

Estate Planning

Protecting Your Family



Florida Retirement System



*Successful retirement planning includes
planning for all aspects of one's
financial life.*



How Much Do I Know About Estate Planning?

True	False	
	✓	Estate planning is only important for wealthy people
	✓	Estate planning is only for people who are old
	✓	Joint ownership of property makes having a will unimportant
	✓	Spouses automatically inherit everything



Resources Available to You - FREE

MyFRS Financial Guidance Program



MyFRS.com
Advisor Service
Choice Services
FAQ's, Calculators



Toll-free MyFRS
Financial Guidance Line,
staffed by EY financial
planners and the Division
of Retirement



Employee workshops:
Visit MyFRS.com for an
updated list of workshops,
locations and dates



Print and e-mail
communications

**All resources are available to FRS
Pension & Investment Plan Members**



Personal Action Plan

Action Steps	Done
	<input type="checkbox"/>
	<input type="checkbox"/>
	<input type="checkbox"/>
	<input type="checkbox"/>

Action Step

See Appendix E to start your own Personal Action Plan.



What is an “Estate”

An estate consists of everything you own, as well as any money or assets in your name.

Do you have –

- A home?
- A retirement plan...in addition to FRS?
- A 403(b) or 457 account?
- Life insurance?

*If the answer is “yes” to any of the above...
you have an estate.*



What Can Estate Planning Do For Me?

- **Distribute property according to my wishes**
- **Take care of survivors' needs**
- Specify my wishes for medical treatment and handling personal affairs
- Address life insurance needs
- Manage gifting to loved ones and charities during life *and* after death



Estate Planning Begins With a Will...

What does a will do –

- A will makes your wishes “legal” and helps your heirs handle your estate during a difficult time

With a will you can –

- Document who will receive your property when you die
- Name guardians for your child(ren) should both you and your spouse die
- Appoint a personal representative



How Property is Transferred

Type of Property	How Transferred?
Individually Owned	By Will
Jointly owned with spouse	By Ownership
Jointly owned non-spouse	By Ownership
Tenancy in Common	By Will
Retirement plans, IRAs	By Beneficiary
Life insurance	By Beneficiary
Trusts	By Beneficiary

“By Will” = Passes thru Probate



What is Probate?

- Processing of your will by a special court
- Court names personal representative if no will
- Supervises distribution of assets, payment of debts, handling of personal affairs





Naming Guardians

There are two types of guardians –

- *Day-to-day child care*
- *Financial well-being*

You may wish to assign both responsibilities to a single guardian or nominate two separate individuals.



If you don't have a will yet, put it in writing!



Who is a Personal Representative?

The personal representative or “executor” is the individual you appoint through your will that –

- Carries out all of the wishes stated in your will
- Files papers in court and with tax authorities
- Gets copies of the death certificate
- Prepares a listing of the estate's assets
- Pays debts and taxes
- Notifies insurance companies and banks



Who Should Be My Personal Representative?



- Someone you trust
- Organized and dependable
- Financial and administrative aptitude



What Else Should I Know...

Preparing a will is usually a straightforward matter and much less expensive than many people think – typically under \$200.



After My Will is Prepared

- Pick a safe place to keep your will
 - Don't keep your will in your own safe deposit box. Usually, state law requires that safe deposit boxes be sealed when the renter dies.
 - Consider using your spouse's safe deposit box in a "cross-box arrangement" OR in the safe deposit box of your executor.
- Make copies of your will
 - Place a copy of your will in your home, office, or in your own safe deposit box.



After My Will is Prepared (cont.)

- Set a date for review
 - You should review your will at least once every three years OR in the case of
 - Marriage/divorce
 - Birth/death
(spouse, beneficiary, executor, etc.)
 - Relocation
(change in state of residency)
 - Law change



What Can Estate Planning Do For Me?

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What Role Do Other Documents Play?

- **Durable Power of Attorney** - grants another the power to act on your behalf regarding non-health related matters even if you become incapacitated
- **Living Will** - states your wishes as to health care that should or should not be provided
- **Health Care Surrogate Designation** - provides another with authority to make health care decisions on your behalf

The effects and availability vary under state law



Durable Power of Attorney

Spread the Word -

- A durable power of attorney is especially important for aged parents and older relatives

Helps reduce physical, psychological and financial burdens should you or a relative become disabled.



Living Will AND Health Care Surrogate Designation

Why you should have both –

A **living will** can't cover every circumstance...

