



FIREFIIGHTERS RETIREMENT SYSTEM

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ELECTION TO EARN MONEY MARKET RATES ON DROP/IBO ACCOUNT

I, (print name) _____, acknowledge that I have certain rights regarding the interest earned by my Deferred Retirement Option Plan (DROP) account or my Initial Benefit Option (IBO) account which are set forth in Article X, Section 29 of the Louisiana Constitution. _____ (member's initials after each paragraph)

I acknowledge my right to have my DROP/IBO account earn interest at the money market rate and the financial safety related to earning at that rate. I understand that, by electing the money market rate, the earnings on my DROP/IBO account will most frequently be positive and will very rarely, if ever, equal zero or less. _____

I hereby irrevocably elect to maintain my DROP/IBO balance in an account where it earns interest at the money market rate. I understand that the word "irrevocable" means I cannot ever change my mind after I sign this election.

I understand that, by signing this form, I am declining the opportunity to have my DROP/IBO account balance earn the same interest rate as that earned by the system's investment portfolio. I fully understand that my account will not be exposed to the full range of market risks but, as a trade-off, the earnings posted to my account will probably always be significantly less than the rate earned by the system's investment portfolio. I do hereby knowingly accept that trade-off. _____

I acknowledge that I can call the FRS office and ask any question or seek any information I need before signing this election form and, if I do not call the retirement office, then my initials and signature show that I fully understand this election. _____

Signed in _____, Louisiana, _____, 2006.
(City) (Month, Day)

Two Required Witnesses:

(First Witness Signature)

(Member's Signature)

(Second Witness Signature)