

**REVERSE DEFERRED RETIREMENT OPTION PLAN  
MEMORANDUM OF UNDERSTANDING AND AGREEMENT**

**Your Statements to your employer and your CORP Local Board**

Your employer and your Local Board will rely on the following facts. Each is important because it demonstrates you have carefully considered your election to participate in the REVERSE DROP.

**Please initial** each statement if true in the place shown in the left margin. If the statement is not true and **you do not initial each statement, you cannot enter into the REVERSE DROP.**

\_\_\_\_\_ I have received a copy of the REVERSE DROP law which sets forth the terms and conditions for participation in the REVERSE DROP.

\_\_\_\_\_ I have not been subject to any pressure, coercion, intimidation or threats by my employer or the Local Board or any of their agents in connection with my election to participate in the REVERSE DROP.

\_\_\_\_\_ I have had sufficient time to consider my options regarding my employment with my employer.

\_\_\_\_\_ I understand my decision to participate in the REVERSE DROP means I must retire and terminate my employment with my employer on the date I elect to participate in the REVERSE DROP.

\_\_\_\_\_ I understand there is a maximum period of sixty (60) consecutive months for participation in the REVERSE DROP, but in no case can my REVERSE DROP date predate my completion of twenty-four years of credited service.

\_\_\_\_\_ I understand that my years of service as of my REVERSE DROP date and my average monthly compensation as of my REVERSE DROP date will be the factors used in calculating all amounts credited to my REVERSE DROP account, as well my monthly pension.

\_\_\_\_\_ I understand that all contributions made pursuant to A.R.S. Section 38-891 during the period of the REVERSE DROP are not eligible to be refunded.

\_\_\_\_\_ I understand my decision to participate in the REVERSE DROP has very important consequences for me. I have been advised to consult an advisor such as an accountant or an attorney of my choosing if I have any questions about my participation in the REVERSE DROP.

\_\_\_\_\_ I understand this agreement has very important consequences for me and is legally binding on me. I have been advised to consult an attorney of my choosing if I have any questions about the agreement.

**Your promises to your employer**

Please initial each statement if true in the place shown in the left margin. If the statement is not true and you do not initial each statement, you cannot enter into the REVERSE DROP.

\_\_\_\_\_ I elect to participate in the REVERSE DROP.

\_\_\_\_\_ The number of months in my REVERSE DROP designation period is as prescribed in Form C4 RDROP. (The REVERSE DROP designation period may not exceed sixty (60) consecutive months or predate my completion of twenty-four years of credited service.)

\_\_\_\_\_ I will retire under the CORP and terminate my employment with my employer on the date I elect to participate in REVERSE DROP.

\_\_\_\_\_ I will abide by the terms and conditions of REVERSE DROP as prescribed by law.

**Waiver**

Please initial each statement if true in the place shown in the left margin. If the statement is not true and you do not initial each statement, you cannot enter into the REVERSE DROP.

\_\_\_\_\_ I release my employer, the Local Board and the board of trustees from any and all claims based on my election to participate in the REVERSE DROP and my agreement to retire and terminate my employment with my employer.

\_\_\_\_\_ I release my employer, the Local Board and the board of trustees from any and all claims under the Arizona and Federal Age Discrimination in Employment laws and Civil Rights laws as these laws relate to my participation in the REVERSE DROP and my agreement to terminate employment with my employer.

\_\_\_\_\_ I understand that the facts in respect of which this agreement is made and releases are given may hereafter turn out to be other than or different from the facts now known by me or believed by me to be true. I expressly accept and assume the risk of the facts turning out to be so different. I agree that any releases I make in this agreement shall be in all respects effective and not subject to termination or rescission by reason of any such differences in facts.

**Covenant Not To Sue**

Please initial each statement if true in the place shown in the left margin. If the statement is not true and you do not initial each statement, you cannot enter into the REVERSE DROP.

\_\_\_\_\_ I will not sue my employer, the Local Board, the board of trustees, or their employees, officers and agents for any claim arising out of my election to participate in REVERSE DROP, my participation in the REVERSE DROP or my decision to retire and terminate employment with my employer.

**Your signature to the Agreement**

\_\_\_\_\_ I have carefully read this entire agreement.

\_\_\_\_\_ I understand this agreement.

\_\_\_\_\_ I am satisfied with this agreement.

\_\_\_\_\_ I have signed my name voluntarily.

This is the only agreement I have made with my employer and the Local Board regarding my election to participate in the REVERSE DROP and my agreement to terminate my employment with my employer and retire.

Dated: \_\_\_\_\_

\_\_\_\_\_  
Member (Print)

\_\_\_\_\_  
Member (Signature)

\_\_\_\_\_  
Social Security Number

\_\_\_\_\_  
Employer Name

Dated: \_\_\_\_\_

BY: \_\_\_\_\_  
Employer Signature

Dated: \_\_\_\_\_

BY: \_\_\_\_\_  
Local Board Signature

