

Notice of Important Plan Enhancements *for Participants in the Following Self-Directed Plans:*

- Statewide Hybrid Plan- Money Purchase Component
- Deferred Retirement Option Plan (DROP)
- 457 Deferred Compensation Plan
- Statewide Money Purchase Plan
- Separate Retirement Account (SRA) (if invested at Fidelity)

FPPA is committed to continually evaluating the self-directed plans to ensure that you, the participant, have access to “best in class” fund options, high-quality service and competitive fees. To that end, last year, FPPA conducted a comprehensive review of the recordkeeping, administration and investment menu of the self-directed plans listed above. These plans are offered to over 3,600 participants. During this process, FPPA examined the retirement plan provider marketplace to compare the current provider, Fidelity, to others, and determined that FPPA is partnering with the strongest firm in serving you.

The results are very exciting. We encourage you to read this document thoroughly so you understand all of the plan enhancements and the fee structure that will benefit you as a FPPA member and participant in one or more of the self-directed plans.

Fidelity Investments® *Retained as Recordkeeping Partner*

FPPA engaged Fidelity Investments as our recordkeeping partner in 2001, and, as a part of its fiduciary duty, FPPA put these services out to bid again in 2010. We conducted a six-month due diligence review of the marketplace that carefully examined seven qualified firms that have a proven capability of providing the services that FPPA and its members would require now and into the future.

The search process was focused on examining each firm’s capabilities in five distinct areas:

- Participant Services and Communications
- Plan Sponsor Support and Services
- Retirement Services Business Model
- Investment Flexibility
- Competitive Fees

The primary goals and accomplishments of this project were:

1. to improve overall plan and participant level services,
2. to improve the investment options available to participants, and
3. to ensure competitive plan fees.

Based on a review of the written proposals and subsequent site visits to select firms, it was determined that Fidelity scored at the top in each of these key categories.

The results of this work not only achieved all of the goals outlined above, but allowed FPPA to strengthen our competitive advantages as a dedicated plan provider to the public safety workforce in Colorado. In the end this benefits you, the participant in one or more of the self-directed plans!

Plan Enhancements Overview

Investment Menu Expanded

FPPA recognizes that the long-term success of any investment and savings program is to provide you, the participant, with a high quality investment menu of funds that will allow for broad diversification opportunities across the capital market spectrum. With this in mind, **FPPA has constructed a broadly diversified investment menu that will offer you high quality mutual funds that are institutionally priced (when available) and have historically shown an ability to bring top-tier performance within their respective asset categories.**

We are very excited to continue to offer a number of funds that you are already familiar with, and an expanded list of NEW funds that will provide for greater diversification. This includes expanded options in the fixed income and international equity categories, along with a multi-strategy/alternative asset option. A new array of target date funds will replace the Fidelity Freedom Funds. We also replaced a few funds to provide a stronger or lower cost fund where appropriate. Additional information from FPPA and Fidelity regarding the new fund line-up and the transition process was recently mailed to you. Please refer to that notice for information about the new funds, re-negotiated expense ratios and the timing of the fund transition.

While it is our goal to offer a wide array of investment options, we recognize that you may wish to invest in a particular stock or mutual fund not contained in the standard plan options. BrokerageLink is still available in all of the self-directed plans. You may invest up to 95% of your assets through the BrokerageLink, 5% must remain in the standard plan options. All new contributions will be directed to the standard plan options. It is your option to later invest those assets through the brokerage window.

If you have hired a Registered Investment Advisor (RIA) to assist you with the management of the assets in the plan, 3rd party trading is now available on all plans. Please keep in mind that FPPA and Fidelity do not monitor the investments offered through BrokerageLink, nor do we monitor the activity or the billing of any RIA you decide to use - this is your responsibility, as the participant who hires the advisor, to monitor your investments and your investment advisor.

Auto Rebalance

This is a feature that automatically rebalances Participants' accounts on an annual basis to align the balances with the investment allocation established by you, the Participant. If you elect to use this feature, you will receive a reminder notice in the mail 10 business days before the rebalance takes place. Confirmation statements are available online or in hardcopy. To sign-up for Auto Rebalance, simply contact Fidelity investments at 1-800-343-0860.

Fidelity® Portfolio Advisory Service at Work

Another service available to you is the Fidelity® Portfolio Advisory Service at Work. With this service, Investment professionals manage your workplace savings for you—to help meet your retirement goals and time frame. They take over the day-to-day management of your workplace savings, monitoring financial trends to help make sure that your workplace savings stays on track, that you maintain an appropriate amount of risk, and that you are invested to take advantage of potential growth opportunities.

A Fidelity® Portfolio Advisory Service at Work managed account* will:

- Assess your situation and investment time frame
- Align your savings with an appropriate model portfolio
- Monitor your account to manage market risks
- Adjust your investment mix as needed to keep your goals on track

** This account is an optional fee-based service available any time by calling (800) 343-0860.*

Fidelity® NetBenefits Website

Fidelity® NetBenefits Website www.Fidelity.com/atwork continues to be enhanced to meet the changing needs of plan participants by offering the following:

- Account aggregation
- Multi-goal planning
- Educational support
- Wireless access
- Online account statements

Plan Costs Overview

Offering a cost-effective and competitive plan is very important to FPPA.

Recognizing that providing a high quality retirement savings platform does have costs, FPPA has endeavored to contain and lower costs whenever possible. As one of the goals of the 2010 search project, we wanted to gain a clear understanding of all costs associated with providing state of the art self-directed plan offerings for our members. We are intent on making sure that all plan costs are transparent to you.

