

2. Rate of return paid earned by Vanguard Prime Money Market Fund (VMMXX):

Initial here if you choose: _____

The Plan offers a low-risk alternative to the above option, the Vanguard Prime Money Market Fund. This Vanguard money market option is invested among government and corporate short-term instruments. It provides a stable option that earns interest and has relatively little volatility.

Below is a representation of the investment earnings of this fund over the past five years (as of March 14, 2014):

Past Year	0.02%
Past Three Years	0.03%
Past Five Years	0.08%

These are annualized or average annual returns. This is the most conservative earnings method. It has the least risk of investment losses, however, it is important to realize that your DROP account may still lose value under this method.

If a member chooses the Vanguard Investment it can take up to sixty (60) days for the investment to be made. During this interim period, the DROP funds will be kept in cash and be credited with the crediting rate of the Fund's cash.

Members may elect to change their investment choice twice per calendar year. The new investment election is prospective only; balances and new deposits will be credited with earnings or losses in the new investment for future time periods only. This earnings election form must be provided to the Plan Administrator no less than 30 days before the end of the quarter to take effect for the following quarter. Quarters end on the dates of March 31, June 30, September 30, and December 31.

Your earnings election will remain in effect until changed by you.

I have selected the following earnings election method by checking my choice below and placing my initials by the same choice on page one:

_____ **Variable rate of return based on the Pension Plan's investment returns**

_____ **Invest in the Vanguard Prime Money Market Fund**

ALL FUNDS PAID INTO AND EARNED BY MY DROP ACCOUNT ARE SUBJECT TO MARKET AND INVESTMENT RISK. PAST INVESTMENT PERFORMANCE OF THE RETIREMENT SYSTEM'S INVESTMENTS AND THE MONEY MARKET FUND IS NO INDICATION OR GUARANTEE OF FUTURE INVESTMENT PERFORMANCE.

BENEFIT AMOUNTS ARE NOT GUARANTEED. NO RATE OF RETURN IN DROP ASSETS IS GUARANTEED AND BY THEIR PARTICIPATION MEMBERS CONSENT TO THE TERMS OF THE DROP AND DISCHARGE THE CITY AND THE BOARD FROM ANY AND ALL LIABILITY EXCEPT AS SPECIFICALLY PROVIDED FOR IN THE DROP.

The direct costs of administering the DROP are shared between the DROP Participants and the Plan. DROP Participants' share of \$20 monthly will be deducted from their DROP accounts on a quarterly basis.

Signature (Requires Notarization below) Date

STATE OF _____

COUNTY OF _____

BEFORE ME, the undersigned authority, personally appeared _____, who is personally known to me or has produced _____ as identification and who did take an oath and, after being duly cautioned and sworn, deposes and says that he/ she has signed the foregoing document for the reasons therein contained.

SWORN TO AND SUBSCRIBED before me this the _____ day of _____, ____.

Notary Public

My Commission Expires:

My Commission Number Is:

Return to: Ft. Pierce Police Pension Fund, 4360 Northlake Boulevard, Suite 206, Palm Beach Gardens, FL 33410