

FIRST EAGLE VARIABLE FUNDS

Prospectus

APRIL 30, 2011

Overseas Variable Fund

Ticker | FEOVX

ADVISED BY FIRST EAGLE INVESTMENT MANAGEMENT, LLC

The Securities and Exchange Commission has not approved or disapproved these securities or passed upon the adequacy of this prospectus. Any representation to the contrary is a criminal offense.



Thank you for your interest in First Eagle Variable Funds (the “Trust”), managed by First Eagle Investment Management, LLC (“FEIM” or the “Adviser”), a subsidiary of Arnhold and S. Bleichroeder Holdings, Inc. (“ASB Holdings”).

John P. Arnhold is Chairman of the Adviser and also serves as President and Trustee of the Trust. Matthew McLennan, Abhay Deshpande and Kimball Brooker, Jr. make up the portfolio management team for First Eagle Overseas Variable Fund (the “Fund”).

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Overseas Variable

Investment Objective

First Eagle Overseas Variable Fund (the “Fund”) seeks long-term growth of capital by investing primarily in equities, including common and preferred stocks, warrants or other similar rights, and convertible securities, issued by non-U.S. companies.

Fees and Expenses

The following information describes the fees and expenses you may pay if you buy and hold shares of the Fund. The expenses shown do not reflect charges imposed by variable annuity contracts and variable life

insurance policies (collectively “Variable Contracts”) issued by the life insurance companies through which the Fund is offered.

First Eagle Overseas Variable Fund's Fees and Expenses	
Annual Fund Operating Expenses (expenses you pay each year as a percentage of the value of your investment)	
Management Fees	0.75%
Distribution (12b-1)/Service Fees	0.25
Other Expenses	0.31
Total Annual Operating Expenses	1.31%

Example

This example is intended to help you compare the cost of investing in the Fund with the cost of investing in other mutual funds. This hypothetical example assumes that you invest \$10,000 in the Fund for the time periods indicated and then either redeem or do not redeem all of your shares at the end of those periods. The example also assumes that the average annual return is 5% and operating expenses remain the same. The example does not reflect charges imposed by the Variable Contracts and the costs shown in the example would be higher if those charges were reflected.

	1 YEAR	3 YEARS	5 YEARS	10 YEARS
Sold or Held	\$133	\$415	\$718	\$1,579

Portfolio Turnover Rate

The Fund pays transaction costs, such as commissions, when it buys and sells securities (or “turns over” its portfolio). A higher portfolio turnover rate may indicate higher transaction costs and may result in higher taxes when Fund shares are held in a taxable account (which would typically not be the case for a Variable Contract). These costs, which are not reflected in annual Fund operating expenses or in the example, affect the Fund’s performance. During the most recent fiscal year, the Fund’s portfolio turnover rate was 13.38% of the average value of its portfolio.

Principal Investment Strategies

To achieve its objective, the Fund will invest primarily in equities, including common and preferred stocks, warrants or other similar rights to purchase a company’s securities, and convertible securities, issued by non-U.S. companies. The Fund may invest in securities traded in mature markets (for example, Japan, Germany and France) and in countries whose economies are still developing (sometimes called “emerging markets”). The Fund particularly seeks companies that have financial strength and stability, strong management and fundamental value, (“Fundamental value” is a term commonly used by value investors to refer to their estimate of the value an educated buyer would place on a company as a whole). Normally, the Fund invests at least 80% of its total assets in foreign securities. The Fund also may invest up to 20% of its total assets in debt securities. Investment decisions for the Fund are made without regard to the capitalization (size) of the companies in which it invests. The Fund may invest in any size company, including large, medium and smaller companies. The Fund may invest in fixed-income securities, short-term debt instruments, gold and other precious metals and futures contracts related to precious metals.

Although the Fund shares a similar name and investment objective to First Eagle Overseas Fund (a portfolio of the First Eagle Funds family), the two do not apply identical investment strategies. Among other differences, the Fund has tended to hold a more concentrated securities portfolio than has First Eagle Overseas Fund, which may make the Fund more susceptible to fluctuations in value than First Eagle Overseas Fund.

The investment objective of the Fund, as well as the 80%-of-assets test set out above, is not a fundamental policy and can be changed without shareholder approval. Shareholders will be notified a minimum of 60 days in advance of any change in investment objective or in the 80%-of-assets test.

Summary Information about the Overseas Variable Fund

Principal Investment Risks

As with any mutual fund investment, you may lose money by investing in the Fund. The likelihood of loss may be greater if you invest for a shorter period of time.

