



## **SHAREHOLDER MEETING ADJOURNED**

Dear Shareholder:

We recently sent you a Proxy Statement concerning important proposals affecting your fund(s). The Joint Special Meeting of Shareholders of the Funds has adjourned to allow shareholders more time to vote on certain proposals that have not yet passed. The Joint Special Meeting will reconvene on **June 29, 2017, at 10:00 A.M. Eastern Time**, at the offices of the Trusts at 30 Penhallow Street, Suite 400, Portsmouth, New Hampshire 03801. This letter was sent because you held shares in the fund(s) on the record date, and we **have not received your vote**.

Please see the reverse side of this letter for additional explanation of the adjourned proposals.

**YOUR FUND'S BOARD RECOMMENDS THAT YOU VOTE "FOR" EACH PROPOSAL**

**YOUR VOTE IS CRITICAL. PLEASE VOTE NOW BEFORE TIME RUNS OUT.**

Please vote using one of the following options:

### **1) VOTE ONLINE**

Log on to the website or scan the QR code shown on your proxy card. Please have your proxy card in hand to access your control number (located in the box) and follow the on-screen instructions.

### **2) VOTE BY TOUCH-TONE TELEPHONE**

Call the toll free number listed on your proxy card. Please have your proxy card in hand to access your control number (located in the box) and follow the recorded instructions.

### **3) VOTE BY MAIL**

Complete, sign and date the proxy card and then return it in the enclosed postage paid envelope.

The Joint Proxy Statement we sent you contains important information regarding the proposals that you are being asked to consider. A copy of the Joint Proxy Statement may be viewed or downloaded at the website listed on your proxy card. Please read the materials carefully. If you have any questions regarding the proposals, or need assistance with voting, you may call Computershare Fund Services, the funds' proxy solicitor, toll free at **1-(866) 612-1829**.

Thank you for your prompt attention to this matter.

Additional explanation of the adjourned proposals:

*Proposal 2. Shareholders of Pax Balanced Fund, Pax ESG Beta Quality Fund and Pax High Yield Bond Fund are being asked to approve a proposal to change the investment objectives of such Funds from fundamental to non-fundamental.*

Non-fundamental simply means that the board is able to approve changes to the Funds' investment objectives as opposed to having to seek shareholder approval through the more cumbersome and expensive proxy process each time they wish to do so. If the Board were to approve a change to a Fund's investment objective in the future, shareholders would be notified and the prospectus of the applicable Fund would be modified accordingly. While there is no current intention to change any of these three Funds' investment objectives, this change would align these Funds with our other Funds, and most mutual funds today, so that all of the Pax World Funds' investment objectives will be non-fundamental.

An example of changing a Fund's investment objective occurred in 2014 in the Pax Global Environmental Markets Fund. We wanted to include sustainable food and agriculture stocks in the Fund's investment objective to incorporate a change in how the fund's sub-adviser, Impax Asset Management Ltd., defined environmental markets. In that case the board was able to approve the change to add "sustainable food, agriculture and forestry" to the investment objective without a shareholder vote because that Fund permitted the trustees to alter the investment objective without a shareholder proxy.

*Proposal 3. Shareholders of all Funds are being asked to approve a proposal to amend the Funds' fundamental investment restriction on lending. The proposed amendment is intended to provide the Funds with additional flexibility on lending to the extent permitted under applicable law, and also has the effect of conforming more closely to the requirements of the Investment Company Act of 1940.*

There is no current intention to change in any significant way the manner in which a Fund is managed if Proposal 3 is approved. Should the Funds apply for and be granted an exemptive order by the SEC in the future, this amendment would allow the Funds more flexibility to lend and borrow money. For example, this would allow one Pax World Fund to lend to another Pax World Fund in the event of a liquidity crisis or to cover large redemptions on one of the Funds.

*Proposal 4. Shareholders of Trust I Funds and the only Trust III Fund, are being asked to approve a proposal to authorize Pax World Management LLC and Pax Ellevate Management LLC to enter into and materially amend investment sub-advisory agreements with sub-advisers that are not affiliated persons of the Advisers, with the approval of the Board, but without obtaining additional shareholder approval.*

An example of a change to a sub-advisory agreement happened in 2015 in the Pax Global Environmental Markets Fund, which involved a change in the ownership of Impax Asset Management Group plc, the parent company to Impax Asset Management Ltd., the fund's sub-adviser. In that case, a proxy was sent to, and approved by, shareholders of the Fund, expenses of which were borne by the shareholders of the Fund. Approving proposal 4 would allow the board of trustees to approve a new sub-advisory contract in this situation without seeking shareholder approval.

**Your vote matters! Please look for voting instructions on the front page of this letter.**