

## **Important Notice for Broker/Dealers**

### **Change in Dividend Declaration Methodology**

Please be advised of a change in the dividend declaration methodology of the First Investors Funds that declare dividends daily (please see the discussion later in this notice on the Funds that declare and pay dividends quarterly). Effective September 1, 2017, these Funds will strive to distribute their entire monthly net income on a monthly basis. Historically, the Funds have attempted to maintain a level dividend and thereby avoid frequent changes in the monthly dividend rates. This practice has, however, resulted in unusually large changes in dividends when a Fund's earnings power changes. After careful study, we have concluded that the benefits of both eliminating large changes in dividends and distributing a Fund's entire income each month outweigh the advantage of a level dividend. These are the details related to this change:

- Dividends are declared daily and paid monthly. The Funds will continue to calculate and declare dividends in equal daily rates based on an analysis at the beginning of each month of the monthly earnings; however, if there is a change in the monthly income, the daily rates may have to be adjusted in order to declare the revised monthly income.
- The monthly dividend rates will now change more frequently as the monthly income earned by the Funds fluctuates. These changes will generally be inconsequential.
- As part of this change, in addition to the normal dividend declaration for September, Funds that had previously undistributed income available for distribution distributed it in September. This one-time declaration was added to the September dividend declaration, and accordingly, the monthly dividend declaration in September by most Funds was higher than usual, with some Funds significantly higher. This is a one-time addition and the monthly dividend declarations for October will return to the actual earnings for the month, which are lower than the September declaration. A shareholder doesn't gain an advantage by investing in a fund in order to receive a temporary higher dividend rate.
- Please refer to the attached table, which provides the dividend rates declared in August and September. Please note that as stated above, the September rates are subject to adjustment if there is a change to September's net income.
- We are working on enhancing the Foresters website to provide the dividend declaration history of the Funds.
- It should be noted that this change will have no impact on the annual income that the Funds earn and the total annual dividends declared since the Funds annual dividend declarations are subject to distribution requirements set by the IRS.
- This change as well as the additional amount declared in September has no impact on a fund's total return since dividends are added back when calculating total returns.

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- This change impacts only dividends declared from net investment income. Distributions from net realized gains on all Funds, if any, will continue to be declared annually at the end of December.
- The Government Cash Management Fund is not part of this change. That Fund will continue to declare distributions, if any, daily and pay them monthly, from the total of net investment income plus or minus all realized short term gains and losses on investments.

We made a similar change on Funds that declare and pay dividends quarterly. Effective with the September 27, 2017, dividend declaration, the Funds distributed their entire quarterly net income. The September dividend declaration was higher as the Funds were included in September previously undistributed income that is available for distribution. The quarterly dividend declaration will return to normal level in the following quarters. This change does not apply to the Real Estate Fund since the determination of the total dividends for the year and any designation from net income to net realized gains or as return of capital are finalized in the first quarter of the following year. Our Funds that declare distributions annually are not affected since they declare their entire net income and realized gains, if any, each December.

We thank you and your clients for your trust in Foresters Financial. Should you have any questions, please call 800-524-2803.

#### How to Contact Us

##### **Sales Support**

(Pre-sale support - product questions, portfolio construction, case design, and sales ideas)

1-800-524-2803 Option 2

##### **Broker/Dealer Services**

(Existing account inquiries, Fund/SERV inquiries, branch office updates)

1-800-524-2803 Option 1

##### **Regular Mail**

Foresters Investor Services, Inc.  
P.O. Box 7837  
Edison, NJ 08818-7837

##### **Express Mail**

Foresters Investor Services, Inc.  
Raritan Plaza 1  
Edison, NJ 08837-3620

Please visit the Investment Professional section of [www.firstinvestorsfunds.com](http://www.firstinvestorsfunds.com) for prices, forms, prospectuses and other important information.

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## First Investors Funds August and September 2017 Dividend Rates

Fund	Class A		Advisor Class		Insitutional Class		Class B	
	August	September	August	September	August	September	August	September
Balanced Income	\$0.0155	\$0.0384	\$0.0165	\$0.0409	\$0.0175	\$0.0434	N/A	N/A
Floating Rate	\$0.0238	\$0.0397	\$0.0253	\$0.0347	\$0.0268	\$0.0327	N/A	N/A
Fund For Income	\$0.0100	\$0.0144	\$0.0105	\$0.0149	\$0.0110	\$0.0127	\$0.0080	\$0.0115
Government	\$0.0160	\$0.0304	\$0.0190	\$0.0294	\$0.0205	\$0.0297	\$0.0087	\$0.0165
Investment Grade	\$0.0275	\$0.0276	\$0.0295	\$0.0296	\$0.0310	\$0.0307	\$0.0190	\$0.0191
Limited Duration	\$0.0165	\$0.0192	\$0.0190	\$0.0221	\$0.0200	\$0.0233	N/A	N/A
Strategic Income	\$0.0230	\$0.0498	\$0.0265	\$0.0482	N/A	N/A	N/A	N/A
Tax Exempt Income	\$0.0295	\$0.0352	\$0.0314	\$0.0347	\$0.0314	\$0.0375	\$0.0242	\$0.0289
Tax Exempt Opportunities	\$0.0460	\$0.1071	\$0.0475	\$0.0882	\$0.0475	\$0.1106	\$0.0362	\$0.0843
California	\$0.0335	\$0.0342	\$0.0365	\$0.0366	\$0.0365	\$0.0359	N/A	N/A
Connecticut	\$0.0360	\$0.0377	\$0.0365	\$0.0382	\$0.0365	\$0.0382	\$0.0270	\$0.0209
Massachusetts	\$0.0328	\$0.0389	\$0.0355	\$0.0402	\$0.0355	\$0.0421	\$0.0260	\$0.0308
Michigan	\$0.0375	\$0.0486	\$0.0400	\$0.0470	\$0.0400	\$0.0349	\$0.0305	\$0.0379
Minnesota	\$0.0340	\$0.0335	\$0.0370	\$0.0333	\$0.0370	\$0.0364	\$0.0260	\$0.0256
New Jersey	\$0.0353	\$0.0383	\$0.0390	\$0.0392	\$0.0390	\$0.0384	\$0.0270	\$0.0293
New York	\$0.0395	\$0.0410	\$0.0420	\$0.0436	\$0.0425	\$0.0441	\$0.0310	\$0.0319
North Carolina	\$0.0375	\$0.0376	\$0.0405	\$0.0488	\$0.0405	\$0.0458	\$0.0295	\$0.0296
Ohio	\$0.0345	\$0.0763	\$0.0330	\$0.0486	\$0.0340	\$0.0752	\$0.0235	\$0.0520
Oregon	\$0.0335	\$0.0577	\$0.0380	\$0.0381	\$0.0390	\$0.0356	\$0.0250	\$0.0199
Pennsylvania	\$0.0413	\$0.0535	\$0.0440	\$0.0534	\$0.0440	\$0.0456	\$0.0335	\$0.0434
Virginia	\$0.0305	\$0.0352	\$0.0320	\$0.0370	\$0.0330	\$0.0381	\$0.0200	\$0.0231