KEEP YOUR DROP IN THE FRS

You are eligible to roll over some or all of your DROP lump sum into the Florida Retirement System (FRS) Investment Plan. This option allows you to take advantage of the low cost investment products offered in the Investment Plan. And, when you decide to take a distribution of your money, you have multiple options to choose from, including periodic payments, lump sum payments, rollovers, and guaranteed lifetime monthly income (like your Pension Plan benefit).

Before you decide to roll your DROP lump sum out of the FRS, you should carefully compare fees to ensure that you are not paying excessive amounts for the same services and investments you can receive for less in the Investment Plan. The following chart compares the investment and administrative fees you would pay for comparable investment funds in the Investment Plan versus the fees charged for other similar mutual funds. Performance over a five-year period is also shown.

Why should you care what fees are charged? Because it's your money that pays these expenses, not your employer's or anyone else's. The fees and expenses come straight out of your investment income. See Investment Expenses and Fees for further information.

Three months before your DROP end date, you will receive a flyer in your DROP termination packet provided by the Division of Retirement informing you that you can roll over your DROP lump sum into the Investment Plan and the availability to receive free guidance from EY financial planners in determining what to do with your DROP payout. If you decide to roll your DROP into the Investment Plan, you must submit the DROP...
Selected Payout Method Form (Form DP-PAYT), provided to you in the DROP termination packet, and the DROP Accumulation Direct Rollover Form for Current DROP Members (Form IPDROP-AD-1). Also, submit an FRS Investment Plan Beneficiary Designation Form (Form IPBEN-1) since your beneficiary designation in the Pension Plan does not transfer to the Investment Plan. Upon receipt of the forms and funds, the Investment Plan Administrator will deposit the DROP funds into your account in accordance with your requested investment allocation on the rollover form. See page 3 for a checklist and pages 4-8 for instructions on how to complete each form.

See the online FAQs for further information on DROP rollovers to the Investment Plan. For general DROP information, see the Division of Retirement’s online DROP page.

Call the toll-free MyFRS Financial Guidance Line at 1-866-446-9377, Option 2 (TRS 711), to get help comparing your DROP rollover options.

© 2019 MyFRS Financial Guidance Program. All rights reserved.
<table>
<thead>
<tr>
<th>Completed?</th>
<th>Item</th>
<th>Timing?</th>
</tr>
</thead>
<tbody>
<tr>
<td>☐</td>
<td>Receive your DROP termination packet.</td>
<td>Three months prior to your DROP end date</td>
</tr>
<tr>
<td>☐</td>
<td>Complete the following forms:</td>
<td>Upoun receipt of the DROP termination packet</td>
</tr>
<tr>
<td></td>
<td>• DROP Selected Payout Method Form (Form DP-PAYT), included in the DROP termination packet (2 pages)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• <a href="http://example.com">DROP Accumulation Direct Rollover Form for Current DROP Members</a> (Form IPDROP-AD-1), available online (2 pages)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• <a href="http://example.com">FRS Investment Plan Beneficiary Designation</a> (Form IPBEN-1) (1 page), available online</td>
<td></td>
</tr>
<tr>
<td>☐</td>
<td>Submit all of the forms to the Investment Plan Administrator (do not send to the Division of Retirement). Be sure all form pages are submitted.</td>
<td>Submit the forms as soon as possible.</td>
</tr>
<tr>
<td></td>
<td>Fax: 1-888-310-5559</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Mail: FRS Investment Plan Administrator, P.O. Box 785027, Orlando, FL 32878-5027</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Courier: FRS Investment Plan Administrator, 2300 Discovery Drive, Orlando, FL 32826</td>
<td></td>
</tr>
<tr>
<td>☐</td>
<td>Upon receipt of all form pages, the Investment Plan Administrator will process the forms and submit the signed copies to the Division of Retirement.</td>
<td>Approximately 1-2 weeks</td>
</tr>
<tr>
<td>☐</td>
<td>Upon receipt of the forms from the Investment Plan Administrator, the Division of Retirement will process the forms and prepare to have your DROP funds rolled over into your Investment Plan account.</td>
<td>Approximately 1-2 weeks</td>
</tr>
<tr>
<td>☐</td>
<td>Your DROP funds will be rolled over to your Investment Plan account.</td>
<td>No sooner than the calendar month following your termination date (listed on your FORM DP-PAYT)</td>
</tr>
<tr>
<td>☐</td>
<td>A confirmation statement will be mailed to you from the Investment Plan Administrator once your Investment Plan account has been funded.</td>
<td>Within one week of your Investment Plan account being funded.</td>
</tr>
</tbody>
</table>
This form serves as an affirmation of your selected payout method for your DROP accumulation as provided in § 121.091, Florida Statutes. The payout method may have serious tax implications. Before making your payout election, please read the enclosed Special Tax Notice. You may also want to consult a tax professional regarding tax implications.

