option, a Fund forgoes, during the option’s life, the opportunity to profit from increases in market value of the security covering the call option. Because of low margin deposits required, the use of futures contracts involves a high degree of leverage and may result in losses in excess of the amount of the margin deposit. Since there can be no assurance that a liquid market will exist when the Fund seeks to close out a derivative product position, these risks may become magnified. Because of these and other risks, successful use of derivative products depends on the Adviser’s or Subadviser’s ability to correctly predict changes in the level and the direction of stock prices, interest rates and other market factors; but even a well-conceived transaction may be unsuccessful because of an imperfect correlation between the securities and derivative product markets.

Limited Market Trading in the Retirement Income Fund and the Balanced Fund. There may be little market trading for particular bonds, which may adversely affect the Fund’s ability to value or sell the bonds.

Illiquid Securities Risk in the Balanced Fund and the Equity Growth Fund. At December 31, 2010, the Balanced Fund held a promissory note in the amount of $1,270,097 (0.7% of its net assets at such date) and the Equity Growth Fund held a promissory note in the amount of $1,208,054 (1.1% of its net assets at such date), both payable by the Adviser, which notes represent amounts owing to each Fund from the Adviser relating to erroneous calculations of per share net asset values by the Adviser that occurred in 2007 and 2008. The Fund’s Board of Directors determines the fair value of these notes at the end of each quarter. The terms of the notes include payment over 7 years at an interest rate of 3.5% above the prime rate (prime rate at December 31, 2010: 3.25%), reset from time to time as the prime rate changes, with interest and principal payable over 84 monthly installments. The effective date of the notes is January 1, 2009. The notes may be repaid in full or in part at any time without penalty. On December 31, 2010, the Adviser made an additional lump sum payment towards the principal balance of the notes.

Portfolio Holdings Disclosure

A description of Advance Capital I, Inc.'s policies and procedures with respect to the disclosure of the Funds' portfolio securities is available in the Statement of Additional Information ("SAI").

MANAGEMENT

The Company is governed by a Board of Directors that meets regularly throughout the year to review its activities, review contractual arrangements with companies that provide services to the Company, and review each Fund's performance. The majority of Directors are not "interested persons" of the Company. The Company is authorized to issue up to 1 billion shares of common stock, which may be classified into one or more classes, as the Board of Directors determines. Information about the Directors and executive officers of the Company may be found in the SAI.

Investment Adviser

Advance Capital Management, Inc. ("ACM"), One Towne Square, Suite 444, Southfield, MI 48076, began serving as investment adviser to Advance Capital I, Inc. in 1987 and currently serves as investment adviser to all of the Advance Capital I, Inc. Funds. ACM is responsible for the day-to-day management of the investment portfolios and other business affairs. ACM conducts investment research, offers advice and recommendations concerning each Fund's investments, and supplies certain administrative, compliance, and accounting services to the Funds. A discussion regarding the basis for the board of director's approval of the investment advisory contract with ACM is available in the SAI. The total fee paid by each of the Advance Capital I, Inc. Funds to ACM during the year ended December 31, 2010, as a percentage of each Fund's average net assets, was as follows: Retirement Income Fund — 0.50%; Balanced Fund — 0.70%; Equity Growth Fund — 0.70%; and Core Equity Fund — 0.80%. As of December 31, 2010, ACM had approximately $600 million under management.

Under the investment management agreement approved by shareholders of each Fund, the Funds pay the Adviser management fees, as a percentage of the average daily net assets of each Fund, as follows (before giving effect to any fee waivers):

	Management Fees
Retirement Income Fund —	
First $500 million of assets	0.50%
Assets over $500 million	0.45%
Balanced Fund —	
First $500 million of assets	0.70%
Assets over $500 million	0.65%
Equity Growth Fund —	
First $500 million of assets	0.70%
Assets over $500 million	0.65%
Core Equity Fund —	0.80%

A discussion regarding the basis for the approval of Advance Capital I, Inc. investment advisory agreement with the Adviser is available in the Annual Report to Shareholders for the year ended December 31, 2010.

Subadvisers

T. Rowe Price Associates, Inc. ("T. Rowe Price"), 100 East Pratt Street, Baltimore, MD 21202, serves as the subadviser for the Equity Growth Fund and the common stock portion of the Balanced Fund. ACM pays to T. Rowe Price a subadvisory fee out of its own assets equal to 0.20% of the first $100 million of average daily net assets, and 0.15% of average daily net assets in excess of $100 million, of the Funds being subadvised by T. Rowe Price, and no fund pays any portion of this subadvisory fee. T. Rowe Price is wholly owned by T. Rowe Price Group, Inc., a publicly traded financial services holding company. It is one of the leading no-load mutual fund managers in the nation. As of December 31, 2010, T. Rowe Price and other affiliated investment management subsidiaries of T. Rowe Price Group, Inc. had approximately $482.0 billion under management.