There are three categories of costs, every retirement plan incurs:

- Administration & Communications,
- Recordkeeping and
- Trust & Custody, Investments.

FPPA has determined that its 2011 cost to administer the self-directed plans is equal to 0.128% (one hundred twenty-eight thousandths of a percent) of the plan assets as of December 31, 2010. FPPA will annually review the plan costs to cover only its actual expenses and make the appropriate adjustment to its administrative fees.

The following sources may be used to pay for the overall cost:

- Forfeitures (funds forfeited by members who terminate employment prior to becoming vested);
- Administrative fees; and
- Revenue sharing (the part of the expense ratio that is rebated back to the plan sponsor from the mutual fund company).

To increase the transparency of the fees charged to participant accounts, FPPA has added an asset-based administrative fee and negotiated reduced expense ratios for the mutual funds in the standard plan options and have provided the lowest-cost share class that is available to FPPA. FPPA expects the revenue sharing received to pay the fee charged by Fidelity for recordkeeping services. However, if any revenue sharing above the Fidelity fee is received, FPPA will apply it to plan expenses to reduce the administrative fees to participants.

Specifically, participant's accounts are charged as follows (effective 2nd Quarter 2011):

Fund Expense Ratios

All mutual funds charge their shareholders an annual fee called an expense ratio. The current range of expense ratios based on the standard plan investment options is 0.06 to 1.55. A portion of that expense ratio, an average of 0.12%, is rebated to offset the costs as-

sociated with administering the self-directed plans and the associated investments. The returns you will see on your statement are net of the expense ratio. Again, FPPA has negotiated the lowest available expense ratio for the mutual funds in the fund-line up.

Administrative Fees

Forfeitures are applied to plan costs before any administrative fees are charged, and will reduce the administrative fees charged in that particular plan. In 2011, participants invested in the standard plan options are charged a flat fee of \$7.50 per quarter per account, \$5.00 in the first quarter, regardless of the account balance. In addition, participants are charged a certain percentage of assets (see table this page). This amount varies by plan (based on the availability and amount of forfeitures and flat fees) and is evaluated and adjusted each year based on the previous year's expenses for that plan and other variables such as number of participants and assets under management. Both the flat fee and the asset-based fee are used to pay FPPA's plan administration expenses. Due to forfeitures in the Statewide Money Purchase Plan, there will be no administrative fees chargeable to participants in that plan in 2011.

Plan	Annual Administrative Fee-effective 2nd Quarter, 2011 (as a percent of assets)
457 Deferred Compensation	0.036%
Statewide Hybrid Plan- Money Purchase Component	0.074%
Separate Retirement Account (SRA) self-directed assets only (effective 5/1/2011)	0.097%
Deferred Retirement Option Plan (DROP) self-directed assets only	0.107%
Statewide Money Purchase Plan	0.000%

FPPA

Notice of Important Plan Enhancements

for Members of Self-Directed Plans Offered by FPPA

Expanded Participant Investor Services

Planning & Guidance Consultant

Now available to you is a dedicated Fidelity Planning & Guidance Consultant who is based locally. **Sam Casad** has been assigned to FPPA, and is supported by a dedicated team of consultants that are available to FPPA members on-site, in person or by phone. He will provide investment education, guidance, and can discuss various plan level provisions. Sam and his team will be available for one-on-one member consultations as well as to conduct group workshops throughout the year. This will be combined with the ongoing communications services that FPPA will continue to provide to our members.

Samuel R. Casad is a Fidelity Workplace Planning and Guidance Consultant, responsible for financial guidance and assistance to FPPA members.

Sam started his career with Fidelity in 2006. Prior to his current role, he was most recently a Financial Planning Consultant in Brea, California, where he provided comprehensive financial planning for clients in the Orange County area. Sam also worked as an Investments Representative and Financial Representative in the same office.

Prior to joining Fidelity, Sam worked for the Bank of Ireland, Dublin; Regions Bank, Knoxville, TN; and, AXA-Financial, Los Angeles, CA.

Sam received a Master of Science degree from the University of Tennessee, Knoxville. He has also earned a Bachelor of Arts degree from California State University, Northridge.

Sam holds FINRA Series 7 and 66 (65, 63) securities licenses as well as Colorado State Life and Health Insurance licenses.

Fidelity® Investor Centers

You will continue to have access to the Fidelity Investor Centers if you would like to meet with non-commissioned financial representatives to discuss your FPPA accounts or other investment matters. The Investor Centers also offer free investor education seminars and workshops. These centers are located at the following sites in Colorado:

Denver

World Trade Center
(on the 16th Street Mall)
1625 Broadway
Denver, CO
(303) **649-1708**

Colorado Springs

Promenade Shops at Briargate
1645 Briargate Parkway,
Suite 211
Colorado Springs, CO
(800) **343-6038**

Lone Tree

(Near Park Meadows mall)
9185 E. Westview Rd.
Littleton, CO
(303) **649-1708**

Broomfield

Flatirons Crossing Mall
281 East Flatiron Circle
Broomfield, CO
(303) **469-1104**

Your retirement income from the self-directed plans is largely dependent on the amount you save, the quality of the investment options available, the services offered to assist you, and the fees associated with the administration of the plan. **FPPA, together with Fidelity Investments, is pleased to continue to offer a very competitively priced and attractive retirement solution to the FPPA members who are participants in our self-directed plans.** Please do not hesitate to contact either FPPA at (800) 332-3772 or Fidelity Investments at (800) 343-0860 should you have any questions on the information provided.