



## SHORT DURATION TAX FREE FUND

**LOWER EXPENSES - CLASS A**

<b>Fund Expense Ratio<sup>1</sup></b>	<b>0.63%</b>
Category Average <sup>2</sup>	0.74%

**GOAL & STRATEGY**

The goal of this Fund is tax-exempt income through investing primarily in short-term investment grade municipal securities. This Fund seeks to provide the investor with federal tax-exempt income, while limiting exposure to interest-rate risk.

**PORTFOLIO CHARACTERISTICS<sup>3</sup>**

Avg. Effective Maturity: 2.7 Years

Modified Duration: 2.1 Years

**FUND SYMBOLS/CUSIPS**

Class A:	LSDAX	543912778
Class C:	LSDCX	543912752
Class F:	LSDFX	543912745
Class I:	LISDX	543912737

**AVERAGE ANNUAL TOTAL RETURNS (%) AS OF 12/31/2013**

Class A Shares	1 Year	3 Years	5 Years	Since Inception	Expense Ratios	
<b>Net Asset Value</b> (without sales charge)	0.02	1.87	2.77	2.77	Gross	Net <sup>†</sup>
<b>Maximum Offering Price</b> (with sales charge)	-2.26	1.10	2.30	2.30	0.70%	0.63%

30-Day Standardized Yield:<sup>4</sup> 0.91% (subsidized); 0.84% (unsubsidized)

**For the latest dividend yield and performance information, visit us at [www.lordabbett.com](http://www.lordabbett.com).**

**CLASS A SHARE RANKINGS AS OF 12/31/2013**

	1 Year	3 Years	5 Years	Since Inception
<b>Lipper Percentile Ranking</b>	72	30	26	26
(Short Municipal Debt Funds based on total returns)	(67/93)	(26/88)	(18/70)	(18/70)

**CALENDAR YEAR TOTAL RETURNS AT NAV (%)**

	2009	2010	2011	2012	2013
NAV	6.14	2.17	3.46	2.16	0.02
Lipper Category Average	5.81	1.26	2.78	1.48	0.18

Reflects the percent change in net asset value (NAV) of Class A shares and includes the reinvestment of all distributions. Performance is shown for each calendar year. Past performance is no guarantee of future results.

**Performance data quoted reflect past performance and are no guarantee of future results. Current performance may be higher or lower than the performance quoted. The investment return and principal value of an investment in the Fund will fluctuate so that shares, on any given day or when redeemed, may be worth more or less than their original cost. You can obtain performance data current to the most recent month-end by calling Lord Abbett at 888-522-2388 or referring to [www.lordabbett.com](http://www.lordabbett.com).**

<sup>1</sup> Reflects expenses for fiscal year ended 09/30/2013 and is subject to change. Fund expenses may fluctuate with market volatility. A substantial reduction in Fund assets (since its most recently completed fiscal year), whether caused by market conditions or significant redemptions or both, will likely cause total operating expenses (as a percentage of Fund assets) to become higher than those shown.

<sup>2</sup> Reflects the average net expenses of Class A shares of all funds within the Lipper Short Municipal Debt Funds Average based on Lipper data available.

<sup>3</sup> The Fund's portfolio is actively managed and is subject to change.

<sup>4</sup> The 30-Day Standardized Yield represents net investment income earned by a fund over a 30-day period. It is expressed as an annual percentage rate using a method of calculation adopted by the Securities and Exchange Commission (SEC). Subsidized yield reflects fee waivers in effect. Without such fee waivers, yields would be reduced. Unsubsidized yields do not reflect fee waivers. Yields for other share classes will vary.

**Without sales charge (NAV):** the net asset value performance above shows the Fund's average annual total returns excluding sales charges. If sales charges, including any applicable contingent deferred sales charge (CDSC) had been included, performance would have been lower.

**With sales charge (MOP):** performance of Class A shares with sales charge reflects the reinvestment of all distributions and includes initial maximum 2.25% sales charge. Certain purchases of Class A shares without a sales charge are subject to CDSC. The CDSC is not reflected in the performance shown. Please see the prospectus for more details.

