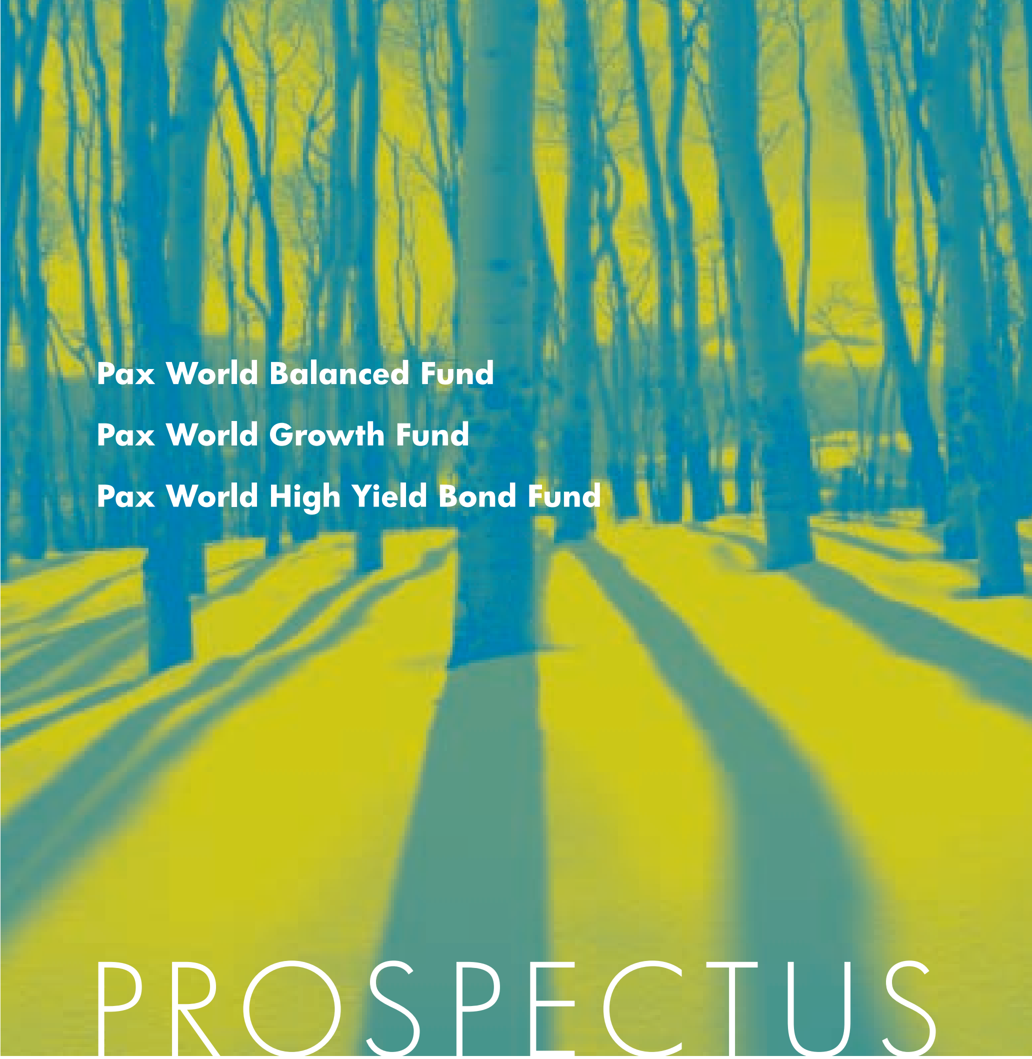


Pax World Balanced Fund

Pax World Growth Fund

Pax World High Yield Bond Fund

PROSPECTUS

2 APRIL 2007

PAX

Pax World Mutual Funds

The prospectus explains what you should know about the funds before you invest. Please read it carefully. The Securities and Exchange Commission has not approved or disapproved these securities or passed upon the adequacy or accuracy of this Prospectus. Any representation to the contrary is a criminal offense.

PAX WORLD FUNDS SERIES TRUST I

Supplement dated October 29, 2007
to the Prospectus dated April 2, 2007

This supplement contains information regarding **Pax World Value Fund** (the "Value Fund") and **Pax World Women's Equity Fund** (the "Women's Equity Fund"), new series of Pax World Funds Series Trust I (the "Trust"). This supplement, read in conjunction with the Trust's prospectus dated April 2, 2007 (the "Prospectus"), explains what you should know about the Funds before you invest. Please read this supplement and the Prospectus carefully.

The following disclosure is added immediately prior to the section captioned "About the Funds":

Pax World Value Fund (the "Value Fund")

Risk/Return Summary: Investment Objectives, Principal Investment Strategies, Principal Risks and Fund Performance

INVESTMENT OBJECTIVE

The Value Fund's investment objective is to seek long-term capital appreciation. The investment objective of the Value Fund may be changed without shareholder approval.

PRINCIPAL INVESTMENT STRATEGIES

Under normal market conditions, the Value Fund invests primarily in equity securities (such as common stocks, depositary receipts, rights and warrants, preferred stocks and securities convertible into common or preferred stocks) of companies that have capitalizations at least equal to the capitalization of the smallest company included in the Russell 1000 Index and that the Value Fund's investment adviser believes are undervalued relative to their future growth prospects in relation to the market and their respective industry groups. The Russell 1000 Index, a widely-used index reflecting the large-cap segment of the U.S. equity market, is composed of the 1000 largest securities in the Russell 3000 Index. The Russell 3000 Index includes securities reflecting the broad U.S. equity universe, representing approximately 98% of the U.S. equity market. As of the latest reconstitution of the Russell 1000 Index, the smallest company in the index had a market capitalization of approximately $2.5 billion. The Value Fund may invest in convertible securities of any credit quality, including convertible securities rated in the lowest rating category by Standard & Poor's Ratings Group, Moody's Investors Service or another major rating agency and unrated convertible securities determined by the Value Fund's investment adviser to be of comparable quality (commonly referred to as "junk bonds").

The Value Fund's investment adviser selects equity securities on a company-by-company basis primarily through the use of fundamental analysis. Undervalued companies tend to have lower stock prices relative to their earnings potential and other financial measures. The investment adviser attempts to identify companies for possible investment by analyzing their growth prospects based on their market and competitive position, financial condition and economic, political and regulatory environment. The following characteristics may also be considered in analyzing the attractiveness of such companies — valuation factors such as price-to-earnings ratio; price-to-book ratio and/or price-to-cash flow ratio; a healthy balance sheet; overall financial strength; and catalysts for changes that improve future earnings prospects. The Value Fund may sell a particular security if any of the original reasons for purchase change materially, in response to adverse market conditions, when a more attractive investment is identified or to meet redemption requests.

The Value Fund may invest up to 45% of its assets in securities of non-U.S. issuers, including American Depositary Receipts ("ADRs"). The Value Fund may invest no more than 25% of its assets in securities of non-U.S. issuers other than ADRs. The Value Fund's investments in securities of non-U.S. issuers, if any, may be diversified across multiple countries or geographic regions, or may be focused in a single country or geographic region.

The Fund may utilize derivatives, including but not limited to foreign currency exchange contracts, stock options and futures contracts, for hedging and for investment purposes.

Although the Value Fund intends to limit the turnover of its portfolio, it is possible that, as a result of its investment strategies, the portfolio turnover rate of the Value Fund may be significant. Please see "Turnover Risk" below.

In response to unfavorable market and other conditions, the Value Fund may deviate from its principal investment strategies by making temporary investments of some or all of its assets in high quality debt securities, cash and cash equivalents. The Value Fund may not achieve its investment objective when it does so.

Sustainable Investing. The Value Fund seeks to invest in forward-thinking companies with sustainable business models that meet positive environmental, social and governance standards. The Value Fund avoids investing in companies that its investment adviser determines are significantly involved in the manufacture of weapons or weapons-related products, manufacture tobacco products, are involved in gambling as a main line of business or engage in unethical business practices. Please see "Sustainable Investing" below.

PRINCIPAL RISKS

The principal risks of investing in the Value Fund are described below.

- *Market Risk.* Conditions in a broad or specialized market, a sector thereof or an individual industry may adversely affect security prices, thereby reducing the value of the Value Fund's investments.

- *Management Risk.* Investment decisions made by the Value Fund's investment adviser may cause the Value Fund to experience losses or to underperform other mutual funds with similar investment objectives.

- *Equity Securities Risk.* The market price of equity securities may fluctuate significantly, rapidly and unpredictably, causing the Value Fund to experience losses. The prices of equity securities generally are more volatile than the prices of debt securities.

- *Value Securities Risk.* The Value Fund may invest in companies that may not be expected to experience significant earnings growth, but whose securities the investment adviser believes are selling at a price lower than their true value. Companies that issue value securities may have experienced adverse business developments or may be subject to special risks that have caused their securities to be out of favor. If the investment adviser's assessment of a company's prospects is wrong, or if the market does not recognize the value of the company, the price of its securities may decline or may not approach the value that the investment adviser anticipates.

- *Issuer Risk.* The value of a security may fluctuate due to factors particular to the entity that issued the security (such as labor or materials shortages, production cost overruns, excess financial leverage, supply and demand issues or mismanagement) that are not common to that entity's industry or to the market generally.

- *Convertible Securities Risk.* Convertible securities are generally preferred stocks and other securities, including debt securities and warrants, that are convertible into or exercisable for common stock of the issuer (or cash or securities at equivalent value) at either a stated price or a stated rate. The price of a convertible security will normally vary in some proportion to changes in the price of the underlying common stock because of this conversion or exercise feature. However, the value of a convertible security may not increase or decrease as rapidly as the underlying common stock. A convertible security will normally also provide income and is subject to interest rate risk. While convertible securities generally offer lower interest or dividend yields than non-convertible debt securities of similar quality, their value tends to increase as the market value of the underlying stock increases and to decrease when the value of the underlying stock decreases. In the event of a liquidation of the issuer, holders of convertible securities generally would be paid before the issuer's common stockholders, but after holders of any senior debt obligations of the issuer. Consequently, the issuer's convertible securities generally entail less risk than its common stock but more risk than its debt obligations. Also, the Value Fund may be forced to convert a security before it would otherwise choose, which may decrease the Value Fund's return.

- *Non-U. S. Securities Risk.* Non-U.S. markets can be significantly more volatile than domestic markets, causing the prices of some of the Value Fund's investments to fluctuate significantly, rapidly and unpredictably. Non-U.S. securities may be less liquid than domestic securities; consequently, the Value Fund may at times be unable to sell non-U.S. securities at desirable times or prices. Brokerage commissions, custodial fees and other fees and expenses associated with securities transactions generally are higher for non-U.S. securities. In the event of a default in connection with certain debt securities issued by foreign governments, the Value Fund may have very limited recourse, if any. Additionally, foreign governments may impose withholding taxes which would reduce the amount of income and capital gain available to distribute to shareholders. Other risks related to non-U.S. securities include delays in the settlement of transactions; less publicly available information about issuers; different reporting, accounting and auditing standards; the effect of political, social, diplomatic or economic events; seizure, expropriation or nationalization of the issuer or its assets; and the possible imposition of currency exchange controls. Emerging market securities are likely to have greater exposure to the risks discussed above. Additionally, emerging market countries generally have less mature economies and less developed securities markets with more limited trading activity, are more heavily dependent on international trade and support, have a higher risk of currency devaluation, and may have more volatile inflation rates or longer periods of high inflation than more developed countries. Emerging market countries also are more prone to rapid social, political and economic changes than more developed countries. To the extent the Value Fund invests substantially in securities of non-U.S. issuers tied economically to a particular country or geographic region, it will be subject to the risks associated with such country or geographic region to a greater extent than a fund that is more diversified across countries or geographic regions.

- *Derivatives Risk.* Derivatives are financial contracts whose values are derived from traditional securities, assets, reference rates or market indices. Derivatives involve special risks and may result in losses. Derivative strategies often involve leverage, which may exaggerate a loss, potentially causing the Value Fund to lose more money than it would have lost had it invested in the underlying security. The values of derivatives may move in unexpected ways, especially in unusual market conditions, and may result in increased volatility. The use of derivatives may also increase the amount of taxes payable by shareholders. Other risks arise from the Value Fund's potential inability to terminate or sell derivative positions. A liquid secondary market may not always exist for the Value Fund's derivative positions at times when the Value Fund might wish to terminate or sell such positions. Over-the-counter instruments (investments not traded on an exchange) may be illiquid, and transactions in derivatives traded in the over-the-counter market are subject to the risk that the other party will not meet its obligations. The use of derivatives also involves the risk of mispricing or improper valuation, the risk of ambiguous documentation and the risk that changes in the value of the derivative may not correlate perfectly with the underlying security, asset, reference rate or index. The Value Fund may not be able to find a suitable derivative transaction counterparty, and thus may be unable to invest in derivatives altogether. For more information on the risks of derivative investment and strategies, see the Statement of Additional Information.

- *Interest Rate Risk.* As nominal interest rates rise, the value of debt securities held in the Value Fund's portfolio is likely to decrease. Securities with longer durations tend to be more sensitive to changes in interest rates, usually making them more volatile than securities with shorter durations. A nominal interest rate can be described as the sum of a real interest rate and an expected inflation rate.

- *Credit Risk*. With respect to debt securities, changes in economic conditions generally or particular to the obligated entity may affect the obligated entity's actual or perceived ability to make payments of interest or principal when due, which may cause the price of the security or the income derived therefrom to decline. Bonds that are backed by an issuer's taxing authority, including general obligation bonds, may be subject to legal limits on a government's power to increase taxes or otherwise to raise revenue, or may depend for payment on legislative appropriation and/or governmental aid. Some bonds, known as revenue obligations, are payable solely from revenues earned by a particular project or other revenue source. Consequently, revenue obligations are subject to a greater risk of default than general obligation bonds because investors can look only to the revenue generated by the project, assets, or company backing the project, rather than to the taxing power of the issuer.

- *High Yield Securities Risk.* Because the Value Fund may invest in high yield securities (commonly known as "junk bonds"), it may be subject to greater levels of interest rate risk, credit risk and liquidity risk than funds that do not invest in such securities. High yield securities are considered predominately speculative with respect to the issuer's continuing ability to make principal and interest payments when due. Rising interest rates or a general economic downturn may adversely affect the market for high yield securities and reduce the Value Fund's ability to sell them (liquidity risk). If the issuer of a high yield security is in default with respect to interest or principal payments, the Value Fund may lose its entire investment in that security.

- *Turnover Risk.* A change in the securities held by the Value Fund is known as "portfolio turnover." High portfolio turnover involves correspondingly greater expenses to a fund, including brokerage commissions or dealer mark-ups and other transaction costs on the sale of securities and reinvestments in other securities. Such sales may also result in realization of taxable capital gains, including short-term capital gains (which are taxed at ordinary income tax rates when distributed to shareholders who are individuals), and may adversely affect the Value Fund's after-tax returns. The trading costs and tax effects associated with portfolio turnover may adversely affect the Value Fund's performance.

- *Reinvestment Risk.* Income from the Value Fund's investments may decline if the Value Fund is forced to invest the proceeds from matured, called or otherwise disposed of debt securities or convertible securities at interest rates that are below the Value Fund's earnings rate at that time.

- *Sustainable Investing Risk.* The Value Fund's sustainable investing policies may inhibit the Value Fund's ability to participate in certain attractive investment opportunities that otherwise would be consistent with its investment objective and other principal investment strategies.

There are other circumstances (including additional risks not described above) that could cause the Value Fund not to achieve its investment objective. **As with all mutual funds, shareholders of the Value Fund may lose money.** For a discussion of additional risks applicable to the Value Fund, please see the section captioned "Investments and Special Considerations; Risk Factors" in the Statement of Additional Information. An investment in the Value Fund is not a deposit in a bank and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency.

FUND PERFORMANCE

Because the Value Fund is a newly-formed fund that has yet to commence operations, no performance information is available.

Fees and Expenses

The tables below describe the fees and expenses that investors may pay if they buy and hold Individual Investor Class, Institutional Class or R Class shares of the Value Fund. The fees and expenses associated with an investment in the Value Fund are among several factors that an investor should consider before investing. "Other Expenses" include operating expenses, such as trustees' and professional fees, registration fees, expenses relating to the preparation of shareholder reports, and transfer agency and custodian fees.

	Individual Investor Class	Institutional Class	R Class
Shareholder Fees (fees paid directly from your investment)[1]:	None[2]	None	None
Annual Fund Operating Expenses			
(expenses that are deducted from Value Fund assets):			
Management Fee	0.70%	0.70%	0.70%
Distribution and/or Service (12b-1) Fees	0.25%[3]	0.00%	0.50%[3]
Other Expenses[4]	11.15%	11.15%	11.15%
Total Annual Fund Operating Expenses	12.10%	11.85%	12.35%
Less Expense Waiver/Reimbursement[5]	-10.61%	-10.61%	-10.61%
Net Annual Fund Operating Expenses	1.49%	1.24%	1.74%

[1]The Value Fund charges a fee of $10 for each wire redemption, subject to change without notice.

[2]Individual Retirement Account (IRA), Coverdell Education Savings, Roth IRA, SEP-IRA, SIMPLE IRA and 403(b)(7) accounts that purchase Individual Investor Class shares are charged an annual custodial fee of $12.

[3]Due to the Rule 12b-1 fee imposed on Individual Investor Class and R Class shares, shareholders may, depending upon the length of time the shares are held, pay more than the economic equivalent of the maximum front-end sales charges permitted by relevant rules of the National Association of Securities Dealers.

[4]"Other Expenses" are based on estimated amounts for the Value Fund's initial fiscal year.

[5]The Value Fund's investment adviser has contractually agreed to reimburse expenses (excluding Acquired Fund Fees and Expenses) allocable to Individual Investor Class, Institutional Class and R Class shares of the Value Fund to the extent such expenses exceed 1.49%, 1.24% and 1.74% of the average daily net assets of Individual Investor Class, Institutional Class and R Class shares, respectively, of the Value Fund. This reimbursement arrangement will remain in effect for a minimum of three years, through December 31, 2010.

Example Expenses. The table below is intended to help an investor compare the cost of investing in Individual Investor Class, Institutional Class and R Class shares of the Value Fund with the cost of investing in other mutual funds.

The table assumes that an investor invests $10,000 in Individual Investor Class, Institutional Class or R Class shares of the Value Fund for the time periods indicated and then redeems all of his or her shares at the end of those periods. The table also assumes that the investment has a 5% return each year, that all dividends and distributions are reinvested and that the Value Fund's operating expenses remain the same throughout those periods, except that the Value Fund's total operating expenses are assumed to be its "Net Annual Fund Operating Expenses," as shown in the "Annual Fund Operating Expenses" table above, for the periods during which any expense waivers or reimbursements are in effect. Although an investor's actual expenses may be higher or lower than those shown in the table, based on these assumptions his or her expenses would be:

	1 Year	3 Years
Individual Investor Class	$152	$471
Institutional Class	$126	$393
R Class	$177	$548

Financial Highlights

Because the Value Fund is a newly formed fund that has yet to commence operations, no financial highlights are available.

Pax World Women's Equity Fund (the "Women's Equity Fund")

Risk/Return Summary: Investment Objectives, Principal Investment Strategies, Principal Risks and Fund Performance

INVESTMENT OBJECTIVE

The Women's Equity Fund's investment objective is to seek long-term growth of capital. The investment objective of the Women's Equity Fund is not fundamental and may be changed without shareholder approval.

PRINCIPAL INVESTMENT STRATEGIES

Under normal market conditions, the Women's Equity Fund invests at least 80% of its net assets (plus any borrowings for investment purposes) in equity securities (such as common stocks, preferred stocks and securities convertible into common or preferred stocks). In selecting investments, the Women's Equity Fund's investment adviser applies sustainable investing criteria, emphasizing companies that promote gender equity through internal policies and programs, transparency regarding the effectiveness of those policies and programs, and accountability among employees to assure implementation and observance of the same. The Women's Equity Fund may invest in securities of companies with any market capitalization.

The Women's Equity Fund may invest up to 45% of its assets in securities of non-U.S. issuers, including American Depositary Receipts ("ADRs"). The Women's Equity Fund may invest no more than 25% of its assets in securities of non-U.S. issuers other than ADRs. The Women's Equity Fund's investments in securities of non-U.S. issuers, if any, may diversified across multiple countries or geographic regions, or may be focused in a single country or geographic region.

The Women's Equity Fund's investment adviser will use fundamental analysis to invest in both growth and value companies and may emphasize either based on its assessment of economic and market conditions.

In selecting investments for the Women's Equity Fund, the investment adviser seeks to emphasize companies with long-term records of stable operating characteristics and the ability to achieve sustainable returns on invested capital. In selecting growth companies, Women's Equity Fund's investment adviser will seek companies it believes have above-average longterm growth potential, and select investments based, among other factors, on:

- strong management,
- demonstrated growth in earnings and sales,
- superior industry positions and
- competitive advantages over industry peers.

In selecting value companies, Women's Equity Fund's adviser will attempt to identify companies that exhibit the following characteristics:

- attractive valuation (considering factors such as price-to-earnings ratio, price-to-book ratio and/or price-to-cash flow ratio),
- a healthy and/or improving balance sheet,
- overall financial strength and
- catalysts for changes that improve future earnings prospects.

The Women's Equity Fund may utilize derivatives, including but not limited to foreign currency exchange contracts, stock options and futures contracts, for hedging and for investment purposes.

The Women's Equity Fund may sell a particular security if any of the original reasons for purchase change materially, in response to adverse market conditions, when a more attractive investment is identified or to meet redemption requests.

Although the Women's Equity Fund intends to limit the turnover of its portfolio, it is possible that, as a result of its investment strategies, the portfolio turnover rate of the Women's Equity Fund may be significant. Please see "Turnover Risk" below.

In response to unfavorable market and other conditions, the Women's Equity Fund may deviate from its principal investment strategies by making temporary investments of some or all of its assets in high quality debt securities, cash and cash equivalents. The Women's Equity Fund may not achieve its investment objective when it does so.

Sustainable Investing. The Women's Equity Fund seeks to invest in forward-thinking companies with sustainable business models that meet positive environmental, social and governance standards. The Women's Equity Fund avoids investing in companies that its investment adviser determines are significantly involved in the manufacture of weapons or weapons-related products, manufacture tobacco products, are involved in gambling as a main line of business or engage in unethical business practices. Please see "Sustainable Investing" below.

GENDER CRITERIA

The Women's Equity Fund seeks to invest primarily in companies that, in addition to meeting Pax World's other financial, environmental, social and governance criteria, take affirmative steps to attract, retain and promote women, and to advance gender equity and women's empowerment in the workplace and beyond. Specifically, the Women's Equity Fund endeavors to invest in companies that promote gender equity through internal policies and programs, transparency regarding the effectiveness of those policies and programs and accountability among employees to assure implementation and observance of the same. Examples include:

- Promotion of women to top executive positions and compensating them accordingly;
- Representation of women on the board of directors and in senior management;
- Strong support from senior executives for workplace equality;
- Career development and training programs for women employees;
- Close monitoring of hiring and promotion activity to assure gender equity;
- Programs to address work/life balance concerns, including in particular women's health, safety and childcare responsibilities;
- Programs to address discrimination against women and to protect women from harassment and violence;
- Use of women-owned companies as vendors and service providers;
- Positive images of women in their advertising, promotion and marketing; and
- Accountability and transparency to employees, investors and the communities in which they operate.

