

A close-up, high-angle shot of a person's hands tying a vibrant running shoe. The shoe features a black mesh upper, a teal midsole, and bright red laces. The person is wearing a light blue long-sleeved shirt and a black smartwatch on their left wrist. They are kneeling on a grey cobblestone path. The text 'PREPARE NOW' is overlaid in a white box in the center of the image.

PREPARE NOW



## MAKING IT TO THE FINISH LINE



## ENDING YOUR RACE WITH CONFIDENCE



Congratulations! You are nearing the finish line in the marathon of your career. But, as any runner will tell you, you should never slow down the pace so close to the end. Each step towards this new phase of life can be equal parts exciting and scary. However, BENCOR is here to help you every step of the way until you cross the finish line of retirement and beyond.

BENCOR will provide you with retirement planning resources that make a difference, including professional guidance, investment advice and experience on topics such as the Florida Retirement System (FRS), the Deferred Retirement Option Program (DROP) exit process, Social Security, retirement forms, and Sick Leave.

BENCOR believes that a one-on-one, trusted and personalized relationship is among the most important of issues to our clients. Our Advisors and staff make it a point to be accessible and approachable as we help you reach the finish line of retirement.

Again, we congratulate you!

BENCOR, Inc. advisors are registered representatives of and offer only securities and advisory services through PlanMember Securities Corporation. A registered broker/dealer, investment advisor and member FINRA/SIPC. 6187 Carpinteria Ave. Carpinteria CA 93013. (800) 874-6910 PlanMember is not the broker/dealer for U.S. Retirement Partners or U.S. Employee Benefits Services Group. BENCOR, Inc., U.S. Retirement Partners and U.S. Employee Benefits Services Group are independently owned and operated companies and not affiliated with PlanMember Securities Corporation. PlanMember is not liable for ancillary products or services offered by this representative or any of the mentioned companies.



When you entrust BENCOR with your retirement planning and benefits, you are not signing up for a 1-800 number. We believe that your retirement deserves the face-to-face, strategic and thoughtful planning that we provide each of our clients looking for long-term goal setting and a personalized plan. Your BENCOR Advisor is prepared to help you find the right plan for your specific wants and needs in order to successfully cross the finish line into retirement.

Risk management is one of your BENCOR Advisor's main objectives. We will analyze your risk capacity, as well as risk tolerance; both critical considerations to any retirement plan.

BENCOR wants you to make the final strides toward retirement with the confidence you deserve. Much like your FRS Pension and Social Security plan, we strive to provide you with the stability you need as you approach and enter retirement. BENCOR believes that your hard-earned funds and benefits should be protected through strategic planning and a hands-on approach.

***BENCOR is ready to help you approach the finish line of retirement with strategy, experience and resources, each step of the way.***

“The return OF your money is more important than the return ON your money.”

MARK TWAIN

You can never outlive your option!

## A PLAN TO HELP YOU FINISH STRONG

## YOUR FOUR FRS PENSION OPTIONS



### The Special Pay Plan

BENCOR's Special Pay Plan is an employer-sponsored retirement plan for full-time employees. Under this plan, contributions of accumulated sick, vacation and other leave or incentive pay permanently avoid Social Security and Medicare taxes while deferring income tax until the funds are withdrawn. The Special Pay Plan was created to help ensure that your money remains yours after crossing the finish line of retirement. Upon retirement, your funds can be used as you choose, including the option to take a full or partial withdrawal, roll your funds into another qualified account of your choice, or roll DROP or other accounts into your Special Pay Plan. With a participating employer, you are automatically enrolled in this plan and the benefits are all yours to enjoy.

### The DROP Program

The Deferred Retirement Option Program (DROP) is a voluntary retirement program available to FRS Pension Plan members who qualify for normal retirement. It allows you to delay your retirement for, oftentimes, up to 60 months from the date you first reach your normal retirement date or your eligible deferral date. Once you have entered DROP, you continue to work for an FRS employer and earn a salary while your retirement benefits accumulate in the FRS Trust Fund and earn tax-deferred interest. However, you stop earning retirement service credit due to the fact that you are considered to be retired. Upon exiting DROP, you will receive your accumulated funds and your monthly retirement benefit. You must terminate your FRS employment at that point to **avoid forfeiting your DROP benefits.**

For those that cross the finish line into retirement, the FRS offers financial security of a lifetime monthly pension and DROP offers the opportunity to accumulate additional savings while you are still running the race.