Principal risks of investing in the Fund, which could adversely affect its net asset value and total return, are:

- **Market Risk** — The value of the Fund's portfolio holdings may fluctuate in response to events specific to the companies or markets in which the Fund invests, as well as economic, political, or social events in the United States or abroad.
- **Small and Medium-Size Company Risk** — The Fund may invest in small and medium-size companies, the securities of which can be more volatile in price than those of larger companies.
- **Foreign Investment Risk** — The Fund may invest in foreign investments. Foreign investments are susceptible to less politically and economically stable environments, foreign currency and exchange rate changes, and adverse changes to government regulations.
- **Gold Risk** — The Fund may invest in both physical gold and the securities of companies in the gold mining sector. Prices of gold-related issues are susceptible to changes to U.S. and foreign taxes, currencies, mining laws, inflation, and various other market conditions.
- **Credit Risk** — Credit risk is the risk that the issuer of a bond or other instrument will not be able to make payments of interest and principal when due. Changes in an issuer's credit rating or the market's perception of an issuer's credit worthiness may also affect the value of the Fund's investment in that issuer. The Fund may invest in debt securities that are rated below investment grade, i.e., junk bonds, which are considered speculative, and carry a higher risk of default.
- **Derivatives Risk** — Futures contracts or other "derivatives," including hedging strategies and currency forwards, present risk related to their significant price volatility and risk of default by the

counterparty to the contract. To date, derivatives have been used mainly under a hedging program intended to reduce the impact of foreign exchange rate changes on the Fund's value.

The Fund has the flexibility to respond promptly to changes in market and economic conditions. Under a defensive strategy, the Fund may temporarily increase the percentage of its assets held in cash and/or high quality debt securities or money market instruments of U.S. or foreign issuers.

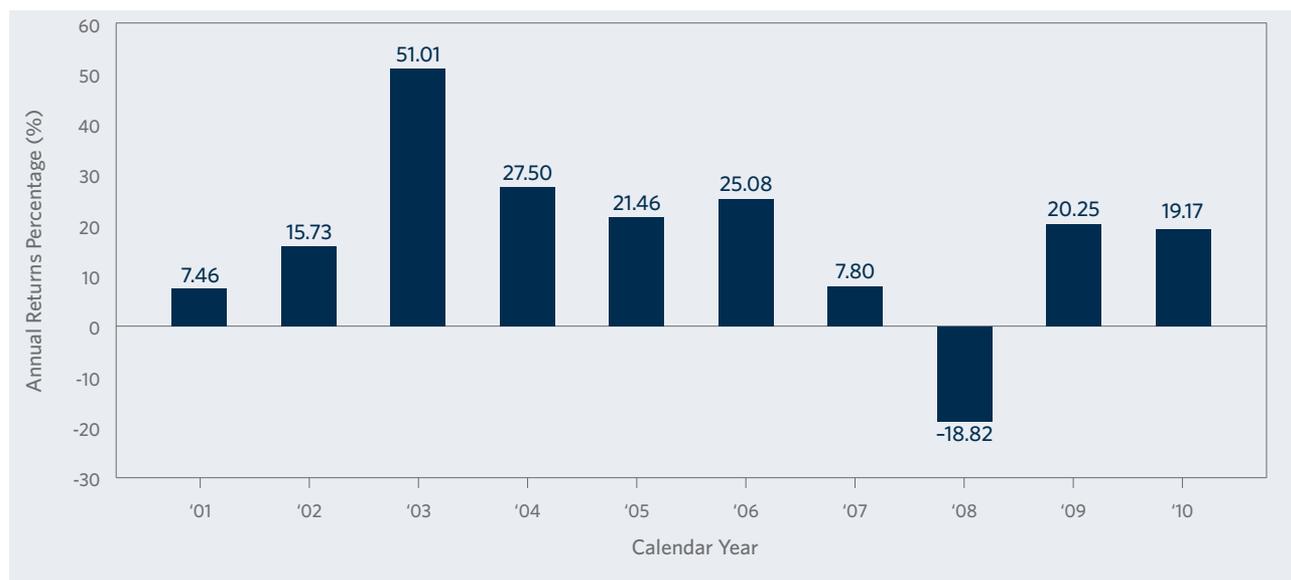
For more information on the risks of investing in the Fund, please see the *More Information about the Fund's Investments* section.

Investment Results

The following information provides an indication of the risks of investing in the Fund by showing changes in the Fund's performance from year to year, and by showing how the Fund's average annual returns for 1, 5 and 10 years compare with those of a broad measure of market performance. As with all mutual funds, past performance is not an indication of future performance.

The following bar chart and table assumes reinvestment of dividends and distributions and do not reflect any sales charges. If sales charges were included, the returns would be lower.

Calendar Year Total Returns



For the periods presented in the bar chart, here is additional return information for shares of the Fund.

Best Quarter

Second Quarter 2003

20.19%

Worst Quarter

Third Quarter 2002

-12.41%

Updated performance information is available by calling **800.747.2008**.

Average Annual Total Returns as of December 31, 2010*

	1 YEAR	5 YEARS	10 YEARS
First Eagle Overseas Variable Fund	19.17%	9.42%	16.39%
MSCI EAFE Index (reflects no deduction for fees, expenses, or taxes)	7.75%	2.46%	3.50%

* This table discloses tax returns on a before-tax basis. After-tax returns depend on an individual investor's tax situation and are generally not relevant for investors who hold shares in tax-deferred arrangements, including most variable life insurance and variable annuity contracts.

Summary Information about the Overseas Variable Fund

Our Management Team

Matthew McLennan, Abhay Deshpande and Kimball Brooker, Jr. have served as the Fund's Portfolio Managers since September 2008, September 2007 and April 2011, respectively.

Tax Information

The Fund expects that any distributions to Variable Contract investors will be exempt from current federal income taxation to the extent such distributions accumulate in a variable annuity contract or variable life insurance policy. For a discussion of the tax consequences of variable annuity contracts or variable life insurance policies, please refer to the prospectus offered by the participating insurance company.