When possible, the Women's Equity Fund endeavors to vote shareholder proxies in accordance with gender criteria, in addition to other environmental, social and governance criteria; to engage in dialogue with corporate management on issues of concern; to initiate and support shareholder resolutions on gender-related issues; and to support public policy initiatives that promote greater corporate transparency, accountability and social responsibility on issues of gender equality.

The Women's Equity Fund also endeavors to avoid investing in companies involved in the exploitation and trafficking of women, whose products demean women or who use negative stereotypes in their advertising, promotion or marketing. Similarly, the Women's

Equity Fund endeavors to avoid companies that fail to provide a safe work environment for women by encouraging or tolerating harassment, as well as companies that have a history or pattern of discrimination or mistreatment of women.

The Women's Equity Fund may also invest in community development financial institutions, including micro-credit or micro-finance institutions (financial institutions that provide financial services and loans to entrepreneurs and individuals in emerging market economies) that advance women's equity and sustainable development around the globe.

PRINCIPAL RISKS

The principal risks of investing in the Women's Equity Fund are described below.

- *Market Risk.* Conditions in a broad or specialized market, a sector thereof or an individual industry may adversely affect security prices, thereby reducing the value of the Women's Equity Fund's investments.

- *Non-U. S. Securities Risk.* Non-U.S. markets can be significantly more volatile than domestic markets, causing the prices of some of the Women's Equity Fund's investments to fluctuate significantly, rapidly and unpredictably. Non-U.S. securities may be less liquid than domestic securities; consequently, the Women's Equity Fund may at times be unable to sell non-U.S. securities at desirable times or prices. Brokerage commissions, custodial fees and other fees and expenses associated with securities transactions generally are higher for non-U.S. securities. In the event of a default in connection with certain debt securities issued by foreign governments, the Women's Equity Fund may have very limited recourse, if any. Additionally, foreign governments may impose withholding taxes which would reduce the amount of income and capital gain available to distribute to shareholders. Other risks related to non-U.S. securities include delays in the settlement of transactions; less publicly available information about issuers; different reporting, accounting and auditing standards; the effect of political, social, diplomatic or economic events; seizure, expropriation or nationalization of the issuer or its assets; and the possible imposition of currency exchange controls.

- *Management Risk.* Investment decisions made by the Women's Equity Fund's investment adviser may cause the Women's Equity Fund to experience losses or to underperform other mutual funds with similar investment objectives.

- *Equity Securities Risk.* The market price of equity securities may fluctuate significantly, rapidly and unpredictably, causing the Women's Equity Fund to experience losses. The prices of equity securities generally are more volatile than the prices of debt securities.

- *Value Securities Risk.* The Women's Equity Fund may invest in companies that may not be expected to experience significant earnings growth, but whose securities the investment adviser believes are selling at a price lower than their true value. Companies that issue value securities may have experienced adverse business developments or may be subject to special risks that have caused their securities to be out of favor. If the investment adviser's assessment of a company's prospects is wrong, or if the market does not recognize the value of the company, the price of its securities may decline or may not approach the value that the investment adviser anticipates.

- *Growth Securities Risk.* Growth securities typically trade at higher multiples of current earnings than other securities. Therefore, the values of growth securities may be more sensitive to changes in current or expected earnings than the values of other securities.

- *Issuer Risk.* The value of a security may fluctuate due to factors particular to the entity that issued the security (such as labor or materials shortages, production cost overruns, excess financial leverage, supply and demand issues or mismanagement) that are not common to that entity's industry or to the market generally.

- *Convertible Securities Risk.* Convertible securities are generally preferred stocks and other securities, including debt securities and warrants, that are convertible into or exercisable for common stock of the issuer (or cash or securities at equivalent value) at either a stated price or a stated rate. The price of a convertible security will normally vary in some proportion to changes in the price of the underlying common stock because of this conversion or exercise feature. However, the value of a convertible security may not increase or decrease as rapidly as the underlying common stock. A convertible security will normally also provide income and is subject to interest rate risk. While convertible securities generally offer lower interest or dividend yields than non-convertible debt securities of similar quality, their value tends to increase as the market value of the underlying stock increases and to decrease when the value of the underlying stock decreases. In the event of a liquidation of the issuer, holders of convertible securities generally would be paid before the issuer's common stockholders, but after holders of any senior debt obligations of the issuer. Consequently, the issuer's convertible securities generally entail less risk than its common stock but more risk than its debt obligations. Also, the Women's Equity Fund may be forced to convert a security before it would otherwise choose, which may decrease the Women's Equity Fund's return.

- *Derivatives Risk.* Derivatives are financial contracts whose values are derived from traditional securities, assets, reference rates or market indices. Derivatives involve special risks and may result in losses. Derivative strategies often involve leverage, which may exaggerate a loss, potentially causing the Women's Equity Fund to lose more money than it would have lost had it invested in the underlying security. The values of derivatives may move in unexpected ways, especially in unusual market conditions, and may result in increased volatility. The use of derivatives may also increase the amount of taxes payable by shareholders. Other risks arise from the Women's Equity Fund's potential inability to terminate or sell derivative positions. A liquid secondary market may not always exist for the Women's Equity Fund's derivative positions at times when the Women's Equity Fund might wish to terminate or sell such positions. Over-the-counter instruments (investments not traded on an exchange) may be illiquid, and transactions in derivatives traded in the over-the-counter market are subject to the risk that the other party will not meet its obligations. The use of derivatives also involves the risk of mispricing or improper valuation, the risk of ambiguous documentation and the risk that changes in the value of the derivative may not correlate perfectly with the underlying security, asset, reference rate or index. The Women's Equity Fund may not be able to find a suitable derivative transaction counterparty, and thus may be unable to invest in derivatives altogether.

- *Small- and Medium–Sized Company Risk.* Investing in securities of small- and medium-sized companies may involve greater volatility than investing in larger and more established companies because they can be subject to more abrupt and erratic share price changes than larger, more established companies. Securities of these types of companies may have limited liquidity, and their prices may be more volatile.

- *Turnover Risk.* A change in the securities held by the Women's Equity Fund is known as "portfolio turnover." High portfolio turnover involves correspondingly greater expenses to a fund, including brokerage commissions or dealer mark-ups and other transaction costs on the sale of securities and reinvestments in other securities. Such sales may also result in realization of taxable capital gains, including short-term capital gains (which are taxed at ordinary income tax rates when distributed to shareholders who are individuals), and may adversely affect the Women's Equity Fund's after-tax returns. The trading costs and tax effects associated with portfolio turnover may adversely affect the Women's Equity Fund's performance.

- *Sustainable Investing Risk.* The Women's Equity Fund's sustainable investing policies may inhibit the Women's Equity Fund's ability to participate in certain attractive investment opportunities that otherwise would be consistent with its investment objective and other principal investment strategies.

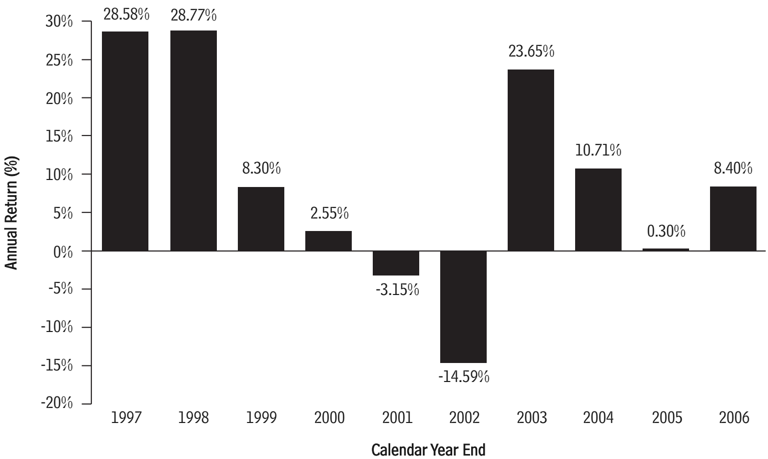
There are other circumstances (including additional risks not described above) that could cause the Women's Equity Fund not to achieve its investment objective. **As with all mutual funds, shareholders of the Women's Equity Fund may lose money.** For a discussion of additional risks applicable to the Women's Equity Fund, please see the section captioned "Investments and Special Considerations; Risk Factors" in the

Statement of Additional Information. An investment in the Women's Equity Fund is not a deposit in a bank and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency.

FUND PERFORMANCE

Calendar Year Total Returns. The bar chart below presents the calendar year total returns for Individual Investor Class shares of the Women's Equity Fund before taxes. The bar chart is intended to provide some indication of the risk of investing in the Women's Equity Fund by showing changes in the Women's Equity Fund's performance from year to year. The returns shown include the reinvestment of dividends and distributions. Returns for Institutional Class shares of the Women's Equity Fund would be higher than returns for Individual Investor Class shares because Institutional Class shares pay lower expenses than Individual Investor shares. Returns reflect any expense reduction arrangements. If these arrangements had not been in place, returns would have been lower. Calendar year total returns for all periods are those of the retail class shares (formerly known as "Class R shares" and referred to herein as "Retail Class shares") of the Women's Equity Fund, a series of Professionally Managed Portfolios (the "Original Women's Equity Fund"), the predecessor to the Women's Equity Fund. The returns shown have not been adjusted to reflect any differences in expenses between the Original Women's Equity Fund and the Women's Equity Fund. **Past performance is not necessarily an indication of future results.**

Individual Investor Class



For period shown in bar chart:

Year-to date total return through September 30, 2007 was 10.20% .

Best quarter: 4th quarter 1998, 22.18%

Worst quarter: 3rd quarter 2002, -14.42%

Average Annual Total Returns. The performance table below presents the average annual total returns for Individual Investor Class and Institutional Class shares of Women's Equity Fund. The returns shown for all periods are those of the Original Women's Equity Fund, the predecessor to the Women's Equity Fund. The performance table is intended to provide some indication of the risks of investment in the Women's Equity Fund by showing how the Women's Equity Fund's average annual total returns compare with the returns of a broad-based securities market index over a one-year, five-year and ten-year period. The returns shown include the reinvestment of dividends and distributions and reflect fee waiver and any expense reimbursement arrangements, if any. If these arrangements had not been in effect, the total returns would have been lower than those shown. Returns are shown before taxes for all classes of shares and after taxes on distributions and after taxes on distributions and sale of shares for Individual Investors Class shares only. After-tax returns for Institutional Class shares will vary. After-tax returns are estimated using the highest historical individual federal marginal income tax rates and do not reflect the effect of local, state or foreign taxes. Actual after-tax returns will depend on a shareholder's own tax situation and may differ from those shown. After-tax returns may not be relevant to shareholders who hold their shares through tax-deferred arrangements (such as 401(k) plans and individual retirement accounts). As with all mutual funds, past performance (before and after taxes) is not necessarily an indication of future performance.

	Periods Ended December 31, 2006		
	1 Year	5 Years	10 Years
Individual Investor Class[1]			
Return Before Taxes	8.40%	4.92 %	8.51%
Return After Taxes on Distributions	7.98%	4.76 %	8.00%
Return After Taxes on Distributions and Sale of Fund Shares	6.03%	4.23 %	7.38%
Institutional Class[2]			
Return Before Taxes	8.40%	4.92 %	8.51%
S&P 500® Index[3]	15.80%	6.19 %	8.42%
Russell 3000® Index[4]	15.71%	7.17%	8.64%

[1]The performance information shown for Individual Investor Class shares is the performance of Retail Class shares of the Original Women's Equity Fund, which has not been adjusted to reflect any differences between the expenses allocable to Individual Investor Class shares and Retail Class shares.

[2]The performance information shown for Institutional Class shares is the performance of Retail Class shares of the Original Women's Equity Fund, which has not been adjusted to reflect any differences between the expenses allocable to Institutional Class shares and Retail Class shares.

[3]The S&P 500 Index is an unmanaged index of large capitalization stocks. Unlike the Women's Equity Fund, the S&P 500 Index is not an investment, is not professionally managed, has no policy of sustainable investing and does not reflect deductions for fees, expenses or taxes.

[4]The Russell 3000® Index is an unmanaged index of the 3,000 largest U.S. companies based on total market capitalization. Unlike the Women's Equity Fund, the Russell 3000 Index is not an investment, is not professionally managed, has no policy of sustainable investing and does not reflect deductions for fees, expenses or taxes.

Fees and Expenses

The tables below describe the fees and expenses that investors may pay if they buy and hold Individual Investor Class or Institutional Class shares of the Women's Equity Fund. The fees and expenses associated with an investment in the Women's Equity Fund are among several factors that an investor should consider before investing. "Other Expenses" include operating expenses, such as trustees' and professional fees, registration fees, expenses relating to the preparation of shareholder reports, and transfer agency and custodian fees.

	Individual Investor Class	Institutional Class
Shareholder Fees (fees paid directly from your investment)[1]:	None[2]	None
Annual Fund Operating Expenses (expenses that are deducted from Women's Equity Fund assets):		
Management Fee	0.75%	0.75%
Distribution and/or Service (12b-1) Fees	0.25%[3]	0.00%
Other Expenses[4]	0.70%	0.70%
Total Annual Fund Operating Expenses	1.70%	1.45%
Less Expense Waiver/Reimbursement[5]	-0.46%	-0.46%
Net Annual Fund Operating Expenses	1.24%	0.99%

[1] *The Women's Equity Fund charges a fee of $10 for each wire redemption, subject to change without notice.*

[2] *Individual Retirement Account (IRA), Coverdell Education Savings, Roth IRA, SEP-IRA, SIMPLE IRA and 403(b)(7) accounts that purchase Individual Investor Class shares are charged an annual custodial fee of $12.*

[3] *Due to the Rule 12b-1 fee imposed on Individual Investor Class shares, shareholders may, depending upon the length of time the shares are held, pay more than the economic equivalent of the maximum front-end sales charges permitted by applicable regulations.*

[4] *"Other Expenses" are based on corresponding amounts for the Original Women's Equity Fund, adjusted to reflect differences in contractual rates.*

[5] *The Women's Equity Fund's investment adviser has contractually agreed to reimburse expenses (excluding Acquired Fund Fees and Expenses) allocable to Individual Investor Class shares and Institutional Class shares of the Women's Equity Fund to the extent such expenses exceed 1.24% and 0.99% of the average daily net assets of Individual Investor Class shares and Institutional Class shares, respectively, of the Women's Equity Fund. This reimbursement arrangement will remain in effect until at least December 31, 2010.*

Example Expenses. The table below is intended to help an investor compare the cost of investing in Individual Investor Class and Institutional Class shares of the Women's Equity Fund with the cost of investing in other mutual funds.

The table assumes that an investor invests $10,000 in Individual Investor Class or Institutional Class shares of the Women's Equity Fund for the time periods indicated and then redeems all of his or her shares at the end of those periods. The table also assumes that the investment has a 5% return each year, that all dividends and distributions are reinvested and that the Women's Equity Fund's operating expenses remain the same throughout those periods, except that the Women's Equity Fund's total operating expenses are assumed to be its "Net Annual Fund Operating Expenses," as shown in the "Annual Fund Operating Expenses" table above, for the periods during which any expense waivers or reimbursements are in effect. Although an investor's actual expenses may be higher or lower than those shown in the table, based on these assumptions his or her expenses would be:

	1 Year	3 Years	5 Years	10 Years
Individual Investor Class	$ 126	$ 393	$ 735	$ 1,840
Institutional Class	$ 101	$ 315	$ 602	$ 1,562

Financial Highlights

The financial highlights table below is intended to help investors understand the Women's Equity Fund's financial performance for the past 5 years. Certain information reflects financial results for a single Women's Equity Fund share. The total returns in the table represent the rate that an investor would have earned (or lost) on an investment in the Women's Equity Fund (assuming reinvestment of all dividends and distributions). The financial highlights tables for Individual Investor Class and Institutional Class shares are based on the financial performance of Retail Class shares and Class I shares, respectively, of the Original Women's Equity Fund, the predecessor to the Women's Equity Fund. The information provided for all years has been derived from the financial statements of the Original Women's Equity Fund, which have been audited by Tait, Weller & Baker, an independent registered public accounting firm, whose report, along with such financial statements, is included in the Original Women's Equity Fund's annual report to shareholders. The Original Women's Equity Fund's annual report is incorporated by reference into the Statement of Additional Information and is available without charge upon request by writing to Pax World at 30 Penhallow Street, Suite 400, Portsmouth, NH 03801, by telephoning (tollfree) 800.767.1729 or by visiting the Pax World website at www.paxworld.com.

Individual Investor Class

	Year Ended March 31,				
	2007	2006	2005	2004	2003
Net asset value, beginning of year	$ 21.24	$ 20.48	$ 19.40	$ 14.67	$ 18.50
Income from investment operations:					
Net investment income (loss)	0.11	0.08	0.05	-0.01	0.01
Net realized and unrealized gain (loss) on investments	1.10	1.18	1.05	4.74	-3.84
Total from investment operations	1.21	1.26	1.10	4.73	-3.83
Less distributions:					
From net investment income	-0.11	-0.08	-0.02	—	—
From net realized gain	-0.48	-0.42	—	—	—
Total distributions	-0.59	-0.50	-0.02	—	—
Paid in capital from redemption fees	0.00[1]	0.00[1]	0.00[1]	—	—
Net asset value, end of year	$ 21.86	$ 21.24	$ 20.48	$ 19.40	$ 14.67
Total return	5.67%	6.20%	5.66%	32.24%	-20.75%
Ratios/supplemental data:					
Net assets, end of year (millions)	$ 33.3	$ 35.1	$ 33.0	$ 21.6	$ 12.9
Ratio of expenses to average net assets:					
Before fees waived and expenses absorbed	1.79%	1.96%	1.98%	2.14%	2.48%
After fees waived and expenses absorbed	1.34%	1.48%	1.50%	1.50%	1.50%
Ratio of net investment income (loss) to average net assets:					
Before fees waived and expenses absorbed	0.05%	-0.10%	0.18%	-0.67%	-1.01%
After fees waived and expenses absorbed	0.50%	0.38%	0.30%	-0.03%	-0.03%
Portfolio turnover rate	25%	22%	8%	16%	16%

[1]*Amount is less than $0.01 per share.*

Institutional Class

	Period Ended March 31, 2007[1]
Net asset value, beginning of period	$21.53
Income from investment operations:	
Net investment income	0.17
Net realized and unrealized gain on investments	0.82
Total from investment operations	0.99
Less distributions:	
From net investment income	-0.18
From net realized gain	-0.48
Total distributions	-0.66
Paid in capital from redemption fees	—
Net asset value, end of period	$21.86
Total return	4.57%[2]
Ratios/supplemental data:	
Net assets, end of period (millions)	$5.3
Ratio of expenses to average net assets:	
Before fees waived and expenses absorbed	1.50%[3]
After fees waived and expenses absorbed	0.99%[3]
Ratio of net investment income to average net assets:	
Before fees waived and expenses absorbed	0.40%[3]
After fees waived and expenses absorbed	0.91%[3]
Portfolio turnover rate	25%[2]

[1]*Class of shares has been offered since April 19, 2006.*
[2]*Not annualized.*
[3]*Annualized.*

The paragraph entitled "Community and Sustainable Development" in the section captioned "About the Funds- Sustainable Investing" is deleted in its entirety and replaced with the following:

COMMUNITY AND SUSTAINABLE DEVELOPMENT

Pax World supports investing in communities and promoting sustainable development in the United States and around the globe. The Pax World Funds may invest in debt instruments issued by a range of non-corporate entities, including government agencies, states and municipalities, and may invest up to 1% of a fund's assets (5% in the case of the Women's Equity Fund) in community development financial institutions that target underserved areas and directly support affordable housing, small businesses, community development and revitalization, heath care, education and the environment. Such investments may include investments in micro-credit or micro-finance institutions (financial institutions that provide financial services and loans to entrepreneurs and individuals in emerging market economies) that advance women's equity and sustainable development around the globe. Some of these investments may offer a rate of return below the then-prevailing market rate, or may subject the Pax World Funds to more credit risk than other types of debt instruments. In addition, some of these investments may be considered below investment grade, unrated, or illiquid, and may not be insured by the FDIC, and therefore involve a greater risk of default. We nevertheless believe that such investments can often offer a greater social return through their direct impact on local communities, and that they are therefore appropriate investments for a socially responsible mutual fund family like Pax World Funds.

The asterisked footnote in the section captioned "About the Funds — Sustainable Investing" is deleted in its entirety and replaced with the following:

* Mercy Corps is a leading humanitarian relief organization whose programs currently reach nearly 14.4 million people in more than 35 countries as part of its efforts to alleviate suffering, poverty and oppression by helping people build secure, productive and just communities. In particular, Mercy Corps focuses on helping communities recovering from war or social upheaval through humanitarian relief work, sustainable development initiatives and promoting the development of civil society institutions. Since 1979, Mercy Corps has provided $1.3 billion in assistance to people in 100 nations.

The table in the section captioned "Management, Organization and Capital Structure — Investment Adviser" is revised by adding the following to the end thereof:

Value Fund	0.70%
Women's Equity Fund	0.75%

The section captioned "Management, Organization and Capital Structure —Portfolio Managers" is revised by adding the following disclosure immediately prior to the final paragraph thereof:

VALUE FUND

Sujatha R. Avutu is the Portfolio Manager of the Value Fund. Ms. Avutu has been responsible for the management of the Value Fund since its inception and has been a portfolio manager with the Adviser since 2007. Ms. Avutu has also been responsible for the Pax World Women's Equity Fund since October 29, 2007. Prior to joining the Adviser, Ms. Avutu spent over eight years at Evergreen Investments, where she was Managing Director and lead Portfolio Manager for Evergreen Equity Income Fund. She has over fifteen years of investment management experience. Ms. Avutu received her Bachelor of Science degree from the University of Dayton with a concentration in Finance, and a Masters of Business Administration with concentrations in Finance and Management Information Systems from Miami University. She is a Chartered Financial Analyst and a member of Boston Security Analyst Society and Boston Bank Analyst Society. Ms. Avutu is primarily responsible for the day to day management of the Value Fund.

WOMEN'S EQUITY FUND

Sujatha R. Avutu is the Portfolio Manager of the Women's Equity Fund. Prior to joining the Adviser, she spent over eight years at Evergreen Investments, where she was Managing Director and lead Portfolio Manager for Evergreen Equity Income Fund. Ms. Avutu has been responsible for the management of the Women's Equity Fund since October 29, 2007 and has been a portfolio manager with the Adviser since July 2007. Ms. Avutu has also been responsible for the Pax World Value Fund since September 17, 2007. She has over fifteen years of investment management experience. Ms. Avutu received her Bachelor of Science degree from the University of Dayton with a concentration in Finance, and a Masters of Business Administration with concentrations in Finance and Management Information Systems from Miami University. She is a Chartered Financial Analyst and is a member of Boston Security Analyst Society and Boston Bank Analyst Society.

