



## MANAGED ACCOUNTS – SHORT MUNICIPAL BOND

### PRODUCT FEATURES

- Bonds rated 'A-' or better
- Approximately 8-25 securities
- AMT-free bonds
- Active diversification by issuer, coupon, and state
- State-specific or state preference portfolios (upon request)
- Selective selling for tax considerations

### THE POTENTIAL VALUE OF ACTIVE MANAGEMENT

- Robust analysis of yield curves, sectors, and credit spreads determines the optimal portfolio positioning for total return potential.
- Credit research and yield curve analysis intended to ensure adequate compensation for credit and interest rate risk.
- Ongoing surveillance can identify more attractive investment opportunities.

### INVESTMENT TEAM

#### Team Leader(s):

Daniel S. Solender, CFA, Partner & Director  
34 Years Industry Experience\*

Daniel T. Vande Velde, Partner  
31 Years Industry Experience\*

#### Supported By:

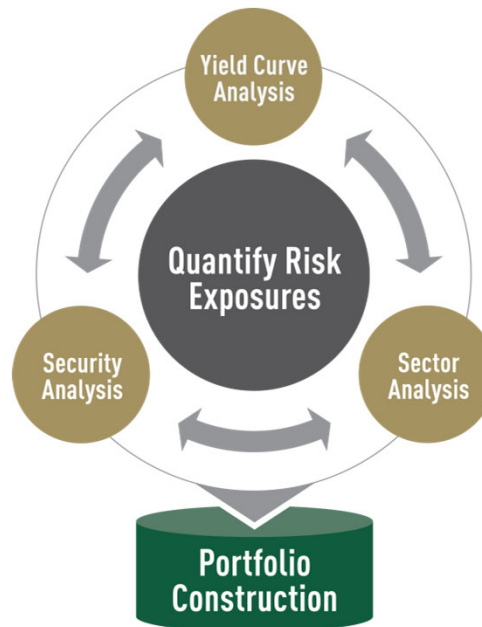
16 Investment Professionals  
12 Years Avg. Industry Experience\*

\*As of 01/01/2021.

### INVESTMENT STRATEGY

The Lord Abbett Short Municipal Bond strategy seeks a high level of tax-free income and attractive total return by investing in high-quality bonds rated 'A-' or higher. The strategy focuses on bonds with short maturities and seeks to limit interest-rate exposure.

### INVESTMENT PROCESS



#### Market Analysis

- Yield curve positioning
- Economic environment
- Model scenarios

#### Credit & Sector Analysis

- Relative valuations
- Fundamental research
- Sector and quality weightings

#### Security Analysis

- Credit research
- Coupon
- Maturity date
- Call protection

#### Construction

- Implementation of strategic guidelines
- Term structure
- Credit quality allocation
- Sector weightings
- Diversification by insurer and coupon
- Geographic considerations

### CURRENT STRATEGY\*\*

- The portfolios are overweight 'AA' and 'A' rated bonds and underweight lower quality bonds due to portfolio restrictions.
- The portfolios continue to maintain an overweight in the transportation sector. Traffic volumes have picked up and most credits in the sector have strong balance sheets with large cash positions.
- The portfolios are overweight bonds within the 2- to 4-year maturity range and underweight longer maturities

\*\* Current Strategy information shown is based on the Lord Abbett Managed Accounts Short Municipal strategy. The strategy reflects accounts that are included in the Lord Abbett Managed Accounts Short Municipal Composite, as well as those that are excluded due to client imposed restrictions.