1

This option is the basic monthly benefit. It will provide retirees with the **MAXIMUM** monthly amount they are eligible to receive.

Monthly benefits **end upon the retiree's death.** The beneficiary will receive only a refund of contributions the retiree paid in excess of the amount received in benefits.

The retiree's spouse must acknowledge this selection.

*Note: If you select Option 2, 3 or 4, the monthly amount you receive is reduced so that the expected total payments to both you and your beneficiary or joint annuitant are about the same as the total you alone would be expected to receive under Option 1.*

2

This option is a reduced monthly **LIFETIME** benefit.

**If the retiree dies within 10 years** after the retirement date (including DROP participation), the same monthly benefit will be paid to the designated beneficiary for the balance of the 10-year period.

If the retiree dies after **that 10-year period** there is no continuing benefit to the beneficiary.

The retiree's spouse must acknowledge this selection.

3

This option is a reduced monthly **LIFETIME** benefit.

Upon the retiree's death, the **surviving joint annuitant will receive identical monthly benefits.**

*Note: The benefits paid to a non-spousal joint annuitant under the age of 25 will be the Option 1 benefit amount and will cease when age 25 is reached, unless disabled and incapable of self-support.*

*No further benefits are payable after both the retiree and the joint annuitant are deceased.*

4

This is an **ADJUSTED** monthly benefit.

Benefit is **payable while both the retiree and the joint annuitant are living.**

Upon the death of either the retiree or the joint annuitant, the monthly benefit payable to the survivor is reduced to  $\frac{2}{3}$  of the monthly benefit received when both were living.

*Note: The benefits paid to a non-spousal joint annuitant under the age of 25 will be the Option 1 benefit amount and will cease when age 25 is reached, unless disabled and incapable of self-support.*

*No further benefits are payable after both the retiree and the joint annuitant are deceased.*

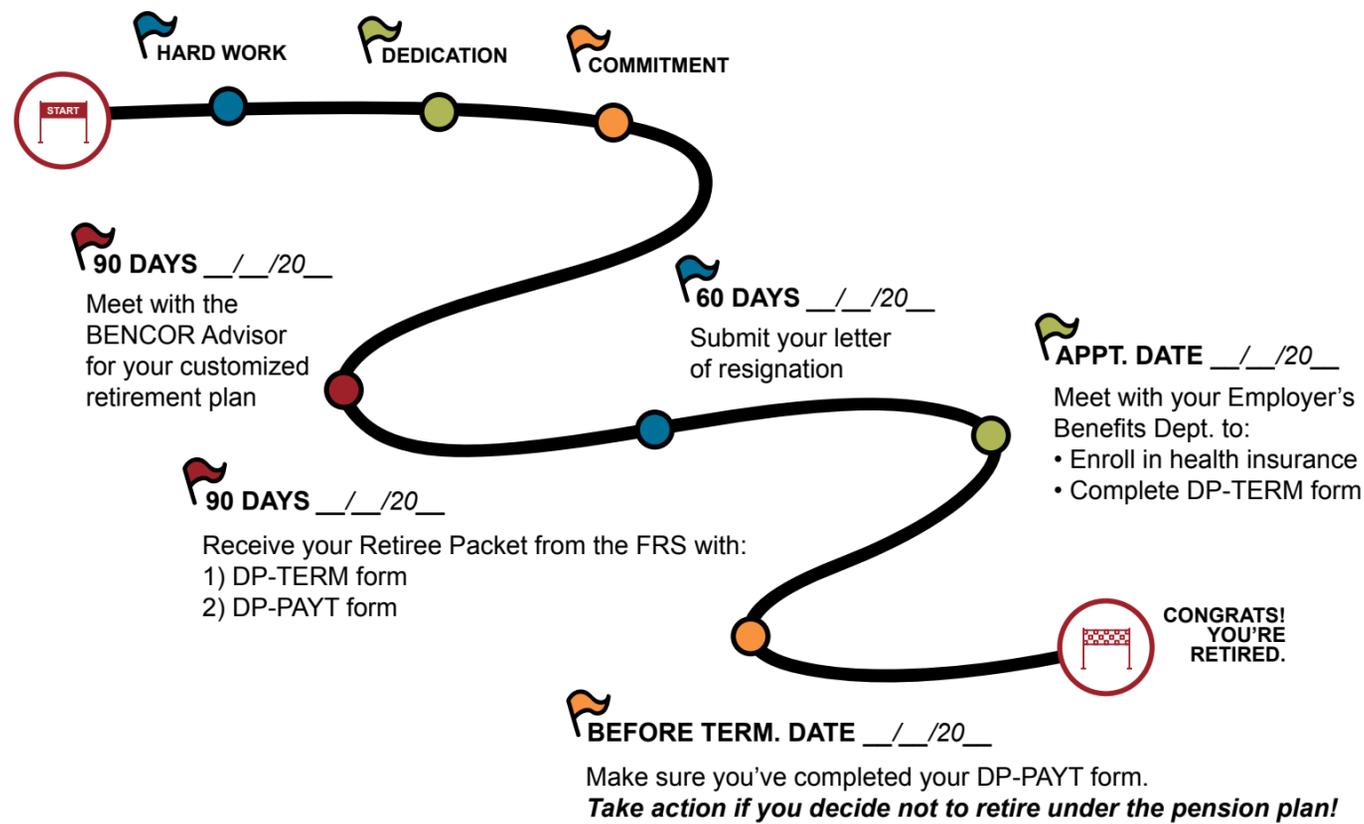
### BENCOR TACTICAL TIP:

