

A QUICK GUIDE to the Investment Funds YOU Can Choose

		FOR A \$1,000 INVESTMENT				
	PRODUCT CATEGORY	Annual Fees	Long-Term Fees	Average Result in 10 Years	Downside Result in 10 Years	Upside Result in 10 Years
RETIREMENT DATE FUNDS						
FRS 2055 Retirement Date Fund (2055)	A Retirement Date	\$1.00	\$30	\$1,600	\$800	\$3,200
FRS 2050 Retirement Date Fund (2050)	A Retirement Date	\$1.00	\$30	\$1,600	\$800	\$3,200
FRS 2045 Retirement Date Fund (2045)	A Retirement Date	\$1.00	\$30	\$1,600	\$800	\$3,200
FRS 2040 Retirement Date Fund (2040)	A Retirement Date	\$1.00	\$30	\$1,600	\$800	\$3,200
FRS 2035 Retirement Date Fund (2035)	A Retirement Date	\$1.00	\$30	\$1,600	\$800	\$3,100
FRS 2030 Retirement Date Fund (2030)	A Retirement Date	\$1.20	\$37	\$1,600	\$800	\$2,800
FRS 2025 Retirement Date Fund (2025)	A Retirement Date	\$1.90	\$59	\$1,500	\$900	\$2,600
FRS 2020 Retirement Date Fund (2020)	A Retirement Date	\$2.50	\$78	\$1,500	\$900	\$2,400
FRS 2015 Retirement Date Fund (2015)	A Retirement Date	\$3.10	\$98	\$1,400	\$900	\$2,200
FRS Retirement Income Fund (2000)	A Retirement Date	\$3.40	\$108	\$1,400	\$900	\$2,100
MONEY MARKET FUND						
FRS Money Market Fund (60)	A Money Market	\$0.58	\$18	\$1,200	\$1,000	\$1,200
REAL ASSETS FUND						
FRS Real Assets Fund (300)	A Real Assets	\$7.20	\$242	\$1,300	\$800	\$1,900
BOND FUNDS						
FRS U.S. Bond Enhanced Index Fund (80)	P Bond	\$0.50	\$15	\$1,300	\$900	\$1,600
Pyramis Intermediate Duration Pool Fund (90)	A Bond	\$1.12	\$34	\$1,300	\$1,000	\$1,500
FRS Core Plus Fixed Income Fund (310)	A Bond	\$5.30	\$173	\$1,300	\$900	\$1,700
U.S. STOCK FUNDS						
FRS U.S. Stock Market Index Fund (120)	P U.S. Stock	\$0.20	\$6	\$1,700	\$700	\$3,800
FRS U.S. Large Cap Equity Fund (320)	A Large U.S. Equity	\$3.90	\$124	\$1,700	\$600	\$3,900
FRS U.S. Small/Mid Cap Equity Fund (330)	A Small/Mid U.S. Equity	\$6.40	\$212	\$1,600	\$600	\$4,000
FOREIGN AND GLOBAL STOCK FUNDS						
FRS Foreign Stock Index Fund (200)	P Foreign/Global Stock Fund	\$0.30	\$9	\$1,700	\$700	\$3,900
American Funds EuroPacific Growth Fund (220)	A Foreign/Global Stock Fund	\$5.00	\$162	\$1,600	\$700	\$3,500
American Funds New Perspective Fund (210)	A Foreign/Global Stock Fund	\$4.50	\$145	\$1,600	\$700	\$3,500

DEFINITIONS

Annual Fees are the current fees the fund charges to cover its management, operating, and marketing expenses. The table shows the fees that would apply to a \$1,000 account (divide the annual fees shown by 1,000 to put them on a percentage basis). Actual fees are proportional to the amount you invest in that fund. For example, if the annual fee for a \$1,000 investment in a fund is \$0.20 but you invest \$10,000, you would be charged $(\$10,000 \div \$1,000) \times \$0.20$, or \$2 for a year. Fees may change in the future. Fees and expenses are only one of several factors that you should consider when making investment decisions.

