

Make **YOUR MONEY** Last a **LIFETIME** . . .



MyFRS
Florida Retirement System



Convert some or all of your Investment Plan balance to an income annuity at retirement and create guaranteed income that you cannot outlive.

Have you given much thought to your retirement years? • Do you plan to create a budget so you won't use up your savings too fast? • How can you be sure you won't outlive your money? • Planning now can help you secure the comfortable retirement you've worked so hard to create.

Develop a Retirement Plan

How much income will you need in retirement? That answer is different for everyone. As you create your retirement plan, one of the first steps you should take is to identify your fixed expenses, such as housing, insurance, food, clothing, and medical expenses, as well as your optional recreational activities, such as travel, hobbies, and dining out. Many financial advisors recommend you secure enough guaranteed income to cover your fixed expenses – the “must haves.” Once your basic necessities are covered, any leftover amount can be used to enjoy the “nice to haves” of retirement.

Fixed Expenses or “Must Haves”	Examples: Housing, Taxes and Insurance, Food, Car/Transportation, Health Care, Clothing
Optional Expenses or “Nice to Haves”	Examples: Vacations, Dining Out, Movies, Recreational Activities, Hobbies, Entertaining

Have Questions?

Call the MyFRS Financial Guidance Line
toll-free at 1-866-446-9377, Option 2, or TRS 711.



Purchase an **INCOME ANNUITY**

Plan for a Long Life

Life expectancy is at an all-time high, and there's a good chance that you will live well into your 80s or 90s. Hopefully, you have taken good care of yourself and will be in good physical condition throughout your life.

But just as unforeseen conditions may affect your physical health, market conditions may have an adverse impact on your retirement savings and investments. For example, some retirees create a strategy in which they systematically withdraw 4% per year from their retirement nest egg. They utilize this strategy to keep from depleting their principal. However, due to down periods in the financial markets, the principal may end up being eroded anyway.

Guaranteed Income Can Help

To help ensure your money lasts as long as you do, one solution you might want to consider is a guaranteed income annuity. An income annuity is insulated from fluctuations in the market and provides secure, predictable retirement income for life.* If your income from pensions and Social Security isn't going to cover all your "must haves," consider an income annuity to bridge the gap. As a Florida Retirement System (FRS) member, you can take some money from your Investment Plan balance at retirement and purchase an income annuity that will provide guaranteed lifetime income. It's like receiving a "retirement paycheck" you can't outlive.*

* Refers only to fixed lifetime annuities. Term-specific annuities are not intended to be guaranteed for life.

What Is an Income Annuity?

An income annuity is a contract issued by an insurance company that provides guaranteed monthly payments. Annuities can protect against the many risks to retirement security and guarantee that you do not outlive your retirement savings. When you purchase an income annuity, you pay a lump-sum amount (called a premium) to the insurance company. Because you are a member of the FRS, you can easily convert all or part of your Investment Plan account balance into an income annuity at retirement through MetLife, the FRS' approved income annuity provider.

Don't Let Your Money Run Out on You!

- 88 • Life expectancy of a woman currently age 65.
- 86 • Life expectancy of a man currently age 65.

Make sure you don't outlive your money. Use your Investment Plan account balance to purchase an income annuity at retirement.

Source: Society of Actuaries Annuity 2014 Mortality Tables.

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Your RETIREMENT PAYCHECK



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Based on the amount of your premium and the type of income annuity you choose, MetLife calculates the amount that will be paid to you. You'll then receive guaranteed payments every month, either for the rest of your life or for the period of time you specify. You can even ask to have an annual cost-of-living increase built into the calculation to keep pace with inflation. Call the MyFRS Financial Guidance Line at 1-866-446-9377, Option 2 (TRS 711) to speak with an EY financial planner. The financial planner can work with you to determine the income annuity option that makes the most sense for you.

What Annuity Income Options Are Available to FRS Investment Plan Members?

MetLife offers the following types of annuities:

- Immediate fixed income annuities
 - Provide a guaranteed monthly payment that can start right away.
 - You can elect a Return of Premium Guarantee (cash refund) to ensure your beneficiary gets back everything that you put in, minus any payments you received.
 - Single Life or Joint and Survivor options are available.
- Deferred income annuities
 - Permit you to delay receiving your guaranteed income payments to a later age.
 - Reduce your Investment Plan balance that may be subject to required minimum distribution (RMD) rules.
 - Referred to as “longevity insurance” because they can provide income later on in retirement, typically between the ages of 80 to 85.

Why Should I Buy an Income Annuity Through the FRS?

FRS members receive group pricing that is not available to individual investors who purchase similar income annuities on their own or through a broker. Because you are an FRS member, you don't have to pay the agent or broker commissions that you would have to pay in the retail market. The net effect is you may have a larger annuity and save money.

Caution About Cashing Out!

Reminder: Do not request a distribution until you are ready to retire. The FRS considers you retired if you take any distribution from your Investment Plan account.



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How Can I Buy an Annuity?

To find out more about how an annuity might fit into your financial future, call the MyFRS Financial Guidance Line at 1-866-446-9377, Option 2, or TRS 711, and receive free, unbiased assistance from a financial planner. The financial planner can also give you price quotes on various annuity options and send you an election form and package to review. If you decide to purchase an annuity, you will need to submit the necessary forms to the Investment Plan Administrator for processing.

Please note: Annuities are not liquid, meaning you can't cash them in like stocks or withdraw money like you can from mutual funds; that's why it's important to leave enough money in your liquid investments to cover those unforeseen expenses that inevitably arise.

Resources

Visit MyFRS.com to read about retirement planning and access other publications, such as the [Termination Kit](#) for distribution options, information, and regulations.

All guarantees are based on the claims-paying ability and financial strength of Metropolitan Life Insurance Company. The maximum available guarantee period may be limited by IRS regulations. The cost to elect optional features is generally higher and the initial payments lower than for payment options selected without these features. Electing these features may also affect the tax calculation in payments received. Please consult your tax advisor.

Like most annuity contracts, Metropolitan Life Insurance Company annuities have charges and terms for keeping the contract in force.

Product availability and features may vary by state.

Pursuant to IRS circular 230, MetLife is providing you with the following notification: The information contained in this document is not intended to (and cannot) be used by anyone to avoid IRS penalties. This brochure supports the promotion and marketing of MetLife's annuity products. You should seek advice from an independent tax advisor, based on your particular circumstances.

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