The first paragraph of the section captioned “Taxes; Dividends and Distributions — Dividends and Distributions” is revised by inserting the following sentence therein:

Each of the Value Fund and the Women’s Equity Fund expects to pay dividends on net investment income, if any, semiannually and to make distributions of capital gains, if any, at least annually.

The first paragraph of the section captioned “Global Citizen Program — VOLUNTARY INCOME CONTRIBUTION TO MERCY CORPS” is deleted in its entirety and replaced with the following:

In order to complement the Funds’ policy of investing in securities of companies whose businesses are essentially of a non-military nature, the Adviser’s founders established Pax World Service, a non-profit philanthropic organization that allowed investors to support humanitarian relief and sustainable development activities around the world by designating a portion of their investment earnings (dividends and/or capital gains) for contribution to the organization. Pax World Service has since become incorporated into Mercy Corps, a leading humanitarian relief organization based in Portland, Oregon, whose programs currently reach nearly 14.4 million people in more than 35 countries. In particular, Mercy Corps focuses on helping communities recovering from war or social upheaval through humanitarian relief work, sustainable development initiatives and promoting the development of civil society institutions. Since 1979, Mercy Corps has provided $1.3 billion in assistance to people in 100 nations.

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PAX WORLD FUNDS SERIES TRUST I

Supplement Dated July 30, 2007
to the Prospectus dated April 2, 2007

The subsection captioned "Principal Investment Strategies" in the section of the Prospectus titled "Pax World Balanced Fund—Risk/Return Summary: Investment Objectives, Principal Investment Strategies, Principal Risks and Fund Performance" is revised by deleting the first sentence of the second paragraph thereof in its entirety and replacing it with the following:

> "The Balanced Fund may invest up to 45% of its assets in securities of non-U.S. issuers, including American Depositary Receipts ("ADRs"). The Balanced Fund may invest no more than 25% of its assets in securities of non-U.S. issuers other than ADRs."

The subsection captioned "Principal Investment Strategies" in the section of the Prospectus titled "Pax World Growth Fund—Risk/Return Summary: Investment Objectives, Principal Investment Strategies, Principal Risks and Fund Performance" is revised by deleting the first sentence of the third paragraph thereof in its entirety and replacing it with the following:

> "The Growth Fund may invest up to 45% of its assets in securities of non-U.S. issuers, including American Depositary Receipts ("ADRs"). The Growth Fund may invest no more than 25% of its assets in securities of non-U.S. issuers other than ADRs."

The subsection captioned "Investment Minimums" in the section of the Prospectus titled "Shareholder Guide" is deleted and replaced in its entirety with the following:

> Shares of the Funds are offered for sale on a continuous basis at net asset value. Generally, share purchases are subject to the minimum investment amounts set forth below. A shareholder's financial advisor may establish higher investment minimums.

Class	**Minimum Initial Investment**	**Minimum Subsequent Investment**
Individual Investor*	$ 250	$ 50
Institutional**	$ 500,000	$ 1,000
R***	$ 0	$ 0

* Investment minimums do not apply to purchases of Individual Investor Class shares of the Funds by SIMPLE and SEP individual retirement accounts (IRAs) or "tax sheltered accounts" under Section 403(b)(7) of the Internal Revenue Code of 1986, as amended.

** Investment minimums do not apply to any investor participating in an account offered by an intermediary that provides services to such account, is paid an asset-based fee by the investor and is not compensated by the Trust for those services, other than payments for shareholder servicing or sub-transfer agency performed in place of the Trust's transfer agent (so called "wrap fee programs"). In addition, the Distributor may waive the investment minimums for other categories of investors at its discretion.

*** Specified benefit plans and financial service firms may impose investment minimums. Investors should contact their plan administrator or financial service firm for information.

The subsection captioned "Exchanging Individual Investor Class Shares and Institutional Class Shares" in the section of the Prospectus titled "Shareholder Guide" is revised to include the following at the end thereof:

Individual Investor Class Share Exchange/Conversion

> Individual Investor Class shares of the Funds may be exchanged, at the shareholder's option, for Institutional Class shares of the same Fund, provided that the shareholder meets applicable eligibility requirements for Institutional Class shares discussed above. The Trust reserves the right to convert Institutional Class shares held in a shareholder's account to Individual Investor Class shares of the same Fund in the event the shareholder no longer satisfies the eligibility requirements for Institutional Class shares. A shareholder's Institutional Class shares will not be converted to Individual Investor Class shares without prior notice by the Trust.
>
> Any exchange will occur at the relative net asset value of the two share classes, without the imposition of any sales load, fee, or other charge. The Trust may suspend the exchange and conversion features described above at any time if it determines that such exchange or conversion may result in adverse tax consequences to the Fund or its shareholders.

Table of Contents

Pax World Balanced Fund (the “Balanced Fund”)

Risk/Return Summary: Investment Objectives, Principal Investment Strategies, Principal Risks and Fund Performance

INVESTMENT OBJECTIVES

The Balanced Fund’s primary investment objective is to seek income and conservation of principal. As a secondary investment objective and to the extent consistent with its primary investment objective, the Balanced Fund seeks long-term growth of capital. The investment objectives of the Balanced Fund are fundamental and may not be changed without shareholder approval.

PRINCIPAL INVESTMENT STRATEGIES

Under normal market conditions, the Balanced Fund expects to invest approximately 60% of its assets in equity securities (including but not limited to common stocks, preferred stocks and equity securities convertible into common or preferred stocks) and 40% of its assets in debt securities (including but not limited to debt securities convertible into equity securities). However, depending on market conditions, the equity portion of the Balanced Fund’s portfolio may range from 50% to 75% of its assets and the debt portion of the Balanced Fund’s portfolio may range from 25% to 50% of its assets. With respect to the equity portion of its investment portfolio, the Balanced Fund may invest in securities of companies with any market capitalization and intends to focus on economic sectors that its investment adviser believes will outpace the overall rate of growth of the United States Gross Domestic Product. With respect to the debt portion of its investment portfolio, the Balanced Fund intends to invest primarily in obligations issued or guaranteed by agencies and instrumentalities of the United States government with short- to intermediate-term maturities (two to six years) and corporate bonds that are, at the time of purchase, rated at least investment grade (rated BBB- or higher by Standard & Poor’s Ratings Group or Baa or higher by Moody’s Investors Service) or unrated and determined by the Balanced Fund’s investment adviser to be of comparable quality. The Balanced Fund’s portfolio managers use both qualitative analysis and quantitative techniques when allocating the Balanced Fund’s assets between equity securities and debt securities within the above-described ranges. The Balanced Fund’s investment adviser generally determines to sell an equity security for one or more reasons, including, but not limited to, a desired change in asset allocation (*e.g.* allocating more of the Balanced Fund's portfolio to debt securities), a lack of confidence in the management of an issuer, a deterioration in the fundamentals of an issuer, when the security becomes overweighted relative to a sector or to the Balanced Fund's portfolio as a whole or when the security becomes overvalued relative to its peers or to the market. The Balanced Fund generally determines to sell a debt security for one or more reasons, including, but not limited to, a desired change in asset allocation (*e.g.*, allocating more of the Balanced Fund's portfolio to equity securities); a change in the duration strategy, the sector allocation strategy or the relative value of the security within a sector (*e.g.*, spread tightening, "busted" calls, tender offers); an anticipated change in the security's credit rating; or a deterioration in the fundamentals of the issuer. The Balanced Fund may also consider selling a particular security if a more attractive investment is identified or in order to meet redemption requests.

The Balanced Fund may invest up to 25% of its assets in securities of non-U.S. issuers. Also, in connection with its commitment to assist in the development of housing, the Balanced Fund may invest in mortgage-backed securities and other mortgage-related products, including those representing an undivided ownership interest in a pool of mortgages (for example, Government National Mortgage Association and Federal Home Loan Mortgage Corporation certificates).

In response to unfavorable market and other conditions, the Balanced Fund may deviate from its principal investment strategies by making temporary investments of some or all of its assets in high quality debt securities, cash and cash equivalents. The Balanced Fund may not achieve its investment objectives when it does so.

Asset Allocation Strategies. In making the determination to vary the Balanced Fund's asset allocation, the investment adviser considers various quantitative and qualitative data relating to the U.S. and foreign economies, forecasts for interest rates and the relationship between short- and long-term interest rates (yield curve), current and projected trends in inflation, relative valuation levels in the equity and fixed income markets and various segments within those markets, the outlook and projected growth of various industrial sectors, information relating to business cycles, borrowing trends and the cost of capital and political trends. The investment adviser retains the flexibility to reallocate the Balanced Fund's assets or to vary percentages based on its ongoing analyses of the equity and fixed income markets, although these tactical shifts are not expected to be large or frequent in nature.

Sustainable Investing. The Balanced Fund seeks to invest in forward-thinking companies with sustainable business models that meet positive environmental, social and governance standards. The Balanced Fund avoids investing in companies that its investment adviser determines are significantly involved in the manufacture of weapons or weapons-related products, manufacture tobacco products, are involved in gambling as a main line of business or engage in unethical business practices. Please see "Sustainable Investing" below.

PRINCIPAL RISKS

The principal risks of investing in the Balanced Fund are described below.

- *Allocation Risk.* The Balanced Fund's investment performance depends upon how its assets are allocated and reallocated among equity securities, equity-related securities and debt securities. The portfolio manager's allocation techniques and decisions may not produce the desired results, and, therefore, the Balanced Fund may not achieve its investment objectives.

- *Market Risk.* Conditions in a broad or specialized market, a sector thereof or an individual industry may adversely affect security prices, thereby reducing the value of the Balanced Fund's investments.

- *Management Risk.* Investment decisions made by the Balanced Fund's investment adviser and portfolio manager may cause the Balanced Fund to experience losses or to underperform other mutual funds with similar investment objectives.

- *Equity Securities Risk.* The market price of equity securities may fluctuate significantly, rapidly and unpredictably, causing the Balanced Fund to experience losses. The prices of equity securities generally are more volatile than the prices of debt securities.

- *Issuer Risk.* The value of a security may fluctuate due to factors particular to the entity that issued the security (such as labor or materials shortages, production cost overruns, excess financial leverage, supply and demand issues or mismanagement) that are not common to that entity's industry or to the market generally.

- *Convertible Securities Risk.* Convertible securities are generally preferred stocks and other securities, including debt securities and warrants, that are convertible into or exercisable for common stock of the issuer (or cash or securities at equivalent value) at either a stated price or a stated rate. The price of a convertible security will normally vary in some proportion to changes in the price of the underlying common stock because of this conversion or exercise feature. However, the value of a convertible security may not increase or decrease as rapidly as the underlying common stock. A convertible security will normally also provide income and is subject to interest rate risk. While convertible securities generally offer lower interest or dividend yields than non-convertible debt securities of similar quality, their value tends to increase as the market value of the underlying stock increases and to decrease when the value of the underlying stock decreases. In the event of a liquidation of the issuer, holders of convertible securities generally would be paid before the issuer's common stockholders, but after holders of any senior debt obligations of the issuer. Consequently, the issuer's convertible securities generally entail less risk than its common stock but more risk than its debt obligations. Also, the Balanced Fund may be forced to convert a security before it would otherwise choose, which may decrease the Balanced Fund's return.

- *Interest Rate Risk.* As nominal interest rates rise, the value of debt securities held in the Balanced Fund's portfolio is likely to decrease. Securities with longer durations tend to be more sensitive to changes in interest rates, usually making them more volatile than securities with shorter durations. A nominal interest rate can be described as the sum of a real interest rate and an expected inflation rate.

- *Credit Risk.* With respect to debt securities, changes in economic conditions generally or particular to the obligated entity may affect the obligated entity's actual or perceived ability to make payments of interest or principal when due, which may cause the price of the security or the income derived therefrom to decline. Bonds that are backed by an issuer's taxing authority, including general obligation bonds, may be subject to legal limits on a government's power to increase taxes or otherwise to raise revenue, or may depend for payment on legislative appropriation and/or governmental aid. Some bonds, known as revenue obligations, are payable solely from revenues earned by a particular project or other revenue source. Consequently, revenue obligations are subject to a greater risk of default than general obligation bonds because investors can look only to the revenue generated by the project, assets, or company backing the project, rather than to the taxing power of the issuer.

- *U.S. Government Securities Risk.* Certain securities issued by the United States government are neither insured nor guaranteed by the U.S. government. These securities may be supported by the government's ability to borrow from the U.S. Treasury, or may be supported only by the credit of the issuing agency or instrumentality. These securities are subject to greater issuer risk than securities issued or guaranteed by the U.S. Treasury.

- *Mortgage Risk.* Rising interest rates tend to extend the duration of mortgage-related securities, making them more sensitive to changes in interest rates. As a result, in a period of rising interest rates, a fund that holds mortgage-related securities may exhibit additional volatility. This is known as extension risk. In addition, mortgage-related securities are subject to prepayment risk. When interest rates decline, borrowers may pay off their mortgages sooner than expected. This can reduce the Balanced Fund's returns because the Balanced Fund will have to reinvest that money at lower prevailing interest rates.

- *Reinvestment Risk.* Income from the Balanced Fund's investments may decline if the Balanced Fund is forced to invest the proceeds from matured, called or otherwise disposed of debt securities or convertible securities at interest rates that are below the Balanced Fund's earnings rate at that time.

- *Non-U.S. Securities Risk.* Non-U.S. markets can be significantly more volatile than domestic markets, causing the prices of some of the Balanced Fund's investments to fluctuate significantly, rapidly and unpredictably. Non-U.S. securities may be less liquid than domestic securities; consequently, the Balanced Fund may at times be unable to sell non-U.S. securities at desirable times or prices. Brokerage commissions, custodial fees and other fees and expenses associated with securities transactions generally are higher for non-U.S. securities. In the event of a default in connection with certain debt securities issued by foreign governments, the Balanced Fund may have very limited recourse, if any. Additionally, foreign governments may impose withholding taxes which would reduce the amount of income and capital gain available to distribute to shareholders. Other risks related to non-U.S. securities include delays in the settlement of transactions; less publicly available information about issuers; different reporting, accounting and auditing standards; the effect of political, social, diplomatic or economic events; seizure, expropriation or nationalization of the issuer or its assets; and the possible imposition of currency exchange controls.

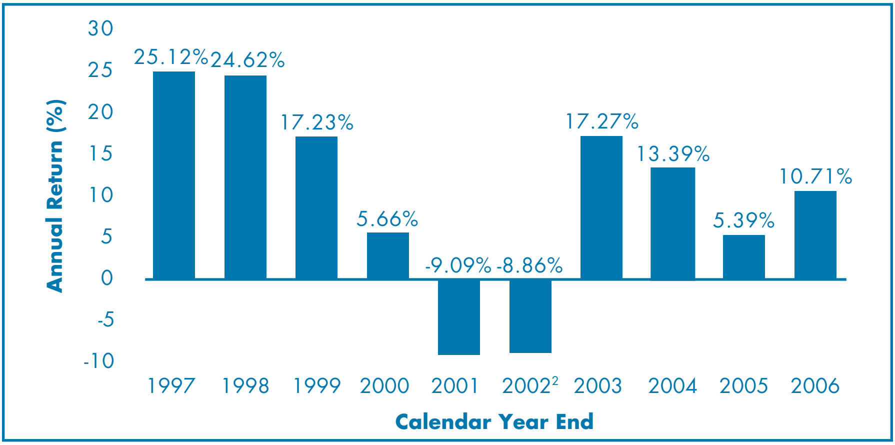
- *Sustainable Investing Risk.* The Balanced Fund's sustainable investing policies may inhibit the Balanced Fund's ability to participate in certain attractive investment opportunities that otherwise would be consistent with its investment objectives and other principal investment strategies.

There are other circumstances (including additional risks not described above) that could cause the Balanced Fund not to achieve its investment objectives. **As with all mutual funds, shareholders of the Balanced Fund may lose money.** For a discussion of additional risks applicable to the Balanced Fund, please see the section captioned "Investments and Special Considerations; Risk Factors" in the Statement of Additional Information. An investment in the Balanced Fund is not a deposit in a bank and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency.

FUND PERFORMANCE

Calendar Year Total Returns. The bar chart below presents the calendar year total returns for Individual Investor Class shares of the Balanced Fund before taxes.[1] The bar chart is intended to provide some indication of the risk of investing in the Balanced Fund by showing changes in the Balanced Fund's performance from year to year. The returns shown include the reinvestment of dividends and distributions. Returns for Institutional Class shares and R Class shares would be higher and lower, respectively, than those of Individual Investor Class shares because Institutional Class shares and R Class shares pay lower and higher expenses, respectively, than Individual Investor Class shares. **As with all mutual funds, past performance (before and after taxes) is not necessarily an indication of future performance.**

Individual Investor Class



For the periods shown in the bar chart:
Best quarter: 4th quarter 1998, 14.19%
Worst quarter: 3rd quarter 2002, -8.87%

[1] Calendar year total returns shown for all periods are those of Individual Investor Class shares of Pax World Balanced Fund, Inc. (the "Former Balanced Fund"), the predecessor to the Balanced Fund. Prior to November 1, 2006, the Former Balanced Fund had different investment policies; the performance results shown would not necessarily have been the same had the Fund's current policies then been in effect.

[2] Return includes the reimbursement of certain fund expenses by the investment adviser. If this reimbursement were not reflected, the total return for 2002 would have been lower.

Average Annual Total Returns. The performance table below presents the average annual total returns for Individual Investor Class, Institutional Class and R Class shares of the Balanced Fund. The returns shown for all periods are those of the Former Balanced Fund, the predecessor to the Balanced Fund. Prior to November 1, 2006, the Former Balanced Fund had different investment policies; the performance results shown would not necessarily have been the same had the Fund's current policies then been in effect. The performance table is intended to provide some indication of the risks of investment in the Balanced Fund by showing how the Balanced Fund's average annual total returns compare with the returns of a broad-based securities market index and a performance average of other similar mutual funds, each over a one-year, five-year and ten-year period. The returns shown include the reinvestment of dividends and distributions and reflect fee waiver and expense reimbursement arrangements, if any. If these arrangements had not been in effect, the total returns would have been lower than those shown. Returns are shown before taxes for all classes of shares and after taxes on distributions and after taxes on distributions and sale of shares for Individual Investor Class shares only. After-tax returns for Institutional Class and R Class shares will vary. After-tax returns are estimated using the highest historical individual federal marginal income tax rates and do not reflect the effect of local, state or foreign taxes. Actual after-tax returns will depend on a shareholder's own tax situation and may differ from those shown. After-tax returns may not be relevant to shareholders who hold their shares through tax-deferred arrangements (such as 401(k) plans and individual retirement accounts). **As with all mutual funds, past performance (before and after taxes) is not necessarily an indication of future performance.**

	Periods Ended December 31, 2006		
	1 Year	*5 Years*	*10 Years*
Individual Investor Class			
Return Before Taxes	10.71%	7.17%	9.52%
Return After Taxes on Distributions	9.32%	6.48%	8.09%
Return After Taxes on Distributions and Sale of Fund Shares	8.01%	5.91%	7.67%
Institutional Class[1]			
Return Before Taxes	10.71%	7.17%	9.52%
R Class[2]			
Return Before Taxes	10.71%	7.17%	9.52%
S&P 500 Index[3]	15.79%	6.19%	8.42%
Blended Index (60% S&P 500 Index/40% Lehman Brothers Aggregate Bond Index)[3,4]	11.12%	5.98%	7.88%
Lipper Balanced Fund Index[5]	11.60%	6.51%	7.44%

[1] The performance information shown for Institutional Class shares is the performance of Individual Investor Class shares of the Former Balanced Fund, which has not been adjusted to reflect the expenses allocable to Institutional Class shares. If such expenses were reflected, the returns would be higher than those shown.

[2] The performance information shown for R Class shares is the performance of Individual Investor Class shares of the Former Balanced Fund, which has not been adjusted to reflect the

expenses allocable to R Class shares (such as distribution and/or service (12b-1) fees). If such expenses were reflected, the returns would be lower than those shown.

[3] The S&P 500 Index is an unmanaged index of large capitalization common stocks. Unlike the Balanced Fund, the S&P 500 Index is not an investment, is not professionally managed, has no policy of sustainable investing and does not reflect deductions for fees, expenses or taxes.

[4] The Lehman Brothers Aggregate Bond Index represents securities that are U.S. domestic, taxable and dollar denominated. The index covers the U.S. investment grade fixed rate bond market, with index components for government and corporate securities and asset-backed securities. Unlike the Balanced Fund, the Lehman Brothers Aggregate Bond Index is not an investment, is not professionally managed, has no policy of sustainable investing and does not reflect deductions for fees, expenses or taxes.

[5] The Lipper Balanced Fund Index tracks the results of the 30 largest mutual funds in the Lipper Balanced Fund Average. The Lipper Balanced Fund Average tracks mutual funds whose primary objective is to conserve principal by maintaining, at all times, a balanced portfolio of both stocks and bonds. Typically, the stock/bond ratio is approximately 60%/40%. The Lipper Balanced Fund Index is not what is typically considered to be an "index" because it tracks the performance of other mutual funds rather than changes in the value of a group of securities, a securities index or some other traditional economic indicator. Unlike the Balanced Fund, the Lipper Balanced Fund Index is not an investment, is not professionally managed and has no policy of sustainable investing.

Fees and Expenses

The tables below describe the fees and expenses that investors may pay if they buy and hold Individual Investor Class, Institutional Class or R Class shares of the Balanced Fund. The fees and expenses shown in the table below are based on the fees and expenses of Individual Investor Class shares of the Former Balanced Fund, the predecessor to the Balanced Fund. The fees and expenses associated with an investment in the Balanced Fund are among several factors that an investor should consider before investing. "Other Expenses" include operating expenses, such as trustees' and professional fees, registration fees, expenses relating to the preparation of shareholder reports, and transfer agency and custodian fees.

	Individual Investor Class	*Institutional Class*	*R Class*
Shareholder Fees (fees paid directly from your investment)[1]:	None[2]	None	None
Annual Fund Operating Expenses (expenses that are deducted from Balanced Fund assets):			
Management Fee	0.50%	0.50%	0.50%
Distribution and/or Service (12b-1) Fees	0.25%[3]	0.00%	0.50%[3]
Other Expenses	0.21%	0.21%[4]	0.21%[4]
Acquired Fund Fees and Expenses[5]	0.01%	0.01%	0.01%
Total Annual Fund Operating Expenses[6]	0.97%	0.72%	1.22%

[1] The Balanced Fund charges a fee of $10 for each wire redemption, subject to change without notice.

[2] Individual Retirement Account (IRA), Coverdell Education Savings, Roth IRA, SEP-IRA, SIMPLE IRA and 403(b)(7) accounts that purchase Individual Investor Class shares are charged an annual custodial fee of $12.