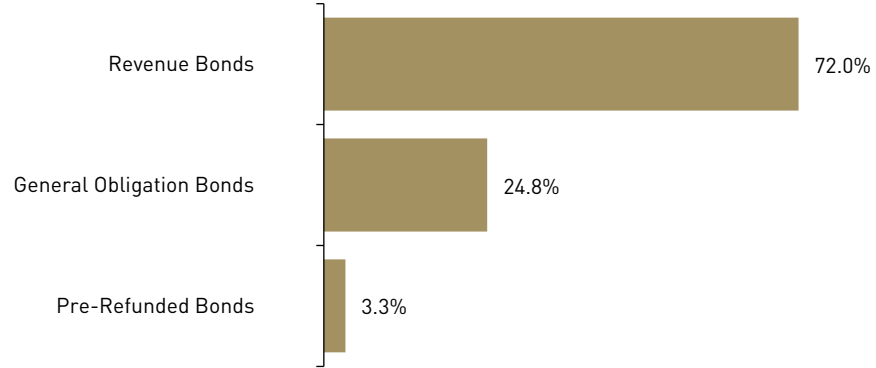
**A Note about Risk:** As interest rates rise, the prices of debt securities tend to fall; as rates fall, prices tend to rise. The value of a portfolio will change as interest rates fluctuate. Municipal securities may include insured municipal securities that are covered by insurance policies that guarantee the timely payment of principal and interest. Insurance does not pertain to yield or market values, which will fluctuate over the life of bonds. Income from municipal bonds may be subject to the alternative minimum tax. Federal, state, and local taxes may apply. In addition, the price of municipal bonds may be adversely affected by legislative or political changes, tax rulings, judicial action, changes in market and economic conditions, and the fiscal condition of the municipal issuer. Although these are the main risks of investing in bonds, there may be other risks associated with investing in bonds, such as credit, inflation, call, high-yield, and market risks. An investor should consult with his or her investment professional before making an investment decision.

**PORTFOLIO CHARACTERISTICS**

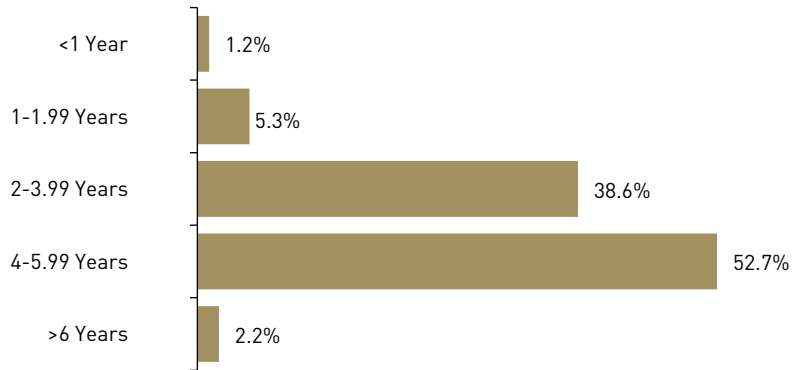
Average Current Yield	4.19%
Average Price	\$117.46
Average Coupon	5.0%
Avg. Stated Maturity	4.1 Years
Effective Duration	3.6 Years

Past performance is not a reliable indicator or guarantee of future results.