**DROP BALANCE PAYOUT METHOD**

If you are subject to a Required Minimum Distribution (RMD), or made after-tax contributions, those amounts will be paid directly to you as a lump sum payment by default. Please contact our office if you would like to roll over after-tax contributions. Upon receiving this completed form, your payment will be processed in the calendar month following your termination date. Your DROP BENEFIT is based on your DROP termination date of: [ ]

A **lump sum** election means the FRS will mail your DROP payment directly to you at the address on file, minus the required federal withholding taxes. *The tax amount below is subtracted from the gross DROP balance to determine the net lump sum payment.*

**Tax Calculation:** $0.00 (20% non-RMD amount) $0.00 (10% RMD amounts)

**Gross DROP Balance:** $0.00  
**RMD:** $0.00  
**After-Tax Contributions:** $0.00  
**Net Lump Sum Payment:** $0.00  

A **direct rollover** election means the FRS will mail your gross DROP rollover amount directly to the custodian of your selected qualified plan. The receiving financial institution’s representative must complete the rollover section below. If you choose to roll your DROP into a ROTH account, the taxation will default to 0% unless you make a federal tax withholding selection here: 10% [ ] 20% [ ]

**Default Gross Lump Sum Payment (RMD and after-tax contributions):** $0.00  
**Gross DROP Rollover:** $0.00  

**Partial lump sum** Add the additional lump sum amount I indicate to my default gross lump sum payment and then reduce the DROP rollover amount accordingly. I understand that the additional lump sum amount will be taxed.  

**Additional Lump Sum Amount:** $0

By signing this form, I attest to having read the Special Tax Notice and authorize the FRS to release my DROP payments accordingly.

**PAYEE’S SIGNATURE**  
(must be signed in the presence of a Notary)

**Notary:**
State of ______________, County of ______________. The above named person has sworn to and subscribed before me this ______ day of _______ 20__ and is personally known ________ or produced ________ as identification.

____________________________
Signature of Notary Public

____________________________
Print or Stamp Notary Public’s Commission Name and Number

**SAMPLE FORM**
This is a sample form – do not complete this form.

SAMPLE FORM

Florida Retirement System Pension Plan
Deferred Retirement Option Program (DROP)
Selected Payout Method

Effective 12/16
DROP Term/Refund

PO BOX 9000 Tallahassee, FL 32315-9000
Local Phone: 850-907-6500 Toll Free: 844-377-1888 FAX: 850-410-2010

MEMBER NAME: ___________________________ MEMBER SSN: ___________________________
PAYEE NAME: ___________________________ PAYEE SSN: ___________________________
Gross DROP Rollover to this custodian: $ 0.00

This Section is for ROLLOVERS, and must be filled out by a REPRESENTATIVE of the ELIGIBLE PLAN or IRA
Please select the type of account the rollover will be deposited to (as defined in s. 402(c)(8)(B) of the Internal Revenue Code) and
provide the address to where the check should be mailed. Upon receiving this completed form, a payment will be processed,
no sooner than, the calendar month following the member's termination date noted above. Incomplete forms will be
returned to the member and will delay the payment process.

