

Army RSO Survivor Benefit Plan (SBP) Retiring Soldier Counseling Statement
(Updated 25 May 2023)

1 I _____, by my signature, certify that I previously
(Print Rank/Full Name/Last Four of SSN)
received SBP counseling and understand the following:

1. My retired pay stops when I die. My participation in SBP is the only way my eligible beneficiaries will receive a portion of my retired pay after my death.
2. The SBP annuity is 55 percent of the base amount I choose. The base amount is the amount of my retired pay I elect to cover for SBP. The spouse SBP cost is 6.5 percent of the base amount. My base amount increases with any changes to gross retired pay to include yearly cost of living adjustments (COLA). This increases my retired pay, the SBP base amount, the SBP cost, and the SBP annuity. SBP premiums start from the effective date of my retirement, even if my retirement is backdated to an earlier date. Below is my estimated retired pay, SBP annuity, and SBP cost for my SBP election.

3. **SBP Base Amount \$ _____; SBP Annuity \$ _____; Monthly SBP Cost \$ _____.**
4. I must complete an SBP election on the DD form 2656, even if I have no eligible beneficiaries.
5. If for some reason I fail to make an SBP election prior to my retirement date, by law, my election will be full coverage for any spouse and or children I have at retirement.
6. If married and I elect less than the maximum spouse SBP coverage allowed by law, I will require my spouse's concurrence. Spouse concurrence must be signed on or after the date I signed and prior to my date placed on the retired list to be valid. Maximum spouse SBP and SBP costs for a REDUX retirement is full retired pay as if the retirement was high 36 month calculation. If a lump sum is elected at retirement under BRS, the maximum spouse SBP coverage is the full retired pay that would be received without the lump sum election.
7. My SBP election is generally irrevocable. I can terminate all SBP coverage between the 25th and 36th month following my retirement with my spouse's concurrence. There is no refund of premiums for coverage I already received and I will be barred from future SBP participation.
8. My SBP is paid-up and I will pay no more SBP premiums after making 360 SBP payments and reaching at least age 70.
9. If my SBP beneficiaries change (e.g. birth, death, divorce, or marriage) between completing my SBP election and my retirement date, a new DD Form 2656 with an updated SBP election is required.
10. If I do not elect SBP for a spouse or eligible child at retirement, I close those SBP categories forever.
11. My spouse's SBP annuity ends if remarried prior to age 55. If that marriage ends, the spouse SBP annuity restarts from that date and my spouse must re-apply for the SBP annuity.
12. If I elected spouse and children or children only SBP coverage, all my eligible children are covered.
13. If I elected spouse and children SBP, my spouse is the primary beneficiary. My SBP only goes to the children if my surviving spouse dies or remarries prior to age 55.
14. Children are eligible for SBP until age 18 or 22 if a full time unmarried student. A child that marries at any age loses eligibility for SBP, even if that marriage ends.
15. If I have a child who is totally incapacitated and the incapacitation occurred at an age the child would have been eligible for SBP, the child would receive the SBP annuity for life. The SBP annuity for an incapacitated child may be paid to a special needs trust established for the benefit of the child.

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16. If I am unmarried at retirement and elect child SBP, I have one year from my first marriage after retirement to add my new spouse to my existing child SBP coverage. If I do not have a child at retirement and elect spouse SBP, I have one year from the date I gained the child to add a child to my existing spouse SBP coverage.

17. **No Beneficiary at Retirement.** If I have no beneficiary at retirement (spouse and or child), I understand the following: I have one year from my first marriage and or gaining a child to notify the Defense Finance and Accounting Service and request SBP coverage. If I take no action within one year, the SBP category is closed for not only that SBP beneficiary category but any future beneficiary in that SBP category. If I elect SBP, SBP premiums and coverage normally start at the first anniversary of the marriage for spouse or the first child born of that marriage, whichever occurs first. The SBP premiums and coverage for a child is immediate.

18. **Insurable Interest SBP Election.** Insurable interest SBP only applies if I am unmarried, have no eligible children, and do not desire to elect former spouse SBP. I understand I can elect SBP for someone who has an insurable interest in my life. If I elect insurable interest SBP at retirement and after retirement, I marry or have a child, I have one year to cancel my insurable interest SBP and elect spouse and or child SBP or I will close that SBP category permanently. I understand that if I am medically retired, my Insurable Interest election is not valid unless I live one year from retirement or if I die within one year, my death must not be attributable to a medical condition for which I was medically retired. At the death of my insurable interest beneficiary, I must make an election for a new insurable interest beneficiary within 180 days or close my insurable interest election permanently.

19. **Former Spouse at Retirement.** If I divorced prior to retirement, I can elect former spouse SBP coverage at my retirement. If court ordered and I do not elect former spouse SBP, the court may find me in contempt of court. An election of former spouse and children SBP coverage only includes the children of my marriage to my former spouse. With the death of the former spouse, an election for spouse SBP coverage may be made. Court ordered former spouse SBP can be changed by having all the court orders amended to show former spouse SBP is no longer court ordered and request spouse SBP as long as done within one year of marriage.

20. **SBP and VA Disability.** This section applies to Soldiers being medically retired or who have a possible future VA disability claim. If my death is determined by the VA to be service connected, my surviving spouse and eligible children will receive Dependency and Indemnity Compensation (DIC) from the VA. My surviving spouse will also receive the full SBP annuity in accordance with my election. I may withdraw from SBP if the VA rates me as totally disabled either for not less than five continuous years from the date of last active duty or if awarded after retirement, for ten or more continuous years. If I withdraw from SBP for total disability, my surviving spouse will receive a full refund of all spouse SBP costs paid. If I am not rated by VA as totally disabled for the above timeframes, there is no guarantee VA will determine my death is service connected or that my survivors will receive DIC. If my VA disability compensation completely offsets my retired pay, I must pay my SBP premiums to DFAS through direct remittance or I may direct VA, by submitting a DD Form 2891, to pay the premiums to DFAS from my disability pay. Unpaid SBP premiums carried over into a new billing month will accrue an interest fee.

Soldier's Signature: _____ **Date:** _____

Army SBP Counselor's Signature: _____ **Date:** _____

Printed Name: Raymond R. Petrin **Installation/Location:** East Greenwich, RI 02818

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Distribution: Soldier; DFAS with DD Form 2656; RSO with copy of DD Form 2656