

# First Investors Long Short Fund Investment Process

## Ticker symbols:

FRLBX (Class A Shares)

FRLDX (Adviser Class Shares)

FRLIX (Institutional Shares)

## About the First Investors Long Short Fund

### Investment Objective:

Capital appreciation.

### Investment Strategy:

The Fund utilizes a long/short investment strategy through investments in equity securities, primarily common stocks of U.S. issuers. Under normal circumstances, the Fund seeks to take long positions by investing in equity securities of companies with strong and/or improving financial productivity that have attractive valuations. It then seeks to complement these long positions with short positions in companies viewed by the subadviser to possess deteriorating fundamentals, unattractive valuations or other qualities warranting a short position, or those that represent a sector or market hedge. The Fund may use short positions to seek to increase returns or to reduce risk.

## The First Investors Long Short Fund has several key features and benefits including:

### Experienced Portfolio Team:

The Fund is led by Dmitri Batsev and Jerry Liu, leveraging the U.S. investment team with 23 investment professionals who average 19 years in the industry.

### The Fund is intended for investors who:

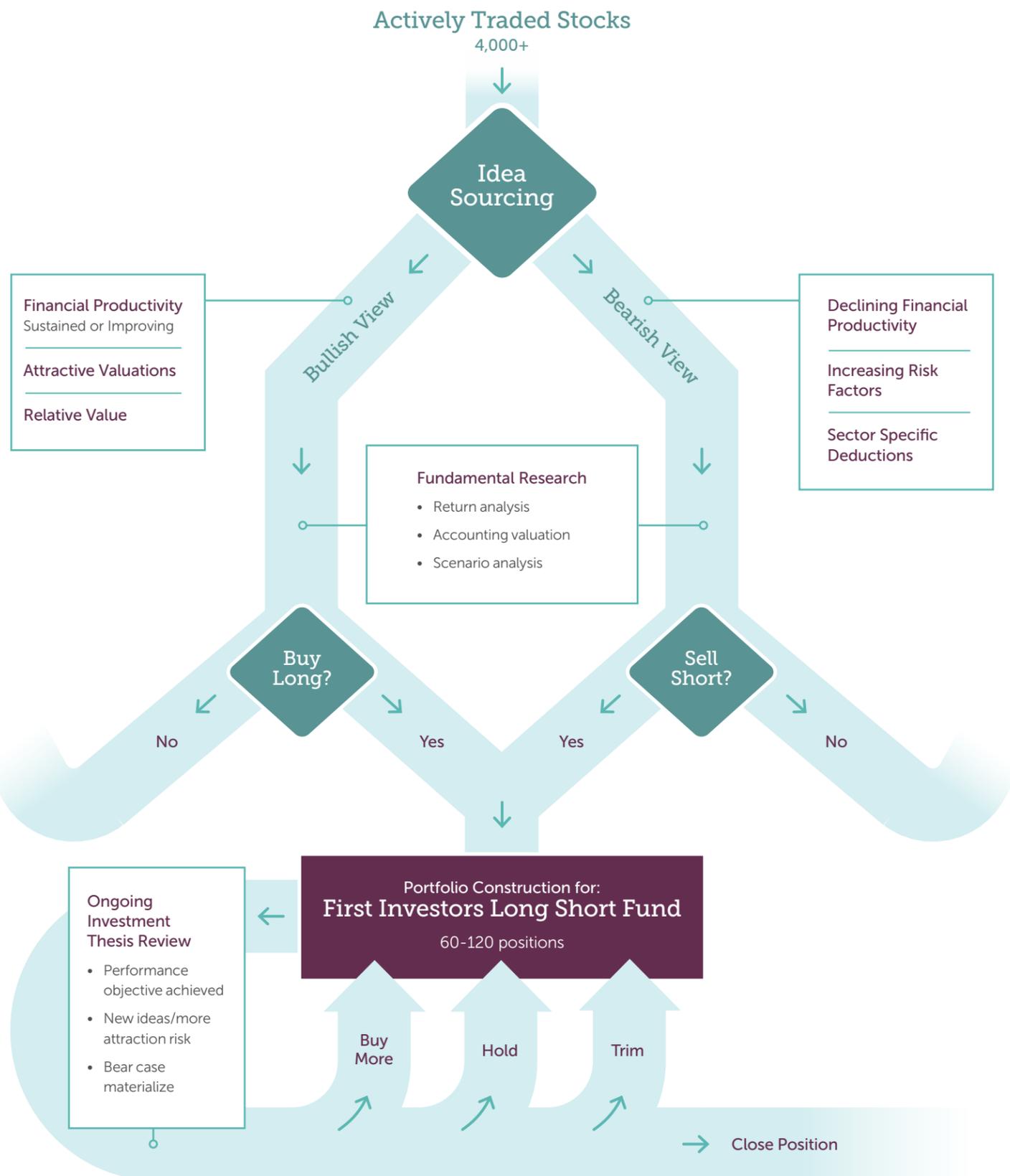
- Are seeking capital appreciation;
- Are willing to accept a moderate degree of investment risk; and
- Have a long-term investment horizon and are able to ride out market cycles.

