First Investors Limited Duration Bond Fund

Income coupled with minimized volatility

The First Investors Limited Duration Bond Fund¹ focuses on investment grade bonds with an emphasis on maintaining an average-weighted duration between one and six years and to deliver current income with minimal volatility.

Short duration as an asset class

Providing stability with more consistent income
Short-duration bond funds offer a valuable portfolio positioning tool, potentially adding greater levels of liquidity while delivering more consistent income and less risk compared to some other fixed income positions in an investor’s portfolio.

Interest rate sensitivity benefits
The asset class’s interest rate sensitivity benefits are evident in times of low volatility and even more so when markets are volatile and unpredictable.

Duration diversification
Short-term bond funds can also provide investors with greater diversification from their long-term bond allocations, as well as equity holdings. Due to these features, including lower exposure to shifts in interest rates, short-duration bond funds offer investors less volatility which can help to offset a downside often associated with longer-dated bonds.

A disciplined, risk-centered investment style
The First Investors Limited Duration Bond Fund’s investment process integrates a top-down market review with a bottom-up, multi-asset assessment. A yield curve and portfolio duration evaluation process is also integrated into the overall approach to further enhance the portfolio’s positioning. The Fund’s risk mitigation is centered on principal protection and a disciplined credit review. Its duration management process supports both the oversight of risk and the maintenance of principal. Finally, the investment team considers the risk-reward analysis for any possible high yield allocation, adjusting the percentage as the team deems appropriate.

¹ Effective January 31, 2019, the portfolio’s benchmark changed from the ICE BofA ML 1-5 Year U.S. Broad Market Index to the Bloomberg Barclays 1-3 Year U.S. Government/Credit Bond Index.
The First Investors Limited Duration Bond Fund is led by Portfolio Manager Rod Chadehumbe who has served in this capacity since the Fund’s inception and joined the firm in 2012. Together with an experienced team of analysts and traders, the team is backed by the full resources of our firm. Foresters Investment Management Company, Inc., with a long history of managing active mutual funds across multiple asset classes, seeks to deliver consistent long-term performance within a robust risk management framework.

Exhibit 1: Short duration historically has a reduced volatility profile
Rolling three-year standard deviations for the last 10 years

<table>
<thead>
<tr>
<th>Standard Deviation</th>
<th>10%</th>
<th>8%</th>
<th>6%</th>
<th>4%</th>
<th>2%</th>
<th>0%</th>
</tr>
</thead>
<tbody>
<tr>
<td>6/30/09</td>
<td>12/31/09</td>
<td>12/31/10</td>
<td>12/31/11</td>
<td>12/31/12</td>
<td>12/31/13</td>
<td>12/31/14</td>
</tr>
</tbody>
</table>

Source: Morningstar Direct, 3/31/19. Corporate bonds are represented by the ICE BofA ML U.S. Corporate Master Index, Broad Market bonds are represented by the BofA Merrill Lynch U.S. Broad Market Index and Short Duration bonds are represented by the Bloomberg Barclays US Govt/Credit 1-3 Year Index.

The ICE BofA ML 1-5Y US Broad Market Index is a subset of the BofA Merrill Lynch U.S. Broad Market Index that tracks the performance of U.S. dollar denominated investment grade debt publicly issued in the U.S. domestic market, including U.S. Treasuries, quasi-government, corporate, securitized and collateralized securities with a remaining term to final maturity of at least one year or an average life less than 5 years.

The Bloomberg Barclays 1-3 Year U.S. Government/Credit Bond Index that includes securities in the Government and Credit Indexes. The Government Index includes Treasuries (that is, public obligations of the U.S. Treasury that have remaining maturities of more than one year) and agencies (that is, publicly issued debt of U.S. government agencies, quasifederal corporations, and corporate or foreign debt guaranteed by the U.S. government). The Credit Index includes publicly issued U.S. corporate and foreign debentures and secured notes that meet specified maturity, liquidity, and quality requirements.