Seizert Capital Partners, LLC ("Seizert"), 185 West Oakland, Birmingham, MI 48009, serves as the subadviser for the Core Equity Fund. ACM pays to Seizert a subadvisory fee out of its own assets equal to 0.40% of the Fund's average daily net assets, and the Fund does not pay any portion of this subadvisory fee. As of December 31, 2010, Seizert had approximately $2.2 billion under management.

Management Personnel

The individuals serving as the portfolio management team for ACM include:

Christopher M. Kostiz, earned his undergraduate degree in Finance from Michigan State University and his MBA in Finance from Wayne State University. Mr. Kostiz joined Advance Capital Management, Inc. in 1993. As Senior Portfolio Manager for the Funds, he directs the strategy and structure of the fixed income portfolios to conform to stated objectives and actively trades securities in the Funds. Mr. Kostiz has served as manager of the Retirement Income Fund and the bond portion of the Balanced Fund since 1995.

Gregory O. MacKenzie, CFA, earned his undergraduate degree in Economics from the University of Michigan. Greg also earned his Chartered Financial Analyst designation in 2003. Prior to joining Advance Capital in December 2004, Greg was a private placement analyst for Asset Allocation & Management Co. in Chicago. In his current role, Greg is responsible for the research and investment monitoring of many of the fixed income securities in both the Retirement Income Fund and the Balanced Fund. He is also instrumental in the overall investment structure of the Advance Capital I, Inc. Funds.

The individuals serving as the portfolio managers for T. Rowe Price are:

Donald J. Peters, earned his B.A. in Economics from Tulane University and his MBA in Finance from the University of Pennsylvania, Wharton School. Mr. Peters joined T. Rowe Price Associates, Inc. in 1993 and has held the position of Quantitative Investment Analyst, Portfolio Manager and his current position of Vice President. Mr. Peters has managed the Equity Growth Fund and the equity portion of the Balanced Fund since December 29, 1993.

Donald J. Easley, earned his B.A. in Economics from Swarthmore College and his MBA in Finance and Accounting from the University of Chicago. Mr. Easley also earned his Chartered Financial Analyst accreditation. Prior to joining T. Rowe Price Associates, Inc. in 2000, Mr. Easley was a credit analyst with the Bank of New York. In his current role, Mr. Easley is the Co-Portfolio Manager to the Equity Growth Fund and the equity portion of the Balanced Fund since May 1, 2009.

The individuals serving as the portfolio management team for Seizert include:

Gerald L. Seizert, CFA and CIC, earned his undergraduate degree in Finance and his MBA in Finance from the University of Toledo, Ohio. Mr. Seizert founded Seizert Capital Partners, LLC in 2000, and has been its Chief Executive Officer since its inception. Prior to founding Seizert, he was employed by Munder Capital Management as a Managing Partner and Chief Investment Officer of Equities from April 1995 to December 1999, and also served as Munder's Co-Chief Executive Officer from January 1998 to July 1999. Mr. Seizert directs the equity disciplines of the firm and serves as portfolio manager to select clients.

Edward O. Eberle, CFA, earned his undergraduate degree in Finance from Michigan State University. He joined Seizert at its inception in December 2000 as a Senior Portfolio Manager and has been employed as President of Seizert since January 2002. Prior to joining Seizert, Mr. Eberle was employed as Executive Vice President of Valenti Capital, Senior Portfolio Manager for Munder Capital Management and Executive Vice President of Westpointe Financial Group. Mr. Eberle coordinates Seizert's investment process, co-manages the firm's investment disciplines and manages a hedge fund established in 1999 and now sponsored by Seizert.

David Collon, earned his undergraduate degree in Finance from Lake Forest College and his MBA in Accounting from Wayne State University. He joined Seizert in October 2004 as a portfolio manager. He manages private accounts and a hedge fund established in 2002 and sponsored by Seizert. From May 2000 until joining Seizert, Mr. Collon was employed by Jay A. Fishman, Ltd., as a portfolio manager and research analyst. Prior to that, he served as a Vice President of Institutional Sales for Friedman, Billings, Ramsey & Co., an investment banking firm.

Information about the portfolio managers' compensation, other accounts managed by the portfolio managers, and the portfolio managers' ownership of Fund shares can be found in the SAI.

Compensation and Expenses

The Funds bear all expenses of their operations other than those incurred by ACM and the Subadvisers under their advisory and subadvisory agreements, and those incurred by Advance Capital Group, Inc., under its administration agreement. In particular, each Fund pays investment management fees, custodian and accounting fees and expenses, legal and auditing fees, expenses of printing and mailing shareholder reports, registration fees and expenses, proxy and meeting expenses and Directors' fees and expenses.