Executing a **health care surrogate designation** will help assure that the power holder will carry out your intentions to the extent the living will doesn't specifically define them.





What Else Should I Know...

For more information about living wills and healthcare surrogate designations, go to –

www.myflorida.com

www.agingwithdignity.org

www.caringinfo.org

Action Step

Refer to Appendix B for a sample living will and health care surrogate designation from the State of Florida.



MyFRS Financial Guidance Line: 1-866-446-9377
MyFRS.com

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How Can I Deal With Life's Risks

- Avoid risk
- Reduce risk
- Accept risk
- Shift risk



Life Insurance – 5 Basic Steps

- 1. What are your goals for your survivors?**
- 2. How much will your survivors need?**
- 3. What will your survivors have?**
4. Is there a gap?
5. What should you do?



What Are My Goals?

Pay for immediate cash needs –

- Funeral expenses
- Legal fees
- Final medical expenses
- Other bills

Fund intermediate or long-term cash needs –

- Mortgage payoff (if advisable)
- Education for children
- Maintain standard of living
- Emergency fund



How Much Will My Survivors Need?

Current annual expenses

versus

Projected annual expenses after your death

Action Step

Use Appendix C to determine how much your survivor(s) will need.



What Will My Survivors Have?

- Survivor(s)' annual earnings
- Pension income sources
- Social Security
- Savings and investments
- Life insurance
- Other resources



FRS Pension Plan Benefit Payment Options

All options are lifetime monthly payments:

- Option 1:* Single life annuity
- Option 2:* Reduced lifetime annuity to retiree with 10-year payout guarantee
- Option 3:* Reduced joint and survivor annuity
- Option 4:* Reduced annuity with 2/3rd survivor annuity

*Beneficiaries of non-vested pension members are eligible for a refund of employee-paid contributions, or may be eligible to purchase enough service to vest if the member was within one year of vesting.



FRS Investment Plan Benefit Payment Options

You may receive payment of your vested benefit in the following forms of distribution:

- Lump-sum distribution
- Distributions on demand or by any schedule
- Guaranteed annuity payments for life, including survivor options and 3% annual benefit increase
- Any combination of the above distribution options
- Rollover to an IRA or another tax-deferred plan



In the Line-of-Duty Survivor Benefits

Pension Plan –

- Spouse receives 50% of member's monthly salary for life
- Upon spouse death, member's child receives benefit until age 18 or is married, if earlier

Investment Plan –

- 100% of vested account balance is available to beneficiary at time of death



FRS Retirement Plans

For FRS Retirement Plan benefit estimates –

- Review your annual Pension Plan Member Annual Statement
- Review your quarterly Investment Plan Account Statement
- Call the toll-free MyFRS Financial Guidance Line
 - *Select Option 2 for Investment Plan estimate*
 - *Select Option 3 for Pension Plan estimate*
- Log in to MyFRS.com with your pin and click “Manage My Benefit”



Social Security

What benefits are payable to the survivors of a deceased *insured* worker?

- Spouse (or divorced spouse) caring for child benefit
 - *Child under age 16 or disabled before age 22*
- Child's benefit
 - *Under age 18, over age 18 and disabled before age 22, or under age 19 and in high school*
- Spouse (or divorced spouse) at age 60 benefit
- Disabled widower's benefit
- Parent's benefit
- Lump-sum death payment



Social Security

- For a Social Security benefit estimate, including your spouse's retirement benefit
 - Call the Social Security Administration at 1-800-772-1213, or
 - Visit www.ssa.gov/estimator to estimate your benefit



Call the Financial Guidance Line with questions!



Life Insurance – 5 Basic Steps

1. What are your goals for your survivors?
2. How much will your survivors need?
3. What will your survivors have?
4. Is there a gap?
5. What should you do?



Closing the Gap

- Change your goals
- Accept the risk
- Purchase additional life insurance



Term and Whole Life Insurance

*Should I purchase a term policy
or a cash value policy?*

Term

**Variable, Universal
Whole Life Insurance**

General Insurance Protection

Cash Value



What Should I Do – Which Type of Policy is Right For Me?

*To determine the type of policy that best suits
your needs:*

- Identify why you need the insurance
- Decide how long you will need the insurance
- Determine the premium you can afford

*Don't forget to consider insurance available through
your employer's group plan.*



What Should I Do – Finding the Right Policy

- Shop for quotes (including the Internet)
- Check the ratings of insurance companies providing quotes...Quality matters!

www.ambest.com

www.moodys.com



Call the Financial Guidance Line with questions!