Payments to Broker-Dealers and Financial Intermediaries

If you purchase shares of the Fund through a broker-dealer or other financial intermediary (such as a bank), the Fund and its related companies may pay the intermediary for the sale of Fund shares and related services. These payments may create a conflict of interest by influencing the broker-dealer or other intermediary and your salesperson to recommend the Fund over another investment. Ask your individual financial adviser or visit your financial intermediary's website for more information. See the *About Your Investment—Distribution and Shareholder Services Expenses* section for more information.

More Information about the Fund's Investments

Principal Investment Strategies

The principal investment strategies of the Fund are described below in greater detail than in the Fund Summary at the beginning of the Prospectus. Other investment strategies and practices are described in the Statement of Additional Information, which is available upon request (see back cover).

Foreign Investments

Under normal market conditions, the Fund will invest at least 80% of its total assets in foreign securities. The Fund may make these investments in markets around the world, including Asia, Europe, South America, Africa and the Middle East. This means that the Fund may invest in securities traded in mature markets (for example, Japan, Germany and France) and in countries whose economies are still developing (sometimes called “emerging markets”).

Debt Securities Investments

The Fund may invest in fixed-income securities, such as bonds, and short-term debt instruments, including “money market” instruments. These securities may be investment grade rated or rated below investment grade, which are typically referred to as “junk bonds.”

Small and Medium-Size Companies Investments

The Fund may invest in companies of all sizes, regardless of capitalization, including small and medium-size companies. The Fund considers small companies to be companies with market capitalizations of less than \$1 billion and medium-size companies to have market capitalizations of less than \$10 billion but more than \$1 billion. The Fund does not have a set amount of investment it seeks to put into small and medium-size companies.

Derivatives Investments

The Fund may invest in options, futures, forwards and swaps and related products which are often referred to as “derivatives.” Derivatives may have

a return that is tied to a formula based upon an interest rate, index or other measurement which may differ from the return of a simple security of the same maturity. The Fund does not have a set amount of derivative investments in which it seeks to invest and may invest as part of a hedging strategy to seek investment gains.

Gold Investments

The Fund may invest directly in gold and other precious metals such as silver, platinum and palladium as well as futures contracts related to precious metals. In addition, the Fund may invest in precious metal finance and operating companies.

Principal Investment Risks

Some of the principal investment risks of the Fund are described below in greater detail than in the Summary Information section at the beginning of the Prospectus. Other investment risks and practices also apply and are described in the Statement of Additional Information, which is available on request (see back cover).

Market Risk

In general, a fund's share price fluctuates over the short term in reaction to stock market movements. This means that an investor could lose money over short periods, and perhaps over longer periods during extended market downturns.

For reasons not necessarily attributable to what are often referred to as a company's “fundamentals” (i.e., its prospects based on a measured analysis of its assets, management skills, market position, etc.), the price of a company's securities acquired by the Fund may decline substantially. In particular, investing at what may appear to be “undervalued” levels is no guarantee that the purchased assets will not be trading at even more “undervalued” levels at a time of sale by the Fund.

More Information about the Fund's Investments

Risks of Small and Medium-Size Companies

In addition to investments in larger companies, the Fund may invest in smaller and medium-size companies, which historically have been more volatile in price than larger company securities, especially over the short term. Among the reasons for the greater price volatility are the less certain growth prospects of smaller companies, the lower degree of liquidity in the markets for such securities and the greater sensitivity of smaller companies to changing economic conditions. In addition, smaller companies may lack depth of management, they may be unable to generate funds necessary for growth or development, or they may be developing or marketing new products or services for which markets are not yet established and may never become established. The Fund considers small companies to be companies with market capitalizations of less than \$1 billion and medium-size companies to have market capitalizations of less than \$10 billion.

Risks of Foreign Investments

Foreign securities involve certain inherent risks that are different from those of domestic securities, including political or economic instability of the issuer or the country of issue, changes in foreign currency and exchange rates, and the possibility of adverse changes in investment or exchange control regulations. Currency fluctuations will also affect the net asset value of the Fund irrespective of the performance of the underlying investments in foreign issuers. Typically, there is less publicly available information about a foreign company and foreign companies may be subject to less stringent reserve, auditing and reporting requirements. Many foreign stock markets are not as large or liquid as in the United States; fixed commissions on foreign stock exchanges are generally higher than the negotiated commissions on U.S. exchanges; and there is generally less government supervision and regulation of foreign stock exchanges, brokers and companies

than in the United States. Foreign governments can also levy confiscatory taxes, expropriate assets and limit repatriations of assets. As a result of these and other factors, foreign securities purchased by the Fund may be subject to greater price fluctuation than securities of U.S. companies. These risks may be more pronounced with respect to investments in emerging markets, which generally are subject to greater risk of economic and political disruptions, greater price volatility, and may not be subject to the same accounting, financial and other reporting requirements as the securities markets of more developed countries.