SHAREHOLDER INFORMATION

Plan of Distribution

Advance Capital I has a Plan of Distribution or "12b-1 Plan", which applies only to Retail Shares of each Fund, under which it may finance activities primarily intended to sell Retail Shares. The 12b-1 fees paid by the Funds, as a percentage of average net assets, for the previous fiscal year are indicated in the Annual Fund Operating Expenses table under "Fees and Expenses". Because these fees are paid out of the Fund's assets belonging only to the Retail Shares on an ongoing basis, they will increase the expense ratio for Retail Shares and may, over time, cost you more than other types of sales charges.

Pricing of Fund Shares

Each Fund's share price, also called its net asset value, or NAV, is calculated each business day that the New York Stock Exchange is open, after the close of trading (generally 4:00 p.m., Eastern time). The NAV is not calculated on days when the New York Stock Exchange is closed. In addition, **IF** the Retirement Income Fund holds equities in the Fund, it will calculate the NAV on any day that the New York Stock Exchange is open. **IF** no equities are held in the Fund, the NAV will **NOT** be calculated on any day that the U.S. Government bond market is closed (i.e. Columbus Day or Veterans Day). The net asset value of each share of a Fund is the value of a single share.

The net asset value is calculated by totaling the assets of a Fund, subtracting all of its liabilities, or debts, and then dividing by the total number of the Fund's shares outstanding. In calculating the value of total assets, equity securities are valued at the last quoted market price at the time the valuations are made and debt securities are valued using prices furnished by an independent pricing service. When reliable market quotations are not readily available or are considered unreliable, securities are priced at their fair value, determined according to procedures adopted by the board of directors, which may include using an independent pricing service. A Fund may use fair value pricing if the value of a security has been materially affected by events occurring before the Fund's pricing time but after the close of the primary market or exchange on which the security is traded. This most commonly occurs with foreign securities, but may occur with other securities as well, such as fixed income securities. When fair value pricing is used, the prices of securities used by a Fund to calculate its NAV may differ from market quotations or official closing prices for the same securities, which means a Fund may value those securities higher or lower than another fund that uses market quotations or official closing prices. Also, if a Fund owns foreign securities, the securities may trade in foreign markets on days when the Fund's shares cannot be purchased or redeemed and its NAV is not calculated.

$$\text{Net Asset Value} = \frac{\text{Total Assets less Total Liabilities}}{\text{Number of Shares Outstanding}}$$

The daily NAV is useful to you as a shareholder because the NAV, when multiplied by the number of shares you own, gives you the dollar amount you would have received had you sold all of your shares back to the Fund that day.

Who May Purchase Shares

Only the following investors may purchase Institutional Shares: banks, savings institutions, credit unions and other financial institutions, corporations, foundations, retirement plans, endowments or other accredited institutions and certain high net worth individuals who are approved for investment in a Fund by the Adviser or a Subadviser. All other investors may purchase the Retail Shares.

How to Purchase Shares

You may purchase shares in any of the Funds by completing an Application to Purchase Shares. Mail the application and a check payable to Advance Capital I, Inc. to:

By Regular Mail:

Advance Capital I, Inc.
P.O. Box 3144
Southfield, MI 48037

By Overnight Mail:

Advance Capital I, Inc.
One Towne Square, Suite 444
Southfield, MI 48076

All purchases must be made in U.S. dollars, and checks must be drawn on U.S. banks. If you are making a purchase into an existing retirement account, please indicate whether the purchase is a rollover or a current or prior year contribution. If received by 4:00 p.m. Eastern time, your purchase will be made at the NAV next determined after your order has been received and accepted, which will be that day's closing price as determined at 4:00 p.m., Eastern time.

Shares in the Advance Capital I Funds are available for purchase through certain brokers and other financial intermediaries. Discuss with your intermediary whether the Funds are available through your broker or financial intermediary and whether purchases and redemptions of Fund shares will be made through the National Securities Clearing Corporation ("NSCC") system. For purchases and redemptions of Fund shares made electronically with a broker or financial intermediary through the NSCC system, if your order is received by the broker or intermediary before 4:00 p.m., Eastern time, the order will be made at that day's closing price, even though the broker or intermediary communicates the order to the Fund's transfer agent after 4:00 p.m., Eastern time. For purchases and redemptions of Fund shares made with a broker or financial intermediary other than through the NSCC system, orders received by the Fund's transfer agent from the broker or intermediary after 4:00 p.m., Eastern time, will be made at the next day's closing price, even though you submit your order to your broker or financial intermediary before 4:00 p.m., Eastern time. You should check with your broker or financial intermediary to see when your order will be priced.

When making subsequent purchases, you only need to mail a check noting your account number and the amount of money to be invested into each Fund.

