

First Investors Tax Exempt Income Fund



Morningstar Rating™ 1

Class A shares rated 4 overall stars by Morningstar among 260 U.S. Muni National Intermediate funds for the period ended 9/30/18 based on risk-adjusted performance.

Striking a balance with tax exempt income

A Class Shares: FITAX
Advisor Class Shares: FITDX

The First Investors Tax Exempt Income Fund invests in municipal bonds across the U.S. that are expected to produce high levels of interest income exempt from federal income taxes. The Fund's (Class A share) high-yielding, quality-income focus distinguishes it from its peers. Since 2012, the Fund's 12-month yield has consistently outperformed its Morningstar category average (see *Exhibit 1*).



Clark D. Wagner
Chief Investment Officer,
Foresters Financial and
Portfolio Manager

How municipal bonds can balance a portfolio

Federal tax exempt status

Municipal bond funds can help investors balance their overall portfolio. Most significant is their effect on an investor's after-tax income due to municipal bonds' federal tax exempt status. Tax mitigation can be particularly beneficial for investors in higher federal tax brackets as their investment income is taxed at a higher rate that can erode returns from taxable investments.

Low correlation

Historically, municipal bonds have shown a lower correlation to U.S. equities (see *Exhibit 2*), offering a portfolio diversifier that lowers exposure to riskier stocks.

Less volatility

Finally, municipal bond funds have demonstrated lower volatility compared to equities and taxable bond funds,² which can further help minimize risk in an investor's portfolio.



Patrick Tucci, CFA
Portfolio Manager

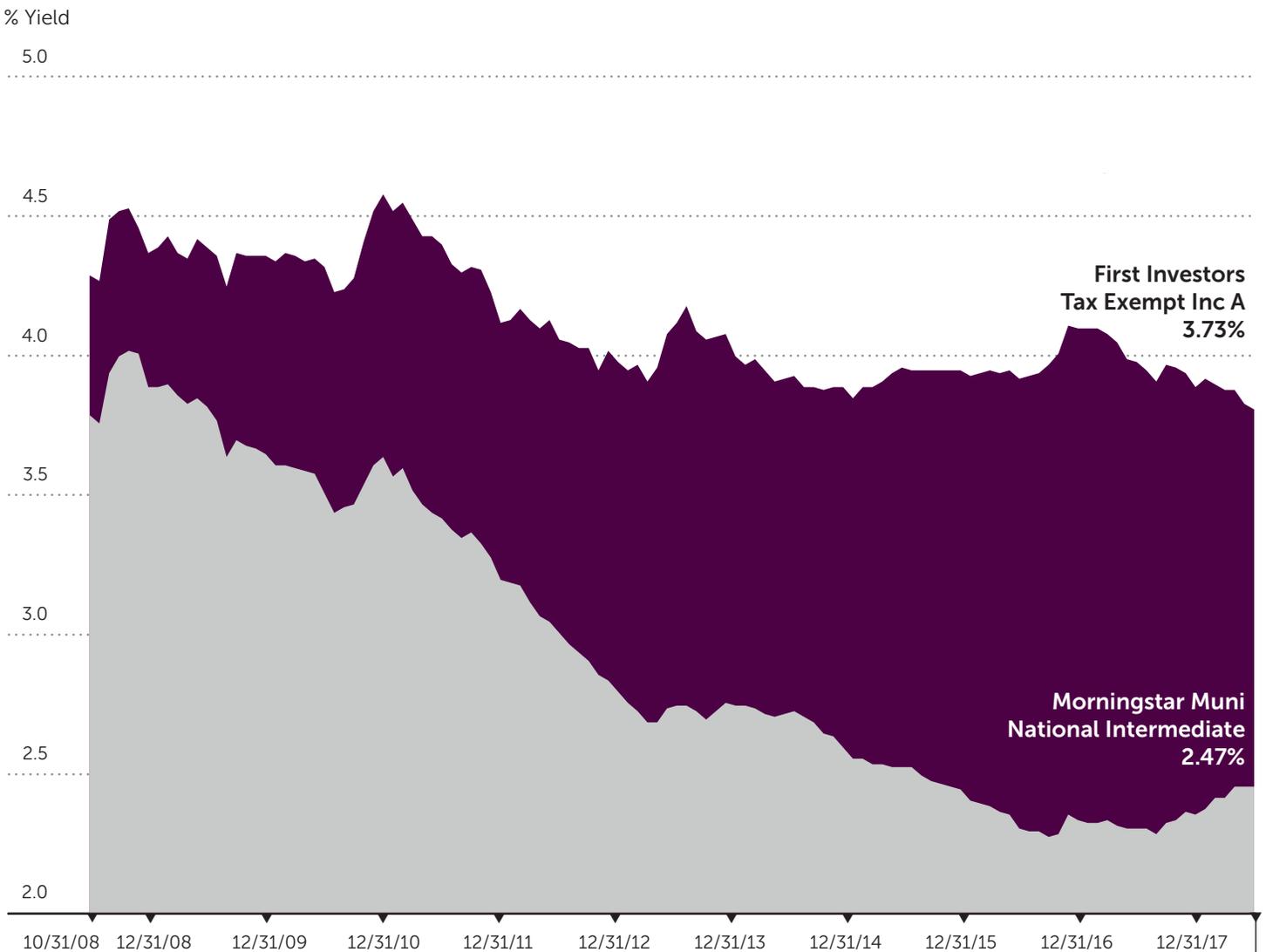
Process has yielded solid performance over the last 10 years

