



# Blended Retirement System Basics

## Defined Benefit

*For non-regular retirement, at age 60 or earlier with creditable active service*

- Basic qualifications for retirement do not change
- The pension is still the primary component of military retirement

$$2.0\% \times \text{Years of Service} \times \text{High-36 Month Average of Base Pay} = \text{Monthly Retired Pay}$$

## Defined Contribution



Individual Contribution	Agency Automatic Contribution	Agency Matching Contribution	Total TSP Monthly Contribution
0%	1%	0%	1%
1%	1%	1%	3%
2%	1%	2%	5%
3%	1%	3%	7%
4%	1%	3.5%	8.5%
5%	1%	4%	10%

NOTE: Currently serving members who opt-in will see matching contributions immediately

## Continuation Pay

- Mid-career incentive designed to maintain force retention
- Payable at 8, but not more than 12 years of service
- AC\*: 2.5x to 13x monthly basic pay (RC: 0.5x to 6x)

\* Active Guard Reserve (AGR)/Full Time Support (FTS) receive AC continuation pay rates

## Lump Sum

- May elect lump sum of 25% or 50% at retirement
- Discounted present value from retirement to age 67
- At age 67, reverts back to full annuity