



LORD ABBETT®

## BAY COUNTY VOLUNTARY EMPLOYEES BENEFICIARY ASSOCIATION

### *Value Opportunities Fund*

FOR THE MONTH ENDED OCTOBER 31, 2017

**Charles F. Hofer, CFA**  
Partner, Investment Strategist

**Gregory Balewicz**  
Director, Institutional Investor Services

**Thérèse J. Cavanaugh**  
Director, Client Account Management

Lord Abbett  
90 Hudson Street  
Jersey City, NJ 07302



LORD ABBETT

*A singular focus since 1929*

## Investment-Led

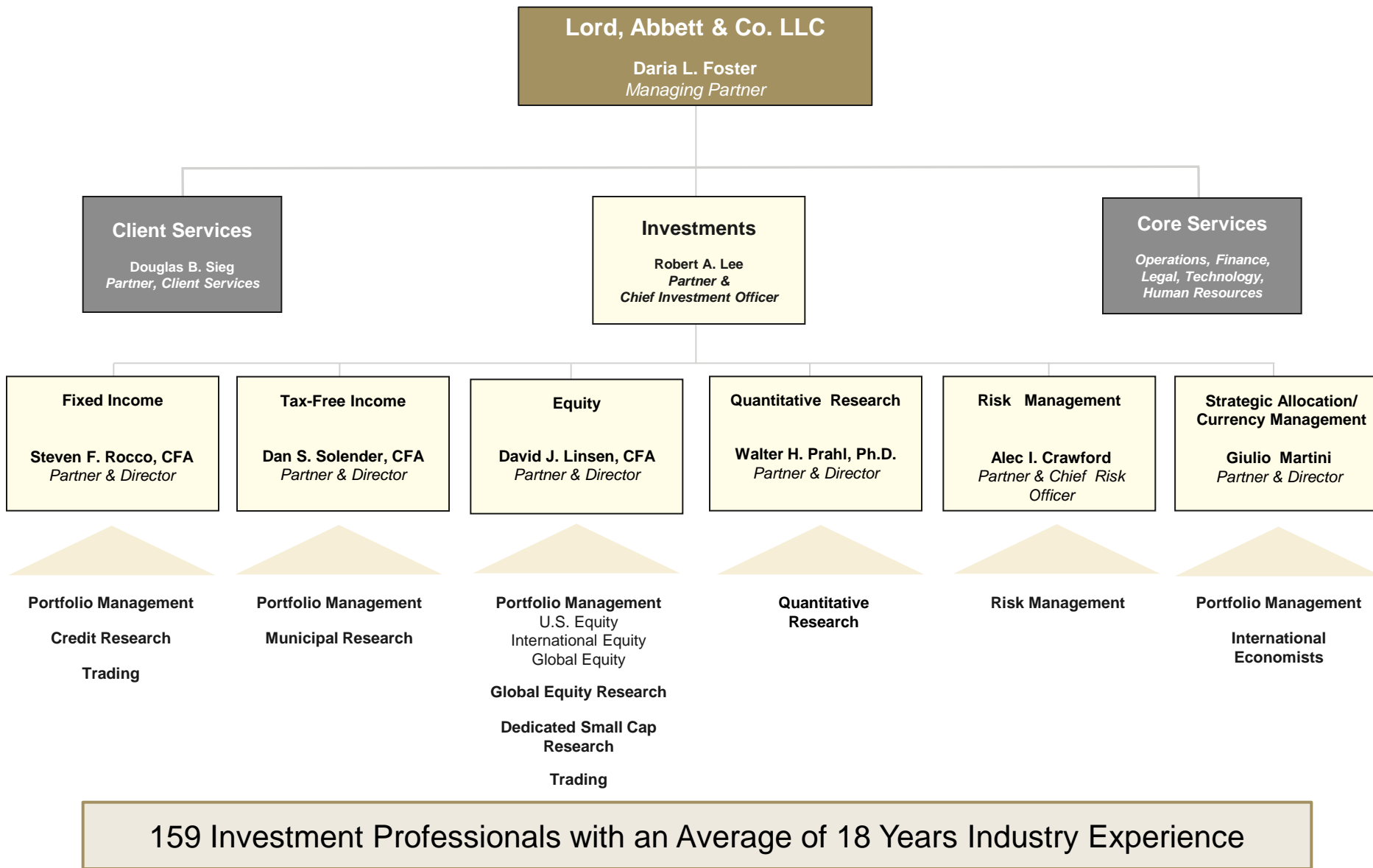
- Active management characterized by a deliberate process, teamwork, and collaboration
- Rigorous research that challenges consensus and identifies opportunities
- Comprehensive risk management that enhances investment decisions

## Investor-Focused

- Perspectives shaped and decisions sharpened by our independence
- Resources dedicated to the markets we serve
- Strategies intelligently designed to meet client needs



# OUR ORGANIZATIONAL STRUCTURE & INVESTMENT TEAMS





# OUR ASSETS & INVESTMENT STRATEGIES

## \$154.2 BILLION IN ASSETS UNDER MANAGEMENT

Including over \$800 million from current and former partners, employees and their families

### U.S. Equity

- Large Value
- Mid Value
- Smid Value
- Small Value
- Micro Value
- Multi Value
- Large Core
- Small Core
- Multi Core
- Large Growth
- Mid Growth
- Small Growth
- Micro Growth
- Dividend Growth
- Equity Income

### Global & International Equity

- International Equity
- International Dividend
- International Small Core
- Global Core

### Multi-Asset

- Income
- Balanced
- Growth
- Global
- Focused Growth

### Tax-Free Income

- Short
- Short Duration High Yield
- Intermediate
- Long
- High Yield
- AMT Free
- State Specific (CA, NY, NJ)

### Fixed Income

- Ultra Short Bond
- Short Credit
- Intermediate Government/Credit
- Government
- Core
- Core Plus
- Inflation Focused
- Corporate Credit
- Bank Loan
- Multi-Sector
- EM Corporate Debt
- EM Currency
- Long Duration
- High Yield
- Global High Yield
- Convertible
- EM Local Bond

Note: Assets under management data is as of 09/30/2017 unless noted and includes approximately \$1.6 billion for which Lord Abbett provides investment models to managed account sponsors.



# OPPORTUNISTIC VALUE INVESTMENT PHILOSOPHY

## Opportunistic Approach

A distinct value-oriented strategy with the flexibility to invest in undervalued stocks from a large and inefficient universe.

## Proven Investment Team

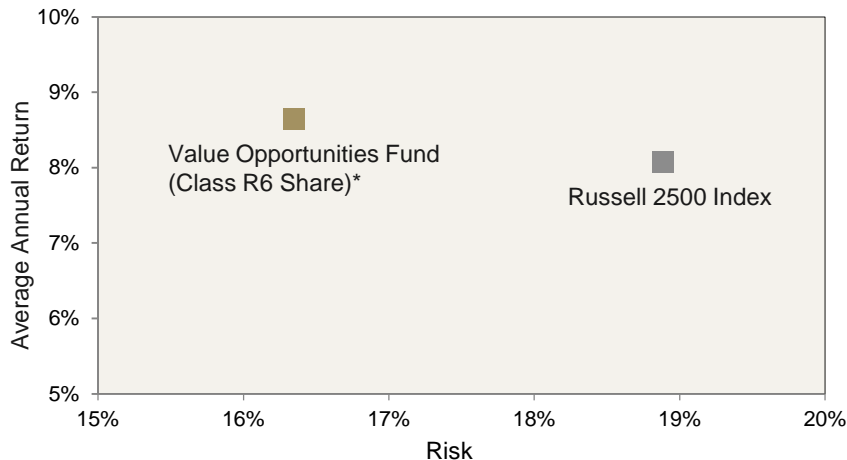
A proven approach to value investing in small and mid-sized companies with a focus on fundamental research to drive stock selection.