The minimum initial investment for Retail Shares in any Funds is $10,000 (or $2,000 for IRA accounts). This investment may be made in any combination of Funds as long as a $1,000 minimum investment is maintained in each Fund selected. The minimum investment for Institutional Shares in all of the Funds is $250,000 (exceptions can be made based on aggregate investments over time).

Advance Capital Group, Inc., the Funds transfer agent, is required by law to obtain certain personal information from you or any person(s) acting on your behalf in order to verify your or such person's identity. If you do not provide the required information, we may not be able to open your account. If we are unable to verify your identity or that of another person(s) authorized to act on your behalf, or believe we have identified potential criminal activity, Advance Capital I, Inc. reserves the right to close your account or take such other action we deem reasonable or required by law.

How to Redeem Shares

On any business day, you may redeem all or a portion of a particular class of shares. If your redemption order is received before 4:00 p.m. Eastern time, your shares will be redeemed at the NAV next determined after your order has been received and accepted, which will be that day's closing price as determined at 4:00 p.m., Eastern time. Normally, a check for the proceeds from a sale is mailed within one business day, but in no event more than seven days. Redemptions are either made by written instructions or if elected, by telephone.

How to Redeem Shares From an IRA Account

In order to redeem all or part of your shares from an IRA account, you must complete an IRA Distribution Form. You may request a redemption from your IRA by telephone to establish the Net Asset Value pricing of that redemption *if, and only if,* you will pick up the redemption check, in person, at the Company's headquarters at One Towne Square, Suite 444, Southfield, Michigan and sign the IRA Distribution Form at that time. If you do not appear and sign the form within seven business days, the amount of the redemption will be returned to your account at the next available price (higher or lower than the redemption NAV). If you are age 59½ or older (and have satisfied any sub-equal withdrawal rules) and you elected telephone redemption privileges, you may request additional withdrawals from your account by telephone. Advance Capital Group, Inc. charges a $50 fee for the total liquidation of an IRA account. The fee will automatically be taken from the proceeds of the sale.

How to Redeem Shares From a Non- IRA Account

If you are selling shares from a non-IRA account for an amount of $25,000 or less, you may redeem your shares by telephone provided you authorized "Telephone Redemption Service" on your initial account application. You may redeem shares by calling (248) 350-8543 or (800) 345-4783 on any business day between the hours of 8:00 a.m. and 4:00 p.m., Eastern time. If you authorize Telephone Redemption Service, you authorize Advance Capital Group, Inc. to:

1) Take instruction from any person by telephone to redeem or sell shares from your account.
2) Take written instruction to redeem an amount of $25,000 or less regardless of whether or not the request was **signature guaranteed**.
3) Take instruction from any person by telephone to change your address.

4) Take written instruction to change your address regardless of whether or not the request was signature guaranteed.

Advance Capital Group, Inc. will take reasonable precautions to ensure that any requests made are legitimate. For example, Advance Capital Group, Inc. will ask for certain personal forms of identification. If such reasonable precautions are taken, Advance Capital Group, Inc. will not be held responsible for any losses resulting from unauthorized transactions. You will receive a written confirmation each time a telephone redemption is made to verify that instructions communicated by telephone are genuine.

If you are selling shares from a non-IRA account for an amount over $25,000, you must submit a medallion signature guaranteed letter of instruction. The letter must state your name, account number, the name of the Fund and the dollar or share amount you wish to redeem. Exceptions to this rule require representative approval and management authorization. The following financial institutions may guarantee signatures: banks, savings and loan associations, trust companies, credit unions, and members of the New York Stock Exchange ("NYSE"). Call your financial institution to see if they can guarantee your signature. Please note that a signature guarantee is **NOT** the same as having your signature notarized by a Notary Public and the two are not interchangeable.

Restrictions on Redemptions

Institutional Shares:

In the event a shareholder of Institutional Shares wishes to redeem from a Fund and the redemption represents an amount which is greater than 1% of assets of the Fund, the Adviser will process the transaction and reserve the right to pay the proceeds in no later than seven days.

Market Timing:

Some investors try to profit from a strategy called market-timing. Market-timing is the switching of money into investments when an investor expects prices to rise, and taking money out when an investor expects prices to fall. As money is shifted in and out, a fund incurs expenses for buying and selling securities. These costs are borne by *all* fund shareholders, including the long-term investors who do not generate the costs. All Advance Capital I, Inc. Funds have adopted policies to discourage short-term trading:

- Each Fund discourages substantive "round trip" transactions through any fund during a 12-month period. A "round trip" transaction is a redemption OUT of a fund (by any means) followed by a purchase back INTO the same fund (by any means). "Substantive" means a dollar amount that fund management determines, in its sole discretion, could adversely affect the management of the fund.
- Each Fund reserves the right to reject any purchase request, including exchanges, that it regards as disruptive to efficient portfolio management. A purchase request could be rejected because of the timing of the investment or because of a history of excessive trading by the investor.
- Exempted from this trading prohibition are systematic exchanges and automatic reinvestments of any dividends and distributions on remaining fund balances.