Other than Option 1, these plans are similar to the purchase of insurance on a pension. The biggest difference is that this decision is a permanent one. Regardless of circumstances, including the unforeseen death of a beneficiary, your decision is permanent. Life insurance is a viable alternative to avoid this risk. Consult a BENCOR Advisor to assist you in understanding these options before making your decision.



# MILE MARKERS TO RETIREMENT SUCCESS

You're only a sprint away from the finish line. BENCOR can help ensure that you keep up your pace as you approach your retirement finish line with confidence.



**DP-TERM Form (DP-TD) Retiree Payout**

**Florida Retirement System Pension Plan Deferred Retirement Option Program (DROP) Termination Notification**

Member Name: \_\_\_\_\_ Member SSN: \_\_\_\_\_  
Mailing Address: \_\_\_\_\_ Home Telephone: \_\_\_\_\_

According to our records, your DROP termination date is \_\_\_\_\_. You must terminate your DROP employment to receive your accumulated DROP benefits and begin your monthly retirement benefits. You and your employer's authorized representative must complete this form certifying your DROP employment termination.

By signing this form you are acknowledging having read the termination requirements and re-employment limitations below.

1. If your DROP termination date is on or before June 30, 2010, your termination requirement means you cannot remain employed or become re-employed with any Florida Retirement System (FRS) covered employer during the first six calendar months following your DROP termination date. This includes but is not limited to part-time work, temporary work, other personal services (OPS), substitute teaching or non-Division approved contractual services. During the 2-12th calendar months following your DROP termination date, you may return to work for a participating FRS employer but must suspend your retirement benefits for any of these months you are employed. There are no re-employment exceptions during the re-employment limitation period. After the 12th calendar month following your DROP termination date, there are no re-employment limitations.

2. If your DROP termination date is on or after July 1, 2010, your termination requirement means you cannot remain employed or become re-employed with any Florida Retirement System (FRS) covered employer during the first six calendar months following your DROP termination date. This includes but is not limited to part-time work, temporary work, other personal services (OPS), substitute teaching or non-Division approved contractual services. During the 7th-12th calendar months following your DROP termination date, you may return to work for a participating FRS employer but must suspend your retirement benefits for any of these months you are employed. There are no re-employment exceptions during the re-employment limitation period. After the 12th calendar month following your DROP termination date, there are no re-employment limitations.

If you fail to meet termination requirements noted above, you will void cancel your retirement and DROP participation, you must repay all retirement benefits accrued including your DROP accumulations, and you must apply to establish a future retirement date. If you end your retirement, your employer will be responsible for making retroactive retirement contributions and you will be awarded service credit for the period during which you were in DROP through your new termination date. Your eligibility for DROP participation will be terminated by your future retirement date and you may lose your eligibility to participate in DROP.

This is to acknowledge that I will terminate or have terminated employment with my FRS employer on \_\_\_\_\_ Date: \_\_\_\_\_ This further acknowledges that you have read and understand the above statements.

Member Signature: (Sign 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 who is personally known \_\_\_\_\_ or produced \_\_\_\_\_ as identification.

