

AHRC-PAP-T

SUBJECT: Notification of Eligibility for Retired Pay at Age 60 (Twenty Year Letter)

You must notify this Command, using the DD Form 2656-5, Reserve Component Survivor Benefit Plan (RCSBP) Election Certificate or DD Form 1883, Survivor Benefit Plan - Election Certificate, one of which is found in the enclosed booklet, of your decision within 90 days of the date of this Letter. If you have been mobilized and deployed OCONUS, you or your spouse may notify this Command of your status and inability to make an election. During the period of your mobilization/active duty deployment you will automatically be covered under SBP for Spouse and Children. Upon receipt of a written request for deferment, accompanied by a copy of the mobilization/deployment order, you will be granted a deferment from election. The deferment will end 90 days following your release from active duty. At that time you must have notified this Command of your election or you will be automatically enrolled under Option C, Full Coverage, Spouse and Children. The cost for this participation will commence upon your receipt of retired pay at age 60. Detailed information concerning the RCSBP program and costs is enclosed. ANY WRITTEN CORRESPONDENCE (letter or forms) THAT INVOLVE A CHANGE FROM FULL COVERAGE UNDER OPTION C FOR SPOUSE REQUIRE THE SIGNATURE OF YOUR SPOUSE BEFORE A NOTARY, OR A RETIREMENT SERVICES OFFICER AND ONE OTHER WITNESS. FAILURE TO MEET THIS REQUIREMENT WILL RESULT IN THE RETENTION OF FULL COVERAGE FOR YOUR SPOUSE AND CHILD(REN). You may contact this Command for answers to specific individual questions by dialing 1-800-318-5298, extension 4.

5. Reserve Soldiers who have completed 20 years of qualifying service for retirement may be eligible for the Veteran's Group Life Insurance Program. Information regarding this program may be obtained from the Office of Servicemember's Group Life Insurance, 213 Washington Street, Newark, NJ 07102-2904, 1-800-419-1473.

FOR THE COMMANDER:

Encls



DENNIS M MIKALE
Deputy Director, Personnel
Actions and Services



DEPARTMENT OF THE ARMY
U.S. ARMY HUMAN RESOURCES COMMAND
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AHRC-PAP-T

MEMORANDUM FOR

30 NOVEMBER 2006



MAJ ANDRES DINGCONG SULLA
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VANCOUVER WA 986834454

586 70 0635

SUBJECT: Notification of Eligibility for Retired Pay at Age 60 (Twenty Year Letter)

1. You have completed the required years of qualifying reserve service and are eligible for retired pay on application at age 60 in accordance with Title 10, U.S. Code, Chapter 1223. Your eligibility for retired pay may not be denied or revoked on the basis of any error, miscalculation, misinformation, or administrative determination of years of creditable service performed unless it resulted directly from fraud or misrepresentation on your part. However, the number of years of creditable service in which retired pay is computed may be adjusted to correct any error, miscalculation, misinformation, or administrative determination. When such correction is made you will be eligible for retired pay according to the number of years of creditable service, as corrected, from the date retired pay is granted.

2. You will not be entitled to retired pay under Title 10, U.S. Code, Section 12731 if you are now or later become entitled to retired pay from an armed force under any other provision of law, or to retainer pay as a member of the Fleet Reserve or Fleet Marine Corps Reserve.

3. If you are in an active status, you are reminded that since you have completed 20 years of qualifying service you must earn a minimum of 50 points each retirement year to retain active status. This requirement may be waived for valid reasons, such as personal hardship. Contact your Personnel Manager for questions concerning participation.

4. Public Law 95-397, 30 Sep 1978, created the Reserve Component Survivor Benefit Plan (RCSBP), in which you are entitled to participate. RCSBP is your sole means of protecting your retired pay entitlement. NOTE: Public Law 106-398, 30 Oct 2000, requires that upon receipt of this Letter, a qualified Reserve Component member, who is married, will automatically be enrolled in the RCSBP under Option C, Spouse and Child(ren) coverage based on Full Retired Pay, UNLESS spouse concurrence is provided to allow one of the following elections:

- a. Option A (defer enrollment until age 60 when you apply for retired pay).
- b. Option B (enroll and pay an annuity when YOU would have been age 60).
 - (1) Enroll spouse or spouse and child(ren) at LESS THAN the maximum level.
 - (2) Enroll child(ren) only
- c. Option C (enroll and pay an annuity immediately upon your death) but:
 - (1) Enroll spouse or spouse and child(ren) at LESS THAN the maximum level.
 - (2) Enroll children only.

IMPORTANT INFORMATION**RETIRED RESERVE - VERSUS - DISCHARGE**

Have you received your 20-Year Letter and are considering electing discharge rather than transfer to the Retired Reserve? Based upon the date you initially entered military service, you may want to reconsider your decision.

Retired Pay Computations

Depending on the Date you Initially Entered Military Service (DIEMS), your monthly Army Reserve retired pay will be calculated under the "**Final Basic Pay**" or "**High-3**" formula as follows:

If your DIEMS date is before 8 September 1980

1. Multiply your years of satisfactory/equivalent service (see equivalent service formula below) by 2.5% up to a maximum of 75%.
2. Multiply the result by the basic pay in effect on the date your retired pay begins (normally age 60).

If your DIEMS date is on or after 8 September 1980

1. Multiply your years of satisfactory/equivalent service (see equivalent service formula below) by 2.5% up to a maximum of 75%.
2. Multiply the result by the average of your **highest** 36 months of basic pay.

Note: The highest 36 months of basic pay for a Soldier who transfers to the Retired Reserve until age 60 will normally be the 36 months before age 60. Longevity service will continue and pay raises will continue to accrue. Soldiers, who elect discharge before age 60, will have their highest 36 months of basic pay based on the date of discharge. Longevity service stops and future pay raises will not be considered.

As can be seen from these two examples, if you initially entered military service on or after 8 September 1980 you should think carefully before requesting a discharge. Taking a discharge will impact your retired pay.

Equivalent Service = Total Creditable Retirement Points / 360.