Annuity/Individual Retirement Account (IRA) as described in s. 408(a) and 408(b), Internal Revenue Code

☐ Traditional ☐ ROTH (excluding designated) - Taxation on ROTH rollovers will default to 0% unless otherwise noted above.
☐ Qualifed Plan - A stock bonus, pension, or profit sharing plan of an employer as described in s. 401(a), 401(k), Internal
      Revenue Code
☐ Deferred Compensation Plan - as described in s. 457(b), Internal Revenue Code
☐ Annuity - as described in s. 403(a) or 403(b), Internal Revenue Code

Payable To: ___________________________ Account #: ___________________________ Phone #: ___________________________
Financial Institution

Mail Payment to
Address ___________________________ Representative: ___________________________ Print Name ___________________________

Representative: ___________________________ Signature ______________________ Date ______________________
SAMPLE FORM

Important Information
Complete this FRS Investment Plan DROP Accumulation Direct Rollover Form for Current DROP Members if you are planning to terminate employment with the FRS in the near future and want to roll your FRS Deferred Retirement Option Program (DROP) accumulation to the FRS Investment Plan. The FRS Investment Plan only accepts rollovers from financial institutions and will not accept personal checks.

If you need assistance in completing this DROP Accumulation Direct Deposit Rollover Form for Current Members or need to discuss the process for rolling your accumulation into the FRS Investment Plan, please call the MyFRS Financial Guidance Line toll-free at 1-866-446-9377, Option 4 (TRS 711), and connect to the FRS Investment Plan Administrator.

In order to complete this transaction, you must mail the FRS DROP Select Payroll Method Form (DF-PAYT) to the Investment Plan Administrator. The DF-PAYT Form is required prior to completing this DROP Accumulation Direct Rollover Form for Current DROP Members. If you have not completed the DF-PAYT Form, contact the Division of Retirement toll-free at 1-866-446-9377, Option 3.

Rolling your DROP accumulation into the FRS Investment Plan is a completely separate transaction from receiving your monthly FRS Pension Plan benefits. Terminated DROP participants who roll their DROP accumulation into the FRS Investment Plan have immediate distribution access to their DROP proceeds whether they are retired or return to FRS-covered employment.

Required Documentation / Information
Please complete and return this form to the Investment Plan Administrator at the address provided on page 2 of this form. The information on this form is required to set up your account. If you have any questions, please call the Investment Plan Administrator toll-free at 1-866-446-9377, Option 4 (TRS 711).

Please Print:

<table>
<thead>
<tr>
<th>Last 4 digits of Social Security Number</th>
<th>Last Name</th>
<th>First Name</th>
<th>M / L</th>
</tr>
</thead>
<tbody>
<tr>
<td>Work Telephone (if applicable)</td>
<td>Home Telephone</td>
<td>PERSONAL EMAIL:</td>
<td></td>
</tr>
<tr>
<td>( )</td>
<td>( )</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Street Address</td>
<td>City</td>
<td>State</td>
<td>Zip Code</td>
</tr>
<tr>
<td>Date of Birth:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>mm dd yy</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Investment Options
By using this DROP Accumulation Direct Rollover Form, you are initially choosing to have your DROP accumulation invested in one or more of the following two investment options (must total 100%):

- % FRS Money Market Fund - This fund seeks to provide high current income, liquidity and capital preservation. The fund is an index fund and primarily invests in high quality, liquid, short-term instruments. (50-61)
- % FRS Retirement Fund - This fund seeks to provide current income and some capital appreciation as well as potential protection against future inflation. (51-90)
- % Total Amount (must total 100%)

Note: The description above shows the first year annual fees (in bold italics) that would be paid out of your account balance based on a $1,000 investment in that fund. The fees on this form may have changed since the form was printed. To see the latest fee and fund information, go online to MyFRS.com. If you fail to select any investment options on this form, you are affirmatively electing to have your DROP accumulation deposited in the FRS Retirement Fund. You may change your investment fund selection(s) after your account is funded. There are currently a suite of retiree date funds and 11 investment options to choose from. Please use the free MyFRS Financial Guidance Program resources to help you understand your investment fund choices.

Complete all of this section.