Signature of Notary Public: \_\_\_\_\_ Print, Type or Stamp commissioned name of Notary Public.

**Employer Certification of Employment Termination:**  
This is to certify that the DROP participant for the above named member will terminate or had terminated on \_\_\_\_\_ Date: \_\_\_\_\_ with the Agency who I am authorized to represent.

Authorized Signature: \_\_\_\_\_ Position Title: \_\_\_\_\_  
Print Name: \_\_\_\_\_ Phone Number: \_\_\_\_\_  
Agency Name: \_\_\_\_\_ Agency #: \_\_\_\_\_ Date: \_\_\_\_\_

**DP-PAYT Form (DP-TD) Retiree Payout**

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

Member Name: \_\_\_\_\_ Member SSN: \_\_\_\_\_  
Payee SSN: \_\_\_\_\_

I hereby certify as an affirmation of your selected payout method for your DROP accumulation as provided in 121.091, Florida Statutes, that the method of payout may have tax implications. Before making your payout election, please read the enclosed Special Tax Notice. You are advised to consult a tax professional regarding tax implications.

**DROP BALANCE PAYOUT METHOD**  
You are subject to a Required Minimum Distribution (RMD), or make other tax contributions. Those amounts will be paid directly to you as an annuity or lump sum payment. 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 selected DROP termination date of: \_\_\_\_\_

<input type="checkbox"/> A lump sum election means the FRS will mail the DROP payment directly to you at the address on file, minus the required federal withholding taxes.	Gross DROP Balance \$ _____
<input type="checkbox"/> Calculation of _____ (20% max RMD) minus _____ (5% RMD) equals _____	RMD \$ _____
<input type="checkbox"/> A direct rollover election means the FRS will mail the eligible DROP rollover portion of your balance directly to your selected plan and the lump sum balance will be mailed directly to you at the address on file. The receiving financial institution representative must complete the rollover section below. If you choose to rollover your FRS account, the lump sum will default to the following amounts: _____	After Tax Contributions \$ _____
<input type="checkbox"/> A partial lump sum option (Please add the additional amount needed to my required gross lump sum payment and reduce the DROP rollover accordingly. I understand that the additional lump sum amount will be taxed.)	My Lump Sum Payment \$ _____
	Required Gross Lump Sum Payment (RMD and After-Tax Contributions) \$ _____
	Single/Roll-Over DROP Payout \$ _____
	Additional Lump Sum Amount \$ _____

Signing this form, I am certifying that I have read and understand the Special Tax Notice and authorize the FRS to release my DROP payments accordingly.

Member Signature: \_\_\_\_\_ Date: \_\_\_\_\_  
Notary: \_\_\_\_\_ State of \_\_\_\_\_ County of \_\_\_\_\_ The above named person has sworn to and subscribed before me this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, and who is personally known \_\_\_\_\_ or produced \_\_\_\_\_ as identification.

Signature of Notary Public: \_\_\_\_\_ Print, Type or Stamp Commissioned Name of Notary Public.

**This Section is for ROLLOVERS, and must be filled out by a REPRESENTATIVE of the ELIGIBLE PLAN or IRA.**

Select the type of account rollover to be deposited in (as defined in s. 402(a)(5) of the Internal Revenue Code) and provide the address where the check should be mailed (upon receiving this completed form, payment will be processed in the calendar month following the member's termination date unless noted above. Incomplete forms will be returned to the member and delay the payment process.)

Individual Retirement Account / Annuity (IRA) as described in s. 408(a) and 408(b), Internal Revenue Code  
 Traditional  Non-designated Roth (taxation will default to 0% unless a different election was made above)  
 Qualified Plan, a stock bonus pension, or profit sharing plan of an employer as described in s. 401(a), 408(a), Internal Revenue Code  
 Deferred Compensation Plan as described in s. 402(b), Internal Revenue Code  
 An Annuity as described in s. 403(a) or 403(b), Internal Revenue Code

Payable To: \_\_\_\_\_ Account #: \_\_\_\_\_ Phone: \_\_\_\_\_  
Financial Institution (optional)