## Persistent Performance

An active approach that has produced substantial long-term outperformance through a disciplined focus on return per unit of risk.

## Attractive Risk-Reward Profile

Lord Abbett Value Opportunities Fund



<b>Active Management</b>	<b>93%</b> Active Share <sup>1</sup>
<b>Rigorous Research</b>	<b>93%</b> Of historical out-performance driven by stock selection <sup>2</sup>
<b>Repeatable Process</b>	<b>11<sup>th</sup></b> Information Ratio Ranking 10 Years <sup>3</sup>

Source: Lord Abbett. Analysis period includes Value Opportunities Fund 10 years ended as of 10/31/2017.

**Performance data quoted reflect past performance and are no guarantee of future results. Please see Performance and Attribution sections for Fund performance. Current performance may be higher or lower than the performance data 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 our website at lordabbett.com.**

Average Annual Total Returns are based on changes in net asset value and assume reinvestment of all distributions and do not reflect deduction of any front-end sales charges which are not applicable for Class R6 Shares, if these charges were included returns would be lower. Class R6 Shares are not subject to sales charges and are available only to institutional investors and certain others, including retirement plans. \*Class R6 - The inception date for Class R6 shares is June 30, 2015. The performance quotations for Class R6 are based on the following methods of calculation: (a) for periods prior to June 30, 2015, a restated figure is used based on the historical performance of the Fund's portfolio since inception to reflect all charges and fees applicable to Class R6 shares; and (b) for periods after June 30, 2015, actual Class R6 performance is used, which reflects all charges and fees applicable to Class R6 shares. Class R6 shares are only offered to certain eligible investors. For additional information, see the Fund's current prospectus. Indexes are unmanaged, do not reflect the deduction of fees or expenses, and are not available for direct investment. <sup>1</sup>Active share is measured in percentage terms that range from 0-100% and is a measure of a portfolio's holdings at a point in time relative to an index. A higher active share illustrates that a portfolio is more differentiated from its benchmark, while a low active share implies high overlap with the benchmark. The methodology is not an indicator of how a specific investor's investment will perform. This should not be used as a tool or evaluation in making any investment decision. The 93% active share number is compared to the Russell 2500 Index as of 09/30/2017. <sup>2</sup>Source: Wilshire. 10/31/2007-10/31/2017. <sup>3</sup>Source: Morningstar. 10/31/2007-10/31/2017. Morningstar Mid-Cap Blend Category information ratio ranking compared to the Russell 2500 Index for the ten-year period as of 10/31/2017 was 11<sup>th</sup> (22/204).



# DEEP, EXPERIENCED INVESTMENT RESOURCES

## Experienced investment team led by:

**Robert A. Lee**

Partner & Chief Investment Officer  
26 Years

**David J. Linsen, CFA**

Partner & Director of Equities  
21 Years

## Portfolio Management

**Thomas B. Maher**

Partner & Portfolio Manager  
28 Years

**Justin C. Maurer**

Partner & Portfolio Manager  
26 Years

**John C. Hardy**

Associate Portfolio Manager  
14 Years

## Research

**Jeffrey M. Hershey, CFA**  
24 Years

**Dennis K. Morgan, CFA**  
22 Years

**Jason B. Loeb, CFA**  
25 Years

**Amit Bhalla**  
16 Years

### Risk Management

**Alec I. Crawford**  
Partner & Chief Risk Officer  
29 Years

**3 Risk Management Professionals**  
10 Years Average

### Equity Resources

**18 Additional Investment Professionals**  
23 Years Average

**Yarek Aranowicz, CFA**  
Partner & Director of Research  
25 Years  
**31 Global Equity Research Analysts**  
19 Years Average

### Equity Trading

**Ted Oberhaus**  
Partner & Director of Trading  
35 Years

**9 Equity Traders**  
29 Years Average

### Investment Strategist

**Charles F. Hofer, CFA**  
Partner  
40 Years



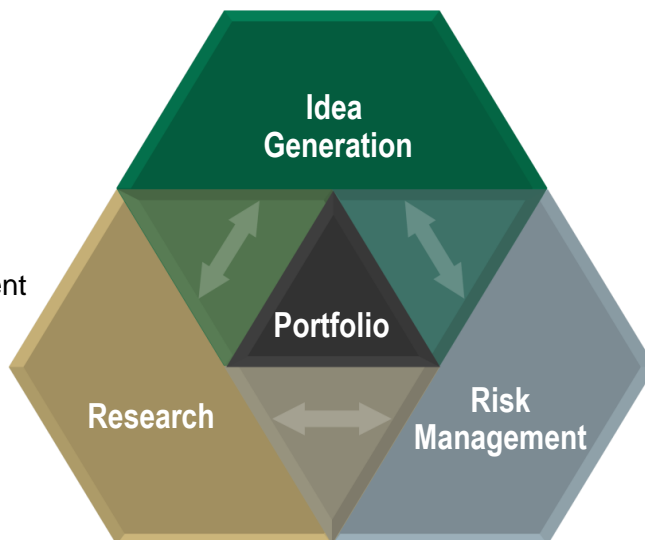
# INVESTMENT PROCESS: AN OPPORTUNISTIC APPROACH TO VALUE

## Comprehensive Idea Generation

- Multi-factor model screens for historically compelling valuations
- Portfolio manager/analyst insights about company and industry drivers
- Company visits, management meetings, and industry conferences

## Rigorous, Collaborative Research

- Collaboration between dedicated investment team and centralized research specialists
- Identify catalysts through focused analysis
- Determine reward-to-risk ratio



## Insightful Risk Management

- Assess company-specific risks
- Manage portfolio risks
- Clearly understand intended and unintended risks

## Disciplined Portfolio Construction

- Actively managed portfolio of 70-100 holdings
- Continuously evaluate holdings to balance risk and reward
- Sell discipline based on valuation and fundamentals

Transformation

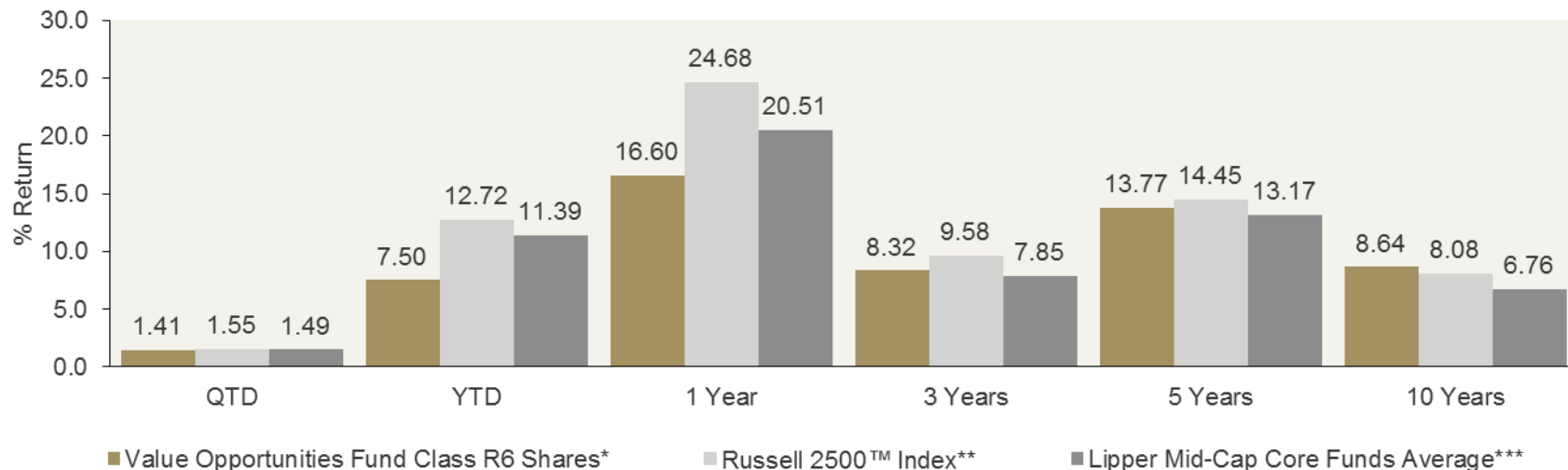
Turnaround

Trajectory



# COMPETITIVE LONG-TERM PERFORMANCE

## AVERAGE ANNUAL RATES OF RETURN AS OF 10/31/2017



**Expense Ratio: 0.79%**

**Performance data quoted reflect past performance and are no guarantee of future results. Current performance may be higher or lower than the performance data 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 our website at lordabbett.com.**