Checks Mailed to an Address Other than the Address of Record:

If you would like a check to be mailed to an address other than your address of record, you must submit a medallion signature guaranteed letter of instruction. Exceptions to this rule require representative approval and management authorization.

Redemption in Kind:

Each Fund is obligated to redeem shares in cash up to $250,000 or 1% of the Fund's NAV, whichever is less, for any shareholder within a 90 day period. A redemption above this amount will also be made in cash unless the Board of Directors determines that additional cash withdrawals will have a material adverse effect on the remaining shareholders. If this is the case, the Fund will pay all or a portion of the remainder of the distribution in liquid or readily marketable portfolio instruments that the Board of Directors deem fair and reasonable.

Redemption in-kind is not as liquid or marketable as cash. If redemption is made in kind, shareholders may need to sell the securities for less than their value at the time of redemption and may incur fees associated with this sale.

Redemption Before Checks Clear:
When you purchase shares by check, payment of the proceeds may be delayed until the check clears the bank. Up to 15 calendar days may be allowed from the purchase date for a check to clear.

Accounts with Low Balances:
Due to the high cost of maintaining accounts with low balances, your shares may be sold if the total of your combined account balances in all Funds falls below $10,000 ($2,000 for IRA accounts). Advance Capital I, Inc. could sell shares of a specific fund if that one fund falls below the $1,000 minimum, and this could cause an investor's combined account balance in all Advance Capital Funds to fall below the $10,000 minimum. However, shares will not be sold if the total account balance for all Advance Capital Funds falls below $10,000 ($2,000 for IRA accounts) or if an investor's share account in one Fund falls below the $1,000 minimum solely because of changes in the net asset value of the Advance Capital Funds. Before your shares are sold, you will be notified in writing and will be allowed 30 days to purchase additional shares to meet the minimum balance.

How to Exchange Shares
An exchange is the selling of shares of a particular class of one Advance Capital I, Inc. Fund to purchase shares of that same class in another Advance Capital I, Inc. Fund. Such a transaction may produce a taxable gain or loss in a non-tax deferred account. You may exchange shares of a particular class in writing or by telephone, if you elected telephone redemption. Advance Capital Group, Inc. reserves the right to change these exchange procedures or required authorizations in the future. You will be given at least 60 days notice before any changes become effective.

Exchanges have the same tax consequences as ordinary sales and purchases. To the extent you exchange shares held in a taxable account that are worth more now than what you paid for them, the gain will be subject to taxation.

Dividends and Distributions
As a shareholder, you are entitled to your share of the Fund's income from interest and dividends, and gains from the sale of investments. You receive earnings as either an income dividend or capital gains distribution. Income dividends come from the interest the Fund earns from its money market and bond investments as well as dividends it receives from stock investments. Capital gains are realized whenever the Fund sells securities for a higher price than it paid for them.

Distribution Options

You can receive distributions in a number of ways:

Reinvestment	Dividends and capital gains are automatically reinvested in additional shares of the Fund unless you request a different distribution method.
Dividends in cash	Dividends are paid by check and mailed to your address of record, and capital gains are reinvested in additional shares of the Fund.
Capital gains in cash	Capital gains distributions are paid by check and mailed to your address of record, and dividends are reinvested in additional shares of the Fund.
Dividends and capital gains in cash	Both dividends and capital gains distributions are paid by check and mailed to your address of record.

Distribution Schedule

Fund	Dividends Paid	Capital Gains Paid
Retirement Income Fund	Declared daily, paid monthly	Declared annually, paid in December
Balanced Fund	Declared daily, paid monthly	Declared annually, paid in December
Equity Growth Fund	Declared annually, paid in December	Declared annually, paid in December
Core Equity Fund	Declared annually, paid in December	Declared annually, paid in December

Dividends are not declared on Saturdays, Sundays, or holidays. Dividends are declared just prior to determining net asset value. Dividends declared on Fridays and on days preceding holidays are larger to adjust for the Fund's income for the following Saturday, Sunday, or holiday.

Tax Consequences

As with any investment, you should consider the tax consequences of investing in the Funds. The following discussion does not apply to tax-deferred accounts, nor is it a complete analysis of the federal tax implications of investing in the Funds. You may wish to consult your own tax adviser. Additionally, state or local taxes may apply to your investment, depending upon the laws where you live. To avoid taxation, the Internal Revenue Code requires each Fund to distribute net income and any net capital gains realized on its investments. Shareholders are required to pay federal income tax on any dividends and other distributions received. This applies whether the dividends are paid in cash or reinvested in additional shares.