The Fund may engage in currency exchange transactions to, among other reasons, hedge against losses in the U.S. dollar value of its portfolio securities resulting from possible variations in exchange rates. A currency exchange may be conducted on a spot (i.e., cash) basis or through a forward currency exchange contract or other cash management position. Although such hedged positions may be used to protect the Fund from adverse currency movements, the use of hedges may reduce or eliminate potential profits from currency fluctuations that are otherwise in the Fund's favor.

Risks of Debt Securities

Securities with the lowest investment grade ratings are considered to have speculative characteristics. Debt securities that are unrated are considered by the Adviser to be equivalent to below investment grade (often referred to as "junk bonds"). On balance, debt securities that are below investment grade are considered predominately speculative with respect to the issuer's capacity to pay interest and repay principal according to the terms of the obligation and, therefore, carry greater investment risk, including the possibility of default and bankruptcy. They are likely to be less marketable and more adversely affected by economic downturns than higher-quality debt securities.

The Fund may invest in debt securities without considering the maturity of the instrument. Debt securities have varying levels of sensitivity to changes in interest rates. In general, the price of a debt security can fall when interest rates rise and can rise when interest rates fall. Securities with longer maturities can be more sensitive to interest rate changes. In other words, the longer the maturity of a security, the greater the impact a change in interest rates could have on the security's price. In addition, short-term and long-term interest rates do not necessarily move in the same amount or the same direction.

Risks of Gold

The Fund may also invest in precious metals, such as gold, as well as precious metal-related issues. It is therefore susceptible to specific political and economic risks affecting the price of gold and other precious metals including changes in U.S. or foreign tax, currency or mining laws, increased environmental costs, international monetary and political policies, economic conditions within an individual country, trade imbalances and trade or currency restrictions between countries. The price of gold, in turn, is likely to affect the market prices of securities of companies mining or processing gold, and accordingly, the value of the Fund's investments in such securities may also be affected. Gold-related investments as a group have not performed as well as the stock market in general during periods when the U.S. dollar is strong, inflation is low and general economic conditions are stable. In addition, returns on gold-related investments have traditionally been more volatile than investments in broader equity or debt markets.

Although the risks related to investing in gold and other precious metals directly (as the Fund is authorized to do) are similar to those of investing in precious metal finance and operating companies, as just described, there are additional considerations,

including custody and transaction costs that may be higher than those involving securities. Moreover, holding such metals results in no income being derived from such holding, unlike securities which may pay dividends or make other current payments. Investing in futures contracts and similar "derivative" instruments related to precious metals also carries additional risks, in that these types of investments are (i) often more volatile than direct investments in the commodity underlying them, because they commonly involve significant "built in" leverage, and (ii) subject to the risk of default by the counterparty to the contract. Although the Fund has contractual protections with respect to the credit risk of its custodian, precious metals held in physical form (even in a segregated account) involves the risk of delay in obtaining the assets in the case of bankruptcy or insolvency of the custodian. This could impair disposition of the assets under those circumstances. Finally, although not currently anticipated, if such metals in the future were held in book account, it would involve risks of the credit of the party holding them.

Temporary Defensive Investment Strategies

The Fund has the flexibility to respond promptly to changes in market and economic conditions. For example, a temporary defensive strategy may be warranted during periods of unfavorable market or economic conditions, including periods of market turbulence or periods when prevailing market valuations are higher than those deemed attractive under the investment criteria generally applied on behalf of the Funds. Pursuant to a temporary defensive strategy, the Fund may temporarily hold cash and/or invest up to 100% of their assets in high quality debt securities or money market instruments of U.S. or foreign issuers. In such a case, the Fund may not be able to pursue, and may not achieve, its investment objective. It is impossible to predict whether, when or for how long the Fund will employ temporary defensive strategies.

More Information about the Fund's Investments

Disclosure of Portfolio Holdings

A description of the Fund's policies and procedures with respect to disclosure of its portfolio securities is available in the Fund's Statement of Additional Information, which is available on request (see back cover).

Fund Index

The *Average Annual Total Returns* table on page 7 illustrates how the Fund's average annual returns for

different calendar periods compare to the returns of the Morgan Stanley Capital International (MSCI) EAFE Index. The MSCI EAFE Index is a total return index, reported in U.S. dollars, based on share prices and reinvested net dividends of approximately 1,100 companies from 22 countries and is not available for purchase.

Fund Management

The Adviser

The Adviser of the Fund is First Eagle Investment Management, LLC, a subsidiary of Arnhold and S. Bleichroeder Holdings, Inc. (“ASB Holdings”). Based in New York City since 1937, ASB Holdings is the successor firm to two German banking houses—Gebr. Arnhold founded in Dresden in 1864, and S. Bleichroeder, founded in Berlin in 1803. The Adviser offers a variety of investment management services. In addition to the Fund, its clients include the First Eagle Funds, foundations, major retirement plans and high net worth individuals. As of January 2011, the Adviser had more than \$52.7 billion under management.

Matthew McLennan, Abhay Deshpande and Kimball Brooker, Jr. manage the Fund. Additionally, Jean-Marie Eveillard, the Fund’s portfolio manager from its inception to 2004 and from March 2007 through March 2009, continues to be employed with the Adviser and now serves in a senior advisory position. Although not on a day-to-day basis, he provides investment consultation and advice to the portfolio management team and to senior management of the Adviser. The professional backgrounds of Messrs. McLennan, Deshpande and Brooker follow.