Choose the percent you want to invest in each fund. Be sure the total equals 100%.
SAMPLE FORM

BENEFICIARY DESIGNATION
You have the right to designate a beneficiary to receive any benefits due at your death. Until you provide the Investment Plan Administrator with your Beneficiary Designation Form, your benefits will be payable in accordance with Florida law, pursuant to Section 121.4501(20), F.S. Any beneficiary change will be effective only upon receipt of your Beneficiary Designation Form (IPBEN-1) for the FRS Investment Plan, which can be obtained from the Investment Plan Administrator by calling the MyFRS Financial Guidance Line at 1-800-448-3577, Option 4, or at MyFRS.com under “Forms.” Note: The beneficiary you designate for your Investment Plan account may be different from the beneficiary you have named to receive your Pension Plan benefits.

AUTHORIZED / CERTIFICATION - IMPORTANT INFORMATION
You understand you can find a description of your rights and responsibilities under the Investment Plan in the Summary Plan Description and Florida Statutes, available through the MyFRS Financial Guidance Line, Option 2, or at MyFRS.com.

You are authorizing your DROP benefit be invested as set out in Section 2 above and you understand other investment funds are available to you. You understand you can change the fund allocations at any time after your DROP accumulation has been deposited by accessing MyFRS.com or by calling the toll-free MyFRS Financial Guidance Line, Option 2.

You acknowledge you reviewed the Fund Profiles, the Investment Fund Summary, and the Annual Fee Disclosure Statement in the “Investment Funds” section at MyFRS.com before selecting any investment funds or submitting this form. You understand you can request a printed copy of these items be mailed to you at no cost by calling the toll-free MyFRS Financial Guidance Line, Option 4.

You understand information on investment funds will be provided in electronic format, unless you request hard copies. You understand the Investment Plan is not designed to facilitate short-term excessive fund trading. Foreign and global investment funds are subject to a minimum holding period of 7-calendar days following any non-exempt transfers into such funds and you may be subject to trading controls on other funds in the event you trade excessively.

You understand investment management fees will be deducted from your Investment Plan account. You also understand these fees may change in the future and funds may be added or terminated. You understand if any of the funds you select in the Investment Plan are terminated in the future, you will be able to move your rollover into other investment funds prior to termination, otherwise, your accumulation in the terminated fund(s) will be automatically moved into a replacement fund designated at that time. You understand you are subject to a mandatory payout of your account if your balance is $1,000 or less, and an account maintenance fee of $6 per quarter if your account balance is more than $1,000.

You understand that as a terminated DROP participant rolling your DROP accumulation into the Investment Plan you will have immediate distribution access to your DROP proceeds whether you are retired or return to FRS-covered employment.

You understand Sections 121.4501(8)(b)2 and 121.4501(15) of Florida law incorporate the federal law concept of participant control established by regulations of the U.S. Department of Labor under section 404(c) of the Employee Retirement Income Security Act of 1974. If you exercise control over the accumulation in your Investment Plan account, pursuant to section 404(c) regulations and all applicable laws governing the operation of the Investment Plan, no program fiduciary shall be liable for any loss to your account which results from your exercise of control.

You consent to electronic delivery of documents through the MyFRS.com website, including, but not limited to prospectuses, quarterly account statements, account transaction confirmation statements, privacy notices, fee disclosures, and other documents. Anytime one of these documents is available, an email notice will be sent to the email address you provided. You will need to log in to MyFRS.com to view these documents and to make any updates to your email address. Receipt of documents through MyFRS.com will continue until you revoke your consent by calling the MyFRS Financial Guidance Line, Option 4. Your internet service or cellphone provider may charge you a fee for the time required to view your documents online or for other services.

Certification and Signature
You certify the following statements are true and correct:
1) Your DROP accumulation is eligible for rollover into the FRS Investment Plan;
2) You certify you are eligible to direct your DROP accumulation to the FRS Investment Plan, and
3) You were an FRS DROP participant.

You authorize the deposit of your DRCP accumulation into the FRS Investment Plan as detailed in Section 2. You further authorize the Investment Plan Administrator to process this request on your behalf. You have read and understand all information in the instructions and hereby provide the applicable DROP certification.

<table>
<thead>
<tr>
<th>Signature</th>
<th>Daytime Telephone Number</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Complete this section and submit the form to the Investment Plan Administrator.