The First Investors Tax Exempt Income Fund's investment approach is based on a time-tested investment process that pursues high-quality municipal securities while seeking to deliver a reliable income stream. This multi-state investment approach has helped to diversify the concentration risk associated with some single-state offerings by providing additional securities from a larger volume of national issuance. The Fund's historical yield has ranked among the top of its peers with consistent outperformance over the last 10 years.³

A trusted firm with a rich history

The First Investors Tax Exempt Income Fund is led by long-time lead Portfolio Manager and Chief Investment Officer Clark D. Wagner and Portfolio Manager Patrick Tucci, CFA, who have a combined 30 years of investment management experience. The portfolio 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: Consistent outperformance vs category peers

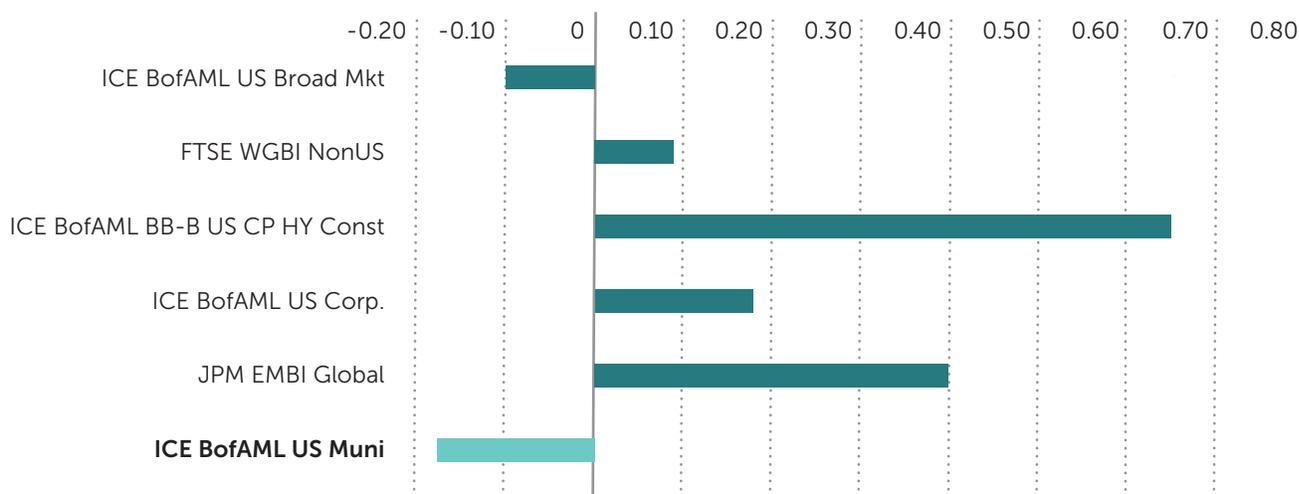


Source: Morningstar Direct, 9/30/18.

