

First Investors Select Growth Fund



Morningstar Rating™¹

Class A shares rated 3 overall stars by Morningstar among 1235 Large Growth Stock funds for the period ended 6/30/2019 based on risk-adjusted performance.

Finding unexpected earnings growth is important!

A Class Shares: FICGX
Advisor Class Shares: FICHX

The **First Investors Select Growth Fund** is an earnings-focused fund seeking to invest in companies with high probabilities of delivering earnings growth in excess of market expectations. The Fund utilizes a systematic approach that combines quantitative and fundamental research to find companies meeting the portfolio team's expectations.



John D. Brim
Portfolio Manager

In search of growth potential...

Principal asset class

Growth funds continue to be an essential asset class in portfolio construction. As one of the largest asset class styles in most traditional asset allocations, it can be difficult adding the right balance. With the countless funds available to investors today, choosing the most appropriate active manager can be difficult.

Benchmark agnostic

Finding a fund that differentiates itself from the benchmark is important too. About 40% of large-cap growth funds show a lower level of tracking error (see *Exhibit 1*) which suggests performance and characteristics are more similar to the index than different and, therefore, offer less value for active management.



Eivind Olsen
Portfolio Manager

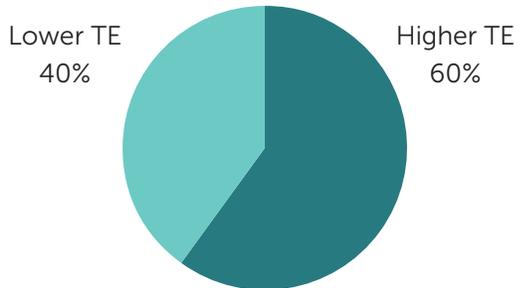
Consistency in approach

Most important in selecting a fund is finding one that differentiates itself from its peers. A fund that employs a consistent investment process, managed by an experienced team of investment professionals is where investors should start their search.



Stephen S. Smith
Portfolio Manager

Exhibit 1: Active large-cap growth funds' five-year tracking error (TE)²



Source: Morningstar, 6/30/19.

Earnings-focused portfolio

The First Investors Select Growth Fund applies a time-tested, systematic approach using quantitative and fundamental research to construct a concentrated portfolio of roughly 40 companies expected to deliver consistent earnings growth well above market expectations. Stocks are selected based on criteria that includes growth, earnings quality and valuation with the goal of delivering consistent returns in both up and down markets.

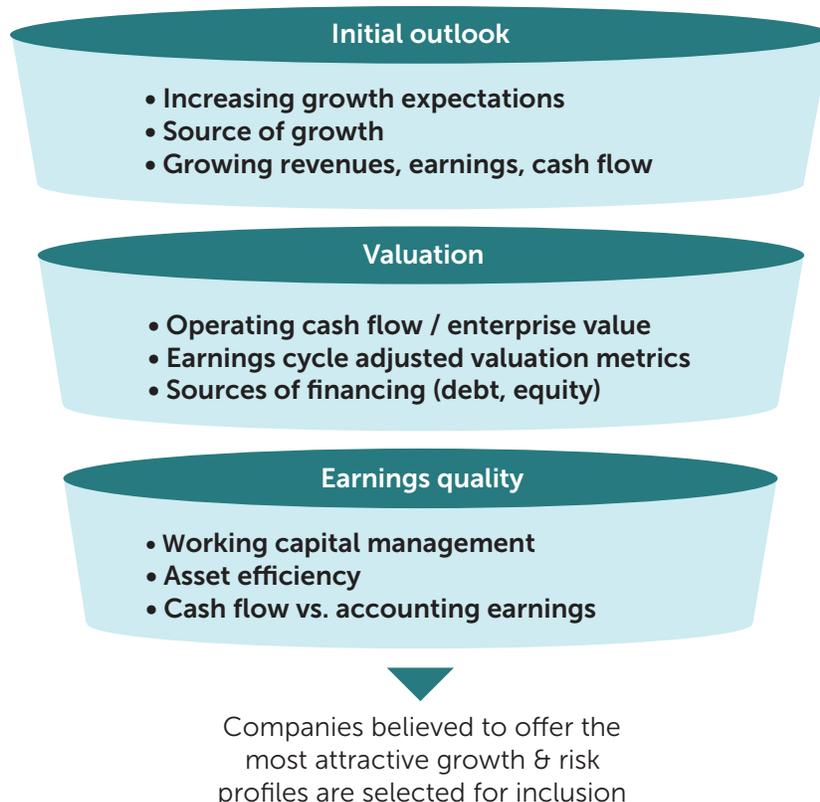
Three keys to the Fund's stock selection

