

Is a 2nd Election Right for You?

Have your life circumstances changed — job change, promotion, marriage, divorce, or death of a spouse? If so, it might be a good time to review your FRS retirement plan choice.

One-Time Opportunity To Switch FRS Retirement Plans

After making your initial Florida Retirement System (FRS) retirement plan selection, you may change plans once during your FRS working career. This plan change — called your “2nd Election” — is not for everyone, but it could be right for you.

Free Help IS Available!

Before using your 2nd Election, get **unbiased** help from the FRS. Review your plan options carefully. Once you make a 2nd Election, that decision is final. You may never again change your FRS Retirement Plan.

The FRS offers two ways to get free help:

- Call the toll-free MyFRS Financial Guidance Line at 1-866-446-9377 (TTY: 1-888-429-2160), option 1. Financial planners will provide personalized and unbiased information based on your individual situation. Get real financial guidance from someone who is not selling investment or insurance products.
- Log on to MyFRS.com and select the *2nd Choice Service* to see your projected retirement benefits under both plans. You can change the information to better match your life circumstances.

You have a one-time opportunity to switch FRS retirement plans during your FRS career. This is called your “2nd Election.”

How To Make Your 2nd Election

If you decide to make a 2nd Election, follow these steps:

1. Contact the FRS Plan Choice Administrator or log on to MyFRS.com for a *2nd Election Retirement Plan Enrollment Form*. Complete and mail the form to the FRS Plan Choice Administrator at the address shown on the form.
2. Once the Administrator receives the form, your transfer cost, if any, is locked in for that month. To finalize the plan change, you **must** work at least one day in the month of your effective date and pay any transfer costs you owe within 60 days (i.e., if transferring to the Pension Plan).

Example:

If you submit your enrollment form in December and the Plan Choice Administrator processes it on December 15, your 2nd Election plan change will be effective on January 1. To finalize the change, you must work at least one day in the month of January **and** pay any buy-in amount you owe by the end of February (see page 2). If you don't work in January or pay the amount due within 60 days, you will remain in your original plan (and still have the option to make a 2nd Election at a later date).

Note: If you are on an unpaid leave of absence, you cannot use your 2nd Election until you return to work.

About The 2nd Election

As an FRS member, you have a one-time opportunity to change your retirement plan while **actively employed** by an FRS employer.

**If you are in the
FRS Pension Plan:**

CAUTION

Some outside investment providers might try to persuade you to use your 2nd Election. Free FRS resources are available to help you make your decision.

**If you are in the
FRS Investment Plan:**

You can switch to the FRS Investment Plan

What this means to you:

- No cost to you.
- The present value* of your Pension Plan benefit will become your opening Investment Plan account balance.
- You will be fully vested in the money you transfer from the Pension Plan to the Investment Plan after you have six years of service credit under the FRS.** New contributions will be vested based on your total service credit under the FRS.
- If you terminate employment with less than six years of service credit, you may lose the amount transferred from the Pension Plan.

* called ABO-Accumulated Benefit Obligation

**If returning to the Pension Plan after July 2001, you must work for at least one year to get six-year vesting.

You can switch to the FRS Pension Plan

What this means to you:

- You will be able to count your Investment Plan service toward the six-year vesting requirement.
- You must “buy in” to the Pension Plan with the money in your Investment Plan account.
- FRS will calculate your buy-in cost, based on whether you had previous FRS Pension Plan service before joining the Investment Plan:

If you had previous Pension Plan service, the “buy-in” cost is a present value calculation using all your FRS service as if you had never joined the Investment Plan.*

* called a Return ABO

If you did not have previous Pension Plan service, the “buy-in” cost is the total cost of the Pension Plan benefit earned up to the time of your buy-in.*

* called Actuarial Accrued Liability

After your buy-in cost is calculated...

If you do not have enough in your Investment Plan account to cover the buy-in cost, you must make up the difference from your own personal funds. The buy-in cost increases monthly.

If you have a surplus left in your Investment Plan account after buying in to the Pension Plan, you will continue to manage those funds, but they will not be available for distribution to you until you retire and begin receiving your Pension Plan benefit.

This is only a summary of the 2nd Election option for the FRS Retirement Plans. More information is available on MyFRS.com (2nd Choice Service). If you have any questions, call the MyFRS Financial Guidance Line toll-free at 1-866-446-9377 for assistance.