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Gifting to Loved Ones - 2014

- Can currently give up to \$14,000 per year per recipient without paying gift tax
- Married people can currently give up to \$28,000 by gift-splitting
- Your “unified credit” currently pays tax on gifts over \$14,000, up to \$5,340,000

Caution:

Before making a gift (even to your children),
be certain you and your spouse will not need the money.



Gifting Considerations

- \$14,000 annual gift limit does not apply when you pay for another person's medical or educational expense
 - **Must be paid directly to the educational or medical institution**
- Consider gifting to a Qualified Tuition Program (529 plan) and start saving tax-free for (grand)children's qualified higher education expenses



Call the Financial Guidance Line to find out more!



Reducing Taxes Through Gifts

Gifts to loved ones during life –

- Can reduce your income tax (*gift of income-producing property*)
- Can reduce the size of your estate

Gifts to charities –

- During your life, can reduce your income tax
- After your death, can reduce the size of your estate

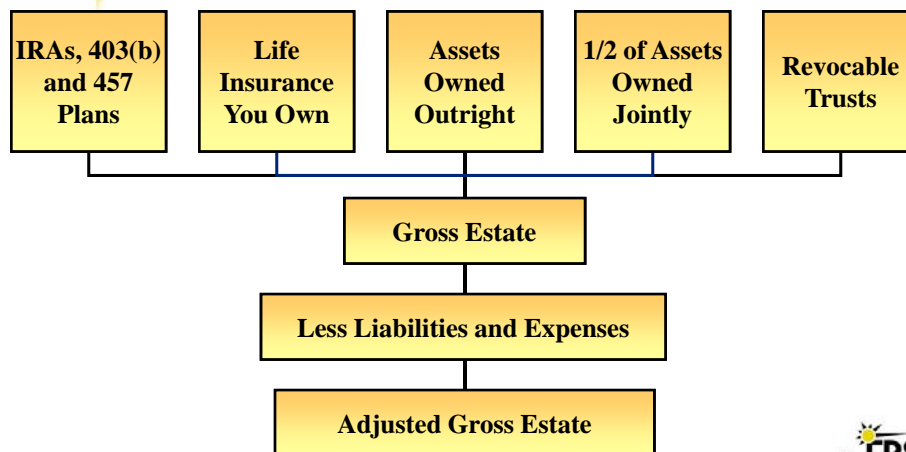


Will I Owe Federal Estate Tax?

Calendar Year	Estate Tax Exemption	Highest Estate Tax Rate
2011	\$5.00 million	35%
2012	\$5.12 million	35%
2013	\$5.25 million	40%
2014	\$5.34 million	40%



What is Included in My Estate?





How is My Estate Calculated?

	<i>Tom</i>	<i>Gail</i>	<i>Joint</i>	<i>Total</i>
Retirement Acct	\$120,000	–	–	\$120,000
IRA's	\$7,000	\$41,000		\$48,000
Mutual Funds	–	–	\$22,000	\$22,000
House (Net)	–	–	\$50,000	\$50,000
Life Insurance	\$100,000	\$75,000	–	\$175,000
Total Assets	\$227,000	\$116,000	\$72,000	\$415,000



How is My Estate Calculated?

	<i>Tom</i>	<i>Gail</i>	<i>Joint</i>	<i>Total</i>
Total Assets	\$227,000	\$116,000	\$72,000	\$415,000
1/2 of Joint	\$36,000	\$36,000	\$(72,000)	\$0
Gross Estate	\$263,000	\$152,000	\$0	\$415,000

Would Tom's And Gail's Estates Owe Taxes?

Action Step

Use Appendix D to determine
the size of your estate.



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Next Steps: Personal Action Plan

<i>Action Steps</i>	<i>Done</i>
1) Prepare or update your will	<input checked="" type="checkbox"/>
2) Ensure you have a current Durable Power of Attorney and medical directives	<input checked="" type="checkbox"/>
3) Ensure your assets are titled properly	<input checked="" type="checkbox"/>
4) Review your estate plan	<input checked="" type="checkbox"/>
5) Call MyFRS Financial Guidance Line at 1-866-446-9377	<input checked="" type="checkbox"/>



Resources Available to You - FREE

MyFRS Financial Guidance Program



MyFRS.com
Advisor Service
Choice Services
FAQ's, Calculators



Toll-free MyFRS
Financial Guidance Line,
staffed by EY financial
planners and the Division
of Retirement



Employee workshops:
Visit MyFRS.com for an
updated list of workshops,
locations and dates



Print and e-mail
communications

**All resources are available to FRS
Pension & Investment Plan Members**


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Protecting Your Family




Florida Retirement System




YOUR Money
• • • **YOUR Choice**



Additional Tools to Reduce Estate Taxes?