The dividends and short-term capital gains that you receive are taxable to you as ordinary dividend income. Any distributions of net long-term capital gains by the Fund are taxable to you as long-term capital gains, no matter how long you've owned shares in the Fund. Long-term capital gains may be taxed at different rates depending on how long the Fund held the securities.

If you sell or exchange shares of the Fund, any gain or loss you have is a taxable event, which means you may have a capital gain to report as income, or a capital loss to report as a deduction, when you complete your federal income tax return.

PRIVACY POLICY

Advance Capital I, Inc. considers the privacy of its investors to be of fundamental importance and has established a policy to maintain the privacy of the information you share with us. We do not sell any information to any third parties, however, we do collect and maintain certain nonpublic personal information about you, including the following:

- Name and address
- Social Security number
- Assets
- Account balance
- Investment activity
- Other accounts

Any personal or financial information provided to Advance Capital I, Inc. is kept strictly confidential.

- Advance Capital I, Inc. restricts access to personal and financial information to certain employees in order to provide products and services.
- Employees share information outside of the Company only as authorized by you or as required by law.

Physical, electronic and procedural safeguards are in place to guard your nonpublic information. These safeguards comply with federal and state standards.

FINANCIAL HIGHLIGHTS

The following tables are intended to help you understand each Fund's financial performance for the past 5 years (or for the life of the Fund, if shorter). Information reflects financial results for a single Fund share. The total returns in the table represent the rate that you would have earned (or lost) on an investment in the Fund (assuming reinvestment of all dividends and distributions). The information for 2009 and 2010 has been audited by Cohen Fund Audit Services, Ltd., the Funds' independent registered public accounting firm, whose report, along with each Fund's financial statements, are included in the Advance Capital I, Inc., Annual Report to Shareholders for the year ended December 31, 2010, which Annual Report is incorporated by reference into the Statement of Additional Information. The 2010 Annual Report to Shareholders is available, without charge, upon request. The information for the years 2006, 2007, and 2008, was audited by another independent registered public accounting firm.

Retirement Income Fund — Retail Shares

Years Ended December 31	2010	2009	2008	2007	2006
Net asset value, beginning of year	$ 8.23	$ 7.46	$ 9.45	$ 9.68	$ 9.85
Income (loss) from investment operations:(1)					
Net investment income	0.32	0.45	0.52	0.54	0.54
Net realized and unrealized gain (loss) on investments	0.36	0.79	(1.98)	(0.23)	(0.16)
Total from investment operations	0.68	1.24	(1.46)	0.31	0.38
Less distributions:					
Net investment income	(0.42)	(0.47)	(0.53)	(0.54)	(0.54)
Return of capital	0.00	0.00	0.00	0.00	(0.01)
Total distributions	(0.42)	(0.47)	(0.53)	(0.54)	(0.55)
Net asset value, end of year	$ 8.49	$ 8.23	$ 7.46	$ 9.45	$ 9.68
Total Return (%)	8.31	17.13	(16.03)	3.33	3.97
Ratios and Supplemental Data					
Net assets, end of year (in thousands)	$292,167	$319,349	$340,834	$406,932	$402,076
Ratio of expenses to average net assets (%)	0.85	0.91	0.83	0.78	0.76
Ratio of net investment income to average net assets (%)	3.77	5.81	6.07	5.69	5.57
Portfolio turnover rate (%)	73	58	58	51	62

Balanced Fund — Retail Shares

Years Ended December 31	2010	2009	2008	2007	2006
Net asset value, beginning of year	$ 14.05	$ 11.80	$ 17.66	$ 18.38	$ 17.92
Income (loss) from investment operations:(1)					
Net investment income	0.21	0.38	0.38	0.38	0.39
Net realized and unrealized gain (loss) on investments	1.89	2.25	(5.84)	0.72	1.37
Total from investment operations	2.10	2.63	(5.46)	1.10	1.76
Less distributions:					
Net investment income	(0.32)	(0.38)	(0.39)	(0.38)	(0.29)
Net realized gain on investments	0.00	0.00	(0.01)	(1.44)	(0.90)
Return of capital	0.00	0.00	0.00	0.00	(0.11)
Total distributions	(0.32)	(0.38)	(0.40)	(1.82)	(1.30)
Net asset value, end of year	$ 15.83	$ 14.05	$ 11.80	$ 17.66	$ 18.38
Total Return (%)	15.19	22.79	(31.33)	6.00	9.91
Ratios and Supplemental Data					
Net assets, end of year (in thousands)	$184,202	$189,125	$200,199	$400,214	$397,635
Ratio of expenses to average net assets (%)	1.06	1.12	1.04	0.97	0.93
Ratio of net investment income to average net assets (%)	1.46	3.03	2.48	1.97	2.14
Portfolio turnover rate (%)	39	48	41	36	35

(1) Per share amounts are based on average shares outstanding.

