First Investors Funds

Mixed Asset
Allocation

First Investors Balanced Income Fund

Foresters
Financial

Get the advantage of a balanced approach

Fund Facts

Investment objective: The Fund seeks income as its primary objective and has a secondary objective of capital appreciation.

Investment strategy: The Fund allocates its assets among bonds, stocks and money market instruments. Under normal market conditions, the Fund will invest approximately 60-80% of its net assets in bonds, money market instruments and cash, and approximately 20-40% of its net assets in stocks.

Investment process: The Fund's investments in bonds are primarily in investment grade corporate bonds to a lesser extent. The Fund also invests in high yield below investment-grade corporate bonds (also known as "high yield" or "junk bonds). The Fund combines a top-down asset allocation with a bottom-up security selection approach. It uses fundamental research and analysis to identify fixed income and equity securities that offer attractive valuation and income potential.

Investment adviser: Foresters Investment Management Company, Inc.[1]

Asset type: Mixed asset allocation

Ticker symbol: FBIJX (Class A Shares); FBIKX (Advisor Class); FBILX (Institutional Class)

Benchmark: S&P 500 Index®[2]; Bank of America Merrill Lynch U.S. Corporate, Government & Mortgage Index

Portfolio managers: Edwin D. Miska, Rajeev Sharma. The high yield portion of the Fund managed by Muzinich is managed primarily by Clinton Comeaux and Bryan Petermann, Portfolio Managers of the Fund since 2018.

[1] Foresters Investment Management Company, Inc. is the investment adviser to the First Investors family of funds and an affiliate of Foresters Financial Services, Inc.

[2] The S&P 500® Index is a broad-based unmanaged index of 500 stocks, which is widely recognized as representative of the equity market in general. The Bank of America Merrill Lynch U.S. Corporate, Government & Mortgage Index is a broad-based measure of the total return performance of the U.S. investment grade bond markets. Note: You cannot invest directly in an index.

First Investors Balanced Income Fund

Balanced Income Fund

Many investors today seek both current income and long-term capital appreciation. This is particularly true of retirees and pre-retirees who want to supplement their retirement income without taking unnecessary risk. Many investors have turned to balanced funds— also known as "mixed asset allocation" or "hybrid" funds. These balanced funds own stocks, bonds and money market instruments in a single portfolio and are geared toward investors who seek a mixture of safety, current income and long-term capital appreciation. These funds avoid excessive risk and have earned the "balanced" moniker by adhering to a mix of stocks, bonds and money market instruments that can have various asset allocations from conservative (more bonds than stocks) to aggressive asset allocation (more stocks than bonds).

Why consider a mixed asset allocation fund?

The most important benefit is diversification across asset classes, industries and securities. Because stocks, bonds and money markets often don't move in the same direction at the same time, a portfolio that holds multiple asset classes can reduce the impact of a downturn in any given market. A fund with a conservatively mixed asset allocation means that it contains more bonds than stocks, which can help control volatility, while generating current income and long-term capital appreciation.

If you're looking to add a balanced approach to your investment portfolio—one with a conservatively mixed asset allocation—consider the **First Investors Balanced Income Fund**.

Key features and benefits of the First Investors Balanced Income Fund:

- **Total return approach:** The Fund seeks total return for income-seeking investors through long-term capital appreciation and dividend income.
- **Diversification:** The Fund is diversified among different asset classes, industries and securities.
- **Reduced volatility:** The Fund has potentially lower volatility than a pure equity fund due to its diversification and higher allocation to fixed income rather than equity securities.
- **Active management:** The Fund's investments are adjusted to changing market conditions.
- **Deep, experienced portfolio management team:** The Fund is managed by Edwin D. Miska, Director of Equities, and Rajeev Sharma, Director of Fixed Income, at Foresters Financial and their teams. Together, Mr. Sharma and Mr. Miska have more than 50 years of combined asset management experience. The high yield portion of the Fund managed by Muzinich is managed primarily by Clinton Comeaux and Bryan Petermann, Portfolio Managers of the Fund since 2018.