- Marital deduction
- Unified exclusion
- Portability of unused exemption between spouses



What is the Marital Deduction?

- Unlimited transfers to spouse free of estate and gift taxes
- Transfers through outright bequest, joint tenancy, named beneficiary
- Postpones estate taxes until surviving spouse's death



How Does the Marital Deduction Work?

	Bob	Mary
Gross Estate	\$6,340,000	\$4,340,000
Marital Deduction	(\$6,340,000)	\$6,340,000
Taxable Estate	\$0	\$10,680,000



What is the Unified Exclusion?

- A credit-equivalent amount used to offset both estate and gift taxes incurred during life or upon death
- In 2014, every person has a unified credit that can shelter a \$5,340,000 estate



How Can I Effectively Use My Unified Exclusion?

	Jim
Gross Estate	\$5,340,000
Marital Deduction	\$0
Taxable Estate	\$5,340,000
Estate Exemption	(\$5,340,000)
Tax Payable	\$0



Unified Exclusion For Married Couples

- Any unused estate exclusion of the first spouse can be used by the surviving spouse
- This means married couples can exclude a combined \$10,680,000 of assets from their estates
- An election must be made in the estate tax return of the predeceased spouse
 - This must be done regardless of whether the estate is required to file an estate tax return



How Can My Spouse and I Effectively Use Our Unified Exclusion?

	Utilizing The Deceased Spousal Unused Exclusion Amount	
	Bob	Mary
Gross Estate	\$6,340,000	\$4,340,000
Marital Deduction	(\$6,340,000) →	\$6,340,000
Taxable Estate	\$0	\$10,680,000
Estate Exclusion	\$0	(\$5,340,000)
Deceased Spousal Unused Estate Exclusion	\$0	(\$5,340,000)
Tax Payable	\$0	\$0


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Estate Planning

Protecting Your Family




 Florida Retirement System




 YOUR Money
 • • • YOUR Choice

WORKSHOP APPENDICES

Estate Planning: *Protecting Your Family*

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NOTICE TO EMPLOYEES

Dear Employee:

The FRS has engaged Ernst & Young LLP to provide financial planning education workshops to its employees. We expect that you will find Ernst & Young's services to be valuable, but we think it is also important that you understand the scope of these services. The following explains what financial education workshops can and cannot do for you, particularly as regards investment planning.

General Financial Planning Considerations

Here are points to understand regarding your personal financial planning and your participation in financial planning workshops:

- Ernst & Young has prepared certain financial planning materials and is providing other services for your personal use as an employee of the FRS.
- The financial education program includes historical financial information and well-accepted financial planning strategies. It may also include information on Social Security benefits and your company benefit plans. This information is based on sources that Ernst & Young believes to be reliable. However, Ernst & Young cannot guarantee its accuracy.
- Past performance, which may be referenced in the program, is not a guarantee or even necessarily an indication of future results.
- The financial planning materials you receive will not change or affect your rights under your company benefit plans. In all cases, the company's plans govern.
- As you plan your financial future, you will need to make assumptions about future financial trends (such as inflation and rates of return), laws and regulations, and apply these to your particular circumstances. Your results can be significantly affected by even small changes in your assumptions, your individual circumstances or laws and regulations, as well as the extent to which your assumptions ultimately vary from actual financial conditions. You may need to reevaluate your financial planning strategy and your decisions from time to time to determine if any changes have occurred that would necessitate amendments to your assumptions or plan.
- A financial education program provides only some of the resources for assisting you in preparing your financial planning strategies. Financial education does not provide accounting, tax or legal advice and does not involve recommendation of specific investments.
- You need to decide on your own whether to consult with a financial advisor or other professional regarding your personal circumstances. If you do, please be aware, you may incur additional costs.
- In providing financial education, Ernst & Young may help you decide on your asset allocation or help you make informed assumptions about rates of return and other investment issues. While Ernst & Young will help you understand what you need to do, you are responsible for making and acting on these decisions. Ernst & Young cannot provide you with all information that may be relevant nor can any materials provided address every possible scenario in connection with such decisions.
- Neither Ernst & Young nor your employer will make any financial planning decisions for you or assume any responsibility for decisions you make.
- Ernst & Young may provide audit or other accounting services to the investments or service providers discussed. The provision of other services will not be a determining factor whether to discuss or recommend an investment or service provider.