Long-Term Fees* are the value in today's dollars of the total fees that would be charged over 30 years, assuming a \$1,000 initial investment.

Average Result* is an estimate in today's dollars of what an investment of \$1,000 today might grow to over a 10-year period. There is a 50% chance that \$1,000 would grow to this amount or more in 10 years.

Downside Result* is an estimate in today's dollars of how poorly an investment of \$1,000 today might do over a 10-year period. There is a 5% chance that \$1,000 would decline to this amount or less in 10 years.

Upside Result* is an estimate in today's dollars of how well an investment of \$1,000 today might do over a 10-year period. There is a 5% chance that \$1,000 would grow to this amount or more in 10 years.

* These figures are shown in today's dollars so that you can make a realistic comparison of the different funds in terms of what you could buy with the results today, rather than in the future when inflation will decrease the value of your account. These estimates are described in more detail on page 2 in the box labeled "About Financial Engines and Their 10-Year Estimates of Investment Fund Results."

P *Passively Managed* (or index) funds are designed to produce the same level and pattern of investment returns generated in a market index. These funds carry a very low fee.

A *Actively Managed* funds try to predict market changes in order to beat a market index. These funds carry a higher fee.

What Is an ASSET CLASS?

*Learning about and effectively using asset classes is a good way to simplify investing and improve the odds of meeting your retirement goals. Asset classes are groups of similar investments whose values react to changes in the economy in the same basic way. Making investment decisions based on asset class selection (instead of focusing on individual stock or bond funds) may be easier and more effective. Investing in a mix of asset classes (also called “diversifying”) helps you control your risk, because the different asset classes typically react to market volatility in different ways. Experts say that 90% of your investment success results from choosing the right mix of investments in your retirement savings. This Quick Guide describes the five Investment Plan single asset classes (money market, real assets, bonds, U.S. stocks, and foreign and global stocks) and a special class, Retirement Date Funds, which provides a diversified mixture of various asset classes. A Self-Directed Brokerage Account (SDBA) is also available. **You should also review the Fund Profiles and the Annual Fee Disclosure Statement posted in the “Investment Funds” section of MyFRS.com before you select any investment funds or make an election.** The asset class descriptions below are general in nature and should not be relied on as your sole source of information regarding a specific fund(s).*

Retirement Date Funds are particularly good for “one-stop shopping.” Each Retirement Date Fund is a diversified portfolio of other FRS Investment Plan funds and uses an asset allocation concept called “target date funds.” The mix of funds in each Retirement Date Fund is based on the amount of time you have before retirement, and the mix gradually changes as you approach retirement. This gradual change follows a careful investment strategy called a “glide path.” Each Retirement Date Fund’s glide path was developed for the FRS by a global investment consulting firm and a fiduciary to the FRS.

Money Market Funds invest in short-term securities (financial instruments or obligations) that are high-quality and can be sold quickly with little loss of value. The funds have limited risk of declining in value; however, over the long term, the returns may be modest, basically keeping pace with inflation. Money market funds are not FDIC-insured or guaranteed.

Real Assets Funds invest in a diversified array of assets that may help offset inflationary pressures. The funds seek long-term real (net of inflation) returns to preserve the future purchasing power of accumulated assets. You could lose money over short or long periods by investing in this fund. The fund’s price and return will vary over a wide range.

Bond Funds invest primarily in bonds, which are like IOUs: a company or government agency borrows money and pays it back with interest to the bondholder (the entity making the loan). The quality of a bond is reflected in the credit rating of the company or agency that issues the bond.

The short-term risk of bond funds is relatively low; however, over time, the value of a bond is affected by interest rates, inflation, and other factors. When inflation or interest rates go up, the value of bonds goes down because they pay a fixed rate of interest (the market sees other investments as being more attractive). Therefore, bonds and bond funds don’t always protect the value of your retirement savings against inflation.