Average Annual Total Returns are based on changes in net asset value and assume reinvestment of all distributions and do not reflect deduction of any front-end sales charges which are not applicable for Class R6 Shares, if these charges were included returns would be lower. Class R6 Shares are not subject to sales charges and are available only to institutional investors and certain others, including retirement plans.\*Class R6 - The inception date for Class R6 shares is June 30, 2015. The performance quotations for Class R6 are based on the following methods of calculation: (a) for periods prior to June 30, 2015, a restated figure is used based on the historical performance of the Fund's portfolio since inception to reflect all charges and fees applicable to Class R6 shares; and (b) for periods after June 30, 2015, actual Class R6 performance is used, which reflects all charges and fees applicable to Class R6 shares. Class R6 shares are only offered to certain eligible investors. For additional information, see the Fund's current prospectus. Indexes are unmanaged, do not reflect the deduction of fees or expenses, and are not available for direct investment. \*\*Source: Russell. \*\*\*Source: Lipper Analytical Services. Lipper peer group average returns are based on all share classes within the category and include the reinvested dividends and capital gains, if any, and exclude sales charges.

**Please see "Important Performance and Other Information."**





# STYLE CATEGORY PERFORMANCE (2016 & YTD 2017): HIGHLY DIVERGENT WITHIN PERIODS, DYNAMIC ROTATION ACROSS PERIODS

Calendar Year 2016

	Value	Core	Growth
Large	17.34%	12.05%	7.08%
Mid	20.00%	13.80%	7.33%
Small	31.74%	21.31%	11.32%

YTD 2017 (as of 10/31/17)

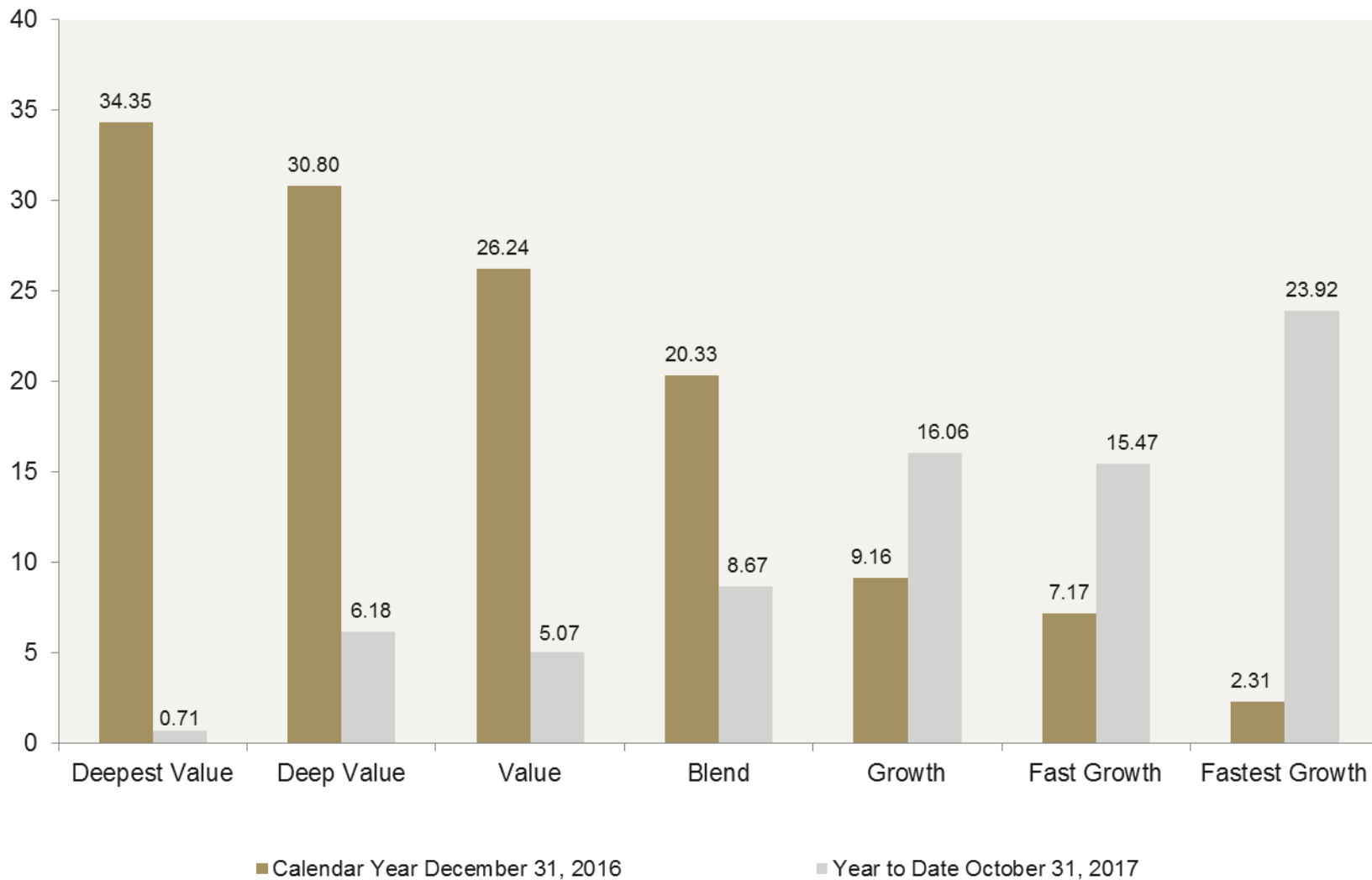
	Value	Core	Growth
Large	8.70%	16.78%	25.40%
Mid	8.30%	13.60%	20.57%
Small	5.81%	11.89%	18.62%

Source: Russell Indices. Each style category is based on its relevant Russell Index. Past performance is no guarantee of future results. For illustrative purposes only and does not represent any specific portfolio managed by Lord Abbett or any particular investment.



# DYNAMIC ROTATION IN PERFORMANCE ACROSS STYLES: 2016 TO 2017

### Morningstar SMID Cap Style Returns



Source: Lord Abbett. Past performance is no guarantee of future results. For illustrative purposes only and does not represent any specific portfolio managed by Lord Abbett or any particular investment. The Morningstar data shown is adjusted by Lord Abbett to account for Morningstar data shortcomings such as intraday trading, missing first-day returns for IPOs, etc.. Therefore, the information provided will differ from Morningstar's figures. The style categories are defined by the Russell 2500™ Index.