Privacy of Information Provided to Ernst & Young

In the event Ernst & Young collects nonpublic personal information about you from you or other sources authorized by you, Ernst & Young will not disclose such information to third parties, except as permitted by law or as otherwise authorized by you. Ernst & Young maintains physical, electronic, and procedural safeguards to guard your nonpublic personal information.

Further Considerations

All services are provided "as is," and there are no warranties of any kind or nature, whether express or implied, including but not limited to warranties of merchantability or fitness for a particular purpose or use. In addition, neither Ernst & Young nor its affiliates nor any of their partners, officers, directors or employees shall be liable to you for any services performed or omitted or for any errors of judgment, or for consequential, incidental, indirect, punitive or special damages in connection with providing the services described above. Federal securities laws impose liabilities under certain circumstances on certain persons, even those who act in good faith, and therefore nothing in this notice constitutes a waiver or limitation of any rights that you may have under these laws.

If you should have any kind of claim or dispute with Ernst & Young as a result of this program, these will be resolved in accordance with Ernst & Young's Alternative Dispute Resolution Procedures ("Procedures") in effect on the date of this notice. You may receive a copy of the Procedures by requesting them from the Compliance officer of Ernst & Young, at the following address:

200 Plaza Drive
Suite 2222
Secaucus, NJ 07094

* * * * *

If, after considering the issues discussed above, you do not want to participate in financial education and counseling in conjunction with this program, please contact your Human Resource Professional for the FRS, as soon as possible.

FOR INFORMATIONAL PURPOSES ONLY

DISCLOSURE STATEMENT

**Ernst & Young LLP
Ernst & Young Investment Advisers LLP
Employee Financial Services**

Please note that this disclosure statement provides a summary of the investment advisory services provided by Ernst Young LLP. Please note that a full copy of ADV Part 2A can be located at this link www.adviserinfo.sec.gov/IAPD/Content/Search/iapd_Search.aspx¹

Ernst & Young LLP (“EY”), under the supervision of Ernst & Young Investment Advisers LLP (“EYIA”), provides Employee Financial Services (“EFS”), including investment education and counseling services to employees, members of associations, unions or other large groups (“Participants”) pursuant to engagements by corporate employers, pension plan trustees, or other entities formed for the benefit of such Participants (“Sponsors”). Such services are provided through EY’s Personal Financial Services Practice, a functional specialty within the firm’s Tax Department. EYIA is registered with the Securities and Exchange Commission as an investment adviser under the Investment Advisers Act of 1940 (“Advisers Act”) and maintains its main office at 200 Plaza Drive, Suite 2222, Secaucus, NJ 07094 (telephone: 800-273-0588).

Employee Financial Services (“EFS”)

EY’s services to Participants are rendered to such persons in a manner determined by their Sponsors. EY services to Participants may include some or all of the following:

1. Enabling Participants to access a toll-free “*EY Financial Planner Line®*”, staffed by EY planners or consultants, for assistance with personal financial planning matters.
2. Designing or presenting workshops for Participants concerning the financial planning process and alternatives available under the Sponsor’s benefit plans.
3. Providing access to a financial planning website (“*EY Financial Planning Center®*”) for use by Participants.
4. Providing various personal finance and tax-related publications, in print form or by audio or other visual means.
5. Making available to Participants and survivors of Participants, financial education and counseling assistance with respect to retirement plan distributions; company benefit and compensation plans; estate settlements and planning; life insurance policies; and other related issues.
6. Providing in-person personal financial advisory services to Participants pursuant to an engagement by a Sponsor.

As part of the personal financial advisory services, both in-person and via the EY Financial Planner Line®, EY may prepare personal asset allocation targets (based on modern portfolio theory and using EY’s own or other approved financial planning tools) for such Participants after obtaining and evaluating information concerning their individual circumstances provided by each Participant in response to an EY questionnaire. Participant specific advice (i.e., personal asset allocation targets) will generally be confirmed in writing.