[3] The Distribution and/or Service (12b-1) Fees have been restated to reflect the maximum amount payable under the Fund's distribution plan for Individual Investor Class shares. Due to the Rule 12b-1 fee imposed on Individual Investor Class and R Class shares, shareholders may, depending upon the length of time the shares are held, pay more than the economic equivalent of the maximum front-end sales charges permitted by relevant rules of the National Association of Securities Dealers.

[4] Other Expenses shown are based on the corresponding expenses of Individual Investor Class shares for the most recently ended fiscal year.

[5] Acquired Fund Fees and Expenses represent expenses indirectly borne by the Balanced Fund through its investment in other investment companies (including Pax World Money Market Fund) and certain pooled investment vehicles.

[6] Total Annual Fund Operating Expenses and Net Annual Fund Operating Expenses shown may vary from net expenses shown in the financial highlights table below because the financial highlights table does not include Acquired Fund Fees and Expenses.

Example Expenses. The table below is intended to help an investor compare the cost of investing in Individual Investor Class, Institutional Class and R Class shares of the Balanced Fund with the cost of investing in other mutual funds.

The table assumes that an investor invests $10,000 in Individual Investor Class, Institutional Class or R Class shares of the Balanced Fund for the time periods indicated and then redeems all of his or her shares at the end of those periods. The table also assumes that the investment has a 5% return each year, that all dividends and distributions are reinvested and that the Balanced Fund's operating expenses remain the same throughout those periods. Although an investor's actual expenses may be higher or lower than those shown in the table, based on these assumptions his or her expenses would be:

	1 Year	*3 Years*	*5 Years*	*10 Years*
Individual Investor Class	$ 99	$309	$536	$1,190
Institutional Class	$ 74	$230	$401	$ 894
R Class	$124	$387	$670	$1,477

Financial Highlights

The financial highlights table below is intended to help investors understand the Balanced Fund's financial performance for the past 5 years. Certain information reflects financial results for a single Balanced Fund share. The total returns in the table represent the rate that an investor would have earned (or lost) on an investment in the Balanced Fund (assuming reinvestment of all dividends and distributions). The financial highlights table is based on the financial performance of Individual Investor Class shares of the Former Balanced Fund, the predecessor to the Balanced Fund. The information provided for the years ended December 31, 2003, December 31, 2004, December 31, 2005 and December 31, 2006 has been derived from the Former Balanced Fund's financial statements for such years, which have been audited by Ernst & Young LLP, an independent registered public accounting firm, whose report, along with such financial statements, is included in the Former Balanced Fund's annual report to shareholders. The information provided for the year ended December 31, 2002 has been derived from the Former Balanced Fund's financial statements for such year, which were audited by the Former Balanced Fund's previous auditor, whose report expressed an unqualified opinion for such year. The annual report is incorporated by reference into the Statement of Additional Information and is available without charge upon request by writing to Pax World at 30 Penhallow Street, Suite 400, Portsmouth, NH 03801, by telephoning (toll-free) 800-767-1729 or by visiting the Pax World website at www.paxworld.com. Financial highlights are not available for Institutional Class and R Class shares because such shares were not outstanding during the periods shown. **The performance results shown are better than those that would have been achieved by R Class shares of the Balanced Fund because of the higher fees and expenses allocable to R Class shares.**

Individual Investor Class

1. Selected data for a share outstanding throughout each period.

	Year Ended December 31				
	2006	2005	2004	2003	2002
Net asset value (beginning of period)	$23.65	$23.22	$20.68	$17.82	$19.91
Income (loss) from investment operations					
Investment income (net)[1]	0.38	0.31	0.23	0.20	0.33
Realized and unrealized gain (loss) on investments (net)	2.14	0.94	2.53	2.87	(2.09)
Total from investment operations	2.52	1.25	2.76	3.07	(1.76)
Less distributions					
Dividends from investment income (net)	0.39	0.28	0.22	0.20	0.33
Distributions from realized gains	1.25	0.54	–	–	–
Returns of capital	–	–	–	0.01	–
Total distributions	1.64	0.82	0.22	0.21	0.33
Net asset value (end of period)	$24.53	$23.65	$23.22	$20.68	$17.82
2. Total return[2]	**10.71%**	**5.39%**	**13.39%**	**17.27%**	**(8.86)%**
3. Ratios and supplemental data					
Net assets (end of period) ('000,000s)	$2,181	$1,929	$1,462	$1,224	$1,033
Ratio to average net assets:					
Net expenses excluding custody credits	0.94%	0.96%	0.95%	0.99%	0.95%
Net investment income	1.54%	1.32%	1.07%	1.09%	1.74%
Net expenses, including custody credits and expenses assumed by the investment adviser	0.94%	0.96%	0.95%	0.99%	0.95%
Net expenses, excluding custody credits and expenses assumed by the investment adviser	0.94%	0.96%	0.95%	0.99%	0.97%
Portfolio turnover rate	29.13%	21.61%	33.02%	19.33%	36.96%

[1] Based on average shares outstanding during the period.

[2] Total return represents aggregate total return for the period indicated, and does not reflect the deduction of any applicable sales charges.

Pax World Growth Fund (the "Growth Fund")

Risk/Return Summary: Investment Objective, Principal Investment Strategies, Principal Risks and Fund Performance

INVESTMENT OBJECTIVE

The Growth Fund's investment objective is to seek long-term growth of capital. The investment objective of the Growth Fund is fundamental and may not be changed without shareholder approval.

PRINCIPAL INVESTMENT STRATEGIES

Under normal market conditions, the Growth Fund invests primarily in equity securities (such as common stocks, preferred stocks and securities convertible into common or preferred stocks) of companies that the Growth Fund's investment adviser believes have above-average growth prospects.

The Growth Fund's investment adviser selects equity securities on a company-by-company basis primarily through the use of fundamental analysis. The investment adviser attempts to identify companies that have demonstrated growth in earnings and sales, high returns on equity and assets or other strong financial characteristics, and that are, in the judgment of the investment adviser, attractively valued. These companies tend to have a unique market niche, a strong new product profile or superior management. The investment adviser also attempts to identify companies that are undergoing changes in management or that have product and marketing dynamics that have not yet been reflected in reported earnings but that the investment adviser believes will affect earnings in the short term (3 months to 1 year). The Growth Fund may invest in securities of companies with any market capitalization. The Growth Fund generally sells a security when an event, such as a disappointing earnings report or adverse changes in a company's management or industry position, is perceived by the portfolio manager to lessen its attractiveness. The Growth Fund may also sell a security in response to adverse market conditions, to rebalance the Growth Fund's portfolio, when a more attractive investment is identified or to meet redemption requests.

The Growth Fund may invest up to 25% of its assets in securities of non-U.S. issuers. The Growth Fund also may purchase and sell repurchase agreements, foreign currency exchange contracts, and put and call options on equity securities and on stock indices for hedging or investment purposes.

Although the Growth Fund intends to limit the turnover of its portfolio, it is possible that, as a result of its investment strategies, the portfolio turnover rate of the Growth Fund may be significant. Please see "Turnover Risk" below.

In response to unfavorable market and other conditions, the Growth Fund may deviate from its principal investment strategies by making temporary investments of some or all of its assets in high quality debt securities, cash and cash equivalents. The Growth Fund may not achieve its investment objective when it does so.

Sustainable Investing. The Growth Fund seeks to invest in forward-thinking companies with sustainable business models that meet positive environmental, social and governance standards. The Growth Fund avoids investing in companies that its investment adviser determines are significantly involved in the manufacture of weapons or weapons-related products, manufacture tobacco products, are involved in gambling as a main line of business or engage in unethical business practices. Please see "Sustainable Investing" below.

PRINCIPAL RISKS

The principal risks of investing in the Growth Fund are described below.

- *Market Risk.* Conditions in a broad or specialized market, a sector thereof or an individual industry may adversely affect security prices, thereby reducing the value of the Growth Fund's investments.

- *Management Risk.* Investment decisions made by the Growth Fund's investment adviser and portfolio manager may cause the Growth Fund to experience losses or to underperform other mutual funds with similar investment objectives.

- *Equity Securities Risk.* The market price of equity securities may fluctuate significantly, rapidly and unpredictably, causing the Growth Fund to experience losses. The prices of equity securities generally are more volatile than the prices of debt securities.

- *Growth Securities Risk.* Growth securities typically trade at higher multiples of current earnings than other securities. Therefore, the values of growth securities may be more sensitive to changes in current or expected earnings than the values of other securities.

- *Issuer Risk.* The value of a security may fluctuate due to factors particular to the entity that issued the security (such as labor or materials shortages, production cost overruns, excess financial leverage, supply and demand issues or mismanagement) that are not common to that entity's industry or to the market generally.

- *Convertible Securities Risk.* Convertible securities are generally preferred stocks and other securities, including debt securities and warrants, that are convertible into or exercisable for common stock of the issuer (or cash or securities at equivalent value) at either a stated price or a stated rate. The price of a convertible security will normally vary in some proportion to changes in the price of the underlying common stock because of this conversion or exercise feature. However, the value of a convertible security may not increase or decrease as rapidly as the underlying common stock. A convertible security will normally also provide income and is subject to interest rate risk. While convertible securities generally offer lower interest or dividend yields than non-convertible debt securities of similar quality, their value tends to increase as the market value of the underlying stock increases and to decrease when the value of the underlying stock decreases. In the event of a liquidation of the issuer, holders of convertible securities generally would be paid before the issuer's common stockholders, but after holders of any senior debt obligations of the issuer. Consequently, the issuer's convertible securities generally entail less risk than its common stock but more risk than its debt obligations. Also, the Growth Fund may be forced to convert a security before it would otherwise choose, which may decrease the Growth Fund's return.

- *Derivatives Risk.* Derivatives are financial contracts the value of which depends upon, or is derived from, the value of an underlying asset, reference rate or index. Derivatives involve risks that are different from, or potentially greater than, the risks associated with investing directly in securities and other traditional investments. Derivative strategies can involve leverage, which tends to exaggerate losses, and which may cause the Growth Fund to lose more money than it would have lost had it invested directly in the security underlying the derivative and to lose more than the principal amount invested. The value of a derivative may fluctuate unexpectedly, especially in unusual market conditions, and may cause increased volatility. The use of derivative strategies also may increase the amount of taxes payable by shareholders. Also, a liquid secondary market may not exist for a derivative position at times when the Growth Fund's investment adviser might consider it prudent to terminate, to close out or to sell such derivative positions. Over-the-counter derivative instruments (those that are not traded on an exchange) may be illiquid, making it difficult to purchase or to sell a derivative at an advantageous time or price. In addition, transactions in derivative instruments traded in the over-the-counter markets are subject to the risk that the derivative counterparty will not meet its obligations. The use of derivatives also involves the risk of mispricing or improper valuation, the risk of ambiguous documentation and the risk that changes in the value of the derivative may not correlate perfectly with the underlying asset, reference rate or index. It also is possible that the Growth Fund may not be able to find a suitable derivative counterparty, and thus may be unable to invest in derivatives altogether.

- *Non-U. S. Securities Risk.* Non-U.S. markets can be significantly more volatile than domestic markets, causing the prices of some of the Growth Fund's investments to fluctuate significantly, rapidly and unpredictably. Non-U.S. securities may be less liquid than domestic securities; consequently, the Growth Fund may at times be unable to sell non-U.S. securities at desirable times or prices. Brokerage commissions, custodial fees and other fees and expenses associated with securities transactions generally are higher for non-U.S. securities. In the event of a default in connection with certain debt securities issued by foreign governments, the Growth Fund may have very limited recourse, if any. Additionally, foreign governments may impose withholding taxes which would reduce the amount of income and capital gain available to distribute to shareholders. Other risks related to non-U.S. securities include delays in the settlement of transactions; less publicly available information about issuers; different reporting, accounting and auditing standards; the effect of political, social, diplomatic or economic events; seizure, expropriation or nationalization of the issuer or its assets; and the possible imposition of currency exchange controls.

- *Repurchase Agreement Risk.* A repurchase agreement is an agreement under which the Growth Fund purchases a security from a bank or broker-dealer that agrees to repurchase the security at the Growth Fund's cost plus interest within a specified time. If the seller of securities under a repurchase agreement defaults on its obligation to repurchase the underlying securities, the Growth Fund may seek to dispose of the underlying securities, which may involve additional costs or delays. The Growth Fund may be unable to dispose of the underlying securities at a price equivalent to the price fixed pursuant to the repurchase agreement. Moreover, if the seller defaults due to insolvency and files for bankruptcy or is declared bankrupt, the Growth Fund may be restricted from disposing of the underlying securities.

- *Turnover Risk.* A change in the securities held by the Growth Fund is known as "portfolio turnover." High portfolio turnover involves correspondingly greater expenses to a fund, including brokerage commissions or dealer mark-ups and other transaction costs on the sale of securities and reinvestments in other securities. Such sales may also result in realization of taxable capital gains, including short-term capital gains (which are taxed at ordinary income tax rates when distributed to shareholders who are individuals), and may adversely affect the Growth Fund's after-tax returns. The trading costs and tax effects associated with portfolio turnover may adversely affect the Growth Fund's performance. During the most recently completed fiscal year, the Growth Fund had a portfolio turnover rate in excess of 100%.

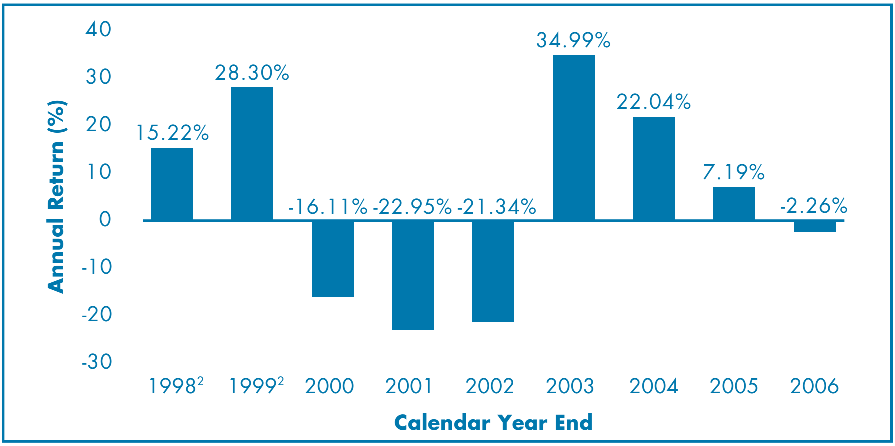
- *Sustainable Investing Risk.* The Growth Fund's sustainable investing policies may inhibit the Growth Fund's ability to participate in certain attractive investment opportunities that otherwise would be consistent with its investment objectives and other principal investment strategies.

There are other circumstances (including additional risks not described above) that could cause the Growth Fund not to achieve its investment objective. **As with all mutual funds, shareholders of the Growth Fund may lose money.** For a discussion of additional risks applicable to the Growth Fund, please see the section captioned "Investments and Special Considerations; Risk Factors" in the Statement of Additional Information. An investment in the Growth Fund is not a deposit in a bank and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency.

FUND PERFORMANCE

Calendar Year Total Returns. The bar chart below presents the calendar year total returns for Individual Investor class shares of the Growth Fund before taxes.[1] The bar chart is intended to provide some indication of the risk of investing in the Growth Fund by showing changes in the Growth Fund's performance from year to year. The returns shown include the reinvestment of dividends and distributions. Returns for Institutional Class shares and R Class shares would be higher and lower, respectively, than those of Individual Investor Class shares because Institutional Class shares and R Class shares pay lower and higher expenses, respectively, than Individual Investor Class shares. **As with all mutual funds, past performance (before and after taxes) is not necessarily an indication of future performance.**

Individual Investor Class



For the periods shown in the bar chart:
Best quarter: 4th quarter 1998, 25.76%
Worst quarter: 3rd quarter 2001, -16.38%

[1] Calendar year total returns shown for all periods are those of Individual Investor Class shares of Pax World Growth Fund, Inc. (the "Former Growth Fund"), the predecessor to the Growth Fund. Prior to November 1, 2006, the Former Growth Fund had different investment policies; the

performance results shown would not necessarily have been the same had the Growth Fund's current policies then been in effect. The returns reflect the reimbursement of certain expenses of the Former Growth Fund by its investment adviser. If this reimbursement were not reflected, the total return for the periods shown would be lower.

[2] The returns do not reflect the front-end sales load charged by the Former Growth Fund prior to November 1, 1999. If sales loads were reflected, the total return figure for years 1998 and 1999 would be 12.31% and 25.04%, respectively.

Average Annual Total Returns. The performance table below presents the average annual total returns for Individual Investor Class, Institutional Class and R Class shares of the Growth Fund. The returns shown for all periods are those of the Former Growth Fund, the predecessor to the Growth Fund. Prior to November 1, 2006, the Former Growth Fund had different investment policies; the performance results shown would not necessarily have been the same had the Fund's current policies then been in effect. The performance table is intended to provide some indication of the risks of investment in the Growth Fund by showing how the Growth Fund's average annual total returns compare with the returns of a broad-based securities market index and a performance average of other similar mutual funds over a one-year, five-year and since inception period. The returns shown include the reinvestment of dividends and distributions and reflect fee waiver and expense reimbursement arrangements, if any. If these arrangements had not been in effect, the total returns would have been lower than those shown. Returns are shown before taxes for all classes of shares and after taxes on distributions and after taxes on distributions and sale of shares for Individual Investor Class shares only. After-tax returns for Institutional Class and R Class shares will vary. After-tax returns are estimated using the highest historical individual federal marginal income tax rates and do not reflect the effect of local, state or foreign taxes. Actual after-tax returns will depend on a shareholder's own tax situation and may differ from those shown. After-tax returns may not be relevant to shareholders who hold their shares through tax-deferred arrangements (such as 401(k) plans and individual retirement accounts). **As with all mutual funds, past performance (before and after taxes) is not necessarily an indication of future performance.**

	Periods Ended December 31, 2006		
	1 Year	*5 Years*	*Since Inception*[1]
Individual Investor Class			
Return Before Taxes	-2.26%	6.30%	2.39%
Return After Taxes on Distributions	-2.26%	6.30%	2.39%
Return After Taxes on Distributions and Sale of Fund Shares	-1.47%	5.45%	2.06%
Institutional Class[2]			
Return Before Taxes	-2.26%	6.30%	2.39%
R Class[3]			
Return Before Taxes	-2.26%	6.30%	2.39%
S&P 500 Index[4]	15.79%	6.19%	6.92%
Russell 3000 Growth Index[5]	9.46%	3.02%	4.04%
Lipper Multi-Cap Growth Funds Index[6]	9.21%	4.73%	5.75%

[1] Returns are shown since the inception of the Former Growth Fund. The Former Growth Fund began operations on June 11, 1997. Index and Lipper returns are from June 11, 1997.

[2] The performance information shown for Institutional Class shares is the performance of Individual Investor Class shares of the Former Growth Fund, which has not been adjusted to

reflect the expenses allocable to Institutional Class shares. If such expenses were reflected, returns would be higher than those shown.

[3] The performance information shown for R Class shares is the performance of Individual Investor Class shares of the Former Growth Fund, which has not been adjusted to reflect the expenses allocable to R Class shares (such as distribution and/or service (12b-1) fees). If such expenses were reflected, returns would be lower than those shown.

[4] The S&P 500 Index is an unmanaged index of large capitalization common stocks. Unlike the Growth Fund, the S&P 500 Index is not an investment, is not professionally managed, has no policy of sustainable investing and does not reflect deductions for fees, expenses or taxes.

[5] The Russell 3000 Growth Index measures the performance of those companies in the Russell 3000 Index with higher price-to-book ratios and higher forecasted growth values. The Russell 3000 Index measures the performance of the 3,000 largest U.S. companies, as measured by market capitalization. Unlike the Growth Fund, the Russell 3000 Growth Index is not an investment, is not professionally managed, has no policy of sustainable investing and does not reflect deductions for fees, expenses or taxes.

[6] The Lipper Multi-Cap Growth Funds Index tracks the results of the 30 largest mutual funds in the Lipper Multi-Cap Growth Funds Average. The Lipper Multi-Cap Growth Funds Average is a total return performance average of mutual funds tracked by Lipper, Inc. that invest in companies with a variety of market capitalization ranges without concentrating more than 75% in any one market capitalization range over an extended period of time. The Lipper Multi-Cap Growth Fund Index is not what is typically considered to be an "index" because it tracks the performance of other mutual funds rather than changes in the value of a group of securities, a securities index or some other traditional economic indicator. Unlike the Growth Fund, the Lipper Multi-Cap Growth Funds Index is not an investment, is not professionally managed and has no policy of sustainable investing.

Fees and Expenses

The tables below describe the fees and expenses that investors may pay if they buy and hold Individual Investor Class, Institutional Class or R Class shares of the Growth Fund. The fees and expenses shown in the table below are based on the fees and expenses of Individual Investor Class shares of the Former Growth Fund, the predecessor to the Growth Fund. The fees and expenses associated with an investment in the Growth Fund are among several factors that an investor should consider before investing. "Other Expenses" include operating expenses, such as trustees' and professional fees, registration fees, expenses relating to the preparation of shareholder reports, and transfer agency and custodian fees.

	Individual Investor Class	*Institutional Class*	*R Class*
Shareholder Fees (fees paid directly from your investment)[1]:	None[2]	None	None
Annual Fund Operating Expenses (expenses that are deducted from Growth Fund assets):			
Management Fee	0.78%	0.78%	0.78%
Distribution and/or Service (12b-1) Fees	0.25%[3]	0.00%	0.50%[3]
Other Expenses	0.74%	0.74%[4]	0.74%[4]
Acquired Fund Fees and Expenses[5]	0.05%	0.05%	0.05%
Total Annual Fund Operating Expenses[6]	1.82%	1.57%	2.07%
Less Expense Waiver/Reimbursement[7]	0.27%	0.27%	0.27%
Net Annual Fund Operating Expenses[6]	1.55%	1.30%	1.80%

[1] The Growth Fund charges a fee of $10 for each wire redemption, subject to change without notice.

[2] Individual Retirement Account (IRA), Coverdell Education Savings, Roth IRA, SEP-IRA, SIMPLE IRA and 403(b)(7) accounts that purchase Individual Investor Class shares are charged an annual custodial fee of $12.

[3] Due to the Rule 12b-1 fee imposed on Individual Investor Class and R Class shares, shareholders may, depending upon the length of time the shares are held, pay more than the economic equivalent of the maximum front-end sales charges permitted by relevant rules of the National Association of Securities Dealers.

[4] Other Expenses shown are based on the corresponding expenses of Individual Investor Class shares for the most recently ended fiscal year.

[5] Acquired Fund Fees and Expenses represent expenses indirectly borne by the Growth Fund through its investment in other investment companies (including Pax World Money Market Fund) and certain pooled investment vehicles.

[6] Total Annual Fund Operating Expenses and Net Annual Fund Operating Expenses shown may vary from net expenses shown in the financial highlights table below because the financial highlights table does not include Acquired Fund Fees and Expenses.