U.S. Stock Funds invest primarily in equity shares or stocks issued by U.S. companies. The short-term risk of investing in stocks has been much higher than bonds. However, over long periods of time, stocks have generally done better than bonds, which is one of the main reasons that stocks are typically recommended for retirement investing. Some risk is necessary to achieve long-term investment growth.

Foreign and Global Stock Funds invest primarily in stocks issued by foreign companies. Foreign stocks are affected by additional risk factors, such as foreign laws and regulations, differences in accounting practices, political risk (foreign governments are sometimes unstable), and currency risks (differences in the relative value of domestic and foreign money). Over the long term, foreign stocks have provided additional diversification benefits.

The **Self-Directed Brokerage Account** allows you to invest in thousands of different investments in addition to the Investment Plan’s primary investment funds. The SDBA is offered through Hewitt Financial Services (HFS), member FINRA/SIPC. The SDBA is for experienced investors who want the flexibility to invest in a variety of options beyond those available in the FRS Investment Plan’s primary investment funds.

It is **not** suitable for all members. Like the Investment Plan’s primary investment funds, there are risks associated with the investments in the SDBA, and you assume the full risk and responsibility for the investments you select. None of the investments in the SDBA have been reviewed for suitability by the FRS, and you are solely responsible for determining the appropriateness of any investments in the SDBA. Additional information on the SDBA is available in the “Investment Funds” section of MyFRS.com.

ABOUT FINANCIAL ENGINES AND THEIR 10-YEAR ESTIMATES OF INVESTMENT FUND RESULTS

Financial Engines is a registered trademark of Financial Engines, Inc. Advisory services provided through Financial Engines Advisors L.L.C., a federally registered investment advisor and wholly owned subsidiary of Financial Engines, Inc. Financial Engines is held to high standards of independence, expertise, and conduct on behalf of members in both FRS retirement plans. You can read more about their responsibilities in the Financial Guidance and Advice Policy available on MyFRS.com or through the toll-free MyFRS Financial Guidance Line. Their services are based on the work of Nobel Prize winner Professor Bill Sharpe. More information about Financial Engines can be found in the Financial Engines Disclosure Statement that is included in the legal documents mailed to you, or in Financial Engines Form ADV, Part II, available from Financial Engines by writing to Financial Engines at 1804 Embarcadero Road, Palo Alto, CA 94303, Attn: Investor Support. Financial Engines does not guarantee future results.

The average result, downside result, and upside result assume a hypothetical investment of \$1,000, net of any applicable fees or charges. The average result, downside result, and upside result are not guarantees of future results, but are only reasonable estimates based upon forward-looking models of the economy and securities markets, which use such data as historical returns, historical correlations, expected growth rates, and calculated-risk premiums. Since past performance is not always an accurate predictor of the future, and reliance on historical and current data necessarily involves certain inherent limitations, you must understand that the future performance estimates are only a tool to be used in evaluating your portfolio and are not a substitute for your informed judgment. Fees and styles may change.

This Quick Guide is intended for use in connection with the FRS Investment Plan, pursuant to Florida law, and is not intended for use by other investors. Sections 121.4501(8)(b)4 and 121.4501(15)(b), Florida Statutes, 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 assets in your Investment Plan account, including the Self-Directed Brokerage 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 that results from your exercise of control.

Get Free Help From the FRS!

**Call the MyFRS
Financial Guidance Line at
1-866-446-9377, Option 2 (TRS 711)
Visit MyFRS.com**

You can get:

- Free guidance and in-depth information about all investment funds offered under the FRS Investment Plan. This information is updated regularly and includes descriptions of the fees, performance, investment strategies, and other factors that may significantly affect the funds’ performance.
- The status of investment funds under the investment manager monitoring guidelines.
- The Excessive Fund Trading Policy, including transfer restrictions.