¹ From this webpage follow these steps to view the most current Form ADV: a) select Firm, b) enter CRD #110921, c) click Investment Adviser Firm, d) click SEC, e) Brochure link is on the left under Part 2.

EY does not recommend, and should not be deemed to have recommended, any particular investment as an appropriate investment for the Participants and discussions of various investments should not be construed as such a recommendation.

EY's advisory services also may be offered by a Sponsor to Participants in tandem with the personal advisory services of another registered investment adviser designated by the Sponsor that is not affiliated with EY ("Other Adviser"). In some EFS engagements, the Sponsor contemplates that EY will refer individual Participants to the Other Adviser for specific recommendations and/or implementation of the Participant's investment decisions. Such referrals by EY do not constitute a recommendation of the Other Adviser by EY to Participants, and, in such cases, EY does not perform any quantitative or qualitative screening procedures with respect to the Other Adviser.

EY, in certain circumstances, is contracted solely to help train employees of financial institutions seeking to offer financial and tax planning services to clients. Such services do not involve EY providing advice directly to the clients of such financial institutions, but rather entails training a financial institution's counselors on financial and tax planning topics and such other support as is mutually agreed upon by EY and the financial institution.

All Selections and Investments Are Made Solely by the Participating Employee

EY's investment education and counseling does not include recommendations concerning the purchase or sale of particular investments or particular industry sectors. EY may provide counseling on the purchase or sale in the context of providing tax, compensation and benefits, or estate planning services, but that counseling does not reflect a view as to the intrinsic merits of the investment. All decisions to invest in or dispose of particular investments are made solely by the participating Participant in the exercise of his or her own discretion.

Fees

Fees for EFS Services generally are negotiated between EY and the Sponsors of such groups on a case-by-case basis. They usually are based upon (i) a "per capita" eligible employee or member amount, (ii) a "usage by Participants" amount, (iii) the volume of calls by Participants to the *EY Financial Planner Line®*, (iv) the number of workshops designed and presented by EY, or (v) other negotiated factors. EY's fees in such engagements may be paid wholly or partially either by the Sponsor or by Participants, whose payments for services received (if any) may be collected by the Sponsor through payroll deductions and remitted to EY. Participants also may incur expenses for fees to any other investment adviser they may consult and will be responsible for transaction charges imposed by broker-dealers through or with whom they effect transactions for their accounts. Generally EY's contracts with Sponsors for services to Participants are terminable by either party in accordance with a specified notice period. In addition, Participants receiving advisory services by EY (including a Participant who pays in whole or in part for the services rendered to such Participant) may terminate participation at any time. If such a contract or participation is terminated at a time other than the end of the quarter, a pro rata portion of any quarterly or other fee paid in advance is refunded.

Investment Advisers

All personal investment advice, and most impersonal investment advice, typically is given only by EY Financial Planners. Financial Planners are persons who spend all or substantial portions of their time on financial planning. Typically, all of these professionals have at least a degree from a four-year college or university and must meet such other standards as EYIA may establish from time to time. Those standards may include participation in continuing education programs each year and maintaining what EY regards as significant involvement in financial counseling engagements. Moreover, Financial Planners must satisfy applicable State investment adviser representative registration requirements or pass the Series 65 Uniform Investment Adviser Exam of the National Association of Securities Dealers, Inc. In some instances, EY may retain consultants to assist in providing workshops and staffing the *EY Financial Planner Line®*. Generally, consultants are subject to the same requirements as EY Financial Planners. However, consultants are not subject to the same public accounting independence requirements as EY Financial Planners and their continuing education programs differ in some respects.

Monitoring, Reviews and Reports

In the case of EFS engagements that extend beyond one year and involve the provision of personal advisory services to Participants, Participants are asked questions concerning any changes in their relevant individual circumstances. EY will take into account the changed circumstances of any Participant of which it has notice in the event that Participant seeks additional personal advisory services from EY.

Miscellaneous

Clients and prospective clients of EY also should be aware of the following additional information concerning EY and EYIA:

Custody of Securities or Funds. EY does not manage participant accounts on a discretionary basis and does not take custody of participant securities or participant funds.

Other Financial Industry Activities. As noted above, EYIA is responsible for supervising the investment advisory services provided by EY. EY and Ernst & Young (U.S.) are general partners of EYIA. In consideration of EYIA's supervising the rendering of investment planning services provided by EY, EY provides EYIA with office and filing space, staff and other assistance. All of EYIA's time is spent supervising the compliance and operations of the investment planning services provided by EY.