[7] The Growth Fund's investment adviser has contractually agreed to reimburse expenses (excluding Acquired Fund Fees and Expenses) allocable to Individual Investor Class, Institutional Class and R Class shares of the Growth Fund to the extent such expenses exceed 1.50%, 1.25% and 1.75%, respectively, of the average daily net assets of Individual Investor Class, Institutional Class and R Class shares of the Growth Fund, respectively. This reimbursement arrangement will remain in effect indefinitely.

Example Expenses. The table below is intended to help an investor compare the cost of investing in Individual Investor Class, Institutional Class and R Class shares of the Growth Fund with the cost of investing in other mutual funds.

The table assumes that an investor invests $10,000 in Individual Investor Class, Institutional Class or R Class shares of the Growth Fund for the time periods indicated and then redeems all of his or her shares at the end of those periods. The table also assumes that the investment has a 5% return each year, that all dividends and distributions are reinvested and that the Growth Fund's operating expenses remain the same throughout those periods, except that the Growth Fund's total operating expenses are assumed to be its "Net Annual Fund Operating Expenses", as shown in the "Annual Fund Operating Expenses" table above, for the period(s) during which any expense waivers or reimbursements are in effect. Although an investor's actual expenses may be higher or lower than those shown in the table, based on these assumptions his or her expenses would be:

	1 Year	*3 Years*	*5 Years*	*10 Years*
Individual Investor Class	$158	$490	$845	$1,845
Institutional Class	$132	$412	$713	$1,568
R Class	$183	$566	$975	$2,116

Financial Highlights

The financial highlights table below is intended to help investors understand the Growth Fund's financial performance for the past 5 years. Certain information reflects financial results for a single Growth Fund share. The total returns in the table represent the rate that an investor would have earned (or lost) on an investment in the Growth Fund (assuming reinvestment of all dividends and distributions). The financial highlights table is based on the financial performance of Individual Investor Class shares of the Former Growth Fund, the predecessor to the Growth Fund. The information provided for the years ended December 31, 2003, December 31, 2004, December 31, 2005 and December 31, 2006 has been derived from the Former Growth Fund's financial statements for such years, which have been audited by Ernst & Young LLP, an independent registered public accounting firm, whose report, along with such financial statements, is included in the Former Growth Fund's annual report to shareholders. The information provided for the year ended December 31, 2002 has been derived from the Former Growth Fund's financial statements for such year, which were audited by the Former Growth Fund's previous auditor, whose report expressed an unqualified opinion for such year. The Former Growth Fund's annual report is incorporated by reference into the Statement of Additional Information and is available without charge upon request by writing to Pax World at 30 Penhallow Street, Suite 400, Portsmouth, NH 03801, by telephoning (toll-free) 800-767-1729 or by visiting the Pax World website at www.paxworld.com. Financial highlights are not available for Institutional Class and R Class shares because such shares were not outstanding during the periods shown. **The performance results shown are better than those that would have been achieved by R Class shares of the Growth Fund because of the higher fees and expenses allocable to R Class shares.**

Individual Investor Class

1. Selected data for a share outstanding throughout each period

	Year Ended December 31				
	2006	2005	2004	2003	2002
Net asset value (beginning of period)	$12.82	$11.96	$ 9.80	$ 7.26	$ 9.23
Income (loss) from investment operations					
Investment income (net)[1]	(0.07)	(0.07)	(0.12)	(0.09)	(0.05)
Realized and unrealized gain (loss) on investments (net)	(0.22)	0.93	2.28	2.63	(1.92)
Total from investment operations	(0.29)	0.86	2.16	2.54	(1.97)
Net asset value (end of period)	$12.53	$12.82	$11.96	$9.80	$7.26
2. Total return[2]	**(2.26)%**	**7.19%**	**22.04%**	**34.99%**	**(21.34)%**
3. Ratios and supplemental data					
Net assets (end of period) ('000s)	$105,614	$97,716	$64,860	$40,611	$22,055
Ratio to average net assets:					
Net expenses, excluding custody credits	1.50%	1.51%	1.51%	1.50%	1.52%
Net investment loss	(0.56)%	(0.56)%	(1.09)%	(1.10)%	(0.78)%
Net expenses, including custody credits and expenses assumed by the investment adviser	1.50%	1.50%	1.50%	1.50%	1.50%
Net expenses, excluding custody credits and expenses assumed by the investment adviser	1.77%	2.06%	2.01%	2.56%	2.69%
Portfolio turnover rate	116.97%	105.41%	92.68%	116.87%	105.86%

[1] Based on average shares outstanding during the period.

[2] Total return represents aggregate total return for the period indicated, and does not reflect the deduction of any applicable sales charges.

Pax World High Yield Bond Fund (the "High Yield Bond Fund")

Risk/Return Summary: Investment Objectives, Principal Investment Strategies, Principal Risks and Fund Performance

INVESTMENT OBJECTIVES

The High Yield Bond Fund's primary investment objective is to seek high current income. As a secondary investment objective and to the extent consistent with its primary investment objective, the High Yield Bond Fund seeks capital appreciation. The investment objectives of the High Yield Bond Fund are fundamental and may not be changed without shareholder approval.

PRINCIPAL INVESTMENT STRATEGIES

Under normal market conditions, the High Yield Bond Fund invests at least 80% of its assets in high-yield, fixed income securities (such as bonds, notes and debentures) that are rated below BBB- by Standard & Poor's Ratings Group or below Baa3 by Moody's Investors Service, similarly rated by another major rating service, or unrated and determined by the High Yield Bond Fund's investment adviser to be of comparable quality. These fixed income securities are commonly referred to as "junk bonds." The High Yield Bond Fund's investment adviser anticipates that the dollar-weighted average maturity of the fixed income securities in the High Yield Bond Fund's investment portfolio will be 10 years or less.

In determining which securities to buy for the High Yield Bond Fund, the investment adviser considers, among other things, the financial history and condition of the issuer, its cash flow trends, analysts' recommendations and the issuer's outlook and management team. The High Yield Bond Fund may consider selling a particular security if any of the original reasons for purchase materially change, if a more attractive investment is identified or to meet redemption requests. The investment adviser generally employs fundamental analysis in making these determinations. Fundamental analysis involves the review of financial statements and other data to attempt to predict whether the price of an issuer's security is undervalued or overvalued.

The High Yield Bond Fund may invest up to 40% of its assets in securities of non-U.S. issuers.

Although the High Yield Bond Fund intends to limit the turnover of its portfolio, it is possible that, as a result of its investment strategies, the portfolio turnover rate of the High Yield Bond Fund may be significant. Please see "Turnover Risk" below.

In response to unfavorable market and other conditions, the High Yield Bond Fund may deviate from its principal investment strategies by making temporary investments of some or all of its assets in high quality debt securities, cash and cash equivalents. The High Yield Bond Fund may not achieve its investment objectives when it does so.

Sustainable Investing. The High Yield Bond Fund seeks to invest in forward-thinking companies with sustainable business models that meet positive environmental, social and governance standards. The High Yield Bond Fund avoids investing in companies that its investment adviser determines are significantly involved in the manufacture of weapons or weapons-related products, manufacture tobacco products, are involved in gambling as a main line of business or engage in unethical business practices. Please see "Sustainable Investing" below.

PRINCIPAL RISKS

The principal risks of investing in the High Yield Bond Fund are described below.

- *High Yield Securities Risk.* Because the High Yield Bond Fund invests in high yield securities (commonly known as "junk bonds"), it may be subject to greater levels of interest rate risk, credit risk and liquidity risk than funds that do not invest in such securities. High yield securities are considered predominately speculative with respect to the issuer's continuing ability to make principal and interest payments when due. Rising interest rates or a general economic downturn may adversely affect the market for high yield securities and reduce the High Yield Bond Fund's ability to sell them (liquidity risk). If the issuer of a high yield security is in default with respect to interest or principal payments, the High Yield Bond Fund may lose its entire investment in that security.

- *Interest Rate Risk.* As nominal interest rates rise, the value of debt securities held in the High Yield Bond Fund's portfolio is likely to decrease. Securities with longer durations tend to be more sensitive to changes in interest rates, usually making them more volatile than securities with shorter durations. A nominal interest rate can be described as the sum of a real interest rate and an expected inflation rate.

- *Credit Risk.* With respect to debt securities, changes in economic conditions generally or particular to the obligated entity may affect the obligated entity's actual or perceived ability to make payments of interest or principal when due, which may cause the price of the security or the income derived therefrom to decline. Bonds that are backed by an issuer's taxing authority, including general obligation bonds, may be subject to legal limits on a government's power to increase taxes or otherwise to raise revenue, or may depend for payment on legislative appropriation and/or governmental aid. Some bonds, known as revenue obligations, are payable solely from revenues earned by a particular project or other revenue source. Consequently, revenue obligations are subject to a greater risk of default than general obligation bonds because investors can look only to the revenue generated by the project, assets, or company backing the project, rather than to the taxing power of the issuer.

- *Market Risk*. Conditions in a broad or specialized market, a sector thereof or an individual industry may adversely affect security prices, thereby reducing the value of the High Yield Bond Fund's investments.

- *Management Risk*. Investment decisions made by the High Yield Bond Fund's investment adviser may cause the High Yield Bond Fund to experience losses or to underperform other mutual funds with similar investment objectives.

- *Non-U. S. Securities Risk*. Non-U.S. markets can be significantly more volatile than domestic markets, causing the prices of some of the High Yield Bond Fund's investments to fluctuate significantly, rapidly and unpredictably. Non-U.S. securities may be less liquid than domestic securities; consequently, the High Yield Bond Fund may at times be unable to sell non-U.S. securities at desirable times or prices. Brokerage commissions, custodial fees and other fees and expenses associated with securities transactions generally are higher for non-U.S. securities. In the event of a default in connection with certain debt securities issued by foreign governments, the High Yield Bond Fund may have very limited recourse, if any. Additionally, foreign governments may impose withholding taxes which would reduce the amount of income and capital gain available to distribute to shareholders. Other risks related to non-U.S. securities include delays in the settlement of transactions; less publicly available information about issuers; different reporting, accounting and auditing standards; the effect of political, social, diplomatic or economic events; seizure, expropriation or nationalization of the issuer or its assets; and the possible imposition of currency exchange controls.

- *Turnover Risk*. A change in the securities held by the High Yield Bond Fund is known as "portfolio turnover." High portfolio turnover involves correspondingly greater expenses to a fund, including brokerage commissions or dealer mark-ups and other transaction costs on the sale of securities and reinvestments in other securities. Such sales may also result in realization of taxable capital gains, including short-term capital gains (which are taxed at ordinary income tax rates when distributed to shareholders who are individuals), and may adversely affect the High Yield Bond Fund's after-tax returns. The trading costs and tax effects associated with portfolio turnover may adversely affect the High Yield Bond Fund's performance.

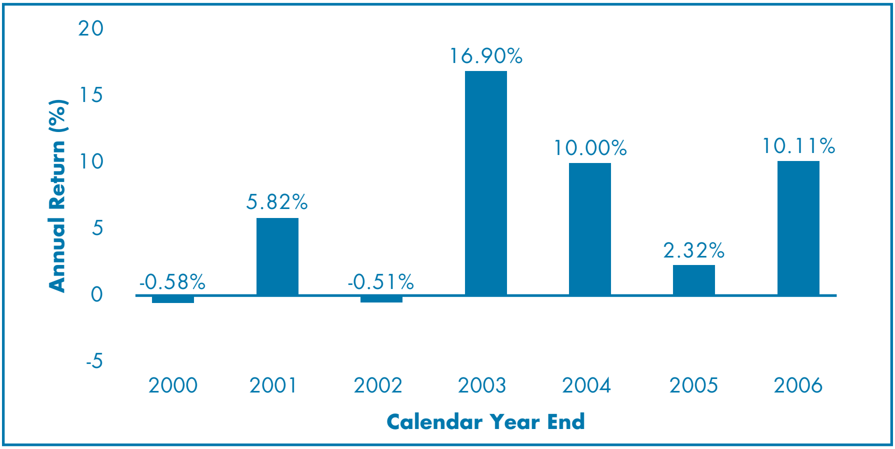
- *Sustainable Investing Risk.* The High Yield Bond Fund's sustainable investing policies may inhibit the High Yield Bond Fund's ability to participate in certain attractive investment opportunities that otherwise would be consistent with its investment objectives and other principal investment strategies.

There are other circumstances (including additional risks not described above) that could cause the High Yield Bond Fund not to achieve its investment objectives. **As with all mutual funds, shareholders of the High Yield Bond Fund may lose money.** For a discussion of additional risks applicable to the High Yield Bond Fund, please see the section captioned "Investments and Special Considerations; Risk Factors" in the High Yield Bond Fund's Statement of Additional Information. An investment in the High Yield Bond Fund is not a deposit in a bank and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency.

FUND PERFORMANCE

Calendar Year Total Returns. The bar chart below presents the calendar year total returns for Individual Investor Class shares of the High Yield Bond Fund before taxes.[1] The bar chart is intended to provide some indication of the risk of investing in the High Yield Bond Fund by showing changes in the High Yield Bond Fund's performance from year to year. The returns shown include the reinvestment of dividends and distributions, but do not reflect the effect of any applicable redemption fee. Returns for Institutional Class shares and R Class shares would be higher and lower, respectively, than those of Individual Investor Class shares because Institutional Class shares and R Class shares pay lower and higher expenses, respectively, than Individual Investor Class shares. **As with all mutual funds, past performance (before and after taxes) is not necessarily an indication of future performance.**

Individual Investor Class



For the periods shown in the bar chart:
Best quarter: 1st quarter 2001, 6.30%
Worst quarter: 2nd quarter 2002, -5.39%

[1] Calendar year total returns shown for all periods are those of Individual Investor Class shares of Pax World High Yield Fund, Inc. (the "Former High Yield Fund"), the predecessor to the High Yield Bond Fund. Prior to November 1, 2006, the Former High Yield Fund had different investment policies; the performance results shown would not necessarily have been the same had the High Yield Bond Fund's current policies then been in effect. The returns reflect the reimbursement of certain expenses of the Former High Yield Fund by the Former High Yield Fund's investment adviser. If this reimbursement were not reflected, the total return for the periods shown would be lower.

Average Annual Total Returns. The performance table below presents the average annual total returns for Individual Investor Class, Institutional Class and R Class shares of the High Yield Bond Fund. The returns shown for all periods are those of the Former High Yield Fund, the predecessor to the High Yield Bond Fund. Prior to November 1, 2006, the Former High Yield Fund had different investment policies; the performance results shown would not necessarily have been the same had the High Yield Bond Fund's current policies then been in effect. The performance table is intended to provide some indication of the risks of investment in the High Yield Bond Fund by showing how the High Yield Bond Fund's average annual total returns compare with the returns of a broad-based securities market index and a performance average of other similar investment funds over a one-year, five-year and since inception period. The returns shown include the reinvestment of dividends and distributions and reflect fee waiver and expense reimbursement arrangements, if any. If these arrangements had not been in effect, the total returns would have been lower. Returns are shown before taxes for all classes of shares and after taxes on distributions and after taxes on distributions and sale of shares for Individual Investor Class shares only. After-tax returns for Institutional Class and R Class shares will vary. After-tax returns are estimated using the highest historical individual federal marginal income tax rates and do not reflect the effect of local, state or foreign taxes. Actual after-tax returns will depend on a shareholder's own tax situation and may differ from those shown. After-tax returns may not be relevant to shareholders who hold their shares through tax-deferred arrangements (such as 401(k) plans and individual retirement accounts). **As with all mutual funds, past performance (before and after taxes) is not necessarily an indication of future performance.**

	Periods Ended December 31, 2006		
	1 Year	*5 Years*	*Since Inception*[1]
Individual Investor Class			
Return Before Taxes	10.11%	7.59%	5.57%
Return After Taxes on Distributions	7.31%	4.93%	2.70%
Return After Taxes on Distributions and Sale of Fund Shares	6.48%	4.90%	2.96%
Institutional Class[2]			
Return Before Taxes	10.41%	7.76%	5.68%
R Class[3]			
Return Before Taxes	10.11%	7.59%	5.57%
Merrill Lynch High Yield Master I Index[4]	11.64%	9.84%	7.22%
Lipper High Current Yield Fund Index[5]	10.17%	9.08%	4.93%

[1] Returns are shown since the inception of the Former High Yield Fund. The Former High Yield Fund began operations on October 8, 1999. Index and Lipper returns are from October 8, 1999.

[2] The performance information shown for Institutional Class shares includes the performance of Individual Investor Class shares of the Former High Yield Fund for periods prior to June 1, 2004, which has not been adjusted to reflect the expenses allocable to Institutional Class shares. If such expenses were reflected, the returns would be higher than those shown. Institutional Class shares initially were offered on June 1, 2004.

[3] The performance information shown for R Class shares is the performance of Individual Investor Class shares of the Former High Yield Fund, which has not been adjusted to reflect the expenses allocable to R Class shares (such as distribution and/or service (12b-1) fees). If such expenses were reflected, returns would be lower than those shown.

[4] The Merrill Lynch High Yield Master I Index tracks the performance of below investment grade U.S. dollar-denominated corporate bonds publicly issued in the U.S. domestic market. Unlike the High Yield Bond Fund, the Merrill Lynch High Yield Master I Index is not an investment, is not professionally managed, has no policy of sustainable investing and does not reflect deductions for fees, expenses or taxes.

[5] The Lipper High Current Yield Fund Index tracks the results of the 30 largest mutual funds in the Lipper High Current Yield Fund Average. The Lipper High Current Yield Fund Average is a total return performance average of mutual funds tracked by Lipper, Inc. that aim at high (relative) current yield from fixed income securities, have no quality or maturity restrictions and tend to invest in lower grade debt issues. The Lipper High Current Yield Fund Index is not what is typically considered an "index" because it tracks the performance of other mutual funds rather than changes in the value of a group of securities, a securities index or some other traditional economic indicator. Unlike the High Yield Bond Fund, the Lipper High Current Yield Fund Index is not an investment, is not professionally managed and has no policy of sustainable investing.

Fees and Expenses

The tables below describe the fees and expenses that investors may pay if they buy, hold and sell Individual Investor Class, Institutional Class or R Class shares of the High Yield Bond Fund. The fees and expenses shown in the table below for Individual Investor Class and R Class shares are based on the fees and expenses of Individual Investor Class shares of the Former High Yield Fund, the predecessor to the High Yield Bond Fund. The fees and expenses shown in the table below for Institutional Class shares are based on the fees and expenses of Institutional Class shares of the Former High Yield Fund. The fees and expenses associated with an investment in the High Yield Bond Fund are among several factors that an investor should consider before investing. "Other Expenses" include operating expenses, such as trustees' and professional fees, registration fees, expenses relating to the preparation of shareholder reports and transfer agency and custodian fees.

	Individual Investor Class	*Institutional Class*	*R Class*
Shareholder Fees (fees paid directly from shareholder investment)[1]:	None[2]	None	None
Redemption Fee (as a percentage of exchange price or amount redeemed)[3]	2.00%	2.00%	2.00%
Annual Fund Operating Expenses (expenses that are deducted from High Yield Bond Fund assets):			
Management Fee	0.84%	0.84%	0.84%
Distribution and/or Service (12b-1) Fees	0.25%[4]	0.00%	0.50%[4]
Other Expenses	0.95%	0.95%[5]	0.95%[5]
Acquired Fund Fees and Expenses[6]	0.01%	0.01%	0.01%
Total Annual Fund Operating Expenses[7]	2.05%	1.80%	2.30%
Less Expense Waiver/Reimbursement[8]	1.05%	1.05%	1.05%
Net Annual Fund Operating Expenses[7]	1.00%	0.75%	1.25%

[1] The High Yield Bond Fund charges a fee of $10 for each wire redemption, subject to change without notice.

[2] Individual Retirement Account (IRA), Coverdell Education Savings, Roth IRA, SEP-IRA, SIMPLE IRA and 403(b)(7) accounts that purchase Individual Investor Class shares are charged an annual custodial fee of $12.

[3] The redemption fee may apply to shares that are redeemed or exchanged within 45 days of acquisition (including acquisitions through exchanges). Redemption fees are paid to and retained by the High Yield Bond Fund and are not sales charges (loads). See "Shareholder Guide — How to Sell Shares — Redemption Fee" below.

[4] Due to the 12b-1 fee imposed on Individual Investor Class and R Class shares of the High Yield Bond Fund, shareholders may, depending on the length of time they hold their shares, pay more than the economic equivalent of the maximum front-end sales load permitted by relevant rules of the National Association of Securities Dealers.

[5] Other Expenses shown are based on the corresponding expenses of Individual Investor Class shares for the most recently ended fiscal year.

[6] Acquired Fund Fees and Expenses represent expenses indirectly borne by the High Yield Bond Fund through its investment in other investment companies (including Pax World Money Market Fund) and certain pooled investment vehicles.

[7] Total Annual Fund Operating Expenses and Net Annual Fund Operating Expenses shown may vary from net expenses shown in the financial highlights table below because the financial highlights table does not include Acquired Fund Fees and Expenses.

[8] The High Yield Bond Fund's investment adviser has contractually agreed to reduce the High Yield Bond Fund's management fee to 0.50% until at least December 31, 2008. In addition, the investment adviser has contractually agreed to reimburse the High Yield Bond Fund to the extent its "Other Expenses" exceed 0.24% of the average daily net assets of the High Yield Bond Fund. This reimbursement arrangement will remain in effect until at least December 31, 2008.

Example Expenses. The table below is intended to help an investor compare the cost of investing in Individual Investor Class, Institutional Class and R Class shares of the High Yield Bond Fund with the cost of investing in other mutual funds.

