

Memorandum

TO: APERS DROP Participants

DATE: November 21, 2011

SUBJ: DROP Interest Rate Change

Effective July 1, 2011, the interest paid on accrued monthly benefit contributions to the Arkansas Public Employees Retirement System (APERS) Deferred Retirement Option Plan (DROP) members' accounts will be 3%. At their regularly scheduled quarterly board meeting on February 16, 2011, the APERS Board of Trustees voted for the new rate after considering the current economic environment, the future viability of the APERS plan, and interest rates available on other investment vehicles in making their decision.

If you have specific questions regarding your DROP account, please submit them in writing to the APERS Member Services Section at the address listed above (please include your social security number and current mailing address). General questions can be answered via telephone by either our Call Center representative or a retirement counselor in the Member Service Section.