Matthew McLennan is Head of the First Eagle Global Value Team and manages the Fund. Mr. McLennan assumed these positions when he joined the Adviser in September 2008 after having held various senior positions with Goldman Sachs Asset Management in London and New York. While at his predecessor firm for over fourteen years, Mr. McLennan was Chief Investment Officer of a London based investment team from 2003 to 2008 where he was responsible for managing a focused value-oriented global equity product and held positions from 1994 to 2003 that included portfolio management and investment analyst responsibilities for small-cap and mid-cap value equity portfolios.

Abhay Deshpande manages the Fund with Mr. McLennan and Mr. Brooker. Mr. Deshpande joined the Adviser in 2000 and served as a senior member of the First Eagle Global Value Research Team and as a portfolio manager for a number of accounts for the Adviser before assuming his current management responsibilities for the Fund in September 2007. Prior to 2000, Mr. Deshpande spent three years as a research analyst with Harris

Associates, investment adviser to the Oakmark Funds.

Mr. Brooker manages the Fund with Mr. McLennan and Mr. Deshpande since April 2011. Mr. Brooker joined the Adviser in January 2009 and serves as a member of the First Eagle Global Value analyst team and as a portfolio manager for a number of accounts for the Adviser in addition to his current management responsibilities with the Fund. For the five years prior to that, Mr. Brooker was Chief Investment Officer and Managing Director of Corsair Funds.

Additional information regarding these portfolio managers’ compensation, other accounts managed by them and their ownership of securities in the Fund is available in the Statement of Additional Information. The portfolio managers are supported in their duties by a team of investment professionals employed by the Adviser, and certain background information regarding these investment professionals is also available in the Statement of Additional Information.

Pursuant to an advisory agreement (the “Advisory Agreement”) with the Trust, the Adviser is responsible for the management of the Fund’s portfolio and reviews its holdings in the light of its own research analyses and those of other relevant sources. In return for its investment management services, the Fund pays the Adviser a fee at the annual rate of the average daily value of the Fund’s net assets as follows:

First Eagle Overseas Variable Fund	0.75%
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The Adviser also performs certain administrative, accounting, operations, compliance and other services on behalf of the Fund, and in accordance with its agreement with them, the Fund reimburses the Adviser for costs (including personnel, related overhead and other costs) related to those services. These reimbursements are in addition to the management fee paid to the Adviser, but may not exceed an annual rate of 0.05% of the value of the Fund’s average daily net assets.

Approval of Advisory Agreement

For your reference, a discussion regarding the basis of the Board of Trustees’ approval of the Advisory Agreement is available in the Annual Report to Shareholders for the financial reporting period ended December 31 of each year.

About Your Investment

Investing requires a plan. Whether you invest on your own or use the services of a financial professional, you should create a strategy designed to meet your short- and long-term financial goals.

How to Purchase Shares

Shares of the Fund are offered for purchase by separate accounts of insurance companies for the purpose of serving as an investment medium for Variable Contracts. Shares of the Fund are sold at their net asset value (without a sales charge) next computed after a receipt of a purchase order by an insurance company whose separate account invests in the Fund. These insurance companies also may impose certain handling charges in connection with transactions in Fund shares and may have particular requirements relating to processing transactions. For information on how to purchase shares (and details relating to any such handling charges or other processing requirements), please refer to the prospectus of the pertinent separate account.

Shares of the Fund are sold to insurance company separate accounts funding both variable annuity contracts and variable life insurance contracts and may be sold to insurance companies that are not affiliated. The Trust currently does not foresee any disadvantages to Variable Contract owners arising from offering the Fund's shares to separate accounts of unaffiliated insurers, or separate accounts funding both life insurance policies and annuity contracts. However, due to differences in tax treatment or other considerations, it is theoretically possible that the interests of owners of various contracts participating in the Fund might at some time be in conflict. The Trust's Board of Trustees and insurance companies whose separate accounts invest in the Fund are required to monitor events in order to identify any material conflicts between variable annuity contract owners and variable life policy owners, and between separate accounts of unaffiliated insurers. The Board of Trustees will determine what action, if any, should

be taken in the event of such a conflict. If such a conflict were to occur, one or more insurance company separate accounts might withdraw their investment in the Fund. This could force the Fund to sell securities at disadvantageous prices.

The Trust and FEF Distributors, LLC ("FEF Distributors" or the "Distributor"), the Fund's principal underwriter and a wholly owned subsidiary of ASB Holdings, each reserve the right to refuse any order for purchase of shares and to cancel any purchase for any reason it deems appropriate. Any such cancellation, other than for nonpayment or to correct certain administrative errors, will be effected within two business days of when the insurance company receives the purchase order as the Fund's agent.

Anti-Money Laundering Compliance

The Trust, the Distributor and the insurance companies issuing the Variable Contracts are required to comply with various anti-money laundering laws and regulations. Consequently, additional information regarding your identity and source of funds may be required of you. If the information submitted does not provide for adequate identity verification, you may not be able to establish an account with your insurance company or that account may be closed at the then-current net asset value. Similarly, suspicious account activity or account information matching that on government lists of suspicious persons may prevent establishment of an account or may require "freezing" an account, reporting to governmental agencies or other financial institutions or the transfer of account assets to governmental agencies. In some circumstances, the law may not permit notification to the affected account holder of these actions.