The table assumes that an investor invests $10,000 in Individual Investor Class, Institutional Class or R Class shares of the High Yield Bond Fund for the time periods indicated and then redeems all of his or her shares at the end of those periods. The table also assumes that the investment has a 5% return each year, that all dividends and distributions are reinvested and that the High Yield Bond Fund's operating expenses remain the same throughout those periods, except that the High Yield Bond Fund's total operating expenses are assumed to be its "Net Annual Fund Operating Expenses", as shown in the "Annual Fund Operating Expenses" table above, for the period during which any expense waivers or reimbursements are in effect. Although an investor's actual expenses may be higher or lower than those shown in the table, based on these assumptions his or her expenses would be:

	1 Year	*3 Years*	*5 Years*	*10 Years*
Individual Investor Class	$102	$433	$ 903	$2,205
Institutional Class	$ 77	$355	$ 772	$1,936
R Class	$127	$510	$1,033	$2,467

Financial Highlights

The financial highlights table below is intended to help investors understand the High Yield Bond Fund's financial performance for the past 5 years. Certain information reflects financial results for a single High Yield Bond Fund share. The total returns in the table represent the rate that an investor would have earned (or lost) on an investment in shares of the High Yield Bond Fund (assuming reinvestment of all dividends and distributions). The financial highlights table for Individual Investor Class and Institutional Class shares is based on the respective financial performances of Individual Investor Class and Institutional Class shares of the Former High Yield Fund, the predecessor to the High Yield Bond Fund. The information provided for the years ended December 31, 2003, December 31, 2004, December 31, 2005 and December 31, 2006 has been derived from the Former High Yield Fund's financial statements for such years, which have been audited by Ernst & Young LLP, an independent registered public accounting firm, whose report, along with such financial statements, is included in the Former High Yield Fund's annual report to shareholders. The information provided for the year ended December 31, 2002 has been derived from the Former High Yield Fund's financial statements for such year, which were audited by the Former High Yield Fund's previous auditor, whose report expressed an unqualified opinion for such year. The Former High Yield Fund's annual report is incorporated by reference into the Statement of Additional Information and is available without charge upon request by writing to Pax World at 30 Penhallow Street, Suite 400, Portsmouth, NH 03801, by telephoning (toll-free) 800-767-1729 or by visiting the Pax World website at www.paxworld.com. Financial highlights are not available for R Class shares because such shares were not outstanding during the periods shown. **The performance results shown are better than those that would have been achieved by R Class shares of the High Yield Bond Fund because of the higher fees and expenses allocable to R Class shares.**

Individual Investor Class Shares

1. Selected data for a share outstanding throughout each period

	Year Ended December 31				
	2006	2005	2004	2003	2002
Net asset value (beginning of period)	$ 8.35	$ 8.85	$ 8.64	$ 7.89	$ 8.50
Income (loss) from investment operations					
Investment income (net)[1]	0.62	0.57	0.56	0.54	0.56
Realized and unrealized gain (loss) on investments (net)	0.19	(0.37)	0.27	0.75	(0.61)
Total from investment operations	0.81	0.20	0.83	1.29	(0.05)
Less distributions					
Dividends from investment income (net)	0.62	0.59	0.60	0.54	0.56
Distributions from realized gains	0.00[2]	0.06	0.02	–	–
Tax returns of capital	–	0.05	–	–	–
Total distributions	0.62	0.70	0.62	0.54	0.56
Redemption Fees	0.00[2]	0.00[2]	0.00[2]	–	–
Net asset value (end of period)	$ 8.54	$ 8.35	$ 8.85	$ 8.64	$ 7.89
2. Total return[3]	**10.11%**	**2.32%**	**10.00%**	**16.90%**	**(0.51)%**
3. Ratios and supplemental data					
Net assets (end of period) ('000s)	$71,091	$56,546	$45,852	$47,857	$31,219
Ratio to average net assets:					
Net expenses, excluding custody credits	1.15%	1.51%	1.50%	1.50%	1.48%
Net investment income	7.35%	6.57%	6.46%	6.56%	6.96%
Net expenses, including custody credits and expenses assumed by the investment adviser	1.15%	1.50%	1.50%	1.50%	1.46%
Net expenses, excluding custody credits and expense assumed by the investment adviser	1.70%	2.26%	2.13%	2.07%[4]	2.49%[4]
Portfolio turnover rate	45.74%	64.93%	94.84%	130.69%	101.70%

1 Based on average shares outstanding during the period.
2 Rounds to less than $0.01.
3 Total return represents aggregate total return for the period indicated, and does not reflect the deduction of any applicable sales charges.
4 Includes additional expense reimbursement.

Institutional Class Shares

1. Selected data for a share outstanding throughout each period

	Year Ended December 31		Period Ended December 31
	2006	2005	2004[1]
Net asset value (beginning of period)	$ 8.35	$ 8.85	$ 8.44
Income (loss) from investment operations			
Investment income (net)[2]	0.64	0.59	0.34
Realized and unrealized gain (loss) on investments, (net)	0.19	(0.36)	0.46
Total from investment operations	0.83	0.23	0.80
Less Distributions			
Dividends from investment income, net	0.64	0.62	0.37
Distributions from realized gains	0.00[3]	0.06	0.02
Returns of capital	–	0.05	–
Total distributions	0.64	0.73	0.39
Redemption Fees	0.00[3]	0.00[3]	–
Net asset value (end of period)	$ 8.54	$ 8.35	$ 8.85
2. Total return[4]	**10.41%**	**2.68%**	**9.65%[5]**
3. Ratios and supplemental data			
Net assets (end of period) ('000s)	$10,363	$10,073	$6,487
Ratio to average net assets:			
Net expenses (excluding custody credits)	0.88%	1.16%	1.15%[6]
Net investment income	7.63%	6.94%	6.85%[6]
Net expenses, including custody credits and expenses assumed by Adviser	0.88%	1.15%	1.15%[6]
Net expenses, excluding custody credits and expenses assumed by Adviser	1.42%	1.91%	1.93%[6]
Portfolio turnover rate	45.74%	64.93%	94.84%

[1] Commencement of operations was June 1, 2004.
[2] Based on average shares outstanding during the period.
[3] Rounds to less than $0.01.
[4] Total return represents aggregate total return for the period indicated, and does not reflect the deduction of any applicable sales charges.
[5] Not Annualized.
[6] Annualized.

About the Funds

Sustainable Investing

The Balanced Fund, the Growth Fund and the High Yield Bond Fund (collectively, the "Funds") pursue a sustainable investing approach — investing in forward-thinking companies with more sustainable business models. We identify those companies by combining rigorous financial analysis with equally rigorous environmental, social and governance analysis. The result, we believe, is an increased level of scrutiny that helps us identify better-managed companies that are leaders in their industries; that meet positive standards of corporate responsibility; and that focus on the long term. By investing in those companies, we intend for our shareholders to benefit from their vision and their success.

We avoid investing in companies that we determine are significantly involved in the manufacture of weapons or weapons-related products, that manufacture tobacco products, that are involved in gambling as a main line of business or that engage in unethical business practices.

Our primary goal is to produce competitive returns for our investors. By integrating environmental, social and governance criteria — what we call "sustainability" criteria — into our investment approach, the Funds also seek to promote peace, protect the environment, advance equality, and foster sustainable development. To denote this endeavor, the Funds have adopted the name "Pax World."

Investors should understand that "sustainable investing" refers to the full integration of environmental, social and governance criteria into our investment approach; it does not mean that our funds will necessarily perform in the future as they have in the past.

Environmental, Social and Governance Criteria

In seeking to invest in companies with sustainable business models that meet positive standards of corporate responsibility, the Funds seek to invest in companies with favorable policies and practices in the following areas:

- Environment
- Workplace
- Corporate Governance
- Community
- Product Integrity

Pax World's *environmental* criteria include such issues as air and water emissions, recycling and waste reduction, use of clean and renewable energy, climate change initiatives and other policies and practices focused on promoting sustainable development.

Pax World's *workplace* criteria include such issues as diversity, equal opportunity based on gender, race, religion, age, disability or sexual orientation, workplace health and safety, employee relations, vendor standards and human rights.

Pax World's *corporate governance* criteria include such issues as board independence and diversity, executive compensation, auditor independence, shareholder rights, disclosure, business ethics and legal and regulatory compliance.

Pax World's *community* criteria include companies' philanthropic activities, their commitment to and relationships with the communities in which they do business (including their commitment to sustainable development abroad), and in the case of financial institutions, responsible lending practices.

Pax World's *product integrity* criteria include analyses of such issues as product health and safety (including public health issues associated with product abuse and addiction), animal welfare, consumer issues and emerging technology issues.

The issues highlighted above are illustrative and do not necessarily reflect the full range of social, environmental or governance criteria Pax World may apply in analyzing a particular security for investment. The availability of information about a company, issues associated with a particular industry, changing social conditions or other circumstances may affect the manner in which Pax World's sustainability criteria are applied in a particular situation.

Companies which our Funds invest in do not necessarily meet all of Pax World's environmental, social and governance criteria; nor, we recognize, is any company perfect when it comes to corporate responsibility or sustainability. We nonetheless believe that our shareholders seek to invest in companies that adhere to *positive* standards in these areas. Our social, environmental and corporate governance criteria are designed to assist us in identifying those investments. We also believe that well-managed companies that maintain good relations with employees, consumers, communities, and the natural environment will in the long run better serve investors as well.

Once a security is purchased by any of our Funds, we will endeavor to review that company's performance on an annual basis to determine whether it continues to meet the Funds' sustainability criteria. If it is determined after the initial purchase by a Fund that a company no longer meets Pax World's environmental, social or governance standards (either due to acquisition, merger or other developments), the securities of that company will be eliminated from the Fund's portfolio as soon thereafter as practicable taking into consideration (i) any gain or loss which may be realized from such elimination, (ii) the tax implications of such elimination, (iii) market conditions, and the like. In no event, however, will that security be retained longer than six (6) months from the time the Funds determine that the company no longer meets the Funds' environmental, social and governance criteria. This requirement may cause a Fund to dispose of a security at a time when it may be disadvantageous to do so. Given this, there can be no assurance that the Funds' investment objectives will be achieved.

Because our Funds seek to promote peace, reconciliation and international understanding, we reserve the right to forego investing in general obligations of the U.S. Government, such as Treasury Securities, to the degree we determine that such securities are being utilized primarily to finance weapons programs and are inconsistent with Pax World's social criteria. For this reason, our Funds may often invest in debt obligations issued or guaranteed by agencies or instrumentalities of the U.S. Government whose purposes are more compatible with the Funds' social criteria, such as the Student Loan Marketing Association, the Federal Home Loan Bank, or the Federal Farm Credit Bank.

Shareholder Engagement

Once our Funds invest in a company, we take our responsibilities as a shareholder and stakeholder seriously. We vote shareholder proxies in accordance with our environmental, social and governance criteria; we engage in dialogue with corporate management on issues of concern; we initiate or support shareholder resolutions at annual stockholders meetings aimed at persuading companies to adopt higher standards of corporate responsibility; and we support public policy initiatives that promote greater corporate transparency, accountability and social responsibility.

Community and Sustainable Development

Pax World supports investing in communities and promoting sustainable development in the United States and around the globe. Our Funds may invest in debt instruments issued by a range of non-corporate entities, including government agencies, states and municipalities, and may invest up to 1% of fund assets in community development financial institutions that target underserved areas and directly support affordable housing, small businesses, community development and revitalization, heath care, education and the environment. Such investments may include investments in micro-credit or micro-finance institutions that advance women's equity and sustainable development around the globe. Some of these investments may offer a rate of return below the then-prevailing market rate, or may subject the Funds to more credit risk than other types of debt instruments. In addition, some of these investments may be considered below investment grade, unrated, or illiquid, and may not be insured by the FDIC, and therefore involve a greater risk of default. We nevertheless believe that such investments can often offer a greater social return through their direct impact on local communities, and that they are therefore appropriate investments for a socially responsible mutual fund family like Pax World Funds.

Pax World Funds also take a global perspective. Our *Global Citizen Program* enables Fund shareholders to earmark portions of their dividends and/or capital gains for donation to Mercy Corps, a nonprofit philanthropic organization not otherwise affiliated with Pax World Funds or Pax World Management Corp. Through this program, Pax World shareholders can amplify the social benefits of their investments by supporting humanitarian relief efforts, peace and reconciliation initiatives, and sustainable development projects around the globe.*

At Pax World, we believe that our investors want to have a positive impact on corporate behavior and to promote environmental and social progress. Our sustainability criteria are designed to assist investors in achieving these objectives, helping them align their values with their financial goals. That was our mission when we launched the first socially responsible mutual fund in the United States in 1971, and it remains our mission today.

In order to address changing societal and market conditions and circumstances, Pax World may at its discretion choose to apply additional environmental, social or governance criteria or to modify the criteria outlined above, without shareholder approval.

* Mercy Corps is a leading humanitarian relief organization whose programs currently reach nearly ten million people in more than 35 countries as part of its efforts to alleviate suffering, poverty and oppression by helping people build secure, productive and just communities. In particular, Mercy Corps focuses on helping communities recovering from war or social upheaval through humanitarian relief work, sustainable development initiatives and promoting the development of civil society institutions. Since 1979, Mercy Corps has provided $1 billion in assistance to people in 82 nations.

Portfolio Holdings

A description of each Fund's policies and procedures with respect to the disclosure of its portfolio securities is available in the Funds' Statement of Additional Information.

Management, Organization and Capital Structure

INVESTMENT ADVISER

Pax World Management Corp., 30 Penhallow Street, Suite 400, Portsmouth, New Hampshire 03801 (the "Adviser"), is the investment adviser for each Fund. The Adviser is responsible, either directly or through others selected by it, for the management of each Fund, subject to oversight by the Board of Trustees of Pax World Funds Series Trust I (the "Trust"), of which each Fund is a series. The Adviser is a registered investment adviser and has been an investment adviser since 1971.

During the most recently completed fiscal year, each Fund paid advisory fees to the Adviser at the following annual rate (stated as a percentage of the average daily net assets of the Fund):

Fund	Advisory Fees
Balanced Fund	0.50%
Growth Fund	0.77%[1]
High Yield Bond Fund	0.57%[2]

[1] Reflects a waiver of 0.01% to offset the amount payable by Pax World Money Market Fund, Inc. to the Adviser with respect to Fund assets that were invested in Pax World Money Market Fund, Inc. during the period.

[2] The Adviser has contractually agreed to reduce the High Yield Bond Fund's management fee to 0.50% until at least December 31, 2008.

PORTFOLIO MANAGERS

Balanced Fund

Christopher H. Brown is the Portfolio Manager of the Balanced Fund. Mr. Brown has been responsible for the management of the Balanced Fund (or its predecessor) since 1998 and has been a portfolio manager with the Adviser since 1998. Mr. Brown is a graduate of the Boston University School of Management with a concentration in Finance. Mr. Brown is primarily responsible for the day to day management of the Balanced Fund.

Growth Fund

Christopher H. Brown is a Co-Portfolio Manager of the Growth Fund. Mr. Brown has been responsible for the management of the Growth Fund (or its predecessor) since November 2006 and has been a portfolio manager with the Adviser since 1998. Mr. Brown is a graduate of the Boston University School of Management with a concentration in Finance.

Anthony Trzcinka is a Co-Portfolio Manager of the Growth Fund. Mr. Trzcinka has been responsible for the management of the Growth Fund (or its predecessor) since November 2006 and has been a portfolio manager with the Adviser since 2003. Prior to joining the Adviser, Mr. Trzcinka spent over 3 years at AEW Capital Management as an Assistant Vice President. Mr. Trzcinka has 10 years of investment experience and 14 years of overall finance experience. Mr. Trzcinka has a Masters of Business Administration from Northeastern University, a Bachelor of Arts from the University of Massachusetts and is a Chartered Financial Analyst. Mr. Trzcinka is a member of the Boston Security Analyst Society and the CFA institute.

Mr. Brown and Mr. Trzcinka share joint responsibility for the day-to-day management of the Growth Fund.

High Yield Bond Fund

Mary V. Austin is the Portfolio Manager of the High Yield Bond Fund. Ms. Austin has been involved in the management of the High Yield Bond Fund (or its predecessor) since December 2005 and has been a portfolio manager with the Adviser since 1999. Ms. Austin received her Bachelor of Business Administration in Public Accounting from Pace University. Ms. Austin is a Chartered Financial Analyst and a member of the New York Society of Securities Analysts. Ms. Austin is primarily responsible for the day-to-day management of the High Yield Bond Fund.

For each Fund, the Statement of Additional Information provides additional information about (i) the portfolio managers' compensation, (ii) other accounts, if any, managed by the portfolio managers and (iii) the portfolio managers' ownership, if any, of shares of the Fund that they manage.

How Share Price is Determined

The net asset value per share ("NAV") of each class of a Fund's shares is determined by dividing the total value of the Fund's portfolio investments and other assets attributable to such class, less any liabilities, by the total number of shares outstanding of that class. Fund shares are valued as of a particular time (the "Valuation Time") on each day ("Business Day") that the New York Stock Exchange is open for trading. The Valuation Time is ordinarily at the close of regular trading on the New York Stock Exchange (normally 4:00 p.m., Eastern time) (the "NYSE Close").

For purposes of calculating NAV, the Funds' investments for which market quotations are readily available are valued at market value. Market values for various types of securities and other instruments are determined on the basis of closing prices or last sales prices on an exchange or other market, or based on quotes or other market information obtained from quotation reporting systems, established market makers or pricing services. Please see "Purchase, Redemption, Exchange and Pricing of Fund Shares" in the Statement of Additional Information. Short-term investments having a maturity of 60 days or less are generally valued at amortized cost.

If market quotations are not readily available (including in cases when available market quotations are deemed to be unreliable), the Funds' investments will be valued as determined in good faith pursuant to policies and procedures approved by the Trustees (so called "fair value pricing"). Fair value pricing may require subjective determinations about the value of a security or other asset, and fair values used to determine a Fund's NAV may differ from quoted or published prices, or from prices that are used by others, for the same investments. Also, the use of fair value pricing may not always result in adjustments to the prices of securities or other assets held by a Fund.

The Funds may determine that market quotations are not readily available due to events relating to a single issuer (*e.g.*, corporate actions or announcements) or events relating to multiple issuers (*e.g.*, governmental actions or natural disasters). The Funds may determine the fair value of investments based on information provided by pricing services and other third-party vendors, which may recommend fair value prices or adjustments with reference to other securities, indices or assets. In considering whether fair value pricing is required and in determining fair values, the Funds may, among other things, consider significant events (which may be considered to include changes in the value of U.S. securities or securities indices) that occur after the close of the relevant market and before the Valuation Time. The Funds' use of fair value pricing may help deter short-term trading activity as discussed below under "Frequent Purchases and Redemptions of Fund Shares."

For purposes of calculating NAV, the Funds normally use pricing data for domestic equity securities received shortly after the NYSE Close and do not normally take into account trading, clearances or settlements that take place after the NYSE Close. Domestic fixed income and foreign securities are normally priced using data reflecting the earlier closing of the principal markets for those securities, subject to possible fair value adjustments. Information that becomes known to the Funds or their agents after NAV has been calculated on a particular day will not generally be used to retroactively adjust the price of a security or NAV determined earlier that day.

Investments initially valued in currencies other than the U.S. dollar are converted to U.S. dollars using exchange rates obtained from pricing services. As a result, NAV of a Fund's shares may be affected by changes in the value of currencies in relation to the U.S. dollar. The value of investments traded in markets outside the United States or denominated in currencies other than the U.S. dollar may be affected significantly on a day that the New York Stock Exchange is closed, and the net asset value of a Fund's shares may change on days when an investor is not able to purchase, redeem or exchange shares.

Shareholder Guide

HOW TO PURCHASE SHARES

Investment Minimums.

Shares of the Funds are offered for sale on a continuous basis at net asset value. Generally, share purchases are subject to the minimum investment amounts set forth below. A shareholder's financial advisor may establish higher investment minimums.

Class	***Minimum Initial Investment***	***Minimum Subsequent Investment***
Individual Investor*	$ 250	$ 50
Institutional	$500,000	$1,000
R**	$ 0	$ 0

* Investment minimums do not apply to purchase of Individual Investor Class shares of the Funds by SIMPLE and SEP individual retirement accounts (IRAs) or "tax sheltered accounts" under Section 403(b)(7) of the Internal Revenue Code of 1986, as amended.

** Specified benefit plans and financial service firms may impose investment minimums. Investors should contact their plan administrator or financial service firm for information.

Additional R Class Share Eligibility Criteria

R Class shares of the Funds generally are available to 401(k) plans, 457 plans, 403(b) plans, profit sharing and money purchase pension plans, defined benefit plans, non-qualified deferred compensation plans, health care benefit funding plans and other specified benefit plans and accounts with respect to which the plan or the plan's financial service firm has an agreement with the Funds' distributor or the Adviser to use R Class shares in certain investment products or programs (collectively, "specified benefit plans"). R Class shares generally are not available to traditional and Roth IRAs, Coverdell Education Savings Accounts, SEPs, SAR-SEPs, SIMPLE IRAs or individual 403(b) plans.

The administrator of a specified benefit plan or employee benefits office can provide participants with detailed information on how to participate in the plan and how to elect a Fund as an investment option. Plan participants may be permitted to elect different investment options, alter the amounts contributed to the plan, or change how contributions are allocated among investment options in accordance with the plan's specific provisions. The plan administrator or employee benefits office should be consulted for details. For questions about participant accounts, participants should contact their employee benefits office, the plan administrator or the organization that provides recordkeeping services for the plan.

In General

Generally, if a purchase order is received in proper form by the Trust's transfer agent by the close of trading on the New York Stock Exchange (usually 4:00 p.m., Eastern time) on a business day, the shares will be purchased at the net asset value determined as of that day; otherwise, the shares will be purchased at the net asset value next determined.

There are certain exceptions when an order is received by a broker or dealer prior to the close of regular trading on the New York Stock Exchange and then transmitted to the transfer agent after the net asset value has been calculated for that day (in which case the order may be processed at that day's net asset value). In such cases, it is the financial institution's responsibility to transmit orders so that they will be received by the Trust's transfer agent (or such other entity) on a timely basis.

Investors who purchase shares through specified benefit plans should be aware that plan administrators may aggregate purchase, redemption and exchange orders for participants in the plan. Therefore, there may be a delay between the time the investor places an order with the plan administrator and the time the order is forwarded to the transfer agent for execution.

The Trust does not process orders on days when the New York Stock Exchange is closed. If a purchase order is received by the transfer agent on a day when the New York Stock Exchange is closed, it will be processed on the next succeeding day when the New York Stock Exchange is open (at the succeeding day's net asset value.)

An investor should invest in the Funds for long-term investment purposes only. The Trust reserves the right to refuse a purchase if, in the judgment of the Adviser, the purchase would adversely affect a Fund and its shareholders. In particular, the Trust and the Adviser each reserve the right to utilize various measures including, but not limited to, restricting purchases of Fund shares or closing an account when a pattern of frequent purchases and sales made in response to short-term fluctuations in share price appears evident. Notice of any such restrictions will vary according to the particular circumstances.

Federal law requires all financial institutions to obtain and record personal information about an investor to verify the investor's identity. If an investor refuses to provide such information, the Funds and other financial institutions may be unable to open an account for such investor. Each Fund reserves the right to reject any purchase order (including via an exchange) or to suspend or to modify the continuous offering of its shares. Each Fund further reserves the right to close an account (or to take such other steps as such Fund deems reasonable) for any lawful reason, including but not limited to the suspicion of fraud or other illegal activity in connection with the account.

Share Certificates. The Funds do not issue share certificates.

PURCHASES

Initial Purchases of Individual Investor Class Shares or Institutional Class Shares

Investing by Mail

To make an initial purchase of Individual Investor Class or Institutional Class shares, complete and sign a new account application (available upon request by writing the Trust at the mailing address below, by calling 800-767-1729 or by visiting the Pax World website at www.paxworld.com) and return it, together with a check made payable to "Pax World Funds":

by regular mail to:

Pax World Funds
P.O. Box 9824
Providence, Rhode Island 02940-8024

or, by overnight delivery to:

Pax World Funds
c/o PFPC, Inc.
101 Sabin Street
Pawtucket, Rhode Island 02860-1427
Toll-Free Telephone: 800-372-7827

Please note that the Trust cannot accept money orders or cashier's, third-party, traveler or starter checks.