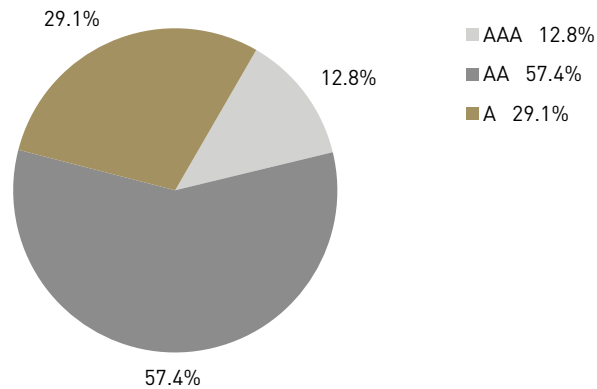
**TYPE BREAKDOWN**



**MATURITY BREAKDOWN**



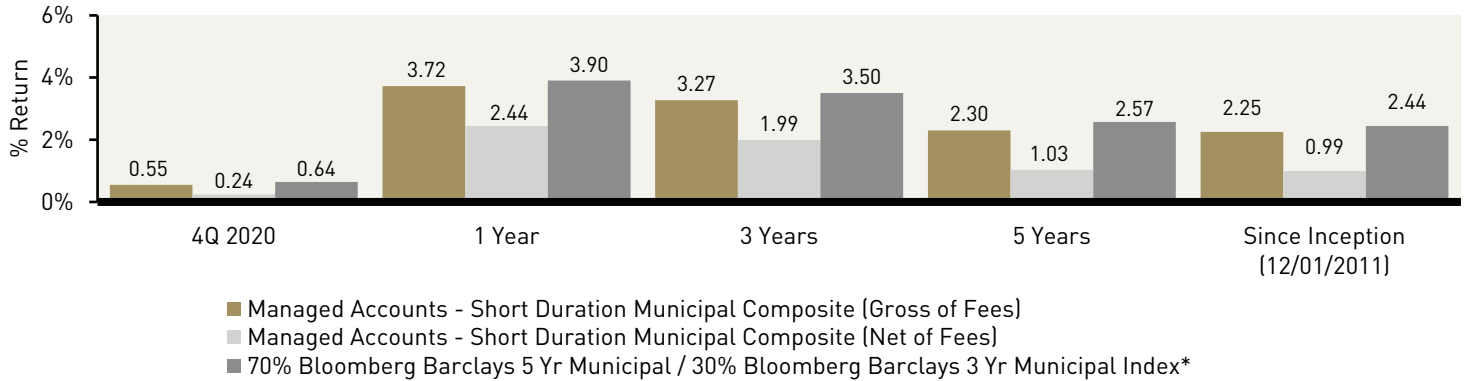
**CREDIT QUALITY DISTRIBUTION**



Ratings provided by Standard & Poor's, Moody's, and Fitch. Where the ratings agencies rate a security differently, Lord Abbett uses the higher credit rating. Ratings range from AAA [highest] to D [lowest]. Bonds rated BBB or above are considered investment grade. Credit ratings BB and below are lower-rated securities (junk bonds). High-yielding, non-investment-grade bonds (junk bonds) involve higher risks than investment-grade bonds. Adverse conditions may affect the issuer's ability to pay interest and principal on these securities. Breakdown is not an S&P credit rating or an opinion of S&P as to the creditworthiness of such portfolio.

The information shown does not reflect, and may significantly differ from, the characteristics of individual accounts actively managed by Lord Abbett in this strategy. Managed accounts are actively managed, and portfolio characteristics may change significantly over time. Indexes are unmanaged, do not reflect the deduction of fees or expenses, and are not available for direct investment. For portfolio characteristic definitions, please see the Glossary of Important Terms.

## AVERAGE ANNUAL RATES OF RETURN



## CALENDAR YEAR TOTAL RETURNS

	2011**	2012	2013	2014	2015	2016	2017	2018	2019	2020
Gross	1.11%	3.00%	0.77%	2.06%	1.85%	-0.33%	2.07%	1.52%	4.60%	3.72
Net	1.01%	1.73%	-0.48%	0.80%	0.59%	-1.57%	0.80%	0.26%	3.30%	2.44
70% Bloomberg Barclays 5-Year/ 30% Bloomberg Barclays 3-Year Muni Blended Index*	1.06%	2.64%	0.97%	2.60%	2.06%	-0.25%	2.67%	1.71%	4.91%	3.90

**Past performance is not a reliable indicator or guarantee of future results.** Performance data quoted above are historical. Current performance may be higher or lower than the performance data quoted. The performance results shown are supplemental to the Lord Abbett Managed Accounts - Short Duration Municipal Composite presentation, which is included at the end of this document, and is subject to change. Indexes are unmanaged, do not reflect the deduction of fees or expenses, and are not available for direct investment. Returns for periods of less than one year are not annualized. \*Source: Bloomberg Barclays. \*\*12/01/2011-12/31/2011.

## GLOSSARY OF IMPORTANT TERMS

**Average Current Yield** is the dollar amount of interest expected to be received annually divided by the current market price of the security.

**Average Price** is the weighted average price of all securities held in a portfolio. As par values tend to vary, a security's price is quoted as a percentage of its par value. Securities trading at a price of "100" indicate 100% of par value, and security prices above or below 100 are said to be valued at either a premium or discount, respectively.

**Average Coupon** is the weighted average coupon for all the securities in a portfolio. A bond's coupon is the annual rate of interest on a bond's face value that the issuer agrees to pay the holder.

**Average Stated Maturity:** An actual maturity (the number of years to maturity) is calculated for each holding and is then weighted by its market value. The sum of these weighted market values is divided by the total market value of the account to determine the weighted average actual maturity of the portfolio.

**Effective Duration:** The approximate change in the value of a fixed income security that will result from a 1% change in market interest rates. This calculation takes into account anticipated cash flow fluctuations from embedded options such as mortgage prepayments, puts, adjustable coupons, and potential call dates. Duration is expressed as a number of years, and generally, the larger a duration, the greater the interest-rate sensitivity for a portfolio's underlying bond prices.

**The Bloomberg Barclays 3 Year Municipal Index** is a subset of the Barclays Municipal Bond Index covering those issues with remaining maturities of two to three years.