How Fund Share Prices Are Calculated

Net asset value of the Fund is determined as of the close of trading on the New York Stock Exchange ("NYSE"), normally 4 p.m. Eastern time on each day the NYSE is open for trading. The net asset value per

share is computed by dividing the total current value of the assets of the Fund (less its total liabilities) by the total number of shares outstanding. Because the Fund will invest in securities listed on foreign exchanges that may trade on weekends or other days when the Fund does not price its shares, the Fund's share value may change on days when shareholders will not be able to purchase or redeem shares.

The Fund uses pricing services to identify the market prices of publicly traded securities in its portfolio. When market prices are determined to be "stale" due to limited market activity for a particular holding, or in other circumstances when market prices are unavailable, such as for private placements, or determined to be unreliable for a particular holding, such holdings may be "fair valued" in accordance with procedures approved by the Board of Trustees. Additionally, with respect to foreign holdings, specifically in circumstances leading the Adviser to believe that significant events occurring after the close of a foreign market have materially affected the value of the Fund's holdings in that market, such holdings will be fair valued to reflect the events in accordance with procedures approved by the Board. Also, according to procedures approved by the Board, the determination of whether a particular foreign investment should be fair valued will be based on review of several factors, including developments in foreign markets, the performance of U.S. securities markets, and security-specific events. The Fund has adopted procedures under which movements in the prices for U.S. securities (beyond specified thresholds) occurring after the close of a foreign market generally require fair valuation of securities traded on that foreign market. Therefore, the values assigned to the Fund's holdings may differ from reported market values, especially during periods of higher market price volatility. The Trust and the Adviser believe relying on the procedures described above will result in prices that are more reflective of the actual market value of portfolio securities held by the Fund.

The Distributor may authorize certain intermediaries to receive on its behalf purchase and redemption orders. In turn, these parties may designate other intermediaries to receive purchase and redemption orders on the Distributor's behalf. Orders for shares received by DST or any of these authorized or designated intermediaries prior to the close of trading on the NYSE will be processed based on that day's net asset value determined as of the close of trading on the NYSE that day. If an order is received by DST Systems Inc. ("DST Systems") or an authorized or designated intermediary after the close of the NYSE, it will be priced the next day the NYSE is open for trading.

Distribution and Shareholder Services Expenses

The Fund's shares are offered, in states and countries in which such offer is lawful, to investors either through selected securities dealers or directly by the Distributor.

To help support the costs of selling the Fund's shares and ongoing services to shareholder accounts, the Fund has adopted a Distribution Plan and Agreement (the "Plan") under Rule 12b-1 to the Investment Company Act of 1940. Under the Plan, the Fund will pay the Distributor a monthly distribution-related fee at an annual rate of 0.25% of the average daily value of the Fund's net assets.

Because these fees are paid from the Fund's assets on an on-going basis, over time these fees will increase the cost of an investment in the Fund and ultimately may cost more than paying other types of sales charges.

Under the Plan, the Fund is authorized to make payments to the Distributor for payment to an insurance company that is the issuer of a variable life insurance contract or variable annuity contract (each, a "Variable Contract") invested in shares of the Fund in order to pay or reimburse such insurance company for distribution and shareholder servicing-related expenses incurred or paid by such insurance company. The Distributor or its affiliates take on distribution expenses to the extent that they are not

About Your Investment

covered by payments under the Plan. Any distribution expenses incurred by the Distributor or its affiliates in any fiscal year of the Fund, that are not reimbursed from payments accumulate during such fiscal year, will not be carried over for payment in any subsequent year.

Insurance companies perform services for the Fund that are normally handled by a mutual fund's transfer agent. These services may include client statements, tax reporting, order-processing and client relations. As a result, these third parties may charge the Fund for these services in aggregate, no more than what the Fund's per account charge (as calculated by the Adviser) would have been had DST performed similar services. Arrangements may involve a per-account fee, an asset-based fee, a sales-based fee or, in some cases, a combination of the three. These fees, which comprise a substantial portion of the Fund's ongoing expenses, are directly attributable to the Variable Contract holder serviced by the relevant party. (While the Adviser and the Distributor consider these to be payments for services rendered, they represent an additional business relationship between these sub-transfer agents and the Fund that often results, at least in part, from past or present sales of Fund shares by the sub-transfer agents or their affiliates.)

The Plan may be terminated without a penalty payment by the vote of the holders of a majority of the outstanding voting securities of the Fund.

Revenue Sharing

The Distributor, Adviser or an affiliate may make cash payments from its own resources to insurance companies or their representatives for various reasons. These payments, often referred to as "revenue sharing," may support the delivery of services to the Fund or to shareholders in the Fund, including transaction processing and sub-accounting services. These payments also may serve as an incentive to sell Fund shares and/or to promote shareholder retention. As such, the payments may go to firms providing various marketing support or other promotional services relating to the Fund, including

advertising and sales meetings, as well as inclusion of the Fund in various promotional and sales programs. Marketing support services also may include business planning assistance, educating insurance company personnel about the Fund and shareholder financial planning assistance.