# ATTRIBUTION ANALYSIS: ONE YEAR

## AS OF 10/31/2017 VS. RUSSELL 2500™ INDEX

Sectors*	Value Opportunities Fund		Russell 2500™ Index		Variance		
	Average Weight %	Base Return %	Average Weight %	Base Return %	Stock Selection %	Group Weight %	Total %
Consumer Staples	1.7	8.0	3.1	-2.6	0.3	0.5	0.8
Real Estate	4.6	3.7	9.9	8.8	-0.3	0.7	0.4
Financials	19.7	32.5	16.9	30.6	0.4	0.0	0.4
Telecommunication Services	1.6	12.1	0.6	6.0	0.1	-0.2	-0.1
Utilities	4.9	18.0	3.8	22.4	-0.2	0.0	-0.2
Consumer Discretionary	9.8	17.2	12.6	20.8	-0.5	0.1	-0.4
Materials	9.3	19.5	6.1	30.9	-1.0	0.2	-0.8
Health Care	9.3	27.6	11.5	33.0	-0.7	-0.2	-0.9
Energy	4.9	-15.4	4.3	-9.2	-0.6	-0.3	-0.9
Industrials	14.7	22.8	15.6	31.7	-1.3	-0.1	-1.4
Information Technology	17.1	13.4	15.6	35.5	-3.5	0.0	-3.5
Cash	2.5	1.0	0.0	0.0	0.0	-0.4	-0.4
<b>Total</b>	<b>100.0</b>	<b>17.6</b>	<b>100.0</b>	<b>24.7</b>	<b>-7.3</b>	<b>0.2</b>	<b>-7.1</b>

Source: Wilshire Atlas<sup>SM</sup> ("Wilshire"). Performance data shown above is historical. **Past performance is not a reliable indicator or guarantee of future results. Current performance may be higher or lower than the performance data shown.** Indexes are unmanaged, do not reflect the deduction of fees or expenses, and are not available for direct investment. Please see Appendix for information "About Wilshire" and the calculation of performance attribution information and for "Important Performance and Other Information." \*GICS Sectors. Sectors may include many industries. The Fund's portfolio is actively managed and portfolio characteristics, such as individual holdings and sector weightings, may change significantly over time.



# PERFORMANCE HIGHLIGHTS: ONE YEAR

## AS OF 10/31/2017 VS. RUSSELL 2500™ INDEX

Largest Contributors	Ticker	% Contribution
<b>Western Alliance Bancorp</b> Financials	WAL	0.89
<b>East West Bancorp, Inc.</b> Financials	EWBC	0.82
<b>New York Times Co.</b> Consumer Discretionary	NYT	0.72
<b>Old Dominion Freight Line, Inc.</b> Industrials	ODFL	0.69
<b>Cooper Cos., Inc.</b> Health Care	COO	0.68

Largest Detractors	Ticker	% Contribution
<b>Carrizo Oil &amp; Gas, Inc.</b> Energy	CRZO	-0.69
<b>Alere, Inc.</b> Health Care	ALR	-0.59
<b>Akamai Technologies, Inc.</b> Information Technology	AKAM	-0.49
<b>Enesco plc</b> Energy	ESV	-0.48
<b>Validus Holdings Ltd.</b> Financials	VR	-0.32

“% contribution” reflects the effect of the individual stock's performance on the Fund's overall performance. Individual holdings and their effect on Fund performance may change significantly over time. Investors should consider the overall performance of the Fund before making a decision on whether or not to invest in the Fund. GICS Sectors.



# ATTRIBUTION ANALYSIS: THREE YEAR

## AS OF 10/31/2017 VS. RUSSELL 2500™ INDEX

Sectors*	Value Opportunities Fund		Russell 2500™ Index		Variance		
	Average Weight %	Base Return %	Average Weight %	Base Return %	Stock Selection %	Group Weight %	Total %
Financials	23.2	18.1	21.7	14.5	0.9	0.0	0.9
Consumer Staples	2.4	13.3	3.1	3.5	0.2	0.1	0.3
Utilities	5.9	16.3	4.4	14.3	0.2	0.2	0.3
Telecommunication Services	1.5	15.5	0.7	-0.2	0.2	-0.1	0.2
Health Care	9.5	14.1	12.1	10.9	0.3	-0.2	0.1
Real Estate	1.9	-1.5	3.9	0.6	-0.1	0.2	0.1
Energy	4.9	-17.5	3.9	-23.1	0.3	-0.3	0.0
Consumer Discretionary	11.4	4.7	13.7	6.9	-0.3	0.1	-0.2
Materials	7.5	8.3	6.1	11.7	-0.3	0.1	-0.3
Industrials	12.9	6.1	15.1	10.5	-0.6	0.0	-0.7
Information Technology	17.2	9.5	15.4	16.0	-1.1	0.1	-1.0
Cash	1.6	0.5	0.0	0.0	0.0	-0.2	-0.2
<b>Total</b>	<b>100.0</b>	<b>9.1</b>	<b>100.0</b>	<b>9.6</b>	<b>-0.4</b>	<b>-0.1</b>	<b>-0.4</b>

Source: Wilshire Atlas<sup>SM</sup> ("Wilshire"). Performance data shown above is historical. **Past performance is not a reliable indicator or guarantee of future results. Current performance may be higher or lower than the performance data shown.** Indexes are unmanaged, do not reflect the deduction of fees or expenses, and are not available for direct investment. Please see Appendix for information "About Wilshire" and the calculation of performance attribution information and for "Important Performance and Other Information." \*GICS Sectors. Sectors may include many industries. The Fund's portfolio is actively managed and portfolio characteristics, such as individual holdings and sector weightings, may change significantly over time. Prior to August 2016, GICS included Real Estate holdings within the Financials sector.



# ATTRIBUTION ANALYSIS: FIVE YEAR

## AS OF 10/31/2017 VS. RUSSELL 2500™ INDEX

Sectors*	Value Opportunities Fund		Russell 2500™ Index		Variance		
	Average Weight %	Base Return %	Average Weight %	Base Return %	Stock Selection %	Group Weight %	Total %
Financials	24.5	19.2	22.3	16.5	0.7	0.0	0.6
Utilities	6.0	18.8	4.5	16.0	0.2	0.1	0.3
Energy	6.0	-3.4	4.7	-11.2	0.5	-0.2	0.3
Consumer Staples	2.8	16.4	3.0	12.5	0.0	0.1	0.1
Telecommunication Services	0.9	13.4	0.8	9.7	0.2	-0.1	0.1
Health Care	9.1	22.1	11.5	19.0	0.3	-0.2	0.1
Real Estate	1.2	-0.9	2.3	0.4	-0.1	0.2	0.1
Not Classified	0.0	0.0	0.0	-1.1	0.0	0.0	0.0
Materials	8.0	11.1	6.4	13.3	-0.1	-0.1	-0.2
Industrials	12.6	15.6	15.3	16.2	-0.1	-0.1	-0.2
Consumer Discretionary	11.6	9.7	14.0	13.0	-0.4	0.0	-0.3
Information Technology	15.9	15.9	15.1	18.5	-0.5	0.0	-0.4
Cash	1.5	0.4	0.0	0.0	0.0	-0.3	-0.2
<b>Total</b>	<b>100.0</b>	<b>14.6</b>	<b>100.0</b>	<b>14.4</b>	<b>0.6</b>	<b>-0.5</b>	<b>0.1</b>

Source: Wilshire Atlas<sup>SM</sup> ("Wilshire"). Performance data shown above is historical. **Past performance is not a reliable indicator or guarantee of future results. Current performance may be higher or lower than the performance data shown.** Indexes are unmanaged, do not reflect the deduction of fees or expenses, and are not available for direct investment. Please see Appendix for information "About Wilshire" and the calculation of performance attribution information and for "Important Performance and Other Information." \*GICS Sectors. Sectors may include many industries. The Fund's portfolio is actively managed and portfolio characteristics, such as individual holdings and sector weightings, may change significantly over time. Prior to August 2016, GICS included Real Estate holdings within the Financials sector.