**The Bloomberg Barclays 5 Year Municipal Index** is a capitalization weighted bond index created by Barclays intended to be representative of major municipal bonds of all quality ratings with an average maturity of approximately five years. Indices are not available for direct investment. The blended benchmarks are rebalanced on a monthly basis.

## IMPORTANT INFORMATION

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The financial indices referenced herein as benchmarks are provided for information purposes only. Portfolio holdings and characteristics will differ from those of the benchmark(s), and such differences may be material. Factors affecting portfolio performance that do not affect benchmark performance may include portfolio rebalancing, the timing of cash flows, credit quality, diversification, and differences in volatility. In addition, financial indices do not reflect the impact of fees, applicable taxes, or trading costs, which reduce returns. Unless otherwise noted, financial indices assume reinvestment of dividends. You cannot make a direct investment in an index.

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.

## IMPORTANT INFORMATION REGARDING PERFORMANCE

The GIPS® Compliant performance results shown below represent the investment performance record for Lord, Abbett & Co. LLC's Managed Accounts Short Duration Municipal Composite (the "Composite"), which includes all unconstrained, fully discretionary, individually managed short duration municipal accounts managed in a separately managed account program. New accounts are included in the Composite as of the second full month they are under management. Closed accounts are removed from the Composite after the last full month in which they were managed in accordance with the applicable objectives, guidelines and restrictions. Performance results are expressed in U.S. dollars and reflect reinvestment of any dividends and distributions. Cash flows are adjusted for on a time-weighted basis and an account is revalued in the event a cash flow equals or exceeds 10%. The Composite was created in 2011. A complete list of Lord Abbett composites and a description of the investment strategies are available upon request. Policies for valuing portfolios, calculating performance, and preparing compliant presentations are available upon request.

For GIPS® purposes, the firm is defined as Lord, Abbett & Co. LLC ("Lord Abbett"). Total Firm Assets are the aggregate fair value of all discretionary and non-discretionary assets for which the Firm has investment management responsibility. Accordingly, Total Firm Assets include, but are not limited to, mutual funds (all classes of shares), privately placed investment funds, non-U.S. domiciled investment funds, separate/institutional portfolios, individual portfolios and separately managed accounts ("Wrap Fee/SMA Portfolios") managed by Lord Abbett. Total Firm Assets also include any collateralized, structured investment vehicle, such as a collateralized debt obligation or collateralized loan obligation, for which Lord Abbett has been appointed as the collateral manager. For the period prior to January 1, 2000, the definition of the Firm does not include any hedge fund or SMA program accounts where Lord, Abbett & Co. LLC did not have the records so long as it is impossible for Lord, Abbett & Co. LLC to have the records (within the meaning of relevant GIPS® standards interpretations). Total Firm Assets also exclude separately managed program accounts that involve model delivery.

### MANAGED ACCOUNTS SHORT DURATION MUNICIPAL COMPOSITE

Calendar Year Ended	2019	2018	2017	2016	2015	2014	2013	2012	12/2011
# of Portfolios	20	19	25	16	21	20	19	1	1
Total Assets (\$M)	\$14	\$14	\$17	\$11	\$17	\$17	\$17	\$0.53	\$0.50
Percentage of Firm Assets	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.00%	0.00%
Total Firm Assets (\$M)	\$204,031	\$161,055	\$156,110	\$134,565	\$124,007	\$135,945	\$135,786	\$127.75 3	\$107.44 9
Dispersion	0.15	0.15	0.27	0.20	0.14	0.55	N/A	N/A	N/A
LA MA Short Duration Muni Composite Performance Gross (Annual)	4.60%	1.52%	2.07%	-0.33%	1.85%	2.06%	0.77%	3.00%	1.11%*
LA MA Short Duration Muni Composite Performance Gross (3 year Annualized Return)	2.72%	1.08%	1.19%	1.19%	1.56%	1.94%	N/A	N/A	N/A
LA MA Short Duration Muni Composite Performance Gross (3 year Annualized Ex-Post Standard Deviation)	1.87%	2.36%	2.36%	2.17%	1.87%	1.85%	N/A	N/A	N/A
LA MA Short Duration Muni Composite Performance Net (Annual)	3.30%	0.26%	0.80%	-1.57%	0.59%	0.80%	-0.48%	1.73%	1.01%*
LA MA Short Duration Muni Composite Performance Net (3 year Annualized Return)	1.45%	-0.18%	-0.06%	-0.06%	0.30%	0.68%	N/A	N/A	N/A
Bloomberg Barclays 5 Year Municipal 70% / Bloomberg Barclays 3 Year Municipal 30% (Annual)	4.91%	1.71%	2.67%	-0.25%	2.06%	2.60%	0.97%	2.64%	1.06%*
Bloomberg Barclays 5 Year Municipal 70% / Bloomberg Barclays 3 Year Municipal 30% (3 year Annualized Return)	3.09%	1.37%	1.48%	1.46%	1.87%	2.06%	N/A	N/A	N/A
Bloomberg Barclays 5 Year Municipal 70% / Bloomberg Barclays 3 Year Municipal 30% (3 year Annualized Ex-Post Standard Deviation)	1.81%	2.27%	2.27%	2.08%	1.75%	1.74%	N/A	N/A	N/A