Mail Payment to: \_\_\_\_\_ Address: \_\_\_\_\_ Representative: \_\_\_\_\_



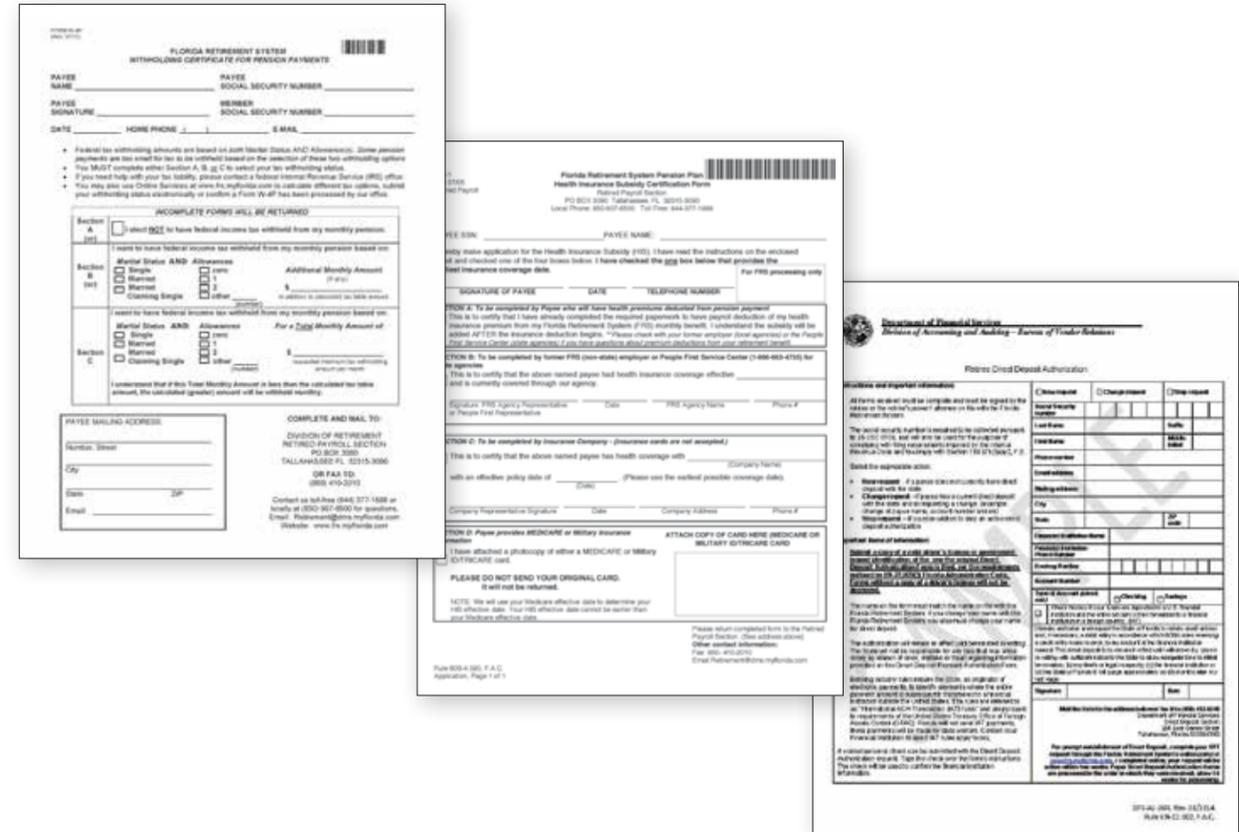
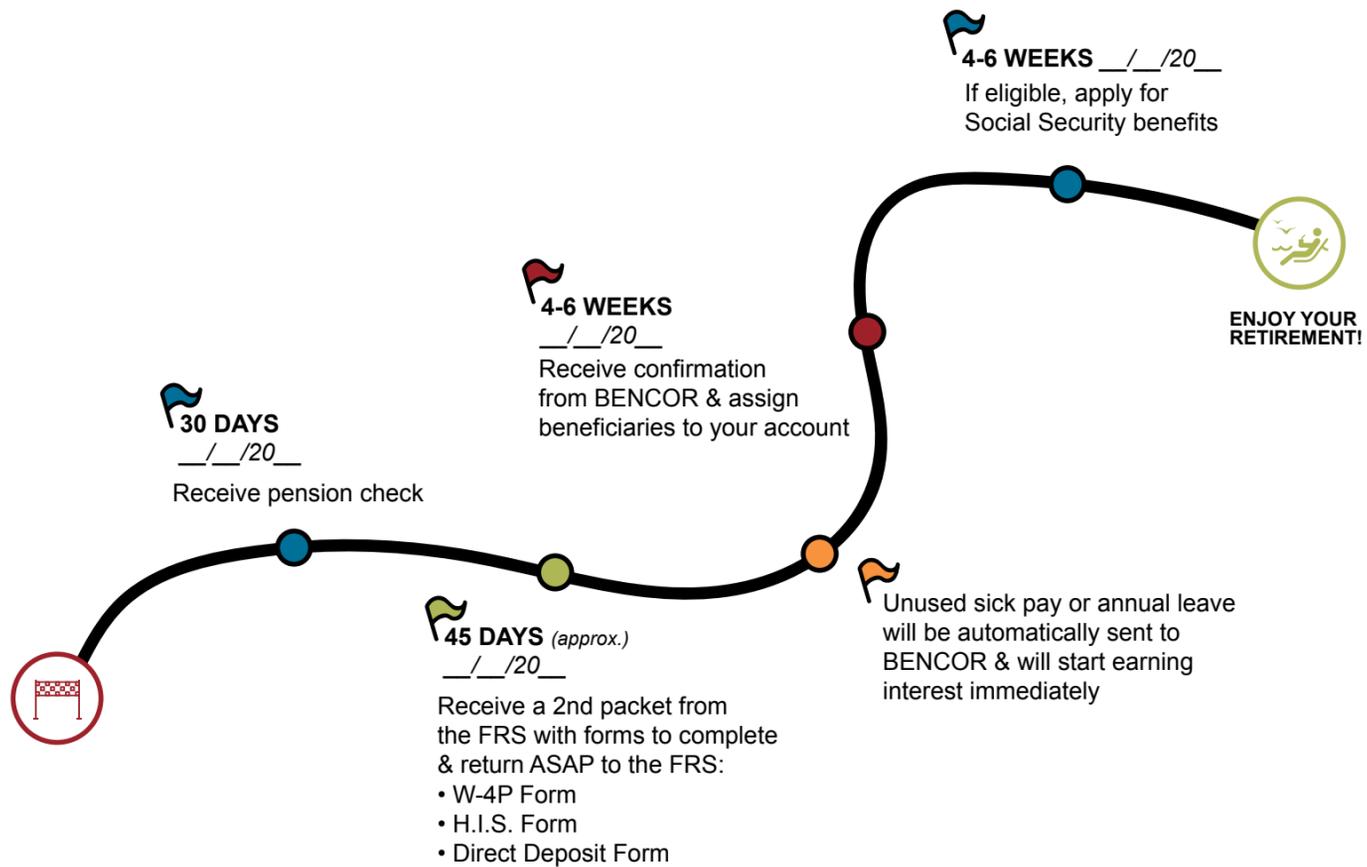
**DP-TERM FORM:** This form verifies your DROP termination date and requires your notarized signature as well as the signature of your employer. This form notifies the state to send your pension check to you instead of depositing it in the FRS Trust Fund now that you have completed your DROP term.

