

[Company/Organization Name]
[Human Resources/Retirement Department]
[Address]
[City, State, Zip Code]

[Date]

[Employee Name]
[Employee ID]
[Address]
[City, State, Zip Code]

Subject: Notification of Eligibility for Deferred Retirement Option Plan (DROP)

Dear [Employee Name],

We are pleased to inform you that, based on our records, you have met the service and age requirements to participate in the Deferred Retirement Option Plan (DROP) effective [Eligibility Date].

The DROP program allows eligible employees to technically retire for purposes of pension calculations while continuing to work in their current position. During your participation in DROP:

- Your monthly retirement benefits will be deposited into a tax-deferred interest-bearing account.
- You will continue to receive your regular salary and benefits as an active employee.
- At the end of your DROP period, you will receive the accumulated balance in your DROP account and begin receiving your monthly pension directly.

Please note that participation in DROP is voluntary. If you choose to enroll, you must submit your formal application no later than [Deadline Date]. Participation is limited to a maximum period of [Number] years.

To discuss your options or to receive an estimate of your DROP benefits, please contact the Retirement Office at [Phone Number] or [Email Address]. We recommend consulting with a financial advisor regarding the tax implications of this program.

Thank you for your dedicated service to [Company/Organization Name].

Sincerely,

[Signature]
[Name of Sender]
[Title]