

(m) The term *Board of Actuaries* means the Government Actuary in the Department of the Treasury, the Chief Actuary of the Social Security Administration, and a member of the Society of Actuaries appointed by the President to advise the Secretary of Defense on the administration of the Plan.

(n) The term *Joint Board* means representatives of the uniformed services appointed under the provisions of § 48.602.

(o) The term *years of service* means years of service creditable in the computation of basic pay.

(p) The term *election* means the choice of options made by the member under the RSFPP. This term includes a modification of a previous election or an election submitted after a revocation of a previous option(s) elected.

(q) The term *elections in effect* means valid elections existing on the day of retirement.

(r) A recognized educational institution is defined as a high school, trade school, technical or vocational institute, junior college, college, university, or comparable recognized educational institution which meets one or more of the following criteria:

(1) It is operated or directly supported by the United States, or a State, or local governmental agency.

(2) It is accredited by a nationally recognized or State recognized accrediting agency.

(3) It is approved as an educational institution by a State or local governmental agency.

(4) Its credits are accepted for transfer (or for admission) by three or more accredited schools on the same basis as credits from an accredited school.

### Subpart B—Election of Options

#### § 48.201 Options.

As provided in § 48.203, a member may elect one or more of the following annuities. The amount must be specified at time of election, and may not be for more than 50 per centum nor less than 12½ per centum of his retired pay, in no case may be less than a \$25 monthly annuity be elected. If the election is made in terms of dollars, the amount may be more than 50 per centum of the retired pay that he would receive if he

were to retire at the time of election; however, if such elected amount exceeds 50 per centum of his retired pay when he does retire, it shall be reduced to an amount equal to such 50 per centum. Also, if the dollar amount elected is less than 12½ per centum of his retired pay when he does retire, it shall be increased to an amount equal to such 12½ per centum.

(a) Option 1 is an annuity payable to or on behalf of his widow, the annuity to terminate upon her death or remarriage.

(b) Option 2 is an annuity payable to or on behalf of his surviving child or children as defined in § 48.102, the annuity to terminate when there ceases to be at least one such surviving child eligible to receive the annuity. Each payment under such annuity shall be paid in equal shares to or on behalf of the surviving children remaining eligible at the time the payment is due. A member who had this option in effect on the date of retirement, and who retired on or after November 1, 1968, may apply to the Secretary concerned to have a child (other than a child described in § 48.102(e)(4)) who is at least 18 but less than 23 years of age considered not to be an eligible beneficiary under this paragraph (b) or § 48.202. Normally such applications will be approved.

(c) Option 3 is an annuity to or on behalf of his widow and surviving child or children. Such annuity shall be paid to the widow until death or remarriage, and thereafter each payment under such annuity shall be paid in equal shares to or on behalf of the surviving children remaining eligible at the time the payment is due. A member may provide for allocating, during the period of the surviving spouse's eligibility, a part of the annuity under this subpart B for payment to those of his surviving children who are not children of that spouse. The sum allotted will not exceed the equitable share for which such children would be eligible after the death of the widow.

(d) When no eligible beneficiary remains to benefit from the option elected, the member's retired pay will be restored (except as provided in § 48.604, for certain members retired before Aug. 13, 1968). All elections on file on

Aug. 13, 1968, for members not entitled to receive retired pay will be considered to include the restoration feature with attendant cost factors being applied at time of retirement. For the purpose of this paragraph, a child (other than a child described in § 48.102(e)(4) who is at least 18 but less than 23 years of age, and is not pursuing a course of study as defined in § 48.102(e)(5), shall be considered an eligible beneficiary unless an approved application by the member pursuant to § 48.201(b) that such a child is not to be considered an eligible beneficiary is in effect (for members who retire on or after Nov. 1, 1968).

**§ 48.202 Limitation on number of annuities.**

When a member desires to provide both the annuity provided by Option 1 and Option 2, he may elect amounts that, in total, meet the limitations specified in § 48.201. The cost of each annuity, and the amount of each annuity shall be determined separately. A member may not elect the combination of Options 1 and 3 or Options 2 and 3 in any case. The combined amount of the annuities may not be more than 50 per centum nor less than 12½ per centum of his retired pay. In no case may less than a \$25 per month combined annuity be provided.

**§ 48.203 Election of options.**

(a) A member who has completed less than 19 years of service as defined in § 48.102(o) may elect to receive a reduced amount of retired pay in order to provide one or more of the annuities as specified in §§ 48.201 and 48.202, payable after his death while entitled to retired pay to or on behalf of his surviving widow, child, or children. To be effective, the election by such a member must be dated, signed, witnessed, and delivered to appropriate service officials, or postmarked not later than midnight on the day in which he completes 19 years of service. Such an election will become effective immediately upon subsequent retirement. The latest election, change, or revocation made in accordance with this subsection will, if otherwise valid, be the effective election, unless superseded by a change as

provided in paragraph (b) of this section.

(b) Except as provided in paragraph (c) of this section, a member who fails or declines to make an election before completion of 19 years of service may make an election after that time. However, unless the election is made at least 2 years prior to the date the member becomes entitled to receive retired pay, it will not be effective. The same applies to subsequent changes or revocations made prior to retirement.

(c) If an election, revocation, or change was made prior to August 13, 1968, the 19-year and 2-year provisions are automatically in effect on August 13, 1968, for members who were not entitled to retired pay on such date, unless the member applies under § 48.604(d) to remain under the provisions of the law prior to August 13, 1968. In this case the "18 years of service" and "3 years prior to receipt of retired pay" rules will apply.

(d) A member retired for physical disability on or after November 1, 1968 who is awarded retired pay prior to completion of 19 years of service may make an election which is subject to the restrictions set forth in § 48.507. The election by such member shall be made before the first day for which he is entitled to retired pay. Elections made under this paragraph prior to November 1, 1968, must be made by the member retiring for physical disability prior to completing 18 years.

(e) If, because of military operations, a member is assigned to an isolated station, or is missing, interned in a neutral country, captured by a hostile force, or beleaguered or besieged, and for that reason is unable to make an election before completing 19 years of service, he may make the election within 1 year after he ceases to be assigned to that station or returns to the jurisdiction of his service as the case may be, and such election shall become effective immediately upon subsequent retirement.

(f) A member to whom retired pay is granted retroactively, and who is otherwise eligible to make an election, may make the election within 90 days after receiving notice that such pay has been granted him.