**DP-PAYT FORM:** This form allows you to select a payout method for your DROP money (lump sum, direct rollover, or partial lump sum) and must be SIGNED IN FRONT OF A NOTARY. If you select Direct Rollover or Partial Lump Sum, this form will need to be sent to and signed by the custodian (company you would like to rollover your DROP money to) and then sent to the FRS.

**NOTE:** You have 60 days from your termination date to make your selection. If you miss the deadline, you'll receive a Lump Sum Distribution by default, which results in the most taxes.

# POST-RACE ROUNDUP

Once the race is run, it is time to start preparing for life's next big adventure: your life after retirement.



**30 Days After Retirement:** You will receive your first pension check. Keep in mind that you could have no paycheck for the first month you are retired, depending on when your retirement date falls within the FRS payroll process. BENCOR encourages you to make accommodations to prepare for this period of time.

**W-4P FORM:** This form allows you to change your withholdings for tax purposes. Taxes will be deducted from your pension check based on this form.

**HEALTH INSURANCE SUBSIDY (H.I.S.) FORM:** This form will notify the FRS that you have proof of insurance and qualify for \$5 for each year of service you had prior to your DROP entry. These funds will then be included in your pension check.

**DIRECT DEPOSIT FORM:** Your first check was mailed to you; however, the FRS now requires you to set up direct deposit as they will not continue to mail your monthly pension check.