9/30/18

Exhibit 2: Municipal bonds improve diversification

Five-year correlation to U.S. equities



Source: Morningstar Direct, 9/30/18. U.S. equities represented by the S&P 500.

1 For the three-, five- and 10-year periods, respectively, the Fund was rated 4, 4 and 4 stars among 260, 224 and 146 funds in the U.S. Muni National Intermediate funds category for the time period 9/30/18. The Morningstar Rating™ for funds, or “star rating”, is calculated for managed products (including mutual funds, variable annuity and variable life sub-accounts, 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. © 2018 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. **Past performance is no guarantee of future results.**

2 Based on quarterly rolling 3-year standard deviations over the last 10 years ending 9/30/18 for the ICE BofAML US Muni Index vs the S&P 500 Index, Russell 2000 Index, MSCI EAFE Index, ICE BofAML US Corp Index, ICE BofAML BB-B US CP HY Const Index and the ICE BofAML US Broad Mkt Index.

3 The First Investors Tax Exempt Income Fund’s 12 month yield outperformed the 12 month yield of the Morningstar Municipal National Intermediate category average monthly for the last 10 years ending 9/30/18.

The Morningstar Muni National Intermediate Category invests in bonds issued by various state and local governments to fund public projects. The income from these bonds is generally free from federal taxes. To lower risk, these portfolios spread their assets across many states and sectors.

The ICE BofA Merrill Lynch U.S. Broad Market Index tracks the performance of U.S. dollar denominated investment grade debt publicly issued in the U.S. domestic market, including U.S.

Treasury, quasi-government, corporate, securitized and collateralized securities. Return data is available daily.

The FTSE World Government Bond ex-U.S. Index encompasses an all-inclusive universe of institutionally traded bonds, including all fixed-rate bonds with remaining maturities of one year or longer with amounts outstanding of at least the equivalent of \$25 million. Return data is available daily.

The ICE BofA Merrill Lynch BB-B U.S. High Yield Cash Pay Constrained Index (“BofA Merrill Lynch Index”) contains all securities in the BofA Merrill Lynch US Cash Pay High Yield Index rated BB1 through B3, based on an average of Moody’s Investment Service, Inc., Standard & Poor’s Ratings Services and Fitch Ratings, but caps issuer exposure at 2%. Return data is available daily.

The ICE BofA Merrill Lynch U.S. Corporate Master Index includes publicly-issued, fixed-rate, non-convertible investment grade dollar-denominated, SEC-registered corporate debt having at least one year to maturity and an outstanding par value of at least \$250 million. Return data is available daily. Return data is available daily.

JP Morgan Emerging Markets Bond Index Global (EMBI Global) tracks total returns for US dollar-denominated debt instruments issued by emerging markets sovereign and quasi-sovereign entities.

The ICE BofAMerrill Lynch Municipal Master tracks the performance of U.S. dollar denomi-

nated investment-grade tax-exempt debt publicly issued by the U.S. states and territories, and their political subdivisions, in the U.S. domestic market. Qualifying securities must have at least one year remaining term to final maturity, a fixed coupon schedule and an investment-grade rating (based on average of Moody's, S&P and Fitch). Return data is available daily.

The Standard & Poor's 500 Index (S&P 500) is a capitalization-weighted index of 500 stocks. The Index is designed to measure performance of the broad domestic economy through changes in the aggregate market value of 500 stocks representing all major industries.

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 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 a fund. There is no guarantee that a fund will meet its investment objective. The principal risks of investing in the Fund are: Call Risk, Credit Risk, Derivatives Risk, High Yield Securities Risk, Interest Rate Risk, Liquidity Risk, Market Risk, Municipal Securities Risk, Security Selection Risk and Tax 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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