\*Represents performance for the 1 month period ended December 31, 2011.

N/A – The 3 year annualized return and standard deviation is not applicable due to the short track record.

The performance of the Composite is shown net and gross of the maximum separately managed account program fee. The net performance results illustrate the effect of the deduction of the maximum separately managed account program fee (1.25%) on investment returns. All gross performance shown is presented on a supplemental basis and reflects the deduction of transaction costs. The program fee is paid to the program sponsor and includes the advisory fee Lord Abbett receives and trade execution expenses. The effect of fees and expenses on performance will vary with the relative size of the fee and account performance. **For example, if \$100,000 were invested and experienced a 10% compounded annual return for 10 years, its ending dollar value, without giving effect to the deduction of the program fee, would be \$259,374. If a program fee of 1.25% of average net assets per year for the 10-year period were deducted, the annual total return would be 8.65% and the ending dollar value would be \$231,362.** Please refer to Lord Abbett's Form ADV Part 2A Brochure for additional information on Lord Abbett's advisory fees which generally range from annual rates of 0.14% to 0.50% of assets under management for managed fixed income accounts. Certain securities held in portfolios contained in this composite may have valuations determined using both subjective observable and subjective unobservable inputs. The Firm's valuation hierarchy does not materially differ from the hierarchy in the GIPS Valuation Principles.

The Bloomberg Barclays Municipal Bond Index is a rules-based, market-value-weighted index engineered for the long-term tax-exempt bond market. Bonds must be rated investment-grade (Baa3/BBB- or higher) by at least two ratings agencies. They must have an outstanding par value of at least \$7 million and be issued as part of a transaction of at least \$75 million. The bonds must be fixed rate, have a dated-date after December 31, 1990, and must be at least one year from their maturity date. The 70% Bloomberg Barclays 5-year Municipal Index / 30% Bloomberg Barclays 3-year Municipal Index are components of the Bloomberg Barclays Municipal Bond Index. The Bloomberg Barclays 5-year Municipal Index have bonds with an effective maturity of 4 to 6 years. The Bloomberg Barclays 3-year Municipal Index have bonds with an effective maturity of 2 to 4 years. Indices are not available for direct investment. The blended benchmarks are rebalanced on a monthly basis. The benchmarks have not been examined by Deloitte & Touche LLP.

Lord, Abbett & Co. LLC claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Lord, Abbett & Co. LLC has been independently verified for the periods 1993 through 2019. The verification report is available upon request. Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards. Verification does not ensure the accuracy of any specific composite presentation.

Source: Bloomberg Index Services Limited. BLOOMBERG® is a trademark and service mark of Bloomberg Finance L.P. and its affiliates (collectively "Bloomberg"). BARCLAYS® is a trademark and service mark of Barclays Bank Plc (collectively with its affiliates, "Barclays"), used under license. Bloomberg or Bloomberg's licensors, including Barclays, own all proprietary rights in the Bloomberg Barclays Indices. Neither Bloomberg nor Barclays approves or endorses this material, or guarantees the accuracy or completeness of any information herein, or makes any warranty, express or implied, as to the results to be obtained therefrom and, to the maximum extent allowed by law, neither shall have any liability or responsibility for injury or damages arising in connection therewith.

**Past performance is not a reliable indicator or a guarantee of future results.** Differences in account size, timing of transactions, and market conditions prevailing at the time of investment may lead to different results among accounts. Differences in the methodology used to calculate performance also might lead to different performance results than those shown. Composite performance is compared to that of an unmanaged index, which does not incur management fees, transaction costs, or other expenses associated with a managed account.

SMA-SHORT