A shareholder or prospective Variable Contract investor should be aware that revenue sharing arrangements or other payments to intermediaries could create incentives on the part of the parties receiving the payments to more positively consider the Fund relative to mutual funds either not making payments of this nature or making smaller such payments.

Revenue sharing payments may include any portion of the sub-transfer agency fees (described in the preceding section) that exceed the costs of similar services provided by DST Systems. They also may include any other payment requirement of an insurance company or another third-party intermediary. All such payments are paid by the Distributor, the Adviser or an affiliate of either out of its (or their) own resources. Such payments are in addition to any Rule 12b-1 payments described elsewhere in this Prospectus. Revenue sharing payments may be structured as: (i) a percentage of sales; (ii) a percentage of net assets; (iii) a fixed dollar amount; or (iv) some combination of any of these. In many cases, revenue sharing arrangements may be viewed as encouraging sales activity or retention of assets in the Fund. Generally, any revenue sharing or similar payments are requested by the party receiving them, often as a condition of distribution, but are subject to negotiation as to their structure and scope.

The Distributor, Adviser or an affiliate also may pay from its own resources for travel and other expenses, including lodging, entertainment and meals, incurred by insurance companies or their representatives related to diligence or for attending informational meetings in which insurance company representatives meet with the Fund's investment professionals. The Distributor, Adviser or an affiliate also may pay for costs of organizing and holding such meetings and also may make payments to or on

behalf of insurance companies or their representatives for other types of events, including pre-approved conferences, seminars or training programs (and payments for travel, lodging, etc.), and may provide certain small gifts and/or entertainment as permitted by applicable rules.

A shareholder or prospective Variable Contract investor with questions regarding revenue sharing or other such payments may obtain more details by contacting his or her financial intermediary directly. The Fund's Statement of Additional Information includes a listing of certain parties receiving revenue sharing payments in respect of the Fund.

Short-Term Trading Policies

The Fund is not a vehicle for frequent traders. Frequent trading (including exchanging) of Fund shares, also known as "market timing," may increase Fund transaction and administration costs and otherwise negatively affect the Fund's investment program, possibly diluting the Fund's value to its longer-term investors. For example, short-term investments moving in and out of the Fund may (i) prompt otherwise unnecessary purchases and sales of portfolio securities, thus increasing brokerage costs; (ii) affect the level of cash held by the Fund over time; (iii) affect taxable gains and losses realized by the Fund; or (iv) distract a portfolio manager from the Fund's longer-term investment strategy. While no minimum holding period has been set, the Fund monitors shareholder trading patterns to seek to identify inappropriate short-term trading.

The Fund also may deem individual contract holders to be potential short-term traders (and subject to trading suspensions or account closures without advance notice) based on information unrelated to the specific trades in an investor's account. For example, the Fund may obtain information linking an account to an account previously suspended or closed for inappropriate trading. In addition, a reliable third party may report short-term trading concerns regarding a particular account to the Fund. The Fund cannot guarantee to identify or prevent every instance

of inappropriate trading. Nonetheless, pursuant to procedures overseen by the Fund's Board of Trustees, the Fund's guiding principle is trading deemed not in the interests of longer-term Fund shareholders will be actively deterred and, when possible, prevented.

The Fund depends on cooperation from the insurance company sponsors of the Variable Contracts in reviewing individual contract holder trading activity, which limits the Fund's ability to monitor and discourage such trading at that level. If the Fund is unable to identify and prevent inappropriate trading (either on its own or in cooperation with the insurance company sponsors), the adverse effects described above will be more likely to occur. The Fund does not have any arrangements intended to permit trading in contravention of the policies described in this paragraph and applies these policies uniformly as to any instances of identified inappropriate trading.

Information on Dividends, Distributions and Taxes

It is the policy of the Fund to make yearly distributions of net investment income and net realized capital gains, if any. Unless a shareholder elects otherwise, ordinary income dividends and capital gains distributions will be reinvested in additional shares of the Fund at net asset value per share calculated as of the payment date. The Fund pays ordinary income dividends and capital gains distributions on a per-share basis. As a result, on the ex-dividend date of such a payment, the net asset value per share of the Fund will be reduced by the amount of such payment.

The Fund intends to qualify and has elected to be treated as a "regulated investment company" under Subchapter M of the Internal Revenue Code of 1986, as amended (the "Code"). To qualify, the Fund must meet certain income, diversification and distribution requirements. As a regulated investment company, the Fund generally will not be subject to federal income or excise taxes on ordinary income and capital gains distributed to shareholders within

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applicable time limits, although foreign-source income received by the Fund may be subject to foreign withholding taxes.

The Fund also intends to comply with the diversification regulations under Section 817(h) of the Code. These diversification requirements, which are in addition to the diversification requirements set forth in Subchapter M of the Code, place certain limitations on the assets of a Variable Contract that may be invested in the securities of a single issuer or a certain number of issuers. Because Section 817(h) of the Code and the related Treasury Regulations thereunder treat the assets of the Fund as the assets of the Variable Contract, the Fund will satisfy these requirements to assist the Variable Contracts in complying with these requirements. If the Fund failed to satisfy these requirements, a variable annuity or variable life insurance product supported by a Variable Contract investing in the Fund may not be eligible for treatment as an annuity or as life insurance for tax purposes, and would no longer be eligible for tax deferral. Generally, the Fund will diversify its investments so that on the last day of each quarter of a calendar year no more than 55% of the value of its total assets is represented by any one investment, no more than 70% is

represented by any two investments, no more than 80% is represented by any three investments, and no more than 90% is represented by any four investments. For this purpose, securities of a given issuer generally are treated as one investment, but each U.S. Government agency and instrumentality is treated as a separate issuer.

