



LORD ABBETT®

403(b) PLAN

*A Retirement Plan for Employees of Nonprofit
and Tax-Exempt Organizations*

BRING AN UNWAVERING COMMITMENT TO YOUR RETIREMENT PLAN

As an investment-led firm, we evaluate every decision from an investment perspective in an effort to achieve superior long-term investment performance. Our approach is based on a philosophical belief in active management characterized by teamwork and collaboration, a commitment to research—both fundamental and quantitative—and an adherence to risk management.

As an investor-focused firm, we evaluate every decision from an investor perspective to ensure that we act in the best interest of our clients. We are committed to providing every client with our independent perspective, our breadth of resources, and our range of intelligently designed investment strategies.

We are successful when a strategy is well-designed, process is well-defined,
and our investors are well-served.

403(B) PLAN BENEFITS AND SERVICES

A 403(b) is a retirement savings plan that offers employees of public schools and non-profit 501(c)(3) tax-exempt organizations to invest on a pre-tax and or Roth after-tax basis. Contributions to a 403(b) plan are conveniently deducted directly from your paycheck. In addition your employer may elect to make a contribution on your behalf.

BENEFITS

PRETAX SAVINGS

Your pretax 403(b) contributions reduce your current taxable income because they are deducted from your paycheck before taxes (other than Social Security and Medicare taxes) are withheld. This means that you pay taxes on a reduced amount, thereby helping you keep more of what you earn. In 2018, you can save up to \$18,500 in a 403(b) plan, plus a catch-up contribution of \$6,000 if you are age 50 and older.

ROTH AFTERTAX SAVINGS

Your Roth aftertax contributions accumulate tax-deferred, and if held in your account for five years and until age 59½, they may be withdrawn federal income tax free. In exchange for this benefit, Roth aftertax contributions do not reduce your current taxable income. This means you pay taxes on the full amount of your current income, including Social Security and Medicare taxes. In 2018, you can save up to \$18,500 in a 403(b) plan, plus a catch-up contribution of \$6,000 if you are age 50 and older.

TAX-DEFERRED GROWTH

Contributions you invest in your pretax 403(b) account grow tax-deferred—that is, they are not taxed until they are withdrawn. Similarly, Roth aftertax contributions also grow tax-deferred, and if held for five years and until age 59½, they are not taxed when withdrawn.

CONVENIENT PAYROLL INVESTMENTS

Your contributions are automatically withheld and invested directly from your paycheck.

BENEFITS (continued)

INVESTMENT OPTIONS PROFESSIONALLY MANAGED BY LORD ABBETT

You can choose to invest your 403(b) account in an array of mutual funds professionally managed by Lord Abbett.

TAX CREDIT FOR RETIREMENT SAVERS

The saver's credit is a non-refundable federal income tax credit available to individuals with an adjusted gross income (AGI) less than \$63,000 in 2018. Salary deferrals to a 401(k), 403(b), governmental 457(b), and SIMPLE IRA can reduce your AGI creating eligibility. In addition, the credit is available for contributions to a traditional or Roth IRA. The maximum annual contribution eligible for the credit is \$2,000 and the maximum credit is 50%, making the maximum saver's credit \$1,000.

2018 SAVER'S CREDIT ELIGIBILITY

Tax Filing Status	50% of Contribution	20% of Contribution	10% of Contribution	Ineligible for Credit
Married filing jointly	Not to exceed \$38,000	\$38,001–41,000	\$41,001–63,000	Greater than \$63,000
Head of household	Not to exceed \$28,500	\$28,501–30,750	\$30,751–47,250	Greater than \$47,250
Single	Not to exceed \$19,500	\$19,501–20,500	\$20,501–31,500	Greater than \$31,500

Income based on adjusted gross income (AGI).

SERVICES

PERIODIC ACCOUNT STATEMENTS

Easy-to-read account statements, including recent transactions in your account, will be sent to you on a quarterly basis.

ACCESS TO ACCOUNT INFORMATION

For 24-hour account access, view your account online at lordabbett.com or call our automated shareholder service line at 800-667-9149.

LOAN PRIVILEGES

If a loan provision is made available by your employer, you can borrow funds from your pretax 403(b) account at any time. Roth aftertax contribution balances are not eligible for loans, but are used to determine the available loan balance. Check with your employer to see whether loans are available.

FLEXIBLE WITHDRAWAL OPTIONS

After retiring or separating from service from your employer, you may take withdrawals from your 403(b) account in any amount, subject to taxation. Withdrawals can be taken in a variety of ways: based on single or joint life expectancy; in a lump sum; monthly, quarterly, semiannually, or annually; or in a series of substantially equal payments.

When you leave employment, you also may transfer your 403(b) account directly to another qualified plan, including another 403(b), governmental 457(b), profit sharing, 401(k), or an IRA. However, any Roth aftertax contributions and earnings can be rolled over only into a Roth IRA or another 403(b), 401(k), or governmental 457(b) plan that accepts Roth contributions. Lord Abbett can provide you with more information about your withdrawal options, or speak with your tax advisor before taking any withdrawals from your 403(b) account.