Equity Growth Fund — Retail Shares **Years Ended December 31**	**2010**	**2009**	**2008**	**2007**	**2006**
Net asset value, beginning of year	$ 18.52	$ 12.87	$ 24.11	$ 24.87	$ 25.42
Income (loss) from investment operations:[1]					
Net investment income (loss)	0.01	0.02	0.00	(0.03)	(0.03)
Net realized and unrealized gain (loss) on investments	5.08	5.66	(11.22)	3.05	2.43
Total from investment operations	5.09	5.68	(11.22)	3.02	2.40
Less distributions:					
Net investment income	(0.01)	(0.03)	0.00	0.00	0.00
Net realized gain on investments	0.00	0.00	(0.02)	(3.78)	(2.76)
Return of capital	0.00	0.00	0.00	0.00	(0.19)
Total distributions	(0.01)	(0.03)	(0.02)	(3.78)	(2.95)
Net asset value, end of year	$ 23.60	$ 18.52	$ 12.87	$ 24.11	$ 24.87
Total Return (%)	27.49	44.14	(46.53)	12.05	9.39
Ratios and Supplemental Data					
Net assets, end of year (in thousands)	$108,290	$98,960	$83,981	$220,726	$210,179
Ratio of expenses to average net assets (%)	1.07	1.13	1.06	1.01	1.01
Ratio of net investment income (loss) to average net assets (%)	0.05	0.12	(0.02)	(0.10)	(0.10)
Portfolio turnover rate (%)	26	27	27	33	38

Core Equity Fund — Retail Shares **Year Ended December 31**	**2010**	**2009**	**2008**
Net asset value, beginning of year	$ 8.62	$ 6.51	$ 10.00
Income (loss) from investment operations:[1]			
Net investment income	0.05	0.05	0.06
Net realized and unrealized gain (loss) on investments	1.17	2.11	(3.49)
Total from investment operations	1.22	2.16	(3.43)
Less distributions:			
Net investment income	(0.05)	(0.05)	(0.06)
Total distributions	(0.05)	(0.05)	(0.06)
Net asset value, end of year	$ 9.79	$ 8.62	$ 6.51
Total Return (%)	14.15	33.19	(34.35)
Ratios and Supplemental Data			
Net assets, end of year (in thousands)	$10,671	$9,768	$ 8,469
Ratio of expenses to average net assets (%) —			
Before waivers	1.40	1.44	1.39
After waivers	1.28	1.31	1.28
Ratio of net investment income to average net assets (%)	0.54	0.66	0.66
Portfolio turnover rate (%)	36	33	68

(1) Per share amounts are based on average shares outstanding.

Retirement Income Fund — Institutional Shares **Periods Ended December 31**	**2010**	**2009**	**2008**	**2007[4]**
Net asset value, beginning of period	$ 8.23	$ 7.46	$ 9.45	$ 9.71
Income (loss) from investment operations:[1]				
Net investment income	0.36	0.47	0.55	0.36
Net realized and unrealized gain (loss) on investments	0.34	0.79	(1.99)	(0.25)
Total from investment operations	0.70	1.26	(1.44)	0.11
Less distributions:				
Net investment income	(0.45)	(0.49)	(0.55)	(0.37)
Total distributions	(0.45)	(0.49)	(0.55)	(0.37)
Net asset value, end of year	$ 8.48	$ 8.23	$ 7.46	$ 9.45
Total Return (%)[2]	8.45	17.42	(15.82)	1.19
Ratios and Supplemental Data				
Net assets, end of year (in thousands)	$ 562	$1,664	$ 1,841	$3,508
Ratio of expenses to average net assets (%)[3]	0.60	0.66	0.58	0.56
Ratio of net investment income to average net assets (%)[3]	4.24	6.07	6.26	5.92
Portfolio turnover rate (%)	73	58	58	51

Balanced Fund — Institutional Shares **Periods Ended December 31**	**2010**	**2009**	**2008**	**2007[4]**
Net asset value, beginning of period	$14.01	$11.77	$ 17.66	$19.43
Income (loss) from investment operations:[1]				
Net investment income	0.25	0.41	0.42	0.29
Net realized and unrealized gain (loss) on investments	1.89	2.24	(5.87)	(0.33)
Total from investment operations	2.14	2.65	(5.45)	(0.04)
Less distributions:				
Net investment income	(0.36)	(0.41)	(0.43)	(0.29)
Net realized gain on investments	0.00	0.00	(0.01)	(1.44)
Total distributions	(0.36)	(0.41)	(0.44)	(1.73)
Net asset value, end of year	$15.79	$14.01	$ 11.77	$17.66
Total Return (%)[2]	15.52	23.06	(31.33)	(0.22)
Ratios and Supplemental Data				
Net assets, end of year (in thousands)	$ 157	$ 139	$ 117	$ 175
Ratio of expenses to average net assets (%)[3]	0.81	0.87	0.79	0.74
Ratio of net investment income to average net assets (%)[3]	1.70	3.24	2.79	2.25
Portfolio turnover rate (%)	39	48	41	36

(1) Per share amounts are based on average shares outstanding.
(2) Not annualized for 2007.
(3) Annualized for 2007.
(4) For the period May 4, 2007, commencement of operations, to December 31, 2007.