This Fund will appeal to income-seeking investors who want to add diversification and the potential for long-term capital appreciation while mitigating risk.

How will the fund be managed?

The Fund allocates its assets among fixed income, equities and money market instruments. The Fund invests primarily in dividend-paying equities and investment grade fixed income securities, with a U.S. emphasis.

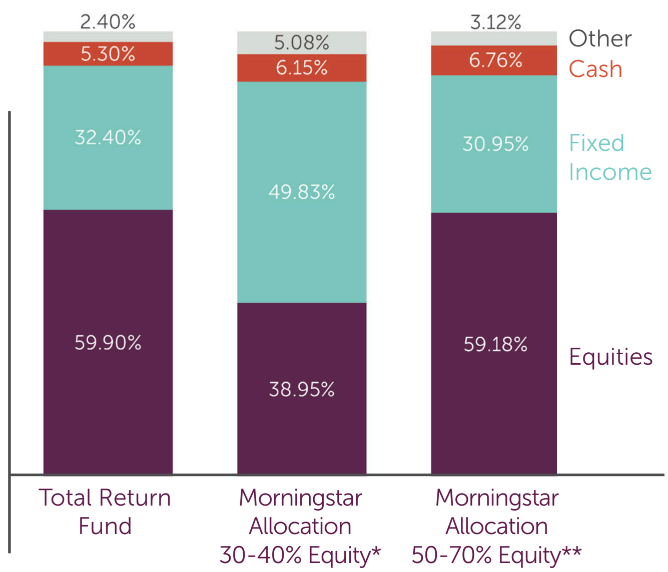
The Fund has some flexibility in its **asset allocation** to fixed income, equities and money market. The Fund will normally invest approximately 60%-80% of its assets in bonds, money market instruments and cash and investments that provide exposure to such assets, including exchange-traded funds (ETFs), and approximately 20-40% of its net assets in stocks and investments that provide exposure to such assets, including ETFs. Once the asset allocation for fixed income, equities and money market has been set, the Fund uses **fundamental research and analysis** for security selection.

The Fund's **fixed income investments** will be comprised primarily of investment grade corporate bonds. The Fund will also invest in U.S. government securities and mortgage-backed securities. To a lesser extent, the Fund may invest in high yield, below investment grade corporate bonds (commonly known as "high yield" or "junk bonds")[3]. The Fund may also use U.S. Treasury futures and options in order to manage interest rate risk. The Fund selects bonds by first considering the outlook for the economy and interest rates, and thereafter, a particular security's characteristics.

The **equity portion** of the Fund will focus on companies that offer the potential for current income or capital appreciation, with a special focus on dividend yield. In selecting stocks, the Fund considers, among other things, an issuer's financial strength, management, earnings growth potential and history of dividend payments.

An investment in the Fund is not a bank deposit and is not insured or guaranteed by the Federal Deposit Insurance Corporation (FDIC) or any other government agency.

Asset Allocation



* Morningstar Allocation—30% to 50% Equity is the peer group of Balanced Income Fund.

** Morningstar Allocation—50% to 70% Equity is the peer group of Total Return Fund.

Source: Morningstar Direct, 12/31/17

[3] Muzinich & Co., Inc. is the subadviser for the high yield bonds in the Fund. The portfolio managers are Clinton Comeaux and Bryan Petermann.

What are some of the principal risks of investing in this Fund?

