

## How to calculate the DROP and PROP earnings rate



In order to calculate the earnings to be applied to the DROP and PROP accounts as of September 1<sup>st</sup> of each year, the Fund's annual return for the previous five fiscal years is averaged. The minimum annual rate would be 5% and the maximum would be 10%. The earnings to be credited to the DROP and PROP accounts as of September 1, 2009 will be calculated by adding together the Fund's annual return for 2005, 2006, 2007, 2008 and 2009, then dividing by five. The annual return for fiscal year ending June 30, 2009 will be finalized in August of 2009. The returns for the previous years are as follows:

2005	19.12%
2006	14.48%
2007	17.00%
2008	3.97%

**For example, if** the Fund's annual return for 2009 is **-20%**, the annual earnings to be applied to the DROP and PROP as of September 1, 2009 would be 6.91%.