# ATTRIBUTION ANALYSIS: 10 YEAR

## AS OF 10/31/2017 VS. RUSSELL 2500™ INDEX

Sectors*	Value Opportunities Fund		Russell 2500™ Index		Variance		
	Average Weight %	Base Return %	Average Weight %	Base Return %	Stock Selection %	Group Weight %	Total %
Financials	20.1	11.8	21.3	7.5	0.6	0.1	0.7
Consumer Staples	3.0	18.5	3.3	10.7	0.3	0.0	0.4
Utilities	5.5	14.4	5.1	11.6	0.2	0.1	0.4
Consumer Discretionary	11.0	6.5	14.0	7.7	0.1	0.2	0.2
Telecommunication Services	0.5	6.5	1.1	1.8	0.1	0.0	0.1
Energy	6.3	-4.2	5.6	-7.0	0.1	0.0	0.1
Real Estate	0.6	-0.5	1.2	0.2	0.0	0.1	0.0
Industrials	15.6	8.7	15.1	8.4	0.1	-0.1	0.0
Not Classified	0.0	0.0	0.0	-1.3	0.0	0.0	0.0
Health Care	9.4	14.7	11.6	12.5	0.2	-0.2	0.0
Materials	8.9	6.6	6.5	8.6	-0.2	0.0	-0.2
Information Technology	15.6	8.1	15.3	9.2	-0.3	0.0	-0.3
Cash	3.5	0.7	0.0	0.0	0.0	0.0	0.0
<b>Total</b>	<b>100.0</b>	<b>9.5</b>	<b>100.0</b>	<b>8.1</b>	<b>1.3</b>	<b>0.1</b>	<b>1.4</b>

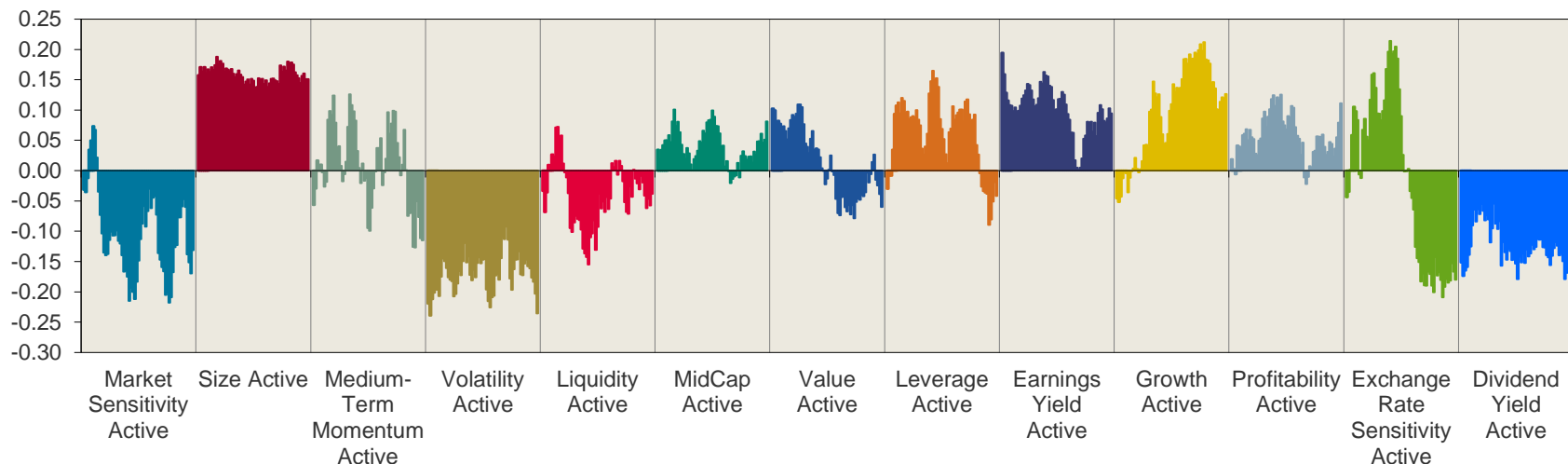
Source: Wilshire Atlas<sup>SM</sup> ("Wilshire"). Performance data shown above is historical. **Past performance is not a reliable indicator or guarantee of future results. Current performance may be higher or lower than the performance data shown.** Indexes are unmanaged, do not reflect the deduction of fees or expenses, and are not available for direct investment. Please see Appendix for information "About Wilshire" and the calculation of performance attribution information and for "Important Performance and Other Information." \*GICS Sectors. Sectors may include many industries. The Fund's portfolio is actively managed and portfolio characteristics, such as individual holdings and sector weightings, may change significantly over time. Prior to August 2016, GICS included Real Estate holdings within the Financials sector.