SERVICES (continued)

403(b) PLAN CONTRIBUTION LIMITS

Your maximum allowable pretax or Roth aftertax payroll investment cannot exceed the lesser of 100% of your compensation from your employer, or the following amount:

Calendar Year	Maximum 403(b) Salary Deferral Limit
2018	\$18,500

CATCH-UP PRETAX PAYROLL INVESTMENTS

If you are age 50 or older anytime during the plan year, you may make an additional “catch-up” contribution to your account in the form of an additional pretax or Roth aftertax payroll investment equal to:

Calendar Year	“Catch-up” Amount	Total Salary Deferral Limit
2018	\$6,000	\$24,500

In addition, if you have completed at least 15 years of service with an educational organization, hospital, home health service agency, health and welfare service agency, church, or church-related organization, the \$18,500 limit and the catch-up payroll investment can be increased by the lesser of:

- \$3,000
- \$15,000 less amounts already excluded for prior years under this provision
- \$5,000 multiplied by the number of years of service less all prior payroll investment contributions

Internal Revenue Service regulations clarify that the “15-year” catch-up limit is to be applied before the special age 50 catch-up limitation.

EMPLOYER CONTRIBUTIONS

Your employer also may make a contribution to your account on your behalf if your 403(b) program provides for it. Employer contributions do not affect the amount of the pretax or Roth aftertax payroll investments that you can contribute.

If your employer also sponsors a 457(b) plan, you may contribute 403(b) payroll investments in addition to your 457(b) payroll investments.

ROTH AFTERTAX CONTRIBUTIONS

403(b) participants, regardless of income, may invest all or part of their payroll investments in a Roth aftertax 403(b) account. While giving up a tax deduction when a Roth 403(b) contribution is made, you may (if certain criteria are satisfied) realize a tax-free distribution when funds are withdrawn.

If your plan permits, existing pretax 403(b) assets can be converted, subject to current taxation into Roth 403(b) assets. Under current regulations, Roth 403(b) accounts may be transferred to a Roth IRA account upon retirement, separation from service or attainment of age 59½. A new five-year holding period may begin, unless a Roth IRA already existed prior to the transfer.

Once payroll contributions are made to a Roth 403(b) account, the transactions cannot be reversed. Only contributions and the earnings on Roth 403(b) accounts are eligible for tax-free withdrawal. All other assets in your 403(b) are taxable when withdrawn.

SERVICES (continued)

IRS PERMITS PORTABILITY OF 403(B) ASSETS

Investors may be able to move 403(b) assets to Lord Abbett if your written plan permits transfers to Lord Abbett. Lord Abbett cannot accept the transfer of an existing 403(b) loan from another financial institution.

HOW TO OPEN AND/OR TRANSFER FUNDS TO A LORD ABBETT 403(B) PLAN ACCOUNT

- To establish a 403(b) account, complete the Lord Abbett 403(b) Employee Application.
- To establish a 403(b) account and to transfer your existing 403(b) assets from another financial institution to Lord Abbett, complete the Lord Abbett 403(b) Employee Application and 403(b) Transfer Application. In order for this transfer to occur, Lord Abbett must be an eligible investment option within your organization's plan.
- To establish a 403(b) account and to transfer an IRA, including SEP IRA, or SAR SEP IRA, complete the Lord Abbett 403(b) Employee Application and the 403(b) Transfer Application. (If transferring an IRA, you cannot transfer any nondeductible contributions.)
- Unless the asset being transferred is already a Roth 403(b), Roth 401(k) or Roth governmental 457(b) account, it cannot be transferred into a Roth 403(b).
- Existing Roth IRAs may not be transferred into a 403(b) plan.

If you previously established a Lord Abbett 403(b) account and would like to transfer 403(b) assets from another financial institution to Lord Abbett, complete the 403(b) Transfer Application only. In order for this transfer to occur, Lord Abbett must be an eligible option within your organization's plan.

- To transfer assets from another workplace retirement plan (e.g., 401(k)), please contact your former employer for their requirements and paperwork.

Lord Abbett offers web-based payroll processing. Call us at 888-223-0020 for more information.

UMB BANK CUSTODIAL FEE

UMB Financial Corporation (UMB Bank) as custodian of your 403(b) account, charges an annual administrative fee of \$10 per participant.

The information provided is not directed at any investor or category of investors and is provided solely as general information about Lord Abbett's products and services and to otherwise provide general investment education. None of the information provided should be regarded as a suggestion to engage in or refrain from any investment-related course of action as neither Lord Abbett nor its affiliates are undertaking to provide impartial investment advice, act as an impartial adviser, or give advice in a fiduciary capacity. If you are an individual retirement investor, contact your financial advisor or other fiduciary about whether any given investment idea, strategy, product or service may be appropriate for your circumstances.

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FOR MORE INFORMATION:

Lord Abbett Client Service 888-522-2388 | Visit us at: lordabbett.com

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