The principal risks of investing in the Fund are:

Allocation Risk. *The Fund may allocate assets to investment classes that underperform other classes. For example, the Fund may be overweighted in stocks when the stock market is falling and the bond market is rising.*

Credit Risk. *A debt issuer may become unable or unwilling to pay interest or principal when due. The prices of debt securities are affected by the credit quality of the issuer and, in the case of mortgage-backed securities, the credit quality of the underlying mortgages. Credit risk also applies to securities issued or guaranteed by the U.S. Government and by U.S. Government-sponsored enterprises that are not backed by the full faith and credit of the U.S. Government. Securities issued by U.S. Government-sponsored enterprises are supported only by the credit of the issuing entity.*

Derivatives Risk. *Investments in U.S. Treasury futures and options on U.S. Treasury futures to hedge against changes in interest rates involve risks, such as potential losses if interest rates do not move as expected and the potential for greater losses than if these techniques had not been used. Investments in derivatives can increase the volatility of the Fund's share price and may expose the Fund to significant additional costs. Derivatives may be difficult to sell, unwind or value.*

Dividend Risk. *At times, the Fund may not be able to identify dividend-paying stocks that are attractive investments. The income received by the Fund will also fluctuate due to the amount of dividends that companies elect to pay. The Fund may not have sufficient income to pay its shareholders regular dividends.*

Exchange-Traded Funds Risk. *The risks of investing in securities of ETFs typically reflects the risks of the types of instruments in which the exchange-traded fund invests. In addition, because ETFs are investment companies, the Fund will bear its proportionate share of the fees and expenses of an investment in an exchange-traded fund. As a result, the Fund's operating expenses may be higher and performance may be lower.*

High Yield Securities Risk. *High yield bonds and other types of high yield securities (commonly known as "junk bonds"), including floating rate loans, have greater credit risk than higher quality debt securities because the companies that issue them are not as financially strong as companies with investment grade ratings. High yield securities are considered to be inherently speculative due to the risk associated with the issuer's continuing ability to make principal and interest payments. During times of economic downturn, issuers of high yield securities may not have the ability to access the credit markets to refinance their bonds or meet other credit obligations.*

Interest Rate Risk. *In general, when interest rates rise, the market value of a debt security declines, and when interest rates decline, the market value of a debt security increases. As of the date of this prospectus, interest rates are at or near historic lows, which may increase the Fund's exposure to the risks associated with rising interest rates. Securities with longer maturities are generally more sensitive to interest rate changes.*

Market Risk. *Stock prices may decline over short or even extended periods not only because of company-specific developments, but also due to an economic downturn, adverse political or regulatory developments, a change in interest rates or a change in investor sentiment. Similarly, bond prices fluctuate in value with changes in interest rates, the economy and the financial conditions of companies that issue them. Adverse market events may lead to increased redemptions, which could cause the Fund to experience a loss when selling securities to meet redemption requests by shareholders.*

Mid-Size and Small-Size Company Risk. *The market risk associated with stocks of mid- and small-size companies is generally greater than that associated with stocks of larger, more established companies because stocks of mid- and small-size companies tend to experience sharper price fluctuations. At times, it may be difficult for the Fund to sell mid-to-small-size company stocks at reasonable prices.*

Prepayment and Extension Risk. *The Fund is subject to prepayment and extension risk since it invests in mortgage-backed securities. When interest rates decline, borrowers tend to refinance their mortgages. When this occurs, the mortgages that back these securities suffer a higher rate of prepayment. This could cause a decrease in the Fund's income and share price. Extension risk is the flip side of prepayment risk. When interest rates rise, the Fund's average maturity may lengthen due to a drop in prepayments. This will generally increase both the Fund's sensitivity to rising interest rates and its potential for price declines.*

Security Selection Risk. *Securities selected by the portfolio manager may perform differently than the overall market or may not meet the portfolio manager's expectations.*

For more information about the First Investors Balanced Income Fund, or any First Investors mutual fund from Foresters Financial Services, Inc., you may obtain a free prospectus by contacting your Representative, writing to the address below, calling 800 423 4026 or visiting foresters.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 investment involve risk, including the possible loss of principal. You can lose money by investing in the Fund.

All securities products are offered through Foresters Financial Services, Inc. Foresters Investment Management Company, Inc. is the investment adviser to the First Investors family of funds and an affiliate of Foresters Financial Services, Inc.

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