# DYNAMIC SECTOR AND STYLE EXPOSURES

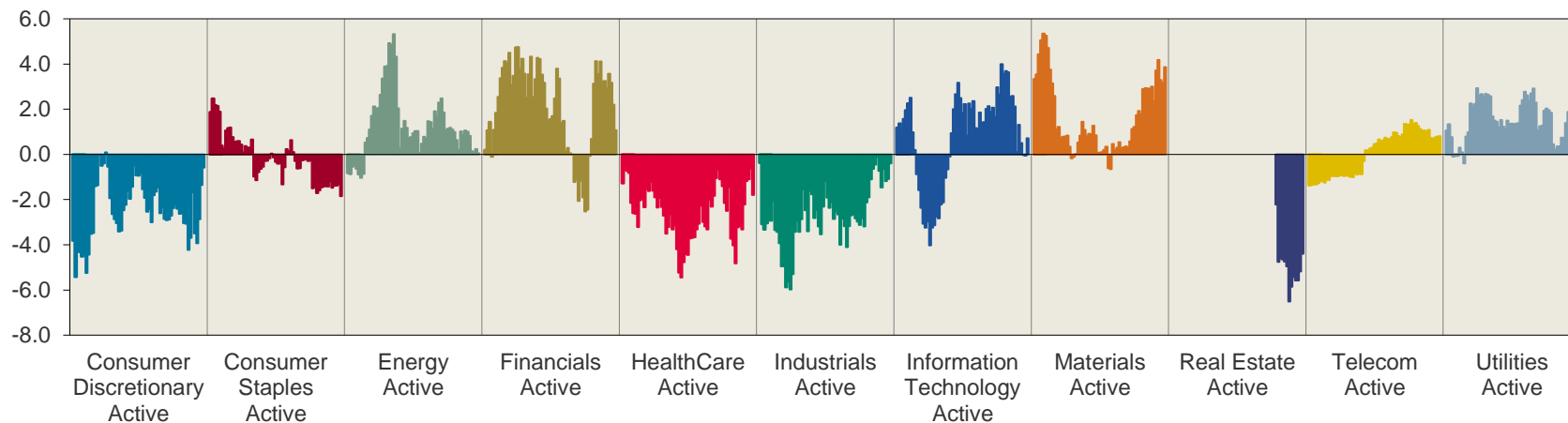
## VALUE OPPORTUNITIES FUND VS RUSSELL 2500 INDEX

Relative Style Exposures for 5 Years ending 09/30/2017



## VALUE OPPORTUNITIES FUND VS RUSSELL 2500 INDEX

Relative Sector Exposures for 5 Years ending 09/30/2017



Source: AXIOMA

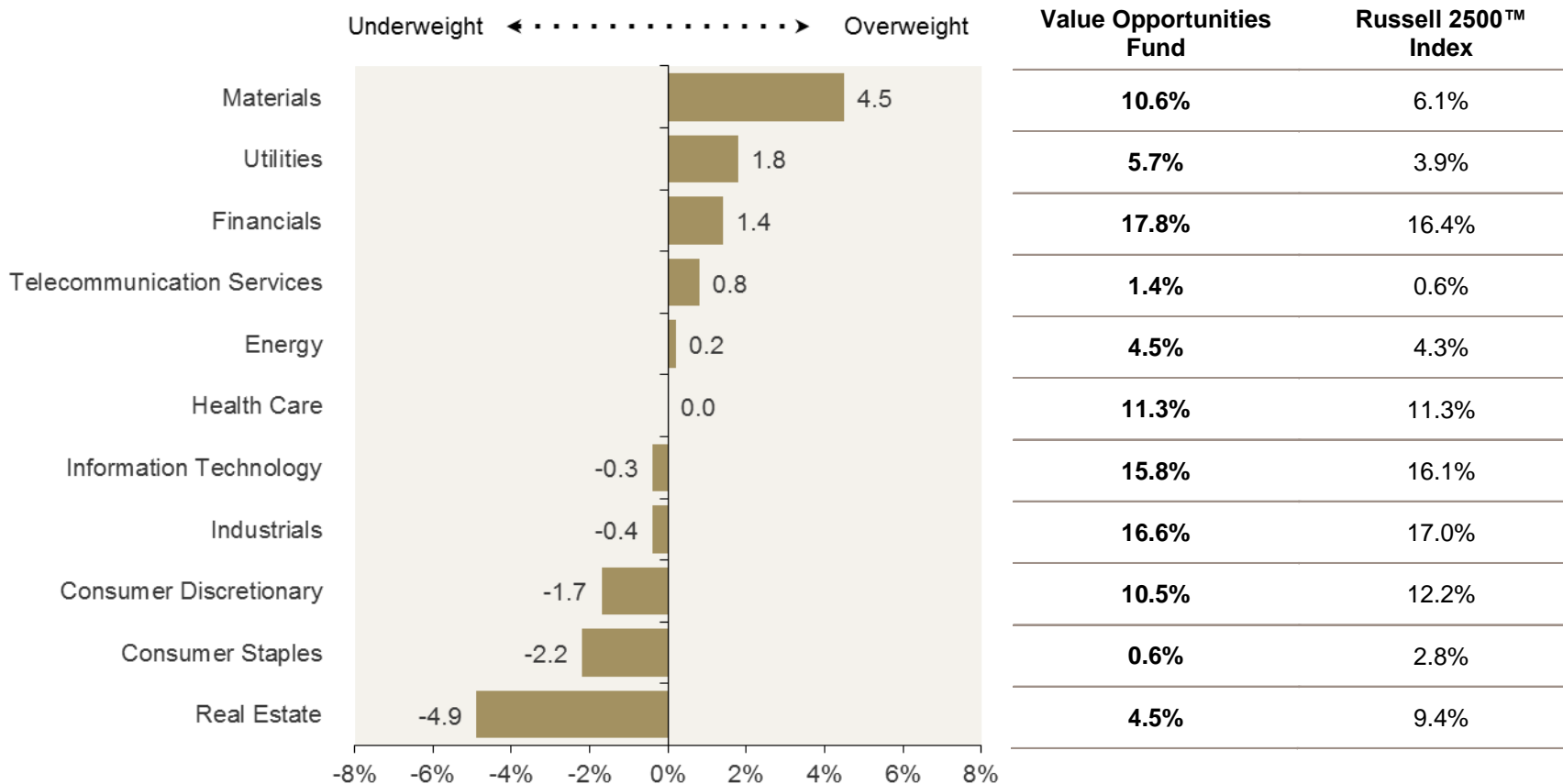
GICS Sectors/Industries. Sectors may include many industries. The Fund's portfolio is actively managed and portfolio characteristics, such as individual holdings and sector weightings, may change significantly over time.





# ACTIVELY MANAGED EXPOSURES

AS OF 10/31/2017



Source: Wilshire Atlas<sup>SM</sup> ("Wilshire"). Indexes are unmanaged, do not reflect the deduction of fees or expenses, and are not available for direct investment. Please see Appendix for information "About Wilshire" and the calculation of performance attribution information and for "Important Performance and Other Information." GICS Sectors/Industries. Sectors may include many industries. The Fund's portfolio is actively managed and portfolio characteristics, such as individual holdings and sector weightings, may change significantly over time.



# TOP TEN HOLDINGS

AS OF 10/31/2017

Company Name	Sector*	Industry*	% of Portfolio
Western Alliance Bancorp	Financials	Banks	2.2
Raymond James Financial, Inc.	Financials	Capital Markets	2.1
Arch Capital Group Ltd.	Financials	Insurance	2.0
East West Bancorp, Inc.	Financials	Banks	2.0
FLIR Systems, Inc.	Information Technology	Electronic Equipment, Instruments & Components	2.0
Belden, Inc.	Information Technology	Electronic Equipment, Instruments & Components	1.9
XPO Logistics, Inc.	Industrials	Air Freight & Logistics	1.9
Reliance Steel & Aluminum Co.	Materials	Metals & Mining	1.9
First Horizon National Corp.	Financials	Banks	1.7
American Water Works Co., Inc.	Utilities	Water Utilities	1.7
<b>Total</b>			<b>19.4%</b>

**Total Number of Holdings: 84**

The Fund's portfolio is actively managed and Fund characteristics, including the ten largest holdings, may differ as of a more recent date and will vary significantly over time.  
\*GICS Sectors & Industries



# PORTFOLIO CHARACTERISTICS

AS OF 10/31/2017

	Value Opportunities Fund	Russell 2500™ Index
Number of Holdings	84	2,474
Total Net Assets (\$M)	\$3,191.8	N/A
Weighted Average Market Capitalization (\$M)	\$7,790	\$4,930
Price/Earnings FY1	19.0x	19.2x
Price/Book	2.7x	2.6x
Price/Sales	1.8x	1.8x
Long Term Growth ( <i>IBES Median</i> )	12.1%	12.3%
Return On Equity 5 Year	11.9%	11.9%
Sales Growth ( <i>Historical 5 Year</i> )	6.6%	5.6%
Debt/Capital	49.4%	47.7%

Source: The Bank of New York Mellon Corp. All characteristics, except Number of Holdings and Total Net Assets, are based on a weighted average of the securities held in the portfolio. The Fund's portfolio is actively managed and is subject to change.



# APPENDIX



90



# CALENDAR YEAR RETURNS

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
<b>Value Opportunities Fund (Class R6 Shares)*</b>	11.43%	-27.40%	34.45%	25.08%	-3.70%	10.27%	36.71%	9.59%	-2.48%	16.85%
<b>Russell 2500™ Index**</b>	1.38%	-36.79%	34.39%	26.71%	-2.51%	17.88%	36.80%	7.07%	-2.90%	17.59%
<b>Value Opportunities Fund (Class R6 Shares)* vs. Russell 2500 Index</b>	10.05%	9.39%	0.06%	-1.63%	-1.19%	-7.61%	-0.09%	2.52%	0.42%	-0.74%

**Performance data quoted reflect past performance and are no guarantee of future results. Current performance may be higher or lower than the performance data 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 our website at [lordabbett.com](http://lordabbett.com).**

Returns are based on changes in net asset value and assume reinvestment of all distributions and do not reflect deduction of any front-end sales charges which are not applicable for Class R6 Shares, if these charges were included returns would be lower. Class R6 Shares are not subject to sales charges and are available only to institutional investors and certain others, including retirement plans. \*Class R6 - The inception date for Class R6 shares is June 30, 2015. The performance quotations for Class R6 are based on the following methods of calculation: (a) for periods prior to June 30, 2015, a restated figure is used based on the historical performance of the Fund's portfolio since inception to reflect all charges and fees applicable to Class R6 shares; and (b) for periods after June 30, 2015, actual Class R6 performance is used, which reflects all charges and fees applicable to Class R6 shares. Class R6 shares are only offered to certain eligible investors. For additional information, see the Fund's current prospectus. Indexes are unmanaged, do not reflect the deduction of fees or expenses, and are not available for direct investment. \*\*Source: Russell.