Individual Investor Class and Institutional Class share purchases will not be processed until full payment is received. Share ownership shall be recorded on the books of the transfer agent in an account under the purchaser's name, and a confirmation of the purchase will be issued to the purchaser showing the account number and the number of shares owned.

Individual Investor Class or Institutional Class shareholders who wish to register an account in the name of a beneficiary for the purpose of transferring the account upon death may do so, subject to the understanding that the laws of the state listed as the shareholder's address at the time of registration shall govern such transfer if such state has adopted the Uniform Transfer on Death Securities Registration Act; otherwise, the Uniform Transfer on Death Security Registration Act, as adopted by the State of Delaware, shall apply. A Transfer on Death Form is available upon request by writing the applicable Fund at the mailing address below, by calling 800-372-7827 or by visiting the Pax World website at www.paxworld.com.

Financial Advisors. A shareholder's financial advisor can help the shareholder purchase Individual Investor Class or Institutional Class shares. A financial advisor may independently establish and charge transaction fees and/or other additional amounts for such services, which may change over time. These fees and additional amounts could reduce a shareholder's investment returns on shares of the Funds.

Subsequent Purchases of Individual Investor Class Shares or Institutional Class Shares

Investing by Mail

Shareholders may purchase additional Individual Investor Class or Institutional Class shares of a Fund by sending a check made payable to the order of "Pax World Funds" and referencing the account number and Fund name on the memo line, or in a separate letter of instruction, to one of the addresses listed above under the caption "Initial Purchases of Shares — Investing by Mail." A written confirmation of the purchase transaction will be sent to the shareholder at his or her address of record. Please note that shares purchased by check are not immediately available for redemption. See the section captioned "How to Sell Shares" below for more information.

Investing by Telephone

In order to purchase additional Individual Investor Class or Institutional Class shares of a Fund by telephone, a shareholder must:

- authorize telephone purchases and provide bank information for electronic (ACH) transfers on his or her initial application form or on an Optional Account Services form (the Optional Account Services form is available at the Pax World website at www.paxworld.com and may be requested by calling Pax World toll-free at 800-372-7827); and then
- telephone Pax World toll-free at 800-372-7827, Monday through Friday (except holidays) between the hours of 8:00 a.m. and 6:00 p.m., Eastern time.

For shareholder protection and to prevent fraudulent purchases, telephone calls may be recorded, and shareholders will be asked to verify their account information. A written confirmation of the purchase transaction will be sent to the shareholder at his or her address of record.

Each Fund reserves the right to cancel any telephone purchase order for which electronic (ACH) payment has not been received by the next business day following the date on which the order is received. Please note that shares purchased by electronic (ACH) transfer are not immediately available for redemption. See the section captioned "How to Sell Shares" below for more information.

Investing by Wire Transfer

In order to purchase additional Individual Investor Class or Institutional Class shares of a Fund by wire transfer, a shareholder must:

- telephone Pax World toll-free at 800-372-7827 (for individual shareholders) or 800-635-1404 (for broker/dealers) to notify Pax World of the shareholder's intent to purchase shares of a Fund by wire transfer; and then
- instruct his or her bank to transfer funds by wire to the following account:

Bank Name:	PNC Bank, Philadelphia, PA
ABA Number:	031000053
Account Name:	Pax World Funds
Account No.:	8551007715
Further Credit:	Fund Name, Share Class, Shareholder Name and Shareholder Account Number

A written confirmation of the purchase transaction will be sent to the shareholder at his or her address of record.

Investing Online

In order to purchase additional Individual Investor Class or Institutional Class shares of a Fund online, a shareholder must:

- authorize online purchases and provide bank information for electronic (ACH) transfers on his or her initial application form or an Optional Account Services form (the Optional Account Services form is available at the Pax World website at www.paxworld.com and may be requested by calling Pax World toll-free at 800-372-7827); and then

- go to www.paxworld.com, use his or her Login ID and PIN to access his or her account and follow the on-screen instructions to purchase shares.

A written confirmation of the purchase transaction will be sent to the shareholder at his or her address of record.

Each Fund reserves the right to cancel any online purchase order for which electronic (ACH) payment has not been received by the next business day following the date on which the order is received. Please note that shares purchased by electronic (ACH) transfer are not immediately available for redemption. See the section captioned "How to Sell Shares" below for more information.

Automatic Investment Plan. Under the Pax World Automatic Investment Plan, a shareholder may make regular monthly or quarterly purchases of Individual Investor Class or Institutional Class shares via an automatic debit from a bank account. For additional information about this service, please contact Pax World toll-free at 800-372-7827 between the hours of 9:00 a.m. and 8:00 p.m., Eastern time, or visit the Pax World website at www.paxworld.com.

Financial Advisors. A shareholder's financial advisor can help the shareholder purchase additional Individual Investor Class or Institutional Class shares. A financial advisor may independently establish and charge transaction fees and/or other additional amounts for such services, which may change over time. These fees and additional amounts could reduce a shareholder's investment returns on shares of the Funds.

Purchases of R Class Shares

R Class shares of each Fund are continuously offered to specified benefit plans. Plan participants may purchase R Class shares through their specified benefit plan or service provider. In connection with purchases, specified benefit plans are responsible for forwarding all necessary documentation to their financial service firm or to the distributor. Specified benefit plans and financial service firms may charge a fee for such services, which may change over time and which could reduce a shareholder's investment returns on R Class shares of the Funds.

A specified benefit plan may also purchase R Class shares directly from the Trust. To make direct investments, a plan administrator must open an account with the Fund and send payment for R Class shares by mail.

Specified benefit plans that wish to invest directly by mail should send a check payable to Pax World Funds along with a completed and signed new account application:

by regular mail to:

Pax World Funds
P.O. Box 9824
Providence, Rhode Island 02940-8024

or, by overnight delivery to:

Pax World Funds
c/o PFPC, Inc.
101 Sabin Street
Pawtucket, Rhode Island 02860-1427
Toll-Free Telephone: 800-372-7827

R Class share purchases will not be processed until full payment is received. R Class shares of the Funds will be held in a plan participant's account (which in turn may hold R Class shares through the account of a financial service firm) and, generally, specified benefit plans will hold R Class shares (either directly or through a financial service firm) in nominee or street name as the participant's agent. In most cases, the transfer agent will have no information with respect to or control over accounts of specific R Class shareholders and participants may obtain information about their accounts only through their plan.

Confirmation of purchase will be issued to the specified benefit plan or plan shareholder that purchased the shares.

Subsequent purchases of R Class shares may be made by mailing a check to the address above with a letter setting forth the account number and Fund name or with the additional investment portion of a confirmation statement. Checks for subsequent purchases should be payable to Pax World Funds and, if not stated in an accompanying letter, should clearly indicate the account number and Fund name. The Trust reserves the right to require payment by wire or U.S. bank check.

Please note that the Trust cannot accept money orders or cashier's, third-party, traveler or starter checks.

HOW TO SELL SHARES

Redemptions of Individual Investor Class Shares and Institutional Class Shares

Shareholders may redeem (sell) Individual Investor Class or Institutional Class shares of a Fund as described below for cash at the net asset value per share next determined after the Fund's transfer agent receives a redemption request in proper form. Unless eligible for a waiver, shareholders who redeem Individual

Investor Class or Institutional Class shares of the High Yield Bond Fund within 45 days of acquisition will be subject to a redemption fee of 2.00% of the net asset value of the shares redeemed. See "Redemption Fee" below. A redemption request must be in writing and the signature(s) on the redemption request (and on the share certificates or stock transfer power, if the shares are certificated) must be guaranteed by an "eligible guarantor institution" if the proceeds of the redemption:

- exceed $50,000;
- are to be paid to a person other than the record owner;
- are to be sent (i) to an address other than the address on the transfer agent's records or (ii) within 30 days after the transfer agent has been notified of an address change;
- are being sent by wire or ACH transfer to a bank account other than the one that is preauthorized on the transfer agent's records; or
- are to be paid to a corporation, partnership or fiduciary.

An "eligible guarantor institution" includes any domestic bank or trust company, broker, dealer, clearing agency, savings association or other financial institution that participates in a medallion program recognized by the Securities Transfer Agents Association. The three recognized medallion programs are:

- Securities Transfer Agents Medallion Program (STAMP);
- Stock Exchanges Medallion Program (SEMP); and
- New York Stock Exchange, Inc. Medallion Signature Program (MSP).

Signature guarantees made by entities that are not a part of these programs will not be accepted. Please note that financial institutions participating in a recognized medallion program may still be ineligible to provide a signature guarantee for transactions of greater than a certain dollar amount. The Trust's transfer agent reserves the right to request additional information from, and to make reasonable inquiries of, any eligible guarantor institution.

Generally, payment for Individual Investor Class or Institutional Class shares redeemed will be made by check, electronic (ACH) transfer or wire transfer within seven days after receipt by the Trust's transfer agent of the redemption request (and share certificates, if the shares are certificated) in proper form. Redemptions and/or payments for shares redeemed may be suspended for more than seven days when trading on the New York Stock Exchange is restricted or during an emergency that makes it impractical for the Funds to dispose of their securities or to determine fairly the value of their net assets, or during any other period permitted by the Securities and Exchange Commission for the protection of investors. Each Fund charges a fee of $10.00 for each wire redemption.

Individual Investor Class and Institutional Class shares purchased by check or electronic (ACH) transfer are held in escrow by a Fund's transfer agent until the check has been collected or the payment has been received, which may take up to 10 days. Payment for shares redeemed will be delayed in such cases until the transfer agent has confirmed receipt of payment for such shares.

Redeeming by Mail

An Individual Investor Class or Institutional Class shareholder may request a redemption of up to $50,000 by written request signed by all account owners exactly as their names appear on the records of the Trust's transfer agent. If some or all of the shares are certificated, then the certificates, signed in the name(s) shown on the faces of the certificates, must be received by the transfer agent before the redemption request will be processed. If a corporation, partnership, trust or fiduciary requests redemption, written evidence of authority acceptable to the transfer agent must be submitted before the redemption request will be processed. Written redemption requests and all related documents and instruments should be directed to the transfer agent

by regular mail to:

Pax World Funds
P.O. Box 9824
Providence, Rhode Island 02940-8024

or, by overnight delivery to:

Pax World Funds
c/o PFPC, Inc.
101 Sabin Street
Pawtucket, Rhode Island 02860-1427
Toll-Free Telephone: 800-372-7827

Redeeming by Telephone

An Individual Investor Class or Institutional Class shareholder may request a redemption of at least $1,000 by telephone. Telephone redemptions may not exceed $50,000 in the aggregate during any 30-day period. The proceeds from a telephone redemption may be paid only to the record owner(s), may be sent only to the record address or to a pre-authorized bank account and cannot be made within 30 days after the transfer agent has been notified of an address change for the account. If there are multiple record owners, the transfer agent may rely upon the instructions of only one record owner.

In order to redeem Individual Investor Class or Institutional Class shares by telephone, a shareholder must:

- authorize telephone redemptions on his or her initial application form or on an Optional Account Services form (the Optional Account Services form is

available at the Pax World website at www.paxworld.com and may be requested by calling Pax World toll-free at 800-372-7827); and then
- telephone Pax World toll-free at 800-372-7827, Monday through Friday (except holidays) between the hours of 8:00 a.m. and 6:00 p.m., Eastern time.

For shareholder protection and to prevent fraudulent redemptions, telephone calls may be recorded, and shareholders will be asked to verify their account information. A written confirmation of the redemption transaction will be sent to the shareholder at his or her address of record.

Redeeming Online

An Individual Investor Class or Institutional Class shareholder may request a redemption of no more than $50,000 online. The proceeds from an online redemption may be paid only to the record owner(s), may be sent only to the record address or to a pre-authorized bank account and cannot be made within 30 days after the transfer agent has been notified of an address change for the account. If there are multiple record owners, the transfer agent may rely upon the instructions of only one record owner.

In order to redeem Individual Investor Class or Institutional Class shares online, a shareholder must:

- authorize online redemptions on his or her initial application form or an Optional Account Services form (the Optional Account Services form is available at the Pax World website at www.paxworld.com and may be requested by calling Pax World toll-free at 800-372-7827); then
- go to www.paxworld.com, use his or her Login ID and PIN to access his or her account and follow the on-screen instructions to redeem shares.

A written confirmation of the redemption transaction will be sent to the shareholder at his or her address of record.

Voluntary Withdrawal Plan. A voluntary, systematic withdrawal plan is available to Individual Investor Class or Institutional Class shareholders with account balances of $10,000 or more, which provides for monthly, bi-monthly, quarterly or semi-annual withdrawals. For additional information about this service, please contact Pax World toll-free at 800-372-7827 between the hours of 8:00 a.m. and 6:00 p.m., Eastern time, or visit the Pax World website at www.paxworld.com.

Financial Advisors. A shareholder's financial advisor can help the shareholder redeem Individual Investor Class or Institutional Class shares. A financial advisor may independently establish and charge transaction fees and/or other additional amounts for such services, which may change over time. These fees and additional amounts could reduce a shareholder's investment returns on shares of the Funds.

Redemptions of R Class Shares

R Class investors may redeem (sell) shares of a Fund through their plan administrator. R Class shares are redeemed for cash at the net asset value per share next determined after the transfer agent receives a redemption request in proper form. Unless eligible for a waiver, shareholders who redeem R Class shares of the High Yield Bond Fund within 45 days of acquisition will be subject to a redemption fee of 2.00% of the net asset value of the shares redeemed. See "Redemption Fee" below. A redemption request must be in writing.

Specified benefit plans and financial service firms may impose various additional fees for their services in processing redemption requests, which may change over time. These fees and additional amounts could reduce a shareholder's investment returns on shares of the Funds. Please contact the plan or firm for details.

Subject to any restrictions in the applicable specified benefit plan documents, plan administrators are obligated to transmit redemption orders to the Trust or their financial service firm promptly and are responsible for ensuring that redemption requests are in proper form. Specified benefit plans and financial service firms will be responsible for furnishing all necessary documentation to the Trust or the transfer agent and may charge for their services.

Redemption proceeds will be forwarded to the specified benefit plan or financial service firm as promptly as possible and in any event within seven days after the redemption request is received by the Trust in good order.

In General

Redemptions of Fund shares may be suspended when trading on the New York Stock Exchange is restricted or during an emergency which makes it impracticable for the Funds to dispose of their securities or to determine fairly the value of their net assets, or during any other period as permitted by the Securities and Exchange Commission for the protection of investors. Under these and other unusual circumstances, the Funds may suspend redemptions or postpone payment for more than seven days, as permitted by law.

Involuntary Redemptions. Due to the relatively high costs of maintaining small accounts, shareholders are asked to maintain an account balance in each Fund in which they invest equal to at least the minimum investment necessary to open the account. The Trust reserves the right to redeem all shares held by any shareholder, other than an individual retirement account (IRA) or other tax-deferred retirement plan shareholder, whose account has a balance in an amount less than the minimum investment necessary to open the account. The Trust will give any shareholder subject to involuntary redemption 60 days' prior written notice, during which time the shareholder may purchase sufficient additional shares to avoid involuntary redemption. A shareholder's Fund account will not be liquidated if the reduction in size is due solely to decline in market value of a shareholder's Fund shares.

Redemption Fee (High Yield Bond Fund Only). Generally, a redemption of shares of the High Yield Bond Fund is subject to a redemption fee of 2.00% of the net asset value of the shares redeemed or exchanged if such redemption occurs within 45 days after purchase of such shares. These redemption fees apply to exchanges for shares of other Pax World funds as well as to redemptions for cash.

In cases when redeeming shareholders hold shares acquired on different dates, the first-in/first-out method will be used to determine which shares are being redeemed, and therefore whether a redemption fee is payable. Redemption fees are deducted from the amount to be received in connection with a redemption or exchange and are paid to the High Yield Bond Fund for the purpose of offsetting any costs associated with short-term trading, thereby insulating longer-term shareholders from such costs. There is no assurance that the use of redemption fees will be successful in this regard. See, for example, "Limitations on the Assessment of Redemption Fees" below. In cases when redemptions are processed through financial intermediaries, there may be a delay between the time the shareholder redeems his or her shares and the payment of the redemption fee to the High Yield Bond Fund, depending upon such financial intermediaries' trade processing procedures and systems.

Limitations on the Assessment of Redemption Fees. The High Yield Bond Fund may not be able to impose and/or collect the redemption fee in certain circumstances. For example, the High Yield Bond Fund will not be able to collect the redemption fee on redemptions and exchanges by shareholders who invest through retirement plans or financial intermediaries (for example, through certain broker-dealer omnibus accounts or recordkeeping organizations) that have not agreed to assess or collect the redemption fee from such shareholders or that have not agreed to provide the information necessary for the High Yield Bond Fund to impose the redemption fee on such shareholders or do not currently have the capability to assess or collect the redemption fee. The High Yield Bond Fund may nonetheless continue to effect share transactions for such shareholders and financial intermediaries. By their nature, omnibus accounts, in which purchases and sales of High Yield Bond Fund shares by multiple investors are aggregated for presentation to the High Yield Bond Fund on a net basis, conceal the identity of individual investors from the High Yield Bond Fund. This makes it more difficult to identify short-term transactions in the High Yield Bond

Fund, and makes assessment of the redemption fee on transactions effected through such accounts impractical without the assistance of the financial intermediary. Due to these limitations on the assessment of the redemption fee, the use of redemption fees by the High Yield Bond Fund may not successfully eliminate excessive short-term trading in shares of the High Yield Bond Fund or fully insulate long-term shareholders from associated costs.

Waivers of Redemption Fees. The redemption fee is waived for shares of the High Yield Bond Fund that are (i) acquired through the reinvestment of dividends or distributions, (ii) transferred from one account in the High Yield Bond Fund to another account in the High Yield Bond Fund, (iii) converted from one class of shares of the High Yield Bond Fund to another class of shares of the High Yield Bond Fund, (iv) redeemed due to a shareholder's death, in compliance with a court order, or to cover certain shareholder fees (e.g., overnight delivery fees, returned check fees, etc.), (v) acquired pursuant to the Pax World Voluntary Withdrawal Plan (described under the caption "Voluntary Withdrawal Plan") or (vi) otherwise as the Adviser or the Trust may determine in its sole discretion.

Applicability of Redemption Fees in Certain Participant-Directed Retirement Plans. Redemption fees will not apply to the following transactions in participant-directed retirement plans (such as 401(k), 403(b) and 457 plans): 1) redemptions made in connection with taking out a loan from the plan; 2) redemptions in connection with disability, forfeiture, hardship withdrawals, or qualified domestic relations orders; 3) redemptions made as part of a systematic withdrawal plan; 4) redemptions made by a defined contribution plan in connection with a termination or restructuring of the plan; and 5) redemptions made in connection with a participant's termination of employment.

The Trust may eliminate or modify the waivers enumerated above at any time, in its sole discretion. Shareholders will receive 60 days' notice of any material changes to the redemption fee, unless otherwise permitted by law.

A shareholder must notify the transfer agent if he or she is entitled to the redemption fee waiver at the time he or she provides a redemption request.

HOW TO EXCHANGE SHARES

In General

A shareholder may exchange Individual Investor Class or Institutional Class Shares of any Fund for shares of the same class of any other Pax World fund, subject to the minimum investment requirements of such classes and to the frequent purchase and redemptions policies described below. Unless eligible for a waiver, shareholders who exchange shares of the High Yield Bond Fund within 45 days of their acquisition will be subject to a redemption fee of 2.00% of the net asset value of the shares redeemed. See “Redemption Fee” above. In addition, an exchange will be treated as a redemption and purchase for tax purposes and any gain on such transaction may be subject to federal income tax, except that an exchange of shares between two classes of the same Pax World fund generally is not a taxable exchange. Shares are exchanged on the basis of their respective net asset values, minus any applicable redemption fee, next determined after the transfer agent receives the exchange request in proper form.

The Trust reserves the right to suspend exchange privileges on any account if the Adviser determines that the account’s exchange activity is likely to adversely affect its ability to manage the Funds. See the section below captioned “Frequent Purchases and Redemptions of Fund Shares.”

Exchanging Individual Investor Class Shares and Institutional Class Shares

Exchanging by Mail

Shareholders may exchange Individual Investor Class and Institutional Class shares of a Fund by mailing an exchange request:

by regular mail to:

Pax World Funds
P.O. Box 9824
Providence, Rhode Island 02940-8024

or, by overnight delivery to:

Pax World Funds
c/o PFPC, Inc.
101 Sabin Street
Pawtucket, Rhode Island 02860-1427
Toll-Free Telephone: 800-372-7827

Exchanging by Telephone

In order to exchange Individual Investor Class and Institutional Class shares by telephone, a shareholder must:

- authorize telephone redemptions on his or her initial application form or on an Optional Account Services form (the Optional Account Services form is available at the Pax World website at www.paxworld.com and may be requested by calling Pax World toll-free at 800-372-7827); and then
- telephone Pax World toll-free at 800-372-7827, Monday through Friday (except holidays) between the hours of 8:00 a.m. and 6:00 p.m., Eastern time.

For shareholder protection and to prevent fraudulent exchanges, telephone calls may be recorded, and shareholders will be asked to verify their account information. A written confirmation of the exchange transaction will be sent to the shareholder at his or her address of record.

Exchanging Online

In order to exchange Individual Investor Class and Institutional Class shares online, a shareholder must:

- authorize online exchanges on his or her initial application form or an Optional Account Services form (the Optional Account Services form is available at the Pax World website at www.paxworld.com and may be requested by calling Pax World toll-free at 800-372-7827); and then
- go to www.paxworld.com, use his or her Login ID and PIN to access his or her account and follow the on-screen instructions to exchange shares.

A written confirmation of the exchange transaction will be sent to the shareholder at his or her address of record.

Financial Advisors. A shareholder's financial advisor can help the shareholder exchange Individual Investor Class and Institutional Class shares. A financial advisor may independently establish and charge transaction fees and/or other additional amounts for such services, which may change over time. These fees and additional amounts could reduce a shareholder's investment returns on shares of the Funds.

Exchanging R Class Shares

Plan participants should contact their plan administrators to exchange R Class shares and for additional information about the exchange privilege. Specified benefit plans or financial service firms may impose various additional fees and charges, investment minimums and other requirements with respect to exchanges. Specified benefit plans may also limit exchanges to Funds offered as investment options in the plan.

FREQUENT PURCHASES AND REDEMPTIONS OF FUND SHARES

The Trust generally encourages shareholders to invest in the Funds as part of a long-term investment strategy. The interests of the Funds' long-term shareholders may be adversely affected by certain short-term trading activity by Fund shareholders. Such short-term trading activity, when excessive, has the potential to interfere with efficient portfolio management, to generate transaction and other costs, to dilute the value of Fund shares held by long-term shareholders and to otherwise adversely affect the Funds. This type of excessive short-term trading activity is referred to herein as "frequent purchases and redemptions." The Funds are not intended as vehicles for frequent purchases and redemptions.