Foreign governments may withhold taxes on dividends and interest earned by the Fund with respect to foreign securities. Foreign governments also may impose taxes on other payments or gains with respect to foreign securities.

The Fund expects that any distributions to Variable Contract investors will be exempt from current federal income taxation to the extent such distributions accumulate in a variable annuity contract or variable life insurance policy. For a discussion of the tax consequences of variable annuity contracts or variable life insurance policies, please refer to the prospectus offered by the participating insurance company.

Tax issues can be complicated. Please consult your tax adviser about federal, state, or local tax consequences or with any other tax questions you may have.

Overseas Variable

The Financial Highlights Table is intended to help you understand the Fund's financial performance for the past five fiscal years. Certain information reflects financial results for a single Fund share. The total returns in the table represent the rate an investor would have earned (or lost) on an investment in the Fund (assuming reinvestment of all dividends and distributions).

The Financial Highlights Table was derived from the Fund's financial statements, which were audited by PricewaterhouseCoopers LLP, 300 Madison Avenue,

New York, New York 10017-6204. The report of PricewaterhouseCoopers LLP for the Fund's fiscal year ended December 31, 2010, together with the Fund's 2010 financial statements, are contained in the annual report for the Fund for that period and are incorporated by reference in the Statement of Additional Information. The annual reports and the Statement of Additional Information are available upon request.

Selected data for a share of beneficial interest outstanding throughout each year is presented below:

	FOR YEAR ENDED DECEMBER 31,				
	2010	2009	2008	2007	2006
Selected data for a share of beneficial interest outstanding throughout each year is presented below:*					
Net asset value, beginning of period (\$)	24.65	20.80	29.56	27.42	30.47
Income from investment operations:					
Net investment income (\$)	0.13	0.20	0.43	0.38	0.39
Net realized and unrealized gains (losses) on investments	4.59	4.02	-6.02	1.76	7.21
Total income (loss) from investment operations	4.72	4.22	-5.59	2.14	7.60
Less distributions:					
Dividends from net investment income (\$)	-0.48	-0.12	-0.35	—	-2.42
Distributions from capital gains	—	-0.25	-2.82	—	-8.23
Total distributions	-0.48	-0.37	-3.17	—	-10.65
Net asset value, end of period (\$)	28.89	24.65	20.80	29.56	27.42
Total Return (%)	19.17	20.25	-18.82	7.80	25.08
Ratios and Supplemental Data					
Net assets, end of period (millions) (\$)	\$619,644	\$484,171	\$279,671	\$314,650	\$249,054
Ratio of operating expenses to average net assets including earnings credits (%) ^(a)	1.31	1.28	1.32	1.23	1.24
Ratio of net investment income to average net assets including earnings credits (%) ^(b)	0.51	0.89	1.60	1.28	1.13
Portfolio turnover rate (%)	13.38	9.51	9.09	53.65	28.30

(a) Ratio of operating expenses to average net assets with and without earnings credits is substantially the same.

(b) Ratio of net investment income to average net assets with and without earnings credits is substantially the same.

* Per share amounts have been calculated using the average shares method.

Useful Shareholder Information

The Fund's statement of additional information and shareholder reports are not available on the First Eagle Funds' website, as such information is exclusively provided by the insurance companies and is also available on the Commission's EDGAR database on the Internet (<http://www.sec.gov>).

How to Obtain Our Shareholder Reports

You will receive copies of our annual and semi-annual Reports on a regular basis once you become a shareholder. These Reports also are available to you without charge from us. The Annual Report contains a discussion of the market conditions and investment strategies that significantly affected the Fund's performance during the last fiscal year. It also contains financial statements by the Fund's independent accountants.

How to Obtain Our Statement of Additional Information

The Statement of Additional Information ("SAI"), which is now incorporated by reference in this prospectus is available to you without charge from us. You may visit the SEC's Internet Website (<http://www.sec.gov>) to view the SAI and other information. Also, you can obtain copies of the SAI by sending your request and duplicating fee to the SEC's Public Reference Section, Washington, D.C. 20549-0102 or by e-mail to publicinfo@sec.gov. You also may review and copy information about the Fund, including the SAI, at the SEC's Public Reference Room in Washington, D.C. To find out more about the Public Reference Room, call the SEC at 202.551.8090.

How to Reach First Eagle Variable Funds

You can send all requests for information to:

First Eagle Variable Funds
1345 Avenue of the Americas
New York, NY 10105

You can contact us by telephone at 800.747.2008

Distributor

FEF Distributors, LLC
1345 Avenue of the Americas
New York, NY 10105

Adviser

First Eagle Investment Management, LLC
1345 Avenue of the Americas
New York, NY 10105

Investment Company Act File
Number: 811-09092

