

DROP/ILSB Interest Rates:

Members eligible for DROP/ILSB **on or after** January 1, 2004

If you became eligible* for DROP or ILSB on or after January 1, 2004, then your DROP/ILSB account is affected by Act 962, which was passed in the 2003 Regular Session of the Louisiana Legislature. This act established a different method of calculating interest earnings on DROP/ILSB accounts for all members who became eligible for DROP/ILSB **on or after** January 1, 2004.

Act 962 provides that these accounts earn interest at the liquid asset money market rate less a 0.25-percent administrative fee for TRSL. Interest will be posted monthly to your account and will be based on the balance in the account for that month. If you withdraw your total account balance, interest will be paid through the day you withdraw the funds.

The average interest rate on such accounts for the fiscal year ended June 30, 2009, was 1.33 percent. Projected returns over your life expectancy (less the administrative fee) will be approximately 3.5 percent annually based upon historic interest rates. Liquid asset money market rates are approximately the same as passbook savings account interest rates.

Members who were eligible to enter DROP/ILSB before January 1, 2004, will continue to earn interest computed annually based on the system's actuarially realized rate of return less a 0.5-percent administrative fee. Those members should refer to the *fast facts* sheet titled "DROP/ILSB Interest Rates: Members eligible for DROP/ILSB before January 1, 2004."

TRSL does not guarantee any rate of interest earned on your DROP/ILSB account.

More information about DROP can be found in the active member section of our website at www.trsl.org. If you have questions about DROP, please call TRSL's Member Information Center (MIC) at 225-925-6446.

* If you are a TRSL Regular Plan or Plan A member, you become eligible for DROP/ILSB when you first reach one of the following eligibilities:

- 10 years of service at age 60,
- 25 years of service at age 55, or
- 30 years of service at any age.

If you are a Plan B member or you are not sure of your eligibility, call TRSL.