Equity Growth Fund — Institutional Shares Periods Ended December 31	2010	2009	2008	2007[4]
Net asset value, beginning of period	$18.49	$12.81	$ 24.16	$27.28
Income (loss) from investment operations:[1]				
Net investment income	0.06	0.06	0.06	0.02
Net realized and unrealized gain (loss) on investments	5.09	5.65	(11.39)	0.64
Total from investment operations	5.15	5.71	(11.33)	0.66
Less distributions:				
Net investment income	(0.01)	(0.03)	0.00	0.00
Net realized gain on investments	0.00	0.00	(0.02)	(3.78)
Total distributions	(0.01)	(0.03)	(0.02)	(3.78)
Net asset value, end of year	$23.63	$18.49	$ 12.81	$24.16
Total Return (%)[2]	27.86	44.58	(46.89)	2.34
Ratios and Supplemental Data				
Net assets, end of year (in thousands)	$ 180	$ 141	$ 92	$ 118
Ratio of expenses to average net assets (%)[3]	0.82	0.88	0.80	0.77
Ratio of net investment income to average net assets (%)[3]	0.31	0.36	0.31	0.12
Portfolio turnover rate (%)	26	27	27	33

Core Equity Fund — Institutional Shares Years Ended December 31	2010	2009	2008
Net asset value, beginning of year	$ 8.67	$ 6.51	$ 10.00
Income (loss) from investment operations:[1]			
Net investment income	0.07	0.07	0.07
Net realized and unrealized gain (loss) on investments	1.18	2.14	(3.48)
Total from investment operations	1.25	2.21	(3.41)
Less distributions:			
Net investment income	(0.05)	(0.05)	(0.08)
Total distributions	(0.05)	(0.05)	(0.08)
Net asset value, end of year	$ 9.87	$ 8.67	$ 6.51
Total Return (%)	14.41	33.95	(34.14)
Ratios and Supplemental Data			
Net assets, end of year (in thousands)	$ 433	$ 379	$ 0
Ratio of expenses to average net assets (%) —			
Before waivers	1.15	1.17	1.16
After waivers	1.03	1.04	1.05
Ratio of net investment income to average net assets (%)	0.79	0.89	0.79
Portfolio turnover rate (%)	36	33	68

(1) Per share amounts are based on average shares outstanding.
(2) Not annualized for 2007.
(3) Annualized for 2007.
(4) For the period May 4, 2007, commencement of operations, to December 31, 2007.

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Additional information about Advance Capital I, Inc., contained in the Statement of Additional Information (“SAI”), has been filed with the Securities and Exchange Commission (“SEC”). The SAI bears the same date as this prospectus and is incorporated by reference in its entirety into this prospectus.

Information about the Funds’ investments is available in the Funds’ annual and semi-annual reports to shareholders. In the Funds’ annual report, you will find a discussion of the market conditions and investment strategies that significantly affected the Funds’ performance during the last fiscal year. To receive a free copy of the latest annual or semiannual report or the SAI, or to request additional information about the Funds, please call Advance Capital at (800) 345-4783 or (248) 350-8543 or write to us at P.O. Box 3144, Southfield, Michigan 48037. The latest annual and semi-annual reports to shareholders are also available on the Company’s Web site, *http://www.acfunds.com*. Each year you are sent updated annual and semi-annual reports for the Funds as well as a proxy statement. In order to reduce the volume of mail you receive, when possible, only one copy of these documents will be sent to shareholders who are part of the same family and share the same residential address.

The code of ethics and additional information about the Funds (including the SAI) can be reviewed and copied at the SEC’s Public Reference Room in Washington, D.C. You may obtain information on the operation of the public reference room by calling the SEC at (202) 942-8090. Reports and other information about the Funds are also available on the SEC’s Internet site at *http://www.sec.gov*. Copies of this information may be obtained, upon payment of a duplicating fee, by electronic request at the following E-mail address: publicinfo@sec.gov, or by writing the Public Reference Section, Securities and Exchange Commission, Washington, D.C. 20549-0102.

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Prospectus dated April 30, 2011

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