Returns for less than one year are not annualized.

**Lipper Short Municipal Debt Funds Average** is based on a universe of funds with similar investment objectives as the Fund. Peer group averages include the reinvested dividend and capital gains, if any, and exclude sales charges. Rankings are based on total return and do not reflect the effect of sales charges. Each Fund is ranked within a universe of funds similar in investment objective. Source: Lipper Analytical Services.

Not all share classes are available to all investors. Please see prospectus for more information.

**INVESTMENT TEAM****Team Leader(s):**

Daniel S. Solender, CFA, Partner  
27 Years Industry Experience

Daniel T. Vande Velde, Partner  
23 Years Industry Experience

**Supported By:**

13 Investment Professionals  
10 Years Avg. Industry Experience

**FUND BASICS**

Total Net Assets (\$B):<sup>5</sup> \$2.42

Inception Date: 12/31/2008 (Class A)

Capital Gains Distribution: December

Dividend Frequency: Monthly

Minimum Initial Investment: \$1,000

<sup>5</sup> Includes all share classes.

**EXPENSE RATIOS: GROSS NET<sup>†</sup>**

Class A:	0.70%	0.63%
Class C:	1.36%	1.29%
Class F:	0.60%	0.53%
Class I:	0.50%	0.43%

**GLOSSARY OF TERMS**

**Modified Duration** is the change in the value of a fixed-income security that will result from a 1% change in market interest rates. Duration is expressed as a number of years, and generally, the larger a portfolio's duration, the greater the interest-rate risk or reward for underlying bond prices. Where applicable, securities, such as common or preferred stock, convertible bonds and convertible preferred stock, ETFs and ADRs and futures, are excluded from these calculations. **Average Effective Maturity** is the length of time until the average security in a portfolio will mature or be redeemed by its issuer in proportion to its dollar value. Indicating a portfolio's sensitivity to general market interest rate changes, a longer average maturity implies greater relative portfolio volatility. The **Barclays Municipal Short 1-5 Year Index** is the Muni Short 1-5 year component of the Municipal Bond Index. The Barclays Municipal Bond Index is a rules-based, market-value-weighted index engineered for the long-term tax-exempt bond market. The index is a broad measure of the municipal bond market with maturities of at least one year. To be included in the index, bonds must be rated investment-grade (Baa3/BBB- or higher) by at least two of the following ratings agencies: Moody's, S&P, Fitch. If only two of the three agencies rate the security, the lower rating is used to determine index eligibility. If only one of the three agencies rates a security, the rating must be investment-grade. 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 index is unmanaged, does not reflect the deduction of fees or expenses, and is not available for direct investment.

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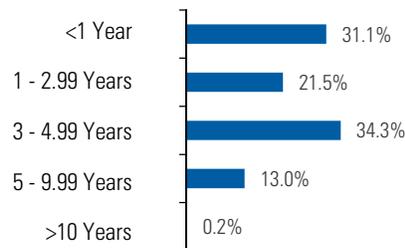
**PORTFOLIO POSITIONING**

- We favor a barbelled structure that combines money market securities and three- to five-year maturity bonds rather than a bulleted structure.
- The portfolio has a sizable weighting in **variable-rate demand notes** due to their low volatility and strong liquidity. These securities are always priced at par and, therefore, do not have the duration risk of fixed-coupon bonds.
- The portfolio continues to have a weighting in **floating-rate notes**, whose coupons adjust as short-term rates fluctuate. This characteristic provides a viable alternative to lower-yielding, variable-rate demand notes.
- The portfolio has a slight overweight in **lower-quality investment-grade bonds** relative to the benchmark, the Barclays Municipal Short 1-5 Year Index, due to attractive credit spreads.
- The portfolio continues to maintain an overweight to **revenue bonds**, given the dedicated income stream and favorable return prospects.