Other Business Activities. EY is a public accounting firm which spends substantially all of its time providing accounting, audit, tax, and business advisory services.

Education and Business Background. Below are the backgrounds and five year business histories of each EYIA Advisory Board member: (1) Name, (2) year of birth, (3) education and (4) business background for preceding five years of EYIA Advisory Board members:

1. Glenn H. Hascher – (Chair)/2. 1961
3. B.S., Economics, Rutgers University, New Brunswick, NJ
4. November 1988 to date, Ernst & Young LLP

1. R. Lynn Pettus/2. 1968
3. B.A., Accounting, Converse College, Spartanburg, SC
4. 1997 to date, Ernst & Young LLP

1. Kym M. Hubbard/2. 1957
3. B.A., Accounting, Bradley University, Peoria, IL
4. 2004-2007 Illinois State Board of Investment, 2007-2008 Illinois Finance Authority, 2008 to date, Ernst & Young LLP

1. Robert J. Porter/2. 1964
3. B.S., Siena College, Loudonville, NY
4. 1998 to date, Ernst & Young LLP

1. Greg Rosica/2. 1964
3. University of Florida, Gainesville, FL, BS Accounting with Honors 1986; University of Florida, Gainesville, FL, MS Accounting 1988
4. 2002 to date, Ernst & Young LLP; 1988 to 2002 Arthur Andersen LLP

1. James G. Wolf/2. 1955
3. University of Notre Dame, South Bend, IN, BBA Finance; University Of Texas, Austin, TX, MBA
4. 1985 to date, Ernst & Young LLP

1. David E. Boyle / 2. 1955
3. B.S., Georgetown University, 1977; The University of Michigan, MBA, 1979
4. November 1988 to date, Ernst & Young LLP

SAMPLE HEALTHCARE DIRECTIVES

LIVING WILL

Declaration made this ____ day of _____, 200__, I, _____, willfully and voluntarily make known my desire that my dying not be artificially prolonged under the circumstances set forth below, and I do hereby declare that, if at any time I am incapacitated and (initial one or more of the following three conditions)

_____(initial) I have a terminal condition

or _____(initial) I have an end-stage condition

or _____(initial) I am in a persistent vegetative state

and if my attending or treating physician and another consulting physician have determined that there is no reasonable medical probability of my recovery from such condition, I direct that life-prolonging procedures be withheld or withdrawn when the application of such procedures would serve only to prolong artificially the process of dying, and that I be permitted to die naturally with only the administration of medication or the performance of any medical procedure deemed necessary to provide me with comfort care or to alleviate pain.

It is my intention that this declaration be honored by my family and physician as the final expression of my legal right to refuse medical or surgical treatment and to accept the consequences for such refusal.

In the event that I have been determined to be unable to provide express and informed consent regarding the withholding, withdrawal, or continuation of life-prolonging procedures, I wish to designate, as my surrogate to carry out the provisions of this declaration:

Name: _____

Address: _____

Phone: _____

I understand the full import of this declaration, and I am emotionally and mentally competent to make this declaration.

Additional Instructions (optional): _____

Signed: _____ Date: _____

Witnesses' signature, address, and phone number:

1. _____ 2. _____

SAMPLE DIRECTIVES

DESIGNATION OF HEALTH CARE SURROGATE

Name:(Last)_____ (First)_____ (Middle Initial)_____

In the event that I have been determined to be incapacitated to provide informed consent for medical treatment and surgical and diagnostic procedures, I wish to designate as my surrogate for health care decisions:

Name: _____

Address: _____

Phone: _____

If my surrogate is unwilling or unable to perform his or her duties, I wish to designate as my alternate surrogate:

Name: _____

Address: _____

Phone: _____

I fully understand that this designation will permit my designee to make health care decisions, except for anatomical gifts, unless I have executed an anatomical gift declaration pursuant to law, and to provide, withhold, or withdraw consent on my behalf; to apply for public benefits to defray the cost of health care; and to authorize my admission to or transfer from a health care facility.

Additional instructions (optional):

I further affirm that this designation is not being made as a condition of treatment or admission to a health care facility. I will notify and send a copy of this document to the following persons other than my surrogate, so they may know who my surrogate is.

Name: _____

Name: _____

Name: _____

Signed: _____ Date: _____

Witnesses: 1. _____ 2. _____

HOW MUCH WILL MY SURVIVORS NEED?