**Please see "Important Performance and Other Information."**



# MUTUAL FUND PEER GROUP COMPARISON

AS OF 10/31/2017

	QTD	YTD	1 Year	3 Years	5 Years	10 Years	Expense Ratios
<b>Value Opportunities Fund (R6 Shares)<sup>†</sup></b>	<b>1.41%</b>	<b>7.50%</b>	<b>16.60%</b>	<b>8.32%</b>	<b>13.77%</b>	<b>8.64%</b>	<b>0.79%</b>
Russell 2500™ Index*	1.55	12.72	24.68	9.58	14.45	8.08	
<b>Lipper Mid-Cap Core Funds Average**</b>	1.49	11.39	20.51	7.85	13.17	6.76	
Percentile Ranking (R6 Shares)	60	90	85	48	41	11	
Arithmetic Ranking (R6 Shares)	274/458	394/440	365/432	168/349	121/298	22/207	
<b>Morningstar Mid-Cap Blend Funds Average***</b>	1.28	11.28	20.36	7.28	12.96	6.59	
Percentile Ranking (R6 Shares)	56	87	82	42	41	8	
Arithmetic Ranking (R6 Shares)	243/434	366/417	338/409	139/334	125/305	16/204	

**Performance data quoted reflect past performance and are no guarantee of future results. Current performance may be higher or lower than the performance data 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 our website at [lordabbett.com](http://lordabbett.com).**

<sup>†</sup>Average Annual Total Returns are based on changes in net asset value and assume reinvestment of all distributions and do not reflect deduction of any front-end sales charges which are not applicable for Class R6 Shares, if these charges were included returns would be lower. Class R6 Shares are not subject to sales charges and are available only to institutional investors and certain others, including retirement plans. Class R6 - The inception date for Class R6 shares is June 30, 2015. The performance quotations for Class R6 are based on the following methods of calculation: (a) for periods prior to June 30, 2015, a restated figure is used based on the historical performance of the Fund's portfolio since inception to reflect all charges and fees applicable to Class R6 shares; and (b) for periods after June 30, 2015, actual Class R6 performance is used, which reflects all charges and fees applicable to Class R6 shares. Class R6 shares are only offered to certain eligible investors. For additional information, see the Fund's current prospectus. Indexes are unmanaged, do not reflect the deduction of fees or expenses, and are not available for direct investment. Morningstar and Lipper peer group average returns are based on all share classes within the category and include the reinvested dividends and capital gains, if any, and exclude sales charges. \*Source: Russell. \*\*Source: Lipper Analytical Services. Lipper Funds Average ranking reflect all share classes within the category and are based on total return and do not reflect the effect of sales charges. \*\*\*Source: Morningstar, Inc. Rankings in the Morningstar® Funds Category reflect all share classes within the category and are based on total return and do not reflect the effect of sales charges. The fund is ranked within a universe of funds similar in investment objectives.

**Please see "Important Performance and Other Information."**



# TEAM MEMBER BIOGRAPHIES

Name	Role	Years of Industry Experience	Years with Lord Abbett	Prior Professional Experience	Education
Robert A. Lee*	Chief Investment Officer	26	20	ARM Capital Advisors; Kidder Peabody Asset Management; First Boston Corporation	BS, University of Pennsylvania
David J. Linsen, CFA*	Director of Equities	21	16	J.P. Morgan; Raymond James & Associates	BS, Rutgers University
Thomas B. Maher*	Portfolio Manager	28	14	Invesco; Centurion Investment Group; Lynch & Mayer, Inc.	BS, Georgetown University; MBA, New York University
Justin C. Maurer*	Portfolio Manager	26	16	Merrill Lynch; McDonald Investments; Key Corporation	BA, Baldwin-Wallace College; MBA, Case Western Reserve University
John C. Hardy	Associate Portfolio Manager	14	6	Gleacher & Co.; American Technology Research, Inc.	BS, Cornell University
Jeffrey M. Hershey, CFA	Research Analyst	24	<1	Columbia Threadneedle Investments; MLH Capital LLC; Awad Asset Management	BS, Miami University
Dennis K. Morgan, CFA	Research Analyst	22	9	Neuberger Berman; Bear Stearns; Dreman Value Advisors	BS, The College of New Jersey

As of 10/04/2017. \*Partner of Lord Abbett. Years of industry experience is updated as of 01/01/2017.



# TEAM MEMBER BIOGRAPHIES

Name	Role	Years of Industry Experience	Years with Lord Abbett	Prior Professional Experience	Education
Jason B. Loeb, CFA	Research Analyst	25	20	BlackRock Financial Management; Hibbard Brown & Company	BA, Richard Stockton College of New Jersey
Amit Bhalla	Research Analyst	16	1	Becton, Dickinson and Company; Citi; Morgan Stanley	BS, Cornell University; MBA, Carnegie Mellon University
Charles F. Hofer, CFA*	Investment Strategist	40	17	Christian Brothers Investment Services, Inc.; J.P. Morgan Investment Management Inc.; Teachers' Retirement System of the State of Illinois	BS, University of Illinois
Alec I. Crawford*	Chief Risk Officer	29	5	Ziff Brothers Investments; RBS Greenwich Capital; Deutsche Bank Securities	AB, Harvard College
Ted Oberhaus*	Director of Trading	35	34	Brimberg & Co.	BA, Ohio Wesleyan University





# ABOUT WILSHIRE

The Wilshire Atlas Variance Analysis tool provides a methodology for explaining the difference in performance between a portfolio and its benchmark, based on the decomposition of returns. The user specifies the portfolio, index, link frequency, sector and weighting. The weighting can be shown as beginning, average or end weights and is used for display purposes only.

Portfolio Weight	Portfolio Base Return	Benchmark Weight	Benchmark Base Return	Stock Selection	Group Weight	Total
<b>Weight (Portfolio):</b> This is the average weight of each group in the portfolio. Alternatively, the weight at the end of the reporting period, or on average across the reporting period, may be selected.						
<b>Base Return (Portfolio):</b> This is the weighted average holding period return for the securities in each group. This weighted average is calculated for each link period using beginning weights and then the resulting values are linked together to calculate the displayed value.						
<b>Weight (Benchmark):</b> This is the average weight of each group in the benchmark. Alternatively, the weight at the end of the reporting period, or on average across the reporting period, may be selected.						
<b>Base Return (Benchmark):</b> This is the weighted average holding period return for the benchmark securities in each group. This weighted average is calculated for each link period using beginning weights, then the resulting values are linked together to calculate the displayed value.						
<b>Stock Selection Variance:</b> This is the success of selection decisions within each group versus the benchmark. It is calculated for each link period using the following equation: $\text{Stock Selection Variance} = W_{P,G} * (R_{P,G} - R_{B,G})$ , where $W_{P,G}$ = Weight of the group in the portfolio, $R_{P,G}$ = Return of the group in the portfolio, $R_{B,G}$ = Return of the group in the benchmark.						
<b>Group Weighting Variance:</b> This is the result of weighting decisions in each group versus the benchmark. It is calculated for each link period using the following equation: $\text{Group Weighting Variance} = (W_{P,G} - W_{B,G}) * (R_{B,G} - R_{B,T})$ , where $W_{P,G}$ = Weight of the group in the portfolio, $W_{B,G}$ = Weight of the group in the benchmark, $R_{B,G}$ = Return of the group in the benchmark, $R_{B,T}$ = Overall return of the benchmark.						
<b>Total Variance:</b> This is the sum of group weighting and stock selection variances. This represents the amount of total variance that is explained by the selection and allocation decisions for each group.						
<b>Hedging Cost:</b> This is the contribution due to the difference in the risk-free rates between currencies and is a function of the time left to maturity. It can be positive or negative, depending on the interest rate differentials between the long and short currencies. The hedge cost for each contract is calculated individually by multiplying its exposure by its hedge cost; then these contributions are summed to give the total contribution shown on the report.						
<b>Hedging Effect:</b> This is the contribution due to hedging. It is calculated by multiplying the exposure associated with each currency forward by the portion of the forward's return due to currency fluctuations; then, each of the forward's contributions are summed together to give the total that appears in the Contribution Summary table. The return that is used in the calculation excludes the hedge cost.						
<b>Portfolio Return:</b> This is the sum of each of contributions displayed in the Contribution Summary table.						