The Fund's investment process begins with a quantitative ranking of companies according to characteristics (see *Exhibit 2*) relating to growth, earnings quality and valuation. We believe companies with better rankings have greater potential to produce earnings growth rates that exceed investor expectations. Next, the portfolio team evaluates companies across various metrics including growth potential, sustainability, earnings quality, risk profile and valuation. Companies believed to offer the most attractive growth and risk profiles are then selected for inclusion. The team employs a rigorous sell discipline that identifies potential problem stocks evidencing a deterioration in growth outlook or earnings quality. Timely selling of potential problem stocks thus allows capital to be re-deployed to companies with better characteristics.

Favorable risk-reward profile

An ability to identify companies with the potential to produce earnings growth in excess of market expectations across a diverse range of sectors allows the Fund to maintain broad diversification resulting in a favorable risk profile.

Exhibit 2: Quantitative screening process



A trusted adviser and partner in delivering attractive returns to our clients

The First Investors Select Growth Fund is managed by the Smith Asset Management Group which specializes in equity management with a time-tested investment process developed over 30 years ago focusing on delivering risk-adjusted returns over a full market cycle. The firm's research approach has consistently demonstrated that capturing higher realized growth versus forecasted growth is one of the single most important forces driving returns.

First Investors Funds has a long history of managing active mutual funds across multiple asset classes with an approach seeking to deliver consistent long-term performance within a robust risk management framework. Our parent company, Foresters Financial, is an international financial services provider with over three million clients globally and over \$35 billion in assets under management. With a history of more than 140 years, Foresters Financial provides life insurance, savings, retirement and investment solutions.

Together, Foresters Financial and Smith Asset Management Group have created a strong partnership to provide investors with valuable investment expertise and the tools to help clients meet their financial goals.

1 For the three-, five- and 10-year periods, respectively, the Fund was rated 3, 2 and 3 stars among 1235, 1100 and 812 funds in the Large Growth Stock category for the time period 6/30/2019. The Morningstar Rating™ for funds, or "star rating", is calculated for managed products (including mutual funds, variable annuity and variable life subaccounts, exchange-traded funds, closed-end funds, and separate accounts) with at least a three-year history. Exchange-traded funds and open-ended mutual funds are considered a single population for comparative purposes. It is calculated based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a managed product's monthly excess performance, placing more emphasis on downward variations and rewarding consistent performance. The Morningstar Rating does not include any adjustment for sales loads. The top 10% of products in each product category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars, and the bottom 10% receive 1 star. The Overall Morningstar Rating for a managed product is derived from a weighted average of the performance figures associated with its three-, five-, and 10-year (if applicable) Morningstar Rating metrics. The weights are: 100% three-year rating for 36-59 months of total returns, 60% five-year rating/40% three-year rating for 60-119 months of total returns, and 50% 10-year rating/30% five-year rating/20% three-year rating for 120 or more months of total returns. While the 10-year overall star rating formula seems to give the most weight to the 10-year period, the most recent three-year period actually

has the greatest impact because it is included in all three rating periods. Past performance is no guarantee of future results. © 2019 Morningstar, Inc. All Rights Reserved. The information contained herein: (1) is proprietary to Morningstar; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. Current performance may be lower or higher than the performance shown.

2 Five-year tracking error is based on the Morningstar US Fund Large Growth Stocks category's funds monthly returns relative to their prospectus benchmarks.

For more information about First Investors Funds from Foresters Financial Services, Inc., you may obtain a free prospectus by calling 800-423-4026 or visiting firstinvestorsfunds.com. You should consider the investment objectives, risks, charges and expenses of the funds carefully before investing. The prospectus contains this and other information about the funds, and should be read carefully before you invest or send money. An investment in these funds is not a bank deposit and is not insured or guaranteed by the Federal Deposit Insurance Corporation (FDIC) or any other government agency.

All investments involve risk, including possible loss of principal. You can lose money by investing in a fund. There is no guarantee that a fund will meet its investment objective. The principal

risks of investing in the Fund are: Focused Portfolio Risk, Growth Stock Risk, Market Risk, Mid-Size and Small-Size Company Risk, Sector Risk and Security Selection Risk. **Past performance is no guarantee of future results.** Neither Foresters Financial Services, Inc. nor its affiliates offer legal or tax advice. Please consult your tax adviser before making any tax-related retirement decisions.

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Tracking Error is the measure of the deviation of the return of a fund compared to the return of a benchmark over a fixed period of time. Expressed as a percentage. The more passively the investment fund is managed, the smaller the tracking error.

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