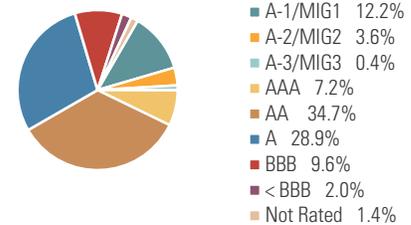
**TEN LARGEST HOLDINGS**

Alaska Housing Finance Corp	1.6%	Palm Beach County School Board	1.2%
Montgomery County - Catholic Health Initiatives	1.4%	University of North Carolina at Chapel Hill	1.0%
New York City General Obligation	1.2%	NH Hlth & Ed - University of New Hampshire	1.0%
Las Vegas Valley Water District	1.2%	Pittsburgh Water & Sewer Auth	1.0%
MO Hlth & Ed - Saint Louis University	1.2%	Houston Utility System	0.9%

Holdings are for informational purposes only and are not a recommendation to buy, sell, or hold any security.

**MATURITY BREAKDOWN**

The Fund's portfolio is actively managed and is subject to change. Maturity breakdowns exclude cash and futures and therefore Fund percentage allocations may not equal 100%.

**CREDIT QUALITY DISTRIBUTION**

Ratings provided by Standard & Poor's and Moody's. Where S&P and Moody's rate a security differently, Lord Abbett uses the higher credit rating. For a security with both a short-term and long-term rating, Lord Abbett has categorized the security in the chart above using its short-term 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. A portion of the portfolio's securities are not rated. A-1/MIG1, A-2/MIG2 and A-3/MIG3 designations denote securities with less than a three-year maturity as well as superior (A-1/MIG1), strong (A-2/MIG2) and favorable (A-3/MIG3) credit quality. The credit quality breakdown is not an S&P credit rating or an opinion of S&P as to the creditworthiness of such portfolio. Credit quality allocation reflects market value weightings. Ratings apply to the credit worthiness of the issuers of the underlying securities and not the fund or its shares. Ratings may be subject to change.

<sup>†</sup>The net expense ratio takes into account a contractual management fee waiver/expense reimbursement agreement that currently is scheduled to remain in place through 01/31/2014. For periods when gross expenses exceeded the cap, the Fund benefited by not bearing certain expenses. Without such cap, performance would have been lower. In addition, the net expense ratio takes into account deductions for certain interest and related expenses from certain of the Fund's investments. Under accounting rules, the Fund recognized additional income in an amount that directly offsets these interest and related expenses. Therefore, the Fund's total returns and net asset value were not affected by such interest and related expenses.

**A Note about Risk:** The value of an investment in the Fund will change as interest rates fluctuate in response to market movements. When interest rates rise, the prices of debt securities are likely to decline, and when interest rates fall, the prices of debt securities tend to rise. A portion of the income derived from the Fund's portfolio may be subject to the alternative minimum tax. Any capital gains realized may be subject to taxation. Federal, state, and local taxes may apply. There is a risk that a bond issued as tax-exempt may be reclassified by the IRS as taxable, creating taxable rather than tax-exempt income. In addition, the Fund is subject to other types of risks such as call, credit, and general market risks. The Fund may invest in Puerto Rico and other U.S. territories, commonwealths, and possessions, and may be affected by local, state, and regional factors. These may include, for example, economic or political developments, erosion of the tax base, and the possibility of credit problems. Stockholders should consult their tax advisors for more specific information on taxation. These factors can affect Fund performance.

The views discussed are as of 12/31/2013, are subject to change based on subsequent developments, and may not reflect the views of the firm as a whole. This material is not intended to be relied upon as a forecast, research, or investment advice regarding a particular investment or the markets in general.

Effective June 28, 2013 the Fund adopted the Barclays Municipal Short 1-5 Year Index as its primary benchmark.

**Investors should carefully consider the investment objectives, risks, charges, and expenses of the Lord Abbett Funds. This and other important information is contained in the Fund's summary prospectus and/or prospectus. To obtain a prospectus or summary prospectus on any Lord Abbett mutual fund, contact your investment professional, Lord Abbett Distributor LLC at 888-522-2388 or visit us at www.lordabbett.com. Read the prospectus carefully before you invest.**

NOT FDIC INSURED-NO BANK GUARANTEE-MAY LOSE VALUE

LA-SDTF-12-4Q13