Wilshire generated returns are calculated gross of fees based on end of day prices and do not capture intraday cash flow, price changes or trading activity, and therefore are subject to some variance from Lord Abbett returns. In addition, Wilshire and Lord Abbett may use different pricing sources and methodologies.

Not Classified securities represent those securities which have not been assigned an official GICS Direct classification. GICS Direct, a joint product of Standard & Poor's and MSCI, provides industry classifications for more than 40,000 companies and over 45,000 securities. Not Classified securities may include, but are not limited to: Exchange-Traded Funds (ETFs), pink sheet-listed issues, pre-IPO placements, private placements, secondary issues, open-end funds, closed-end funds, and non-operating establishments.

Under certain circumstances, Lord Abbett may elect to have Wilshire map an ETF holding to the relevant characteristics represented by that ETF's underlying index in order to reflect the exposure and performance contributed by the ETF to the overall portfolio. When this option is selected, Wilshire will remove the ETF from the Not Classified category and instead allocate the ETF's exposures across the relevant attributes based on the composition of the ETF's underlying index.



# GLOSSARY OF PORTFOLIO CHARACTERISTICS

---

<b>5 Year EPS Growth (IBES Median)</b>	The consensus outlook for a portfolio's EPS growth. I/B/E/S provides medians of research analysts' estimates for companies' long-term (typically five years) growth rates.
<b>Price/Earnings Ratio (1 Year Forecast)</b>	A ratio that reflects how much a stock costs relative to its earnings. It is calculated by dividing the current stock price by the estimated future earnings per share.
<b>Return on Equity (5 Year Average)</b>	A measurement of how much profit a company earned relative to the amount of shareholder's equity that is found on a company's balance sheet. It is calculated by taking the arithmetic average of the five most recent fiscal year-end ROE ratios.
<b>Price/Cash Flow Ratio</b>	A ratio that reflects how much a stock costs relative to its cash flow. It is calculate by dividing the current stock price by the cash flow per share.
<b>Standard Deviation</b>	A measure of the historical volatility of a mutual fund or portfolio. A higher standard deviation number indicates a wider range of returns and a higher degree of portfolio risk. The performance data quoted reflect past performance and are no guarantee of future results.

---



# AXIOMA STYLE FACTOR DEFINITIONS

## **Size**

Differentiation of stocks based on market capitalization, e.g. large and small stocks. It is defined using the market capitalization, averaged over the last 20 trading days. Market capitalization is computed as the product of the total shares outstanding and the unadjusted closing price on each day.

Stocks with a positive Size score are larger capitalization stocks.

## **Market Sensitivity**

This is a measure of a stock's under or over performance relative to the broad market from historical data. The basic input into this Style is a traditional historical Beta.

Stocks with a positive Market Sensitivity score have larger historical betas.

## **Liquidity**

The liquidity factor provides a measure of a stock's trading activity, or lack thereof. The basic input is the last 20-day average volume divided by the last 20-day average market capitalization.

Stocks with a positive Liquidity score are easier to trade in the market.

## **Short-Term Momentum**

Short-Term Momentum gives a measure of a stock's recent performance. It is defined as an asset's cumulative return over the last 20 trading days.

Stocks with a positive Short-term Momentum score have outperformed over the past month.

## **Medium-Term Momentum**

The Medium-Term Momentum gives a measure of a stock's past performance over the medium-term. It is defined as an asset's cumulative return over the last 300 trading days, excluding the last 20 trading days.

Stocks with a positive Medium-term Momentum score have outperformed over the past 13 months (excluding last month).

## **Volatility**

Volatility gives a measure of an asset's relative volatility over time according to its historical behavior. The basic input into this Style is an asset's absolute return averaged over the last 60-days divided by the cross-sectional volatility of the market.

Stocks with a positive Volatility score have had very high or very low returns over the past quarter.

## **Value**

Value gives a measure of how fairly a stock is priced within the market. The Value factor is calculated as the ratio of common equity to the current market capitalization (i.e. Book-to-Price).

Stocks with a positive Value score have a high Book-to-Price and are viewed as relatively inexpensive as compared to their book value.

## **Leverage**

Leverage provides a measure of a company's exposure to debt levels. This exposure is calculated as total debt divided by market capitalization. Total debt is the sum of long-term debt and debt in current liabilities (short-term debt).

Stocks with a positive Leverage score have higher debt levels as a proportion of their stock market capitalization.

## **Growth**

Growth gives an indication of a company's rate of growth historically. The growth factor is calculated as the product of one minus the dividend pay-out rate and the one-year return on equity.

Stocks with a positive Growth score have recently experienced high growth levels as reflected by high retained earnings and high return on equity.

## **Exchange-Rate Sensitivity**

This is a measure of a stock's sensitivity to exchange rates as measured relative to a basket of currencies.

Stocks with a positive Exchange-Rate Sensitivity score move in line with a basket of currencies, indicating a larger proportion of business may come from non-domestic sources.



# IMPORTANT PERFORMANCE AND OTHER INFORMATION

## **Morningstar Information:**

Morningstar, Inc. ©2017. All rights reserved. The information contained herein is the proprietary information of Morningstar, Inc., may not be copied or redistributed for any purpose and may only be used for non-commercial, personal purposes. The information contained herein is not represented or warranted to be accurate, correct, complete or timely. Morningstar, Inc., shall not be responsible for investment decisions, damages, or other losses resulting from the use of this information. Past performance is no guarantee of future performance. Morningstar, Inc. has not granted consent for it to be considered or deemed an "expert" under the Securities Act of 1933.

## **Lipper Information:**

Lipper, Inc. ©2017 Reuters. All rights reserved. Any copy, republication or redistribution of Lipper content is expressly prohibited without the prior written consent of Lipper.

**Performance data quoted is historical. Past performance is no guarantee of future results. Current performance may be higher or lower than the performance data quoted.** The investment return and principal value of an investment in any fund will fluctuate as the prices of the individual securities in which they invest fluctuate, so that shares, when redeemed, may be worth more or less than their original cost. Different investments carry different risk.

**Index Information:** Indexes are unmanaged, do not reflect the deduction of fees or expenses, and an investor cannot invest directly in an index.

**The Russell 2500™ Index** is a market cap weighted index that includes the smallest 2,500 companies covered in the Russell 3000 universe of United States-based listed equities.

**The Russell 2500™ Value Index** measures the performance of those Russell 2500 companies with lower price-to-book ratios and lower forecasted growth values

**A Note about Risk:** Investments in equity securities will fluctuate in response to general economic conditions and to changes in the prospects of particular companies and/or sectors in the economy. Investing in small and mid-sized companies generally involves greater risks than investing in the stocks of large companies. These factors can affect Fund performance.



## IMPORTANT PERFORMANCE AND OTHER INFORMATION

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.

***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 [lordabbett.com](http://lordabbett.com). Read the prospectus carefully before you invest.***

***Mutual funds are not insured by the FDIC, are not deposits or other obligations of, or guaranteed by banks, and are subject to investment risks including possible loss of principal amount invested. Lord Abbett Distributor LLC is the principal underwriter of the Lord Abbett Mutual Funds.***