	A. Current annual expenses	B. Projected annual expenses after your death
Description	Description Spouse/Life	Partner Spouse/Life Partner
Savings		
Housing/mortgage		
Other housing expenses (real estate taxes, homeowner's insurance, utilities and maintenance)		
Food		
Clothing		
Insurance (life, disability, long-term care, excess liability)		
Vehicle/transportation (service, maintenance, insurance, loans)		
Medical & dental		
Non-housing debt		
Children/dependent expenses		
Entertainment		
Gifts & donations		
Personal (e.g., haircuts, health club, pets)		
Education		
Miscellaneous		
Income taxes		
Social Security & Medicare taxes		
Total		

WHAT IS MY ESTATE WORTH?

Assets and Liabilities Worksheet

When indicating an asset's worth, be sure to specify its current fair market value. Beware of hidden assets. You may neglect to consider certain items that are, in fact, part of your estate. For instance, many people don't realize that the proceeds from an insurance policy they own are included in the taxable estate — even though these proceeds aren't subject to the court-administered probate process.

Assets*:	Your Name	Spouse's Name	Joint Tenancy or Community	Amount
Cash Equivalents				
Checking accounts				
Savings accounts				
Money market accounts				
Money market fund accounts				
Certificates of deposit				
U.S. Treasury bills				
Death benefits of life insurance				
Total				
Investments				
Stocks or stock funds				
Bonds or bond funds				
Mutual fund investments				
Partnership interests				
Other investments				
Total				
Retirement Funds				
Pension (present lump-sum value)				
Joint and survivor annuities (present value)				
IRAs and Keogh accounts				
Employee savings plans (e.g., 401(k), employer stock option)				
Total				
Personal Assets				
Principal residence				
Second residence				
Collectibles/art/antiques				
Automobiles				
Home furnishings				
Personal valuables (e.g., jewelry, antiques)				
Other assets				
Total				
Total Assets				

* Generally, your estate includes one-half of the value of assets you hold with your spouse as joint tenants with rights of survivorship. Other jointly held assets are included in proportion to the amount you contributed to the asset's purchase. Also, for those living in community property states, the assets acquired during marriage are split in half between each spouse.

WHAT IS MY ESTATE WORTH?

Liabilities:	Your Name	Spouse's Name	Joint Tenancy or Community	Amount
Liabilities				
Charge account balances				
Personal loans				
Investment loans (margin, real estate, etc.)				
Home mortgages				
Home equity loans				
Life insurance policy loans				
Projected income tax liability				
Estate settlement costs**				
Final medical costs				
Funeral expenses***				
Other liabilities				
Total Liabilities				
Assets Minus Liabilities				

** These vary widely: If in doubt, you may want to assume a small percentage of assets (for example, 3%) for these expenses.

*** These average \$5,000 and vary widely.

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PERSONAL ACTION PLAN

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***MyFRS Financial Guidance Line®* Callback Request**

Because we feel strongly that you take action to achieve your financial goals, we encourage you to work with an EY financial planner. By providing the information below, we will have a planner reach out to you so that you can be one step closer towards reaching your financial goals.

Please fill out the information below and return it to the EY representative. You can expect a call back within two weeks from a planner who can help you work on your financial plan.

Name _____
First Last

City in which you live: _____ (This will help us locate your record before we call)

Phone # _____ Email address _____
(Including area code)

Best time to call (ET) 9am – 11am 11am – 1pm 3pm – 5pm

Specific Request for Timing: _____

Topic(s) you are interested in discussing:

- | | |
|--------------------------|--|
| <input type="checkbox"/> | Cash & Debt Management |
| <input type="checkbox"/> | Education Funding |
| <input type="checkbox"/> | Estate Planning |
| <input type="checkbox"/> | Income Tax Planning |
| <input type="checkbox"/> | Insurance (Life, Health, Disability, etc.) |
| <input type="checkbox"/> | Investment Planning |
| <input type="checkbox"/> | Retirement Planning |
| <input type="checkbox"/> | Other (please list) _____ |

The FRS provides this Financial Planning benefit to you at no cost. Ernst & Young financial planners do not sell or endorse financial products and thus are able to provide financial guidance with no perceived or actual conflicts of interest. As a reminder you can call the *MyFRS Financial Guidance Line®* at (866) 446-9377, Option 2.

If you or a member of your immediate family or household serves as a director, an officer, or in a financial reporting role with a public company, please indicate the company name here: _____.