Accordingly, the Trust's Board of Trustees has adopted policies and procedures that are reasonably designed to discourage, and otherwise to limit the negative affects of, frequent purchases and redemptions of Fund shares by Fund shareholders. These policies and procedures require a Fund to:

- in the case of the High Yield Bond Fund, impose a redemption fee on most shares redeemed or exchanged within 45 days after purchase;*
- actively monitor daily purchases and redemptions in order to detect and prevent excessive and disruptive trading practices; and
- use fair value pricing when market prices are not readily available.

* The redemption fee imposed or shares of the High Yield Bond Fund are waived under certain circumstances. Please see "Redemption Fee — Limitations on the Assessment of Redemption Fees" and "Redemption Fees — Applicability of Redemption Fees in Certain Participant-Directed Retirement Plans" above for additional details.

The policies and procedures described above are intended to deter frequent purchases and redemptions in the Funds. However, there can be no assurance that these policies and procedures, individually or collectively, will be totally effective in this regard. A substantial portion of purchase, redemption and exchange orders are received through omnibus accounts. Omnibus accounts, in which purchases and sales of Fund shares by multiple investors are aggregated for presentation to the Fund on a net basis, conceal the identity of individual investors from the Fund because the financial intermediary maintains the record of underlying beneficial owners. In addition, certain financial intermediaries have different policies regarding monitoring and restricting frequent purchases and redemptions in the underlying beneficial owner accounts that they maintain through an omnibus account that may be more or less restrictive than the Funds' practices discussed above.

The Trust's Board of Trustees reserves the right to amend its policies and procedures at any time and from time to time in its sole discretion, without prior notice to shareholders.

ADDITIONAL INFORMATION ABOUT SPECIFIED BENEFIT PLANS (R CLASS SHAREHOLDERS ONLY)

Financial service firms may provide or arrange for the provision of some or all of the shareholder servicing and account maintenance services required by specified benefit plan accounts and their plan participants, including, without limitation, transfers of registration and dividend payee changes. Financial service firms may also perform other functions, including generating confirmation statements and may arrange with plan administrators for other investment or administrative services. Financial service firms may independently establish and charge specified benefit plans and plan participants transaction fees and/or other additional amounts for such services, which may change over time. Similarly, specified benefit plans may charge plan participants for certain expenses. These fees and additional amounts could reduce an investment return in R Class shares of a Fund.

Financial service firms and specified benefit plans may have omnibus accounts and similar arrangements with the Funds and may be paid for providing shareholder servicing and other services. A firm or specified benefit plan may be paid for its services directly or indirectly by the Funds, the Adviser or an affiliate (normally not to exceed an annual rate of 0.15% of a Fund's average daily net assets attributable to its R Class shares and purchased through such firm or specified benefit plan for its clients). The Funds' distributor may also pay a financial service firm or specified benefit plan for sub-transfer agency or other administrative services. Such services are described in greater detail below under "Payments for Sub-Transfer Agency Services".

Your specified benefit plan may establish various minimum investment requirements for R Class shares of the Funds and may also establish certain privileges with respect to purchases, redemptions and exchanges of R Class shares or the reinvestment of dividends. Plan participants should contact their plan administrator for additional information. Plan administrators should contact their financial service firm for information about the firm. This Prospectus should be read in connection with the specified benefit plan's and/or the financial service firm's materials regarding its fees and services.

For further details about payments made to financial service firms, please see "Additional Payments to Financial Intermediaries" below and "Distribution" in the Statement of Additional Information.

Taxes; Dividends and Distributions

TAXES

For federal income tax purposes, distributions of investment income are taxable as ordinary income. Taxes on distributions of capital gains are determined by how long a Fund owned the investments that generated them, rather than how long you have owned your shares. Distributions are taxable to you even if they are paid from income or gains earned by a Fund before your investment (and thus were included in the price you paid). Properly designated distributions of gains from investments that a Fund owned for more than one year are taxable as long-term capital gains. Distributions of gains from investments that a Fund owned for one year or less and gains on the sale of bonds characterized as market discount are taxable as ordinary income. Properly designated distributions of "qualified dividend income" are taxable at the rate applicable to long-term capital gains provided that both you and the Fund meet certain holding period and other requirements. The High Yield Bond Fund does not expect a significant portion of Fund distributions to be derived from qualified dividend income. Distributions are taxable whether you receive them in cash or reinvest them in additional shares.

Distributions by a Fund to retirement plans that qualify for tax-exempt treatment under federal income tax laws will not be taxable. Special tax rules apply to investments through such plans. You should consult your tax advisor to determine the suitability of a Fund as an investment through such a plan and the tax treatment of distributions (including distributions of amounts attributable to an investment in the Fund) from such a plan.

A Fund's investments in certain debt obligations may cause a Fund to recognize taxable income in excess of the cash generated by such obligations. Thus, a Fund could be required at times to liquidate other investments in order to satisfy its distribution requirements.

A Fund's investments in foreign securities may be subject to foreign withholding taxes. In that case, a Fund's return on those investments would be decreased. Shareholders of the Funds generally will not be entitled to claim a credit or deduction with respect to foreign taxes. In addition, a Fund's investment in foreign securities or foreign currencies may increase or accelerate the Fund's recognition of ordinary income and may affect the timing or amount of the Fund's distributions.

A Fund's use of derivatives may affect the amount, timing, and character of distributions to shareholders and therefore may increase the amount of taxes payable by shareholders.

Any gain resulting from the sale or exchange of your shares will generally also be subject to tax.

* * * * *

The tax information provided in this prospectus is general information and may not apply to a shareholder if he or she is investing through a tax-deferred account such as an IRA or a qualified employee benefit plan. This information is based on current tax laws and regulations, which may change (possibly with retroactive affect). Shareholders are urged to consult their own tax adviser regarding their particular tax situation (under federal, state, local, and foreign tax laws).

More information about taxes is contained in the Statement of Additional Information.

DIVIDENDS AND DISTRIBUTIONS

Each Fund distributes substantially all of its net investment income to shareholders in the form of dividends. A shareholder begins earning dividends on Fund shares the day after the Fund receives his or her purchase payment. Dividends paid by each Fund with respect to each class of shares are calculated in the same manner and at the same time, but dividends on Individual Investor Class and R Class shares are expected to be lower than dividends on Institutional Class shares as a result of the distribution fees applicable to Individual Investor Class and R Class shares. The Balanced Fund and the Growth Fund each expect to pay dividends on net investment income, if any, semiannually and to make distributions of capital gains, if any, at least annually. The High Yield Bond Fund expects to pay dividends on net investment income, if any, monthly and to make distributions of capital gains, if any, at least annually. “Dividends” represent interest and dividends earned from securities held by a Fund, net of expenses incurred by the Fund. “Capital gains” represent net long-term capital gains on sales of securities held for more than 12 months and net short-term capital gains on sales of securities held for 12 months or less.

Shareholders may elect one of the following options for receipt of their dividend and capital gain distributions, if any:

- Reinvest all distributions in additional shares of the same class of the Fund. *This will be done unless the shareholder elects another option.*
- Reinvest all distributions in shares of the same class of another Fund at net asset value. The shareholder must have an account existing in the Fund selected for investment with the identical registered name. The shareholder must elect this option on his or her account application or by a telephone request to the transfer agent.
- Receive dividends in cash (see options below) and reinvest capital gains in additional shares of the same class of the Fund or another Fund at net asset value.
- Reinvest dividends in additional shares of the same class of the Fund or another Fund at net asset value and receive capital gains in cash (see options below).
- Receive all distributions in cash by one of the following methods:
  - o Send the check to the shareholder’s address of record.
  - o Send the check to a third party address.
  - o Transfer the money to the shareholder’s bank via electronic (ACH) transfer.

Plan participants who elect to receive cash distributions in connection with R Class shares will receive such distributions through their plan administrators.

Shareholders should elect an option by sending written instructions to the transfer agent:

by regular mail to:	or by overnight delivery to:
Pax World Funds P.O. Box 9824 Providence, Rhode Island 02940-8024	Pax World Funds c/o PFPC, Inc. 101 Sabin Street Pawtucket, Rhode Island 02860-1427 Toll-Free Telephone: 800-372-7827

If a shareholder elects to have distributions reinvested in shares of a Fund, a confirmation of any reinvestment will be sent to the shareholder by the transfer agent at such shareholder's address of record (or, for R Class shareholders, to such shareholders' plan administrators).

Important Note Regarding "Lost Shareholders"

If a shareholder elects to receive Fund distributions in cash and the postal or other delivery service is unable to deliver checks to such shareholder's address of record, the Fund's transfer agent will hold the returned checks for such shareholder's benefit in a non-interest bearing account until they escheat to a state under applicable law.

Distribution Arrangements

RULE 12B-1 PLANS

Each Fund has adopted a plan (each, the "Plan") pursuant to Rule 12b-1 under the Investment Company Act of 1940, as amended, that allows it to pay distribution fees for the sale and distribution of its Individual Investor Class and R Class shares and for personal services rendered to such shareholders and/or the maintenance of shareholder accounts. For each such Fund, the annual fees may equal up to 0.25% or 0.50% of the average daily net assets allocable to Individual Investor Class shares or R Class shares, respectively, of such Fund.

Because distribution and service fees are paid out of the Funds' assets on an ongoing basis, over time these expenses will increase the cost of your investment and may cost you more than paying other types of sales charges (loads).

PAYMENTS FOR SUB-TRANSFER AGENCY SERVICES

The Funds may make payments to financial intermediaries (such as brokers or third party administrators) for providing shareholder services to shareholders holding Fund shares in nominee or street name, including, without limitation, the following services: processing and mailing trade confirmations, monthly statements, prospectuses, annual reports, semi-annual reports, and shareholder notices and other Securities and Exchange Commission-required communications; capturing and processing tax data; issuing and mailing dividend checks to shareholders who have selected cash distributions; preparing record date shareholder lists for proxy solicitations; collecting and posting distributions to shareholder accounts; and establishing and maintaining systematic withdrawals and automated investment plans and shareholder account registrations. The actual services provided, and the payments made for such services, vary from firm to firm. For these services, the Funds may pay an annual fee at a rate of up to 0.15% of the value of the assets in the relevant accounts. These payments may be material to financial intermediaries relative to other compensation paid by the Funds and/or the Adviser, PFPC Distributors, Inc., the Trust's principal underwriter, and their affiliates and are in addition to any distribution and/or servicing (12b-1) fees paid to such financial intermediaries. The payments described above may differ depending on the Fund and may vary from amounts paid to the Trust's transfer agent for providing similar services to other accounts. The Adviser and PFPC Distributors, Inc. do not audit the financial intermediaries to determine whether such intermediaries are providing the services for which they are receiving such payments.

ADDITIONAL PAYMENTS TO FINANCIAL INTERMEDIARIES

Financial intermediaries may receive various forms of compensation from the Funds as well as from the Adviser and/or PFPC Distributors, Inc. (for purposes of this section only, the Adviser and PFPC Distributors, Inc. are referred to collectively as the "Distributor") in connection with the sale of shares of a Fund to a shareholder or a shareholder remaining an investor in a Fund. The compensation that the financial intermediary receives will vary among financial intermediaries. The types of payments include payments under plans and payments by the Distributor out of its own assets.

These payments may provide an additional incentive to your financial intermediary to actively promote the Funds or to cooperate with the Distributor's promotional efforts. Depending on the arrangements in place at any particular time, a financial intermediary may have a financial incentive to recommend a particular Fund. **Shareholders should ask their financial intermediary for information about any payments it receives from the Distributor or the Funds and any services it provides, as well as about fees and/or commissions imposed on shareholders by the financial intermediary.** Financial intermediaries may categorize and disclose these arrangements differently than the Distributor does. Financial intermediaries that sell Fund shares may also act as a broker or dealer in connection with a Fund's purchase or sale of portfolio securities. However, the Funds and the Adviser do not consider a financial intermediary's sale of shares of a Fund as a factor when choosing brokers or dealers to effect portfolio transactions for the Funds.

The Distributor compensates financial intermediaries differently depending upon, among other factors, the level and/or type of marketing support provided by the financial intermediary. The Distributor generally does not make retail marketing support payments to a financial intermediary in an amount that exceeds, on an annual basis for any calendar year, 0.10% of the total Fund assets attributable to that financial intermediary. This restriction is subject to certain limited exceptions and may be increased or otherwise modified by the Distributor from time to time.

In addition, from time to time, the Distributor, at its expense, may make additional payments to financial intermediaries that sell or provide services in connection with the sale of Fund shares. Such payments by the Distributor may include payment or reimbursement to, or on behalf of, financial intermediaries for costs associated with the purchase of products or services used in connection with sales and marketing, as well as conferences or seminars, sales or training programs for invited registered representatives and other employees, client entertainment, client and investor events, and other financial intermediary-sponsored events, and travel expenses, including lodging incurred by registered representatives and other employees in connection with training and educational meetings, client prospecting, retention and due diligence trips. Other compensation may be offered to the extent not prohibited by federal or state laws or any self-regulatory agency, such as the National Association of Securities Dealers. The Distributor makes payments for entertainment events it deems appropriate, subject to the Distributor's policies and applicable law. These payments may vary depending upon the nature of the event.

Shareholder Services

ONLINE ACCOUNT ACCESS

For convenience, Pax World offers online account access for Individual Investor Class and Institutional Class shareholders. Using a Login ID and personal identification number (PIN), shareholders can access their Pax World accounts online at any time to review account balances or histories, to purchase or to redeem Fund shares or to make exchanges between different Pax World funds.

To obtain additional information about investing online, visit www.paxworld.com or call Pax World toll-free at 800-372-7827.

TAX-DEFERRED RETIREMENT PLANS

Various tax-deferred retirement plans and accounts, including IRAs, Coverdell Education Savings Accounts, Roth IRAs, SIMPLE IRAs, SEP (Simplified Employee Pension) IRA plans and "tax-sheltered accounts" under Section 403(b)(7) of the Internal Revenue Code, are available through Pax World. Information regarding the establishment and administration of these plans, custodial fees and other details is available from Pax World. If a shareholder is considering adopting such a plan, he or she should consult with his or her own legal and tax advisors with respect to the establishment and maintenance of such a plan.

DELIVERY OF SHAREHOLDER DOCUMENTS

In order to reduce expenses, it is intended that the Trust will deliver only one copy of the Trust's prospectus and each annual and semiannual report to any address shared by two or more accounts. Shareholders who wish to receive additional copies of these documents and who hold their shares directly with a Fund should request a separate copy by writing to Pax World at P.O. Box 9824, Providence, RI 02940, by telephoning Pax World toll-free at 800-372-7827 or by visiting Pax World's website at www.paxworld.com. Alternatively, if shares are held through a specified benefit plan or financial institution, please contact it directly. Within thirty days after receipt of a shareholder's request by the Trust or financial institution, as applicable, such party will begin sending shareholders individual copies.

Shareholders also may elect to have prospectuses, annual and semiannual reports delivered by email by enrolling in Pax World's electronic document delivery service, which is available through the Pax World website at www.paxworld.com.

Global Citizen Program

VOLUNTARY INCOME CONTRIBUTION TO MERCY CORPS

In order to complement the Funds' policy of investing in securities of companies whose businesses are essentially of a non-military nature, the Adviser's founders established Pax World Service, a non-profit philanthropic organization that allowed investors to support humanitarian relief and sustainable development activities around the world by designating a portion of their investment earnings (dividends and/or capital gains) for contribution to the organization. Pax World Service has since become incorporated into Mercy Corps, a leading humanitarian relief organization based in Portland, Oregon, whose programs currently reach nearly 10 million people in more than 35 countries. In particular, Mercy Corps focuses on helping communities recovering from war or social upheaval through humanitarian relief work, sustainable development initiatives and promoting the development of civil society institutions. Since 1979, Mercy Corps has provided $1 billion in assistance to people in 82 nations.

Shareholders of the Funds may, at their election, designate a **voluntary** contribution to Mercy Corps of a percentage of such shareholder's Fund distributions (including both income and capital gains). The relevant Fund will automatically calculate the dollar amount represented by such percentage and will forward such amount to Mercy Corps on the shareholder's behalf. Contributions to Mercy Corps are tax-deductible charitable contributions. Contributing shareholders will receive an annual confirmation for income tax purposes indicating the total amount of contributions made.

No compensation will be paid by Mercy Corps directly or indirectly to the officers and trustees of any Fund. In addition, the Board of Trustees has been advised by the Adviser that no compensation will be paid by Mercy Corps directly or indirectly to the directors of Mercy Corps, except for reimbursement of travel expenses and payment of other reasonable fees for services rendered on behalf of projects undertaken by Mercy Corps.

To register as a Mercy Corps designator, shareholders should check the appropriate box on their account applications and the Adviser will send a registration form to the shareholder. Additional information may be obtained by writing to Mercy Corps at 3015 SW 1st Avenue, Portland, Oregon 97201, by telephoning Mercy Corps at 503-796-6800 ext. 352 or toll-free at 800-292-3355 ext. 250 or the Funds toll-free at 800-767-1729, or by visiting the Mercy Corps website at www.mercycorps.org.

Pax World Management Corp. Client Privacy Statement

GUIDING PRINCIPLES

The relationship between Pax World Management Corp. and our clients is the most important asset of our firm. We strive to maintain your trust and confidence in our firm, an essential aspect of which is our commitment to protect your personal information to the best of our ability. We believe that all of our clients value their privacy, so we will not disclose your personal information to anyone unless it is required by law, at your direction, or is necessary to provide you with financial services. We have not and will not sell your personal information to anyone.

PERSONAL INFORMATION THAT WE COLLECT, MAINTAIN AND COMMUNICATE

Pax World Management Corp. collects and maintains your personal information so we can provide investment management services to you. The types and categories of information we collect and maintain about you include:

- Information we receive from you to open an account or provide investment advice to you (such as your name, home address, telephone number, marital status, social security number, name and social security number of beneficiaries, occupation and employment information, and tax bracket and other financial information, and investment history, including any information contained in subscription documents or investor questionnaires).
- Information that we generate to service your account (such as trade tickets and account statements).
- Information that we may receive from third parties with respect to your account (such as information which we may receive from your investment advisors, attorneys, accountants or other financial advisors).

In order for us to provide these services to you, we do disclose your personal information in very limited instances, which include:

- Disclosures to companies — subject to strict confidentiality agreements — that perform services on our behalf (such as our technology consultants who assist us in maintaining our computer systems).
- Disclosures to companies as permitted by law, including those necessary to service your account (such as providing account information to outside legal counsel, to other broker-dealers with whom you maintain an account or to custodians).
- Disclosures to regulatory agencies as permitted by law, including the Securities and Exchange Commission, the Treasury Department, and state securities commissions. These agencies may make official requests from time to time regarding customer accounts and trading activity, to which we are obligated to respond.

HOW WE PROTECT YOUR PERSONAL INFORMATION

To fulfill our privacy commitment at Pax World Management Corp., we have instituted firm-wide practices to safeguard the information that we maintain about you. These include:

- Adopting policies and procedures that put in place physical, electronic, and other safeguards to keep your personal information safe.
- Limiting access to personal information to those employees who need it to perform their job duties.
- Requiring third parties that perform services for us to agree by contract to keep your information strictly confidential.
- Protecting information of our former clients to the same extent as our current clients.

If you have any questions regarding our privacy commitment, please contact Maureen Conley at Pax World Management Corp. at 603-431-8022.

April 2007

Not a part of the prospectus.

Pax World mutual funds seek to invest in forward-thinking companies with sustainable business models. To identify those companies, we combine rigorous financial analysis with equally rigorous environmental, social and governance analysis. The result, we believe, is an increased level of scrutiny that helps us identify better-managed companies that are leaders in their industries; that meet positive standards of corporate responsibility; and that focus on the long term. By investing in those companies, we intend for our shareholders to benefit from their vision and their success.

Pax World avoids investing in companies that we determine are significantly involved in the manufacture of weapons or weapons-related products, manufacture tobacco products, are involved in gambling as a main line of business or engage in unethical business practices.

Our primary goal is to produce competitive returns for our investors. By integrating environmental, social and governance criteria — what we call "sustainability" criteria — into our investment approach, Pax World Funds also seek to promote peace, protect the environment, advance equality, and foster sustainable development. To denote this endeavor, the Funds have adopted the name "Pax World."

Not a part of the prospectus.

FOR MORE INFORMATION

General Fund Information
800.767.1729

Shareholder Account Information
800.372.7827

Broker Services
800.635.1404

Account Inquiries
Pax World
P.O. Box 9824
Providence, RI 02940-8024

Investment Adviser
Pax World Management Corp.
30 Penhallow Street, Suite 400
Portsmouth, NH 03801

Transfer and Dividend Disbursing Agent
PFPC, Inc.
P.O. Box 9824
Providence, RI 02940-8024

Custodian
State Street Bank
and Trust Company
225 Franklin Street
Boston, MA 02110

PAX
Pax World Mutual Funds

30 Penhallow Street, Suite 400
Portsmouth, NH 03801
800.767.1729
www.paxworld.com
info@paxworld.com

Shareholder Reports The Funds' annual and semi-annual reports to shareholders contain additional information about the Funds' investments. The Funds' annual report to shareholders discusses market conditions and investment strategies that significantly affected the Funds' performance during their last fiscal year.

Statement of Additional Information A statement of additional information dated April 2, 2007 has been filed with the Securities and Exchange Commission. The statement of additional information, as supplemented from time to time, includes additional information about the Funds and is incorporated by reference in its entirety into this prospectus, which means that it is considered to be part of this prospectus.

Obtaining Fund Documents and Additional Information About the Funds The statement of additional information and the Funds' annual and semiannual reports are available, without charge, upon request by telephoning or emailing Pax World, or by visiting Pax World's website.

Shareholder Inquiries Shareholders may direct inquiries concerning the Funds in writing by regular mail to Pax World Funds, P.O. Box 9824, Providence, RI 02940-8024, in writing by overnight delivery to Pax World Funds, c/o PFPC, Inc., 101 Sabin Street, Pawtucket, RI 02860-1427 (telephone: 800.372.7827), or by telephone (toll-free) to 800.372.7827 (or from outside the United States (collect) to 610.382.7849).

Securities and Exchange Commission Information about the Funds (including the statement of additional information) can be reviewed and copied at the Securities and Exchange Commission's Public Reference Room in Washington, D.C. Information on the operation of the Public Reference Room may be obtained by calling the Securities and Exchange Commission at 202.551.8090. The Funds' shareholder reports and other information about the Funds are available on the EDGAR Database on the Securities and Exchange Commission's website at http://www.sec.gov, and copies of this information may be obtained, after paying a duplicating fee, by electronic request at the following e-mail address: publicinfo@sec.gov, or by writing the Securities and Exchange Commission's Public Reference Section, Washington, D.C. 20549-0102.

Investment Company Act File Number:
Pax World Funds Series Trust I #811-02064