Submit all documentation to:
By Regular US Postal Service: OR By Fax OR By overnight counter:
FRS Investment Plan Administrator 1-888-310-5559 FRS Investment Plan Administrator
P.O. Box 785027 FRS Investment Plan Administrator
Orlando, FL 32878-5027 2900 Discovery Drive
Orlando, FL 32826

A confirmation statement will be mailed to your address of record once your completed form and check are received and processed. Please allow 2 to 3 weeks to receive it. Carefully review your form and be sure you’ve signed and dated it. Please keep a copy for your records.
FRS INVESTMENT PLAN BENEFICIARY DESIGNATION (FORM IP-BEN)
This is a sample form – do not complete this form.

**SAMPLE FORM**
FRS INVESTMENT PLAN BENEFICIARY DESIGNATION

<table>
<thead>
<tr>
<th>Last 4 digits of SSN</th>
<th>Last Name</th>
<th>First Name</th>
<th>MI</th>
</tr>
</thead>
<tbody>
<tr>
<td>Birth Date</td>
<td>/</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Daytime Telephone</td>
<td>( )</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mobile Telephone</td>
<td>( )</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Personal E-Mail</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

You may designate one or more individuals as your beneficiary to receive your assets, if any, in the FRS Investment Plan in the event of your death. You may designate any person, organization or trust, or your estate. Contingent beneficiaries are optional and must be different than your primary beneficiaries — they inherit your FRS Investment Plan Account if all primary beneficiaries are deceased. Enter all required information for each beneficiary. If you need to add more than 3 primary or contingent beneficiaries, make a copy of this page and attach it to this form. You may change your beneficiary at any time by logging in MyFRS.com or by completing a new Beneficiary Designation form. **NOTE:** If you are participating in the FRS Hybrid Option, your beneficiary named below for the Investment Plan will not affect your selected beneficiary in the Pension Plan. Additionally, Section 112.393(3)(e2), F.S., provides that only a spouse who is named as the primary designated beneficiary is eligible to receive the Health Insurance Subsidy (HIS) under the Investment Plan.

**Marital Status:** Check One Box
- Single
- Married Spouse Name: ______________ Last 4 digits of SSN: ______________

**Address:**

A. Primary Beneficiaries (NOTE: All primary beneficiary percentages must be in whole percents and must total 100%. The percentage payable to a beneficiary who dies before you will be paid equally among the surviving primary beneficiaries.)

<table>
<thead>
<tr>
<th>Name of Primary Beneficiary</th>
<th>Date of Birth (MM/DD/YYYY)</th>
<th>Relationship</th>
<th>Gender (M/F)</th>
<th>Last 4 digits of SSN</th>
<th>Percent Payable</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Total = 100%

B. Contingent Beneficiaries (NOTE: All contingent beneficiary percentages must be in whole percents and must total 100%,

<table>
<thead>
<tr>
<th>Name of Contingent Beneficiary</th>
<th>Date of Birth (MM/DD/YYYY)</th>
<th>Relationship</th>
<th>Gender (M/F)</th>
<th>Last 4 digits of SSN</th>
<th>Percent Payable</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Total = 100%

I understand that the execution of this form and receipt thereof by the Investment Plan Administrator will revoke all prior designations I may have made. I understand I have the right to change this designation at any time and it will be effective only upon receipt by the Investment Plan Administrator.

I understand that if I am married and have named someone other than my spouse as my primary beneficiary, my spouse needs to sign this designation in the box below.

Signature of Member __________________________ Date ________________

Employing Agency Name __________________________

**IF YOU HAVE NAMED SOMEONE OTHER THAN YOUR SPOUSE AS YOUR PRIMARY BENEFICIARY, YOUR SPOUSE IS REQUIRED TO SIGN BELOW:**

Signature of Spouse __________________________ Date ________________

Mail your completed form to: FRS Investment Plan Administrator, PO Box 785027, Orlando, FL 32879-5027
OR Fax your completed form to: 1-866-310-6559 Attention FRS Investment Plan Administrator.

IP-BEN-1 Rev. 04-16
DO NOT MAIL HARD COPY OF THE FORM IF FAXING.

18-11.002 F.A.C.

SAMPLE FORM