### Active Management:

The First Investors Long Short Fund primarily invests in:

- Long positions in attractively valued companies that sustain high financial productivity
- Long positions in mispriced companies that can improve their financial productivity
- Short positions in companies with deteriorating fundamentals and negative catalysts

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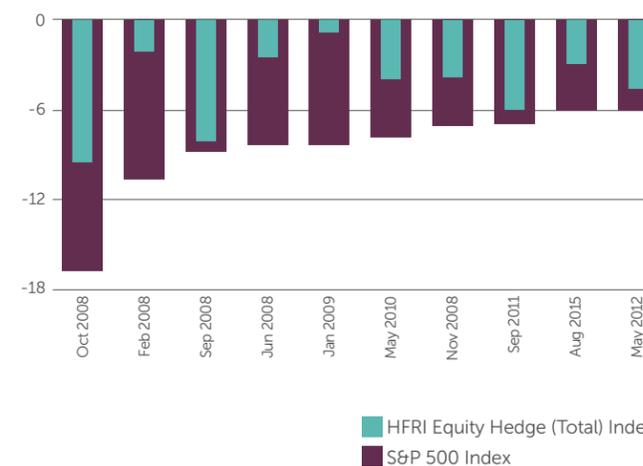


## Historical Downside Protection

After a six-year bull market, we believe the current market environment is especially suited to equity long/short alternative investment strategies. These strategies can participate in up markets through long positions (which anticipate a rise in the share price), but they can simultaneously attempt to reduce market risk through short positions (which anticipate a decline in the share price). As a result, a well-executed long/short strategy can generate strong risk-adjusted returns and provide defense in down markets.

Equity Long/Short Strategies Have Historically Protected Capital in Down Markets

Relative performance during the 10 worst months for the S&P 500 Index since 2008 (%)



As of August 2015. For illustrative purposes only. This information is not representative of any product or strategy managed by Lazard. The indices listed above are unmanaged and have no fees. It is not possible to invest directly in an index. The performance quoted represents past performance. Past performance is not a reliable indicator of future results.

Source: Bloomberg, Standard & Poor's

## Investment Team



**Dmitri Batsev**  
Managing Director, Portfolio Manager/Analyst, Lazard Asset Management LLC (New York)

Dmitri Batsev is a Managing Director and Portfolio Manager/Analyst on the Fundamental Long/Short team. He began working in the investment field upon joining the Firm in 2002. Dmitri has an MBA and a BBA from the University of Alaska Fairbanks. He speaks fluent Russian.



**Jerry Liu**  
CFA®  
Managing Director, Portfolio Manager/Analyst Lazard Asset Management LLC (New York)

Jerry Liu is a Managing Director and Portfolio Manager/Analyst on the Fundamental Long/Short and US Mid Cap Equity teams. He began working in the investment field in 1996. Prior to joining Lazard in 2001, he worked for CIBC Oppenheimer. Jerry has a MBA from Columbia University Business School, and a BA from the Wharton School of Business, University of Pennsylvania. He is a member of the New York Society of Security Analysts (NYSSA) and speaks Mandarin Chinese.

### About Lazard Asset Management

Foresters Investment Management Company, Inc. is the Fund's investment adviser and Lazard Asset Management LLC (Lazard) serves as subadviser to the Fund. The Lazard Asset Management approach to managing the First Investors Long Short Fund seeks to achieve superior risk-adjusted returns through rigorous, bottom-up fundamental security analysis. Effectively running a long/short strategy requires expertise and resources. This strategy is co-managed by Dmitri Batsev and Jerry Liu, who draw upon the firm's extensive network of investment professionals, primarily a dedicated team of more than 20 experienced U.S. equity analysts.

# About Foresters Financial

At Foresters Investment Management Company, Inc., registered investment adviser for the First Investors Funds, we have a dedicated team of experienced portfolio managers and investment analysts who employ a top-down, bottom-up approach to investing through rigorous analysis in the disciplined selection of securities for our portfolios.

While no investment is guaranteed, our goal is to produce solid, long-term performance for our clients, while effectively managing risk.

The exceptional combination of broad investment capabilities, asset allocation expertise, conservative risk management and a personal approach to clients, is what gives Foresters Financial its competitive edge.

Foresters Investment Management Company, Inc. also works with outside subadvisers who specialize in specific market sectors. Their expertise, knowledge and experience collectively broadens the scope of the products that are offered by the First Investors family of funds.

First Investors mutual funds are managed by Foresters Investment Management Company, Inc. and distributed by Foresters Financial Services Inc.; each is a wholly owned subsidiary of Foresters Financial Holding Company, Inc.

*Foresters Financial™ and Foresters™ are the trade names and trademarks of The Independent Order of Foresters, a fraternal benefit society, 789 Don Mills Road, Toronto, Canada M3C 1T9 and its subsidiaries, including Foresters Financial Services, Inc. Foresters Financial Services, Inc. is a registered broker-dealer and subsidiary of Foresters Financial Holding Company, Inc. Securities, life insurance and annuity products are offered through Foresters Financial Services, Inc. Insurance products are issued by Foresters Life Insurance and Annuity Company, New York, or The Independent Order of Foresters.*

# Important Disclosures

*Please note that the Fund's strategy is expected to underperform equity markets during periods of sharply rising equity prices. The risks associated with an investment in the Fund: American Depositary Receipts Risk, Counterparty Credit Risk, Foreign Securities Risk, High Portfolio Turnover Risk, IPO Shares Risk, Leverage Risk, Market Risk, Mid-Size and Small-Size Company Risk, Non-Diversification Risk, and Short Position Risk.*

For more information about any First Investors mutual fund from Foresters Financial Services, Inc., you may obtain a free prospectus by calling 800 524 2803 (Option 2) or visiting our website at [foresters.com](http://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 investments involve risk, including possible loss of principal. You can lose money by investing in the Fund. There is no guarantee that the Fund will meet its investment